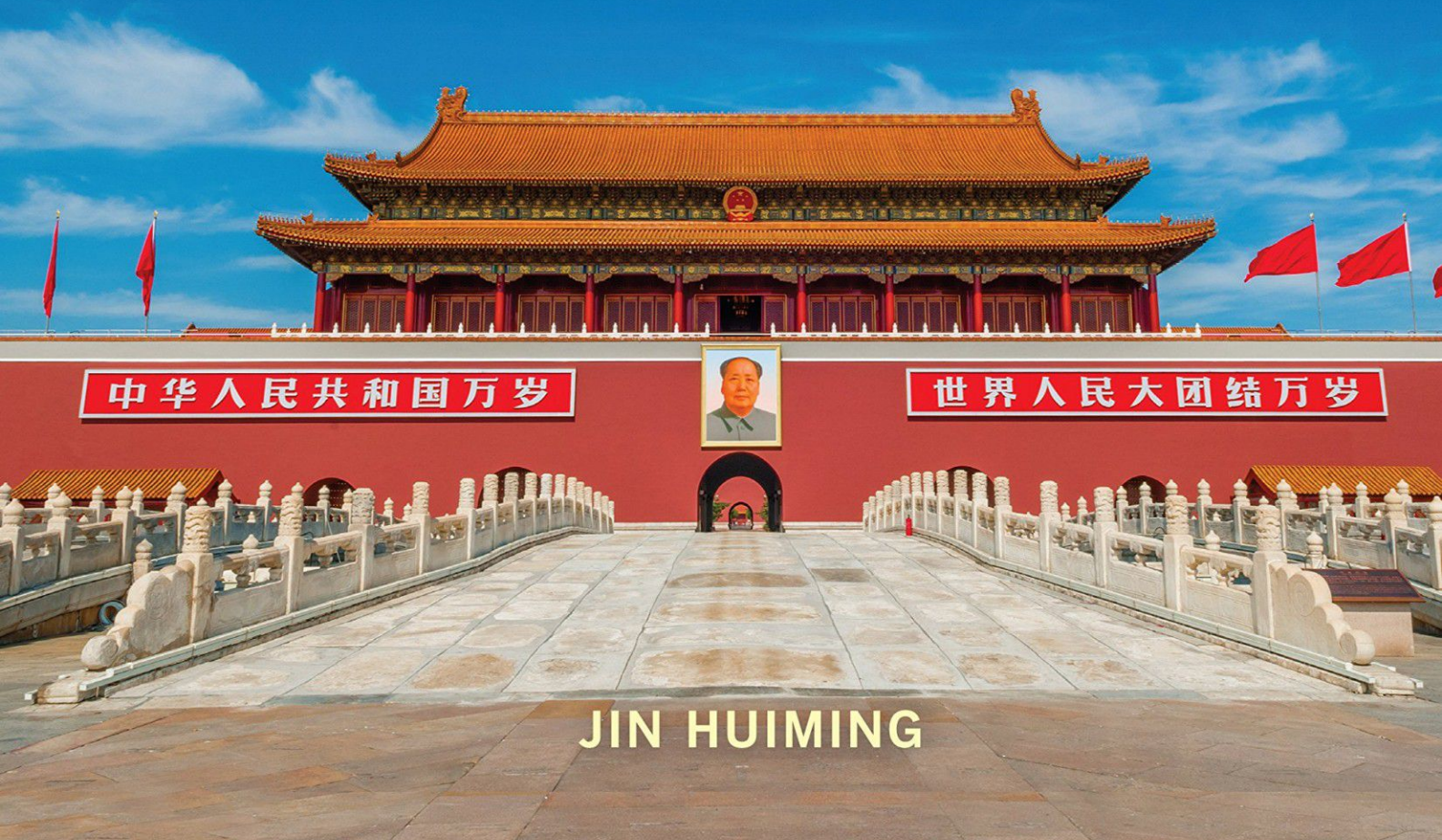
Studies on the Theory of Socialism with Chinese Characteristics

MARXISM AND SOCIALISM WITH CHINESE CHARACTERISTICS



JIN HUIMING

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Marxism and Socialism with Chinese Characteristics

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The History of Marxist Philosophy (Volume 1)
Research on the Theoretical System of Socialism with Chinese Characteristics
Research on Some Major Issues of Marxism

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PREFACE

It has been more than one and a half centuries since Marxism was born! During this historical period, tremendous changes have taken place in the world, resulting in many unprecedented new events. The emergence of socialism in the world in the 20th century opened a new epoch in human history, demonstrating the profound influence of Marxism on social development. The global financial and economic crises triggered by the U.S. subprime mortgage crisis in 2007 diverted once again the attention of the world, especially of the younger generation, to Karl Marx, whose masterpiece *Das Kapital* became a best-seller, bringing about a fever of Marxism around the world. Marx is immortal and the contemporary world needs Marxism. The scientific truths revealed and the social development trends predicted by Marxism have been proven by more and more social practices. The truth of Marxism is ever more powerful.

China's great achievements are closely linked with the impact of Marxism. The combination of Marxism with China's specific reality has gone through a long and arduous journey. We have traversed several historical stages, from the New Democratic Revolution to the socialist transformation and construction, and now to socialist reform and opening up. China has experienced two historical leaps, resulting in two great theoretical achievements.

The theoretical achievement gained from the first leap is Mao Zedong thought, a body of theoretical principles concerning the revolution and construction in China and a summary of experience therein, both of which have been proved correct by practice. The theoretical achievement gained from the second leap is the theoretical system of socialism with Chinese characteristics, under the guidance of which the Communist Party of China led the people of all ethnic groups in scoring the great achievements that attracted worldwide attention.

These two theoretical achievements are the crystallized, collective wisdom of the Communist Party of China (CPC) and the people of all its ethnic groups. The achievements are the result of Marxism adapted to Chinese conditions. The theory of socialism with Chinese characteristics is the theoretical summary of the essence and law of China's socialist reform and construction. It not only follows the general principle of scientific

socialism, but it also has the characteristics of China. It is the innovative application and development of Marxism in the specific historical conditions of contemporary China.

This book focuses on the study and interpretation of the basic principles of Marxism, the exploration of the theoretical results of socialism with Chinese characteristics from various angles, as well as their correlation. These chapters are both topical and logically interrelated. The author hopes that the publication of this book will promote more in-depth study in this theoretical field, resulting in more and better innovative academic achievement.

CHAPTER 1

MARXISM AND ITS GREAT SIGNIFICANCE IN THE CONTEMPORARY WORLD

Since its birth about one and a half centuries ago, Marxism has scored glorious achievements in its combination with labor movements and socialist revolution and construction. It leaves a deep imprint on world history in the 20th century, and is bound to have a greater impact on human history in the 21st century. It can be said that the profound influence of Marxism on human history is unparalleled by any other theory or doctrine. In March 1983, more than 1,000 people participated in a grand meeting held in China to commemorate the 100th anniversary of the death of Marx. The author delivered a speech entitled *The Great Change Made by Marx in the Conception of History,* which began as follows:

> The depth and breadth of the influence of an ideology on history is proportional to the truth it implies. As time goes by, many prominent theories have lost their past brilliance, but Marxism keeps advancing with the times. The truth it embodies has gained even greater vitality and power. During the 100 years that Marx has been sleeping in Highgate Cemetery, Marxism has spread from Europe and the United States to the whole world with the force of a majestic thunderbolt.

Today, we still want to use these words to express our belief in Marxism and our reverence to Marx, the "Man of the Millennium". At present, although the world socialist movement is at a low ebb, we firmly believe that Marxism is still full of infinite vitality and that the cause of socialism in the world will usher in a new revival.

Marxism can be summarized as the scientific truth that reveals the essence and development law of the objective world, the ideological weapon of the working class and the laboring people to transform their world and world outlook and methodology to guide

the liberation of mankind and the realization of communism. Marxism is a scientific system composed of a series of fundamental principles and basic points of view, including its founders' thoughts on Marxism, as well as the principles of his successors in answer to the issues of the times that have been tested and proven correct in practice. Marxism is a coherent scientific system as well as a developing theory. A fundamental characteristic of Marxism is that the system, as an organic whole, is scientific, revolutionary, ideological, and true. Therefore, Marxism is destined to have an arduous journey in the course of development. It can only advance in struggle and open up a new road for itself in debating with all sorts of erroneous ideological trends and in addressing various questions of the times.

1.1 The Emergence of Marxism Brought about a Great Transformation of Human Thought

1.1.1 The Emergence of Marxism is a Response to the Rise of a Modern Workers' Movement

As a new mode of production, capitalism has developed gradually from a feudal economic structure and social relations. It first originated in Italy in the 14th and 15th centuries. According to Engels, the first capitalist nation was Italy. The close of the feudal Middle Ages and the opening of the modern capitalist era are marked by a colossal figure: an Italian, Dante, both the last poet of the Middle Ages and the first poet of modern times. In the 18th century and the first half of the 19th century, with the development of a capitalist economy, some capitalist countries had completed the political revolution and then carried out an Industrial Revolution. At the same time, the inherent contradiction of capitalist society, that is, the contradiction between capitalists and wage-workers increasingly intensified. Just as Engels pointed out, "From its origin, the bourgeoisie was saddled with its antithesis: capitalists cannot exist without wage workers".[1]

With the development of capitalism and advent of the modern industrial machine age, the proletariat, especially industrial workers, continued to grow, and the bourgeoisie

1 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 525.

produced their own gravediggers. The intensification of the inherent contradiction of capitalism and the economic crisis will inevitably result in the sharpening of the class contradiction between the proletariat and the bourgeoisie, which will swiftly become the principal societal contradiction. The three large-scale labor movements that occurred successively in France, the United Kingdom, and Germany in the 1830s and 1840s marked the beginning of a new historical epoch of proletariat opposition to the rule of the bourgeoisie.

The first labor movement refers to the two uprisings staged by silk workers of Lyon in 1831 and 1834 for better working conditions and pay. The workers shouted revolutionary slogans and proposed political demands that would allow them to defend the right of association and to establish a democratic republic. Engels said this showed that the proletariat no longer only fought against their enemies but strode onto the historical stage as "socialist soldiers".

The second labor movement refers to British Chartism, which existed for about 12 years from 1936 to 1848. London workers published the People's Charter with aim to win the right to vote and set up their own organization, the National Charter Association. Petitions signed by millions of working people were presented to the House of Commons. Lenin called the movement "the world's first extensive, political, revolutionary movement of the proletariat".

The third labor movement refers to the Weaver Revolt in Silesia, Germany, in June 1944. The dominant ideology of the revolt, namely, explicit opposition to private ownership and the exploitation system of capitalism, profoundly reflected the nature of the proletariat struggle; it marked the awakening of the German proletariat with its distinctive theory and consciousness.

Where should the newly rising proletarian movement go? What theories and strategies must be employed to arm the proletarian fighters, so that their liberation can move forward along the right track? These are the serious historical tasks posed by the times. The existing theories related to the fate of the early proletarians, especially the utopian socialism theory, were unable to answer these historical questions. Marx and Engels answered the call of the times with their theory and ideology as the era and social practice called for revolutionary theory and the appearance of giants of the times. The profound historical background of the birth of Marxism also determined its distinctive class nature.

1.1.2 Marxism is a Direct Continuation of Mankind's Excellent Ideological Achievements

The development of the human spirit provides a wealth of ideological materials for generating Marxism. All valuable ideological achievements in human history originated in Marxist theory. Lenin concluded that Marxism had three main theoretical sources: British classical political economics, German classical philosophy, and the utopian socialism of Britain and France. He said, "The genius of Marx lies in his answer to various questions raised by the advanced ideas of mankind. The birth of his theory is a direct continuation of the theories of the greatest representative figures in philosophy, political economics, and socialist ideology".[2] [3] We will elaborate this point from the following aspect:

2.1.2.1 *British classical political economics*

British classical political economics was created by William Petty (1623-1687) during the British bourgeois revolution in the second half of the 17th century and was accomplished at the beginning of the 19th century after the Industrial Revolution, with Adam Smith (1723-1790) and David Ricardo (1772-1823) as its major representatives.

Since Ricardo created British classical political economics and was its last outstanding representative, Lenin called his work "excellent fruit created by mankind in the 19th century".' The main theoretical achievements of British classical political economics are as follows:

— Classical economists developed a labor theory of value and stated that, "labor, therefore, is the real measure of the exchangeable value of all commodities". (Adam Smith: *The Wealth of Nations)*
— Their suppositions on the characteristics and origins of surplus value.
— Their economic analysis of class relations in capitalist society.

Marx wrote in his letter to Joseph Weydemeyer:

> Now as for myself, I do not claim to have discovered either the existence of classes in modern society or the struggle between them. Long before me, bourgeois historians

2 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, pp. 66-67.

3 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 67.

had described the historical development of this struggle between the classes, as had bourgeois economists their economic anatomy.[4]

Adam Smith divided the capitalist society into three major classes—landlord, capitalist, and worker—according to their income sources. David Ricardo studied the contradictions of the interests of the three classes. Marx wrote that, "Ricardo exposes and describes the economic contradiction between the classes".[5] Marx said his work had scientific merit, a high evaluation of the theoretical value of British classical political economics.

11.2.2 *German classical philosophy*

German classical philosophy can be traced back to the second half of the 19th century and reached its peak in the first half of the 18th century with Georg Wilhelm Friedrich Hegel (1770-1831) and Ludwig Andreas Feuerbach (1804-1872) as its representatives.

If British classical economics enhanced the understanding of the society with its economic theory, then German classical philosophy enriched the philosophical thinking of mankind. Despite the fact that Hegel was an idealist, he was a master of dialectics, who expounded with his objective idealism the basic laws of dialectics: law of the unity of opposites, mutual change law of quality, and the law of negation of negation. Marx and Engels had both spoken highly of Hegel's great contributions to dialectics. Marx wrote in an Afterword to the Second German Edition of *Das Kapital,* "The mystification that dialectic suffers in Hegel's hands by no means prevents him from being the first to present its general form of working in a comprehensive and conscious manner".[6] Engels also pointed out that "in Hegel's system—and herein is its great merit—for the first time the whole world, natural, historical, and intellectual, was presented in process, i.e., as in constant motion, change and transformation, and development; he made an attempt to trace out the internal connection that makes a continuous whole of all this movement and development".[7] Moreover, Hegel also tried to describe the law of historical development. As Engels pointed out, Hegel had a strong sense of history.

Another famous representative of German classical philosophy is Ludwig Feuerbach, an outstanding materialist philosopher and fighting atheist, who established a materialist philosophy characterized by humanism in his struggle against religion and idealism.

4 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 106.

5 *Complete Works of Marx and Engels* (Volume 26, Part II). Beijing: People's Press, 2009, p. 183.

6 *Complete Works of Marx and Engels* (Volume 23). Beijing: People's Press, 2009, p. 26.

7 *Collected Works of Marx and Engels* (Volume 9). Beijing: People's Press, 2009, p. 26.

Feuerbach takes Nature and human life as the supreme objects of philosophy, emphasizing the objectivity of Nature. He believes that Nature is the nonoccurrent eternal entity, the primary entity, and the perceptual existence that can be directly perceived with the senses.

Human beings are not pure self-consciousness; they are the unity of subject and object, body and soul. Body is the basis of spirit. Without body, especially the brain, an organic part of the body, there is no room for mind and spirit. From the perspective of the unity of humans and Nature, he clarified the point of view of materialism, with which he criticized Hegel's idealist philosophy that turns thinking into an independent spiritual entity. He also criticized theology and said that God is nothing but "the alienation of human nature".

Although with the features of metaphysics and intuition and with idealism in the view of history, Feuerbach's materialism broke through the dominance of Hegel's idealism and restored the authority of materialism, like a gust of fresh wind blowing into the boring German ideology circle and making possible the reform of Hegel's idealistic dialectics on the base of materialism.

1.1.2.3 The three utopian socialist theories of France and England

British classical economics and German classical philosophy were both trying to reflect the desire and requirements of the capitalist class to develop capitalism. The utopian socialist theories, however, exposed and criticized the capitalist system instead of praising and safeguarding it. Utopian socialism, which came into being and developed along with capitalism, has a history of about 500 years dating from the publication of St. Thomas Moore's *Utopia* in England in 1516, followed by Tommaso Campanella's *The City of the Sun* in Italy, Thomas Müntzer's *Millennium Kingdom* in Germany, and *The Law of Freedom in a Platform* by Gerrard Winstanley, one founder of the English group known as the True Levellers or Diggers. Utopian socialism was still in its infancy at that time, and it was, in the words of Engels, "a gleam of communist ideology".

By the 18th century, utopian socialist theory had undergone major changes with the appearance of works theoretically demonstrating socialist ideals, such as ((iM-W) by Jean Meslier, Gabriel Bonnot de Mably's argumentative works, and Francois Noel Babeyf's speeches and essays. At this time, the utopian socialists broke through the literary form of *Utopia* and began to discuss and prove its important socialist principles, such as elimination of private ownership of the means of production. In Engels's words, the gleam of communist notions finally shed light on communist theory. At the beginning of the 19th century, the theory of utopian socialism developed to its highest stage

and produced three great utopian socialists—Robert Owen of Great Britain, and Comte de Saint-Simon and Jean Baptiste Joseph Fourier of France.

They inherited the critical spirit of early utopian socialism and the results of the exploration of the ideal future society, making the theory of utopian socialism a more complete ideological system. Their major theoretical ideas can be summarized as follows:

— Dialectical elements in the view of history

Although still within the realm of 18th century French materialism on the idealist view that the world is dominated by rationality, the utopian socialist view of history contains historical dialectics. Utopian socialists believe that human society is in a development process, in a series of stages of development. They believe each stage of development is not fixed, hence the capitalist society cannot be eternal. Fourier holds that the civilized system (referring to the capitalist system) is nothing but one stage of social development and therefore should be suspected of its necessity, superiority, and permanence.[8]

— Ruthless exposure and criticism of capitalist society maladies

Comte de Saint-Simon called the capitalist system a "new form of slavery", a "topsy turvy world", and attacked fiercely the egoism in the capitalist system. Fourier made a profound critique of capitalist private ownership, calling a capitalist society based on private ownership the "resurrection of slavery" and "social hell"; he said that such a society moves in a vicious circle, that is, moving in the contradictions it constantly creates and cannot overcome. Owen called private ownership, religion, and marriage of the capitalist society a "trinity of evil", with private ownership as the culprit, the root cause of countless crimes committed by people and numerous disasters suffered by mankind in both past and present. Private ownership turns man into a monster and the world to hell. Theoretically, it is not justified and in practice, it is equally unreasonable.[9] They called for abolition of capitalist private ownership, which can be considered the most bitter criticism of the capitalist system by the utopian socialists.

— Concept of a future society

Utopian socialists believe that a future society that replaces the existing capitalist society should be an "industrial" and "harmonious society". Owen advocated

8 *Selected Works of Fourier* (Volume 1). Beijing: Commercial Press, 1959, p. 51.

9 *Selected Works of Owen* (Volume 2). Beijing: Commercial Press, 1965, pp. 13-14.

the establishment of communist labor communities based on public ownership: property is owned by the public, production materials by the community, and living materials by individuals. There will be no difference between the bourgeoisie and the proletariat, to each according to one's needs, and countries must be abolished.

Many utopian socialist ideas are mere fantasy. The problems they raised and the valuable ideas they put forward, however, provided very important ideological material for the creation of scientific socialism. Engels once pointed out that they "belonged to the most significant heads of all time and whose genius anticipated numerous things the correctness of which can now be proved in a scientific way", including ideas on a future ideal society and its defining characteristics, for which Marx and Engels provided a materialistic foundation.[10] While talking about the influence of Hegel's philosophy on scientific socialism, Engels said that without German philosophy, particularly that of Hegel, German scientific Socialism (the only scientific Socialism extant) would never have come into existence.[11]

From these discussions, it is obvious that Marxism, as a scientific truth, was not produced in a vacuum. It is the result of the development of thought and culture in the past few hundred years. Without these advanced ideas, the creation of Marxism would be impossible. It is also the reason Marxism is a scientific truth able to withstand heavy battering.

1.1.3 Great Discoveries in Natural Sciences

Human understanding of society is constantly deepening, and even more so of understanding natural phenomena. In the first half of the 19th century, when significant achievements had been made in politics, economics, philosophy, and in the theory of socialism, natural sciences, facilitated by the Industrial Revolution, had also achieved major breakthroughs—especially the discovery of the law of energy conservation and transformation, the theory of biological cell structure, and Darwin's theory of evolution—known as the 19th century's three major scientific discoveries in natural science. These mark a new height of human understanding of Nature, that is, to reveal the laws governing the objective and dialectical movement of Nature as a whole.

10 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p.218.

11 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p.217.

1.1.3.1 Discovery of biological cell structure

European scientists discovered and started to study animal and plant cells through a microscope as early as the 17th century. Matthias Jakob Schleiden, a professor of Botany at the University of Jena, developed the first systematic cell theory in 1838. He stated that the different parts of a plant organism are composed of cells, and that the process of plant development is a process of cell formation and growth. Theodor Schwann, a professor of Anatomy at the University of Liege, extended cell theory from botany to animal science in 1839. He pointed out that not just plants of various types are composed of cells, animal organisms with more complex appearances are also made up of cells, and both follow the same law to come into being and develop. Engels highly evaluated the significant scientific value of the birth of cell theory:

> This discovery for the first time gave a firm basis to the investigation of the organic, living products of Nature - both comparative anatomy and physiology, and embryology. The origin, growth and structure of organisms were deprived of their mysterious character; the hitherto incomprehensible miracle was merged in a process which takes place according to a law that is essentially identical for all multicellular organisms.[12]

Cell theory reveals the dialectical laws governing the constant movement, development, and transformation in the biological world.

1.1.3.2 Law of energy conservation and transformation

The basic idea of the law of energy conservation and transformation was put forward by René Descartes from the perspective of philosophy as early as the 17th century. In 1644, he wrote in *Principles of Philosophy* that there is a fixed amount of energy in material movement, which can neither increase nor decrease, although it is sometimes increased or decreased in some parts of the material. Since the end of the 18th century, a series of discoveries made in mechanics, physics, and chemistry have proved the transformation between different forms of motion, providing favorable conditions for the establishment of the law of conservation and transformation.

In 1840s, the law of energy conservation and transformation was proposed by several scientists at almost the same time. The mechanical equivalence principle was first stated in its modern form by the German surgeon Julius Robert von Mayer in 1842. He found that his patients' blood was a deeper red when they were consuming less oxygen,

12 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 526.

and therefore less energy, to maintain their body temperature in hotter climates. Thus, he drew the conclusion that mechanical energy, heat energy, and chemical energy are equivalent and can be transformed into each other. In 1843, James Prescott Joule independently discovered the mechanical equivalent in a series of experiments, building the law on the basis of science. Meanwhile, several scientists in England, Germany, and Denmark drew the same conclusions in independent and different studies.

The discovery of the law of energy conservation and transformation not only proved the unity of matter and the diversity of movement in Nature with scientific facts, it also demonstrated that different forms of energy can be transformed into each other under certain conditions. "The unity of all motion in Nature is no longer a philosophical assertion, but a natural scientific fact."[13] That is to say, what the law reveals is a dialectical law governing the constant movement, development, and mutual transformation of various material forms in Nature.

1.1.3.3 *Darwin's theory of evolution*

Charles Darwin developed the theory of evolution through field investigation, making a more scientific demonstration of the origin of the species. In 1831, the 22-year-old Darwin boarded the warship H.M.S. Beagle and began a voyage around the world that lasted nearly five years. Prior to the voyage, Darwin was a Creationist who believed that matter was constant. On-the-spot geological investigation turned him to a disciple of Charles Lyell's geological gradient theory: the surface of the earth is ever-changing rather than stationary. His belief that species are changeable was reinforced by research with the large amount of materials he had gathered in South America and the Pacific Islands. First, when he found that the huge fossils of prehistoric mammals in South America were very similar to smaller-size modern animals, he realized the link between ancient and modern animals. Second, the geographical distribution of some closely related species in South America demonstrated a trend of successive substitution from north to south, with species at the two ends completely different. This phenomenon reminded him of the successive substitution of different species and the production of new species. Third, while most creatures in the Galapagos Islands have the biological features of South American species, the species on each island have unique characteristics. He was convinced that that there must be an internal connection between

13 *Selected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p.526.

the differences of the species and their different living environments. With these facts, Darwin concluded that species on the earth are the outcome of evolution.

After he returned to England in 1936, he continued his research using the huge collection of materials—and finally developed a systematic theory of evolution. In 1859, he published *Origin of Species* (full name: *On the Origin of Species by Means of Natural Selection, or the Preservation of Favored Races in the Struggle for Life).* With rich evidence, the work proves how species gradually evolved into new species in the struggle for existence and through the choice of Nature, hence establishing the theory of evolution with natural choice as the core. The publication of this great work strongly supports the theory of dialectical development, and it gave a heavy blow to idealist teleology and the metaphysical theory of the immutability of species.

It was partly due to the rapid development of natural science that Hegel became a master of dialectics. Marx and Engels gave special attention to and researched in person the new achievements made in natural sciences. Marx wrote "Math Notes" and Engels wrote *Dialectics of Nature* and *Anti-Duhring,* the encyclopedia of Marxism, a book in which he studies a large number of problems in natural sciences. In *Speech at the Graveside of Karl Marx,* Engels wrote: "Two such discoveries would be enough for one lifetime. Happy the man to whom it is granted to make even one such discovery. But Marx investigated every single field—and he investigated many—none of them superficially"[14]. Marx regarded the discoveries in natural sciences also as huge driving forces of productivity and social progress.

> Science was for Marx a historically dynamic, revolutionary force. However great the joy with which he welcomed a new discovery in some theoretical science whose practical application perhaps it was as yet quite impossible to envisage, he experienced quite another kind of joy when the discovery involved immediate revolutionary changes in industry, and in historical development in general.[15]

From the above analysis we can see clearly that the development of human thought and scientific progress provided sufficient and necessary conditions for the creation of Marxism. It can be said that by the first half of the 19th century, the time was ripe for a brand new scientific outlook on history and the world to reveal the mystery of human history. Marx had a genius mind, was remarkably talented, incredibly diligent, and

14 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 601-602.
15 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 602.

expressed selfless dedication to the working class. Moreover, he resolutely abandoned his original class and chose to be a member of the proletariat, a hard choice that few people would make. On this point, it was said:

> His real mission in life was to contribute, in one way or another, to the overthrow of capitalist society and of the state institutions that it had brought into being, and to contribute to the liberation of the modern proletariat, which he was the first to make everyone conscious of its position and its needs, and conscious of the conditions of its emancipation.[16]

Having finished a transformation from revolutionary democracy to communism, from idealism to materialism, and having critically inherited all valuable ideas and achievements created by its predecessors, the founders created Marxism and realized a great revolution in the history of human thought.

Marxism is a great revolution in human thought. First, it is the first theory that really builds human understanding of the social and historical phenomena on a foundation of materialism. It is true that a great number of achievements have been made over time in studies of social and historical phenomena, including some genius speculations. On the whole, however, the field of history has been dominated by idealism, which interprets the social and historical phenomena with "God", "human", or "concept", regarding something spiritual as the origin of social history. The founders of Marxism applied materialism to the field of social and historical research, analyzed and studied social phenomena with the viewpoint and method of dialectic materialism, hence taking off the mysterious veil that had covered human society for thousands of years; it revealed the nature of social phenomena and the secret of human history, and it discovered the laws governing the development of human society. Engels shared that Marx's discovery in social science was as important as Darwin's theory of evolution for biology and the law of energy conversion for natural science. Lenin called Marx's historical materialism "the greatest achievement in scientific thought", and "the synonym of social science"[17]. "It is self-evident that there would be no social science without this viewpoint".[18] These are the most succinct and accurate evaluations of the scientific value of the historical materialism of Marxism.

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16 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 602.
17 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 68.
18 *Collected Works of Lenin: On Dialectical Materialism and Historical Materialism.* Beijing: People's Press, 2009, pp. 161-163.

The second reason Marxism is regarded as a great revolution in human thought lies in the fact that it sets philosophy and social sciences free from studies of the scholars and turns them into a spiritual weapon for the majority of the working class to understand and transform the world. Lenin said, "Marx's philosophy is a consummate philosophical materialism that has provided mankind, and especially the working class, with powerful instruments of knowledge".[19] In the past, philosophy and knowledge of social sciences were either the tools of the ruling class or the objects of study for literati and scholars. But the founders of Marxism openly declared that their theories are for the working class and the majority of the people to be used as a spiritual weapon to understand and transform the world. Armed with social sciences under the guidance of Marxism, the workers' movement has developed from an unconscious stage to a conscious stage. The working class is consciously devoted to the transformation of the world, the struggle for the liberation of mankind, and the great cause of communism.

1.2 The Development Course and Stages of Marxism

Marxist theory keeps developing. It has experienced a long process of constant enrichment, improvement, and development, consisting of a series of successive stages characterized by the social problems and social contradictions of the time, as well as the historical tasks of the working class and its political Party. Marxism was produced to answer questions posed in different historical stages, and keeps enriching and developing in its theoretical summarization of experiences in socialist revolution and construction. Generally speaking, Marxism has gone through three major stages of development, each for about fifty years.

1.2.1 The First Stage of Marxism

The first stage of Marxism dates from its birth via the publication of *Manifesto of the Communist Party* to the death of Friedrich Engels. In this period, capitalists seized political power, established a capitalist system, and embarked on a rising period of stable development. With the outbreak of three great workers' movements in Europe, this was also a period of their vigorous development. The historical task of world socialism is to explore the essential characteristics, basic contradictions and the development law of the

19 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 68.

new social form of capitalism to provide a theory for socialism. During this half-century, after continuous enrichment and development, Marxism, in the form of a theory, had become the universally accepted guiding ideology of the working class, defeating various opportunisms in the workers' movement and other socialist theories. Engels once said that Marx participated in the proletarian revolution with his creative theory. It is because of the genius, creativity, and arduous theoretical exploration of the founders of Marxism that turned socialism from utopia to science. The workers' movement would no longer wander in the dark and instead embarked on a path of healthy development—from the unconscious to the conscious stage of development. During this period, Marx and Engels made a great deal of very fruitful theoretical research and theoretical innovation, critically inherited all the most valuable ideological achievements made in human history, and summarized the experience of the modern labor movement, advancing the human spirit to a brand new historical stage. Marxism synthesizes the development of human thought. It created historical materialism, revealing the general law governing the development of human society; founded the theory of surplus value; and uncovered the secret of capitalist exploitation and the special law governing the development of capitalist society. With these two great discoveries, the founders of Marxism accomplished a theoretical demonstration of socialism, building socialism on a sound scientific foundation. These great ideas and this profound theory were written in their great works, such as *The German Ideology, Manifesto of the Communist Party, A Contribution to the Critique of Political Economy, Das Kapital, Anti-Duhrin, Socialism: Utopian and Scientific,* and the works and letters of Engels in his twilight years. Marxism is the greatest wealth of human mind and spirit. At the turn of the millennium, Marx was evaluated by Western mainstream media and scholars as "the Number One Thinker in the Second Millennium", "the Greatest Thinker of the Millennium", and "the Man of the Millennium". These honorable titles are the best proof of the theoretical contribution of Marxism. Marxism and the theory of scientific socialism have exerted a profound and far-reaching influence on human thought, the world socialist movement, and the development of human society.

1.2.2 The Second Stage of Marxism

The second stage of Marxism spans from the end of the 19th century to the mid-20th century. In this stage, capitalism developed from laissez-faire capitalism to monopoly capitalism, with the features of the epoch turning from stable development to war

and revolution. The 20th century of human history began with an imperialist war. The historical task of world socialism was to transform socialist theory into socialist practice and a realistic system. The Russian Communist Party led by Lenin defeated the revisionism of the Second International, advancing Marxism to a new stage under imperialist conditions. There will be no revolutionary practice without revolutionary theory. In an extremely difficult revolutionary environment, Lenin had studied a large number of philosophical problems, including major problems in the history of philosophy. With the viewpoint and method of dialectical materialism and historical materialism that he had enriched and developed, he analyzed and studied the essential characteristics, basic contradiction, and development trend of capitalism in the stage of monopoly, that is, imperialism, and sized up the complex domestic and international political situations, providing powerful ideological weapons for the revolutionary practice of the Russian Communist Party. Like Marx's *Das Kapital,* Lenin's *Critique of Imperialism* is an epoch-making masterpiece in the history of Marxism. He led the great October Revolution. The victory of the Russian revolution and the establishment of the first socialist system in human history transformed socialism from theory to practice, ushering in a new era in history. From then on, human society entered a new era of the coexistence of and competition between socialism and capitalism.

The great theoretical contribution of Lenin to the development of Marxism is multifaceted in, among other fields, philosophy, political science, sociology, and economics, greatly enriching the theories of Marxism. In particular, through the study of the economic and political characteristics of monopoly capitalism, he revealed the nature of imperialism, expounded the rule of uneven economic and political development of world capitalism, and put forward the theory that socialism can be realized first in one or several countries. Under the guidance of this theory, Russia achieved the great victory of the October Socialist Revolution, promoting Marxism to a new stage of development.

After Lenin's death, under the leadership of Stalin, the Soviet Union realized industrialization in fewer than 20 years, an economic miracle that people are still agog with curiosity today. While Stalin had made serious mistakes in leading the socialist construction of the Soviet Union, they were mistakes made by a great historical figure in the pioneering stage, and could not be used to offset his outstanding historic feats. Not long ago, while talking about the recent reevaluation of Stalin in Russia, Khrushcheva, granddaughter of Khrushchev, said that Stalin ranks third, sometimes even second, only after Peter the Great, in surveys on the historical contribution of the Russian historical

figures made by various organizations. He is still regarded as a great figure in the history of the Soviet Union.[20] Without the strong leadership of Stalin, it would have been impossible to build the first socialist system in the world, to complete industrialization in so little time, and to defeat the German fascists to win the great victory of World War II.

After World War II, with the development of the world situation, socialism was practiced in not just one country but in a dozen, and Marxism has won one victory after another. The victory of the Chinese revolution, in particular, has significantly changed the world balance of power between socialism and capitalism. There are more than ten socialist countries in Europe and Asia, accounting for about one third of world land area, economic output, and population. The emergence of a strong socialist camp greatly shocked the opposing capitalist world, and forced some developed capitalist countries to follow a socialist planned economy and welfare policy for reform or improvement. In this situation, U.S. Secretary of State Dulles put forward a policy of "the peaceful evolution of socialism" in an attempt to build a fence to prevent the expansion of "Red Communism" in the early 1950s. President Kennedy still lamented that capitalism had become islands scattered in the red sea of socialism at the beginning of the 1960s. No matter what happened in later years, it is an indisputable fact that socialism had exerted a significant impact on the world in the middle of the 20th century, a climax of the communist movement. All this was attributed to the direct influence of Marxism.

1.2.3 The Third Stage of Marxism

The third stage of Marxism dates from the beginning of the 1950s to the end of the 20th century. This was a stage of socialist construction, reform, and exploration of development models for the socialist countries. Marxism is a rigorous scientific system composed of three parts, one of which may be given priority in certain developmental stages due to the changes of situation and task. Lenin said, "But the aims of immediate and direct action changed very sharply during this period, just as the actual social and political situation changed, and *consequently,* since Marxism is a living doctrine, *various* aspects of it *were bound* to become prominent".[21] In the 20th century, particularly in the second half of the century, world socialism was faced with great challenges and problems posed by the changing international situation. For further development,

20 *Journal of the Chinese Academy of Social Sciences.* May 15, 2007, p. 2.
21 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 158.

Marxism must answer the questions of the new era and solve major problems in the face of contemporary socialism.

As is known to all, after World War II, socialism made remarkable achievements as well as accumulated social problems and various contradictions, including the sharpening contradictions between socialist countries and among communist parties. After serious reflection, exploration, and reform, many socialist countries began to abandon the single development model and dogmatism to explore their own models of socialism. In the process of exploration, some succeeded in consolidating and developing the socialist system, while others ended up in failure and slipped to the capitalist camp. The disintegration of the Soviet Union and the drastic changes in Eastern Europe led to a huge setback for world socialism and brought the international communist movement again to a low tide. In the international situation, capitalism is obviously stronger and more aggressive than socialism, and the international monopoly capitalism led by the United States is more outrageous in pursuing hegemonism and unilateral policies around the globe. In short, world socialism had experienced a process of development from low tide to high tide and back to low tide in the 20th century.

The stage of 20th century socialist development can be subdivided into four periods. In the first, socialism was transformed from theory into practice with the victory of the October Socialist Revolution, the establishment of the first socialist country, and the theoretical and practical exploration of building socialism in the Soviet Union. In the second period, the sharp and extensive social and national contradictions caused by World War II led to the founding of a number of socialist countries in underdeveloped capitalist countries and in colonial and semi-colonial countries. With the emergence of a socialist camp, socialism was no longer practiced in only one country, but in many.

The third is the period of exploration of socialist construction. With the development of socialism, social problems began to surface and the differences between the socialist countries were exposed, triggering fierce debates among the communist parties that severely damaged their image, weakened their forces, and fostered a socialist crisis. These lessons show that socialism was still in the primary stage. It is urgent to explore in theory and in practice the correct model for building socialism.

The fourth is the period of overall reform of socialist countries. By summarizing both practical experience and theoretical innovation, China, Vietnam, Cuba, and other socialist countries initiated a policy of reform and opening up, and explored the road of socialism with their characteristics, hence advancing the cause of world socialism and Marxist

theory. On the contrary, reform in the Soviet Union and the socialist countries of Eastern Europe changed the socialist system, resulting in the evolution of capitalism and a low tide of the global socialist movement.

The main tasks and practices of the working class and its political Party in the 20th century are war, revolution, construction, and reform. Socialism, as a brand new social form, has experienced an extremely arduous and tortuous process of development in the past 100-plus years. It has made brilliant achievements, but also suffered serious setbacks; it demonstrates a strong vitality, yet bears obvious marks of immaturity. Therefore, we must apply the viewpoint and method of historical materialism to study how to develop socialism in the 20th century, summarizing its basic experience and lessons, and enriching the theoretical treasure house of Marxism. This is a work of great significance to the working class and the great cause of world socialism.

1.3 The Basic Tenets and Scientific System of Marxism

What is Marxism? This question can be answered in different ways from different angles. We define Marxism from three aspects: Marxism is a theory about the law governing the development of Nature, human society, and human thought, the world outlook and methodology of the working class, and the theoretical system for the realization of communism and the liberation of mankind. The combination points out not only the scientific connotation but also the class attribute and practical function of Marxism. Marxism is a rigorous scientific system composed of a series of basic concepts and tenets. Therefore, to master the scientific system of Marxism, we must correctly understand its basic tenets and their internal logical connections.

Marxist classical writers interpreted the basic tenets of Marxism in different terms in different periods. For instance, Marx and Engels expounded their theories with general principles and basic ideas, Lenin with basic theories and basic principles, Mao Zedong with universal truth and basic points of view, and Deng Xiaoping with basic principles and fundamental viewpoints. The terminologies mentioned above, belonging to the same category, are used to expound the basic tenets of Marxism or, as the founders of Marxism put it, "constitute the basic thought". The term "the basic tenets of Marxism" is a universally accepted scientific concept developed in the history of Marxism, an accurate and scientific concept used to expound the "core of the basic thought" of Marxism.

What are the basic tenets of Marxism, and what is the basis or criterion for it? This is a question of principle that is worth in-depth research. We must reach consensus on this issue, otherwise, there will be ambiguous and contradictory understanding of the question and very different answers. Of course, it is extremely difficult to determine a specific criterion to standardize the basic tenets of Marxism. But at least we can make tentative efforts in this respect with scientific research methodology.

The author holds that the basic tenets of Marxism have the following features:

— They must reflect the fundamental nature and overall function of Marxism. They must have a world outlook and methodology that reflect the high degree of unity of the scientific and revolutionary nature of Marxism.
— Compared with the individual principle and the special principle, the basic tenet is a generalization of the nature of things and the law of development.
— The basic tenet is more stable and effective, irrespective of the change of specific conditions.
— The guidance of the basic tenet for human activities is more general and fundamental than the specific principle.

As an abstract generalization of the essence and law of objective things, the basic tenet is abstract in theory while concrete in practice. Only in close combination with concrete reality in different areas at different stages can it play the guiding role. As Marx and Engels said, "The practical application of the principles will depend, as the Manifesto itself states, everywhere and at all times, on the historical conditions".[22] However, we cannot negate the truth and universal significance embodied in the basic tenets of Marxism with the change of the times. Here we must guard against two tendencies: the dogmatic tendency of mechanically applying the basic tenets of Marxism to solve the problems in a changed condition, and the erroneous tendency of advocating that Marxism is out of date with the change of historical conditions.

Moreover, we must correctly grasp the multilevel characteristics of the basic tenets of Marxism, that is, the time, space, and historical conditions for the existence of these tenets. Generally speaking, the main levels of the tenets are as follows: the tenets at the highest level reveal the most general laws of the objective world, usually known as the basic tenets

22 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 5.

in dialectical materialism. The tenets at the second level reveal the laws governing the development of human society, including societies with and without class. The tenets at the third level are those integrated with the concrete realities of different countries, for instance, the sinicized Marxism that includes the basic theories and principles with Chinese characteristics created in the concrete historical conditions of China. They are not only suitable for China, but also have significant reference for the socialist revolution and construction of other countries with backward economies and cultures.

Since its birth, Marxism has been widely and profoundly studied. Some are holistic studies of the whole system, while others research a specific basic tenet in a certain field. Scholars from both home and abroad have provided a great deal of interpretation and generalization of the basic tenets of Marxism according to their studies and understandings. All their contributions are beneficial to the exploration of the basic tenets of Marxism. In general, however, there are few comprehensive and complete studies and generalizations of the basic tenets of Marxism. Here we make a comprehensive study of this topic from the above-mentioned viewpoints and according to our understanding in an attempt to promote the research in this important field.

We have summed up fourteen basic tenets of Marxism as follows:

1. The tenet of the interconnection, interaction, movement, and development of the objective material world;
2. The tenet of the law governing the evolving development of human society from a lower to a higher level;
3. The tenet of the nature of epochs and developmental stages;
4. The tenet of the dialectical unity of the productive forces, production relations, economic base, and superstructure;
5. The tenet of the class, class struggle, and class analysis;
6. The theory of the proletarian revolution and the dictatorship of the proletariat;
7. The tenet that the people are the creators of history;
8. The theory of surplus value and the basic and principal contradictions of a capitalist society;
9. The theory of the historical inevitability and historical missions of the working class;
10. The theory of the defining features and development law of scientific socialism;
11. The theory of laws governing the socialist revolution (including reform) and construction;

12. The doctrine of the proletarian Party and the theory of building the communist Party;
13. The tenet of all-around human development and communism;
14. The tenet of the guidance of Marxism in ideology.

Systematic analysis shows that these basic tenets are not isolated but are closely connected with an inherent logical relationship.

The theoretical system of socialism with Chinese characteristics is the most important theoretical achievement of the sinicization of Marxism, and the basic principle and the most fundamental guiding ideology for building socialism with Chinese characteristics. It was stated in a Report to the 17th National Congress of the CPC that, "in contemporary China, to stay true to Marxism means to adhere to the system of theories of socialism with Chinese characteristics". As long as China is engaged in socialism, it must be socialism that is integrated with China's specific national conditions, that is, socialism with Chinese characteristics. The realization of socialism in China will require a long historical period during which there will be only one banner, one theoretical system, and one guiding ideology—the theory of socialism with Chinese characteristics.

The basic principle of socialism with Chinese characteristics, or the fundamental principle as Deng Xiaoping put it, is to adhere to the Four Cardinal Principles. Specifically, it can be summarized in the following nine theories:

1. The theory of the predominance of public ownership and distribution according to work,
2. The theory of the adherence of the leadership of the Communist Party of China and the rules of Party-building,
3. The theory of class struggle in the socialist society and the people's democratic dictatorship,
4. The theory of strengthening mainstream socialist ideology under the guidance of Marxism,
5. The theory of the primary stage of socialism,
6. The theory of reform, opening up, and a socialist market economy,
7. The theory of building a socialist democracy and legal system,
8. The theory of scientific development and the building of a harmonious socialist society,
9. The theory of international cooperation and maintaining close ties with the political parties of the working class in other countries.

The theory of socialism with Chinese characteristics is the outcome of socialist practice in China, the theoretical summary of socialist construction in underdeveloped countries, and the Marxism developed under the specific conditions of China. Therefore, the universal truth it embodies will have a positive impact on and will be a significant reference for the realization of socialism in underdeveloped countries

1.4 The Theoretical Value and Contemporary Significance of Marxism

Since its birth, Marxism keeps developing and has had a tremendous impact on the development of human society. The fundamental reason for its unrivaled vitality and impact is that its scientific truth has revealed the nature of complex social phenomena and the laws governing the development of human history, and has made scientific predictions for the future development of society. Lenin pointed out that, "the Marxist doctrine is omnipotent because it is true. It is comprehensive and harmonious, and provides men with an integral world outlook irreconcilable with any form of superstition, reaction, or defense of bourgeois oppression".[23] Deng Xiaoping also said clearly, "Marxism cannot be defeated. That is so not because there are so many big books, but because Marxism is the irrefutable truth".[24] As an irrefutable truth rather than an immutable and frozen dogma, Marxism as a theory keeps developing with the development of social practice. One of the most important principles of Marxism is adhering to the truth, correcting its mistakes, and constantly improving itself with the development of social practice. Such a theory is always new and will never be obsolete. This is also the secret of the success and constant enrichment and development of Marxism, which has suffered many attacks, setbacks, vicissitudes, and revisions from enemies both inside and outside the communist camp. The theoretical value of Marxism also lies in the fact that it has not only inherited the valuable thoughts and achievements of its predecessors, but also surpassed them, promoting human thought to a new stage.

Human history has produced countless thinkers, such as Confucius, Mencius, Lao Tzu, Chuang Tzu, and Zuxi of China, Plato, Aristotle, great thinkers of the Renaissance, classical economists, philosophers, and the utopian socialist thinkers in the West. Their invaluable thoughts constitute a treasure house of human thought. Undeniably, however,

23 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 67.
24 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 382.

they inevitably have historical and class limitations. As part of the superstructure, their thoughts are the reflection of the economic base of their times, representing, in various degrees, the interests of the exploiting classes. Their theories contain only elements of truth, more often than not, mixed with dregs. In this sense, Mao Zedong is judicious in his attitude toward the historical and traditional culture, that is, we should inherit the traditional culture critically, absorbing its essence and rejecting its dross. Marxism is able to surpass the previous ideology and culture because its founders stood in the height of new era; they represent the fundamental interests of advanced productive forces and a single class, the proletariat, in line with the correct direction of the development of human history. They realized the internal unity of the nature of science and class in their theory. The more profoundly it reveals the nature of the world and the law of social development, the more conducive it is to the realization of a communist society and the interests of the working class. A Western scholar called Marxism "insurmountable". It is insurmountable because it is a scientific truth that keeps developing with the development of social practice.

The theoretical value of Marxism lies in its practicality and effectiveness. We study Marxism for the sole purpose of applying it. We must apply the Marxist stand, viewpoint, and method in our serious study of China's history and reality, then draw theoretical conclusions to direct our practice. Mao Zedong had the most profound insight in this regard. He severely criticized the bookishness and empty talk when studying Marxism, stressing that we must integrate Marxism with the concrete reality of China, and use the Marxist stand, viewpoint, and method to study and solve practical problems. Moreover, he summarized the history of the Communist Part}' of China simply as the integration of Marxism with China's specific revolutionary practice. Deng Xiaoping also pointed out that, "a true Marxist-Leninist must understand, carry on and develop Marxism-Leninism in light of the current situation.... Anyone who fails to carry Marxism forward with new thinking and a new viewpoint is not a true Marxist".[25] Through applying Marxism to the practice, we have not only won the success of socialist revolution and construction but also enriched and developed Marxism. Therefore, it can be said that the theoretical value of Marxism is reflected more prominently in its application to and development in practice. The vitality of Marxism comes from the need of the epoch and social practice.

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25 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. 291-292.

While the disintegration of the Soviet Union and the drastic changes in Eastern Europe once again brought the international communist movement to a low ebb, this does not mean that the study of Marxism is also at a low ebb. On the contrary, enthusiasm for Marxist studies has grown worldwide in the past 20 years. Thousands of international conferences on Marxist and socialist studies have been held, including scores of ones with more than 1,000 participants. The largest was the Marx Conference held at the University of London in 1996, with its more than 6,000 participants. In New York, the World Socialist Scholars Conference, renamed the World Left Forum in 2003, is held once a year with at least 2,000 participants. In Paris, the International Marx Conference is held every two years, and a grand gathering is organized for the discussion of the Marxist theory on every anniversary. In addition, there are many activities in Latin America, such as the World Socialist Forum and the Sao Paulo Forum. Popular slogans raised at these conferences include "Marx will always live in the hearts of the people", "Marx is not dead", and "Marxism is needed in the world today".

It is worth mentioning that, at the turn of the millennium, Western media and academia more than once named Marx "the Number One Thinker in the Second Millennium", "the Greatest Thinker of the Millennium" and "the Man of the Millennium". In July 2005, in a survey of more than 30,000 audience members conducted by the Fourth Channel of the BBC, with the topic "Who is the Greatest Philosopher in Human History", Karl Marx, founder of communism, won first place with 27.93% of the vote, far more than David Hume's second place with only 12.6%. Other great philosophers, such as Plato, Socrates, Aristotle, and Kant scored below them. Hegel didn't even get into the top 20. Prague, the host, said, "Marx won first place for many reasons, but the most important is that his theory can explain everything". What he called "the theory that can explain everything" is Marx's historical materialism, his world outlook, and his methodology.

In addition, a survey published in *Der Spiegel* on September 5, 2005, shows that 66% of the people in East Germany and 56% of those in West Germany believed that "socialism is a good idea but has been implemented badly so far". A *Der Spiegel* reporter interviewed Professor Rudolf Hickel, director of the Labor and Economic Research Institute, University of Bremen, and Professor Paul Nolte, a historian at the Free University of Berlin on the theoretical value of Marxism. They answered: As a social theorist, Marx revealed the law governing the development of historical materialism, produced the material basis vs. superstructure model, and laid out a historical perspective of the development of modem society. These achievements were very attractive in the past, and are still fascinating today. Both professors believed that "Marx has changed the

world, and at the beginning of the 21st century, we urgently need thinkers like Marx to analyze the current situation of capitalism in a convincing fashion".

History is ruthless but impartial. Although Marx has suffered, in his lifetime and after his death, all kinds of persecution and vilification, he has been evaluated many times by Western mainstream media and people of insight as "the Greatest Thinker of the Millennium" and "the Greatest Contemporary Thinker". He enjoys respect and a great worldwide reputation after more than 100 years. The fundamental reason is that, as a man with great personal charisma, he made a tremendous contribution to the thought of mankind, and conquered the world with the scientific truth and logic power he revealed.

The global economic crisis triggered by the financial crisis of 2007 has once again proved the truth and scientific predictions in Marxism. *Das Kapital* has become a best-seller, from which the scholars as well as politicians in the West research the answer to the capitalist economic crisis. All these, from the other side, have proved the theoretical value and contemporary significance of Marxism.

1.5 Several Principles for the Study of the Basic Tenets of Marxism

Marxism is a scientific truth that we need to study carefully. We must follow the Marxist stand, viewpoint, and method, that is, the method of dialectical materialism, when studying Marxism. Otherwise, it is impossible for us to correctly grasp and fully understand its basic tenets. To study Marxism, we must attach great importance to the following principles:

1.5.1 The Principle of the Unity of Adherence and Development

As is analyzed above, Marxism is a rigorous scientific system that keeps developing. Development is an inherent feature. Adherence and development are integrated in an organic way in the development of Marxism, with the former as a prerequisite for the latter, and the latter as the outcome and continuation of the former. It is wrong to separate them. Deng Xiaoping once pointed out that we cannot forget the ancestors (the founders of Marxism-Leninism), but we must create new theories. Marxism always keeps up with the times. Neither neglecting the basic tenets of Marxism nor discouraging development is genuine Marxism. The correct principle for the study and application of Marxism must be adherence, development, study, and innovation. This is the basic method and attitude toward Marxism.

1.5.2 The Principle of the Combination of Theory and Practice

Mao Zedong once stressed that we study Marxism for the sole purpose of applying it, and it would be useless were we to divorce it from reality. Therefore, in studying and exploring the basic tenets of Marxism, we must start from current social practice, and combine the tenets with features of the contemporary epoch. Otherwise, our Marist studies will deviate from the right direction. To this end, we must guard against dogmatism and pragmatism. On the one hand, we must avoid drawing incorrect conclusions by applying a dogmatically individual principle of Marxism to current reality, and on the other hand, we must prevent jumping to the conclusion that Marxism is out of date just because it cannot explain bits and pieces of fact.

1.5.3 The Principle of the Unity of the Whole and its Parts

Marxism is also a unity of whole and parts. As Lenin said, it is a complete piece of steel composed of three parts. Therefore, we cannot only study its scientific system as a whole, but also a particular part or a principle of it. However, no matter how we study it, we must combine the whole with the parts, grasping the whole from the study of the parts, and studying the parts and some individual principles with the whole always in mind. Only in this way can we grasp Marxism completely and accurately. It is correct for us to conduct categorized studies of each part of Marxism, which deepens our understanding and promotes the studies of each branch discipline of Marxism. A problem is neglecting to study Marxism as a whole, which is exactly the characteristic of the discipline of Marxism. We must stress holistic research of the Marxism's basic tenets. That is to say, we must study the basic tenets as well as the scientific system composed by these tenets. Holistic study is not only the requirement of the development of Marxism and the construction of the discipline, but also the requirement and the trend of developing contemporary studies of philosophy and social sciences.

1.5.4 The Principle of the Unity of the Scientific Nature and Ideological Function of Marxism

The truth of Marxism is indisputable. Marx revealed the nature of social phenomena and the laws governing the development of human society, and he made scientific predictions of the trend of future social development. In the current global capitalist economic crisis, people become more aware of the truth and foresight of Marxism, and more

impressed by its power of truth. The scientific nature of Marxism refers to the revelation of the nature and laws of objective things and social phenomena, a reflection of objective truth. Natural sciences and social sciences are all scientific, only different in the form of knowledge. We cannot deny objective truth in philosophy and social sciences just because the objects of their studies are human beings with thoughts and feelings, activities in real life, and their existence, demands, and social relations. This point of view is totally wrong. The research object of social sciences is social existence relating to human activities, interests, and social relations. This shows the particularity and complexity of the social sciences but does not mean that social sciences are not scientific.

An important reason the scientific nature of Marxism is often questioned is that it is closely related to ideology. Marxism is both a scientific truth and is an ideology that reflects the fundamental interests of the working class, and it is an ideological weapon for them to understand and transform the world. One of the most important characteristics of Marxism is the combination of its scientific nature and ideological function. Engels said the more reckless science is, the more it is in the interests of the workers. Some scholars in the West put the two in opposition and argued that any theory that serves the interests of a particular class is not scientific. The opinion also has certain influence in China. Misunderstandings of this problem are mainly caused by the simplification and vulgarization of the relationship between the scientific nature and ideological function of Marxism. As a guiding ideology, it goes without saying that Marxism must serve reality and guide our practice.

To transform a theory and scientific system into realistic policies and practical activities, we need to go through a series of complex intermediate links involving research, argumentation, and re-creation. Therefore, we cannot directly equate Marxism with the realistic policies. Mao Zedong once said that, "Marxism is the theoretical foundation of our guiding ideology". The simplification and vulgarization of the truth and ideology of Marxism will inevitably undermine its scientific nature and arouse skepticism about the correctness of Marxism. Therefore, we must study further to produce a convincing explanation of the relationship between the two characteristics of Marxism.

CHAPTER 2

MARXIST OUTLOOK ON EPOCHS AND FEATURES OF THE CONTEMPORARY EPOCH

What epoch is the contemporary world in? How does one understand the nature and theme of the contemporary epoch? What is the historical trend of the development of this epoch? These are important and heatedly debated questions in the current discussions about this epoch. Marxist ideas about epochs provided us with a key to the scientific understanding of the contemporary epoch, the history of capitalism, and the inevitability of the victory of socialism and communism. Research on the trend and law of the development of human society—especially that of the capitalist society—to reveal the historical inevitability of the replacement of capitalism by socialism and communism is the core of the Marxist idea on epochs as well as its essential difference from other ideas. The contemporary world is complicated and changeable with the coexistence of socialism and capitalism. In the new situation, an accurate grasp and judgment of the nature and theme of the contemporary epoch is extremely important for the cause of socialism with Chinese characteristics, and for China to formulate areasonable domestic and foreign policies and strategies.

2.1 The Ideas of Marx and Engels on Epochs

Marx and Engels' understanding of epochs laid a theoretical foundation for us to study the present epoch and provided a guide for us to scientifically grasp its trends and features.

2.1.1 Basis and Standards of Marx and Engels for the Division of Epochs

Marx and Engels divided history into epochs from different angles. Marx believes that the development of material production is the basis of all social life as well as of all realistic history. Based on natural science research, he has put forward many epochs according to different tools of production, such as the Stone Epoch, the Bronze Epoch, the Iron Epoch, the Steam Power Epoch, and the Electricity Epoch. In *Preface to a Contribution to the Critique of Political Economy,* Marx used hunting and fishing society, agricultural society, and industrial (or commercial) society to express different stages of the development of human society. This is the division of epoch according to the forms of social technology. In *The Origin of the Family, Private Property, and the State,* Engels divided the history of human society into three epochs, namely, Savagery, Barbarism, and Civilization.

Savagery is the period in which man's appropriation of products in their natural state predominates; the products of human art are chiefly instruments that assist this appropriation. Barbarism is the period during which man learns to breed domestic animals, to practice agriculture, and to acquire methods of increasing the supply of natural products by human activity. Civilization is the period in which man learns a more advanced application of work to the products of Nature, the period of industry proper, and of art. This epoch division is made mainly according to the ability of mankind to use and transform Nature, improve production tools, and develop productive forces.

Marx also divided the history of human society into three successive stages from the perspective of the development of mankind's subjectivity. He said:

> Relations of personal dependence (entirely spontaneous at the outset) are the first social forms in which human productive capacity develops only to a slight extent and at isolated points. Personal independence founded on *objective* dependence is the second great form, in which a system of general social metabolism, of universal relations, of all-around needs and universal capacities is first formed. Free individuality, based on the universal development of individuals and on their subordination of their communal and social productivity as their social wealth, is the third stage. The second stage creates conditions for the third.[26]

The division of epochs by Marx and Engels from the forms of technology and civilization reflect the objective process of the development of human society from

26 *Collected Works of Marx and Engels* (Volume 8). Beijing: People's Press, 2009, p. 52.

different perspectives. However, Marx's understanding of an epoch doesn't stop at this level; it carries a deeper scientific connotation. Marx provided a scientific standard for the scientific and comprehensive grasp of the changes of the epochs. His outlook on epochs took the contradiction and unification of productivity and relations of production, that is, the mode of production, as a standard for the division of epochs, rather than using some kind of ideology or moral and ethical principle, or simply the level of productivity to distinguish the characteristics of this or that form of society. Marx's theory about the development of human society from primitive society, slave society, feudal society, and capitalist society to the communist society eventually revealed the stages of development of human society and the laws governing the evolution and development of an epoch on the basis of the basic social contradictions and their movement and changes.

Marx said, "Science, too, is among the productive forces." He pointed out that science is a revolutionary force driving the development of history. However, he had never neglected the importance of the workers, the means of production and social system in regarding the science, technology and knowledge as the decisive force of social and historical development, let alone using them as the standards to divide social forms and historical epochs. He wrote in *the Capital:*

> It is not the articles made, but how they are made, and by what instruments, that enables us to distinguish different economic epochs. Instruments of labor not only supply a standard of the degree of development to which human labor has attained, they are also indicators of the social conditions under which that labor is carried on.[27]

We cannot fully and profoundly understand the changes of the epochs only from the development of science and technology, or from the perspective of productive forces. He stressed that the contradiction between the productive forces and production relations, economic base and superstructure is the driving force of social development and the changes of social forms—and is the most profound root cause of the transformation of the epochs. Engels also pointed out:

> That in every historical epoch, the prevailing mode of economic production and exchange, and the social organization necessarily following from it, form the basis upon which it is built up, and from that which alone can be explained the political and intellectual history of that epoch.[28]

27 *Collected Works of Marx and Engels* (Volume 5). Beijing: People's Press, 2009, p. 210.
28 *Selected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1995, p. 257.

These arguments have provided us with a theoretical basis for the understanding of the epoch in a scientific way.

It is in this sense that Marx defined and expounded the nature and characteristics of the epochs in the development of human history, especially those of the epoch he himself was living in. In his *Introduction to Critique of Political Economy,* Marx roughly divided the development of human society, until the time of his life, into four historical epochs according to the development and change of the mode of production or social and economic forms: "In broad outline, the Asiatic, ancient, feudal, and modem bourgeois modes of production may be designated as epochs marking progress in the economic development of society".[29] "The Asiatic mode" here is generally understood as the primitive society. Thus, by now, human society has roughly experienced four social forms, or great epochs, namely, primitive society, slave society, feudal society, and capitalist society. Today, we are living in the epoch of transition from a capitalist society to a socialist and communist society. This is the significant inspiration of the Marxist outlook on epochs.

2.1.2 The Scientific and Revolutionary Nature of the Marxist Outlook on Epochs

Based on historical materialism, Marx and Engels' outlook on epochs is scientific. Marx pointed out:

> Just as one does not judge an individual by what he thinks about himself, so one cannot judge such a period of transformation by its consciousness, but, on the contrary, this consciousness must be explained from the contradictions of material life, from the conflict existing between the social forces of production and the relations of production.[30]

The studies on the epochs by Marx and Engels have revealed the objective law and the inevitable trend of the development of human society, that is, the development of human society from a lower level to a higher one driven by the movement of productive forces and the relations of production. Marx's idea on epochs has revealed in a scientific way the development and evolution of human society, especially the nature of the historical epoch of capitalism and the inevitability of its transition to the historical epoch of communism.

29 *Selected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 1995, p. 33.
30 *Ibid.*

The nature and characteristics of the studies of the capitalist era and the position of capitalism in the development of human history reveal the occurrence, development, and extinction of human society, and proletarian revolution and socialism replace capitalism's historical inevitability—this constitutes the important content of the Marxist ideology of the times. It is the most important content of Marxist thought on epochs to study the nature and characteristics of the capitalist epoch and its status in the development of human history to reveal its occurrence, development, and destruction, as well as the historical inevitability of the proletarian revolution and the replacement of capitalism by socialism.

Marx and Engels experienced the upsurge of the workers' movement and the socialist movement, as well as the relatively stable development of capitalism. They both believed that they were living in the historical epoch of capitalism, modern capitalism. "Our epoch, the epoch of the bourgeoisie" they wrote explicitly in *Manifesto of the Communist Party,* a great work that expressed their understanding of it. With a lot of space in the work, they described a series of specific features of the epoch of capitalism, expounded on the productive forces, production relations, and class relationships, discussed the history of the bourgeoisie and the proletariat, evaluated their merits and demerits, and clarified their historical missions. The work also revealed features of the epoch of capitalism that are different from any previous epoch:

> Our epoch, the epoch of the bourgeoisie, possesses, however, this distinct feature: it has simplified class antagonisms. Society as a whole more and more splits up into two great hostile camps, into two great classes directly facing each other—bourgeoisie and proletariat.[31]

This is an unprecedented development of human society, with the Industrial Revolution as its technological origin. Machinery featuring speed, regularity, precision, and tirelessness had tremendously improved the productive forces, triggering corresponding changes in production and class relations and bringing human society into a new epoch. Capitalism is an extremely important stage and social form in the development of human society. Compared with previous epochs, it greatly promoted the development of human society, and it raised the social, economic, political, and ideological progress to an unprecedented new height. Marx gave a high evaluation to the progressive role of capitalism: "The bourgeoisie, during its rule of scarce one hundred years,

31 Selected Works of Marx and Engels (Volume 1). Beijing: People's Press, 1995, p. 273.

has created more massive and more colossal productive forces than have all preceding generations".[32]

Capitalism is a social system based on private ownership of the means of production and the exploitation of hired labor. On the one hand, it has promoted huge developments in science, technology, and social productivity. On the other hand, it has brought about numerous social problems, global issues, and ecological disasters. Various inherent social and economic contradictions and stagnating production relations hindering the development of the productive forces are fundamental causes for a proletariat revolution. Marx said:

> A similar movement is going on before our own eyes. Modern bourgeois society, with its relations of production, exchange, and property, a society that has conjured up such gigantic means of production and of exchange, is like the sorcerer who is no longer able to control the powers of the nether world that he has called up by his spells.[33]

On the basis of in-depth research on the development and change of the capitalist productive forces and production relations, Marx revealed in a scientific way the objective law of the development of capitalism and drew a scientific conclusion that the capitalist epoch is not eternal. Due to the existence of an insurmountable contradiction in the epoch of capitalism, namely, the contradiction between private ownership of the means of production and the socialization of production, and as a result of the revolutionary struggle of the proletariat, the capitalist society will inevitably devolve into a socialist and communist society.

Marx's study on the epoch is by no means a simple description of world phenomena; it is a revelation of the development trend of human society and prospects of a future society, as well as an inspiration for the revolutionaries' will to struggle and have confidence in victory. There was a time when Europe was burning with revolutionary flame. For a time, Marx and Engels eagerly and optimistically expected the advent of a proletarian revolution, stressing that the bell had tolled for the death of capitalism. However, reality has proved that they underestimated the development potential and the self-adjustment capacity of capitalism. But this does not harm the authority and guidance of Marxism, because Marx and Engels had repeatedly stressed that their theory was not a dogma, but a method of observation.

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32 Ibid., p. 277.

33 *Selected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1995, p. 278.

The application of Marxist theory must depend on a specific time, place, and condition. For instance, when we study the contemporary epoch, we must grasp and adhere to a Marxist position and methods, research the new phenomena and new problems in the contemporary epoch under its guidance—instead of applying and copying blindly some particular conclusions. The scientific analysis of Marx on epochs embodies his scientific attitude and revolutionary spirit, guiding us in the scientific understanding of the nature and characteristics of our own epoch, as well as the inevitability and complexity of developing to a higher epoch.

2.2 Lenin's Outlook on the Epoch of Transition from Capitalism to Socialism

Lenin's outlook on epochs is the product of his combining Marxism and the international situation, the proletarian revolutionary movement, and Russian reality. He has made in-depth analyses on the changes of the relationship in different stages of the epoch of capitalism, the nature and characteristics of imperialism, the path of transition from capitalism to socialism, and the conditions for a socialist revolution.

He made the conclusion that the world was in an epoch of transition from capitalism to socialism, and pointed out that the main features of the present epoch were imperialist domination and proletarian revolution. These insights mark a new stage in the development of the Marxist theory on epochs.

2.2.1 The Rich Connotation of Lenin's Ideas on Epochs

In the late 19th century and early 20th century, a series of major changes had taken place in the development of human society. Lenin further expounded the nature and main characteristics of epochs in light of changes in the new era. He pointed out that we cannot divide the epoch according to particular and partial movements that sometimes move forward and sometimes backward, or various trends separated from the general movements or their speed. We must determine the movement of which class might be a major advanced dynamic in a specific context. Lenin said:

> We cannot know how rapidly and how successfully the various historical movements in a given epoch will develop, but we can and do know *which class* stands at the hub of one epoch or another, determining its main content, the main direction of its

> development, the main characteristics of the historical situation in that epoch, etc. Only on that basis, i.e., by taking into account, in the first place, the fundamental distinctive features of the various "epochs" (not single episodes in the history of individual countries) can we correctly evolve our tactics; only a knowledge of the basic features of a given epoch can serve as the foundation for an understanding of the specific features of one country or another.[34]

Through analyzing his own historical epoch integrating the social form and international revolutionary situation, he drew the conclusion that "bourgeois revolution and imperialism constitute two remarkably different epochs".[35] He created different terms for the current epoch, including, among others, "the epoch of transition from imperialism to socialism", "the epoch of monopoly capitalism", "the epoch of imperialism", "the epoch of world proletarian revolution", "the epoch of the socialist revolution of the proletariat", "the epoch of the imperialist war", and "the epoch of the replacement of the political rule of the bourgeoisie by the political rule of the proletariat". The central idea of these terms is that, since late 19th century and early 20th century, human society has entered a new historical epoch, the epoch of transition from capitalism to socialism, featuring a capitalist war and a proletarian revolution. Adhering to the standard of Marx and Engels' epoch division, that is, the means of production and the social system, according to the realistic production and class relations, and in light of the current conditions of international political economy, Lenin's judgment profoundly revealed the features of the epoch he was living in. The emphasis and core of Lenin's outlook on epochs lie not only in his comprehensive description of epochs in general but also in the thorough and detailed investigation and analysis of the epoch of imperialism.

Lenin's ideas on epochs can be found in many of his works, such as *The National Question in Our Program, Under a False Flag, The Right of Nations to Self-Determination,* and *Imperialism, the Highest Stage of Capitalism.* There are abundant analysis and discussions on the epoch issue from different perspectives in these works.

For instance, in *The National Question in Our Program* written in 1903, Lenin divided modern history into two epochs with the year 1900 as the line: "Those times and today—the age of the last bourgeois revolutionary movements, and the age of desperate reaction,

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34 *Collected Works of Lenin: On Capitalism.* Beijing: People's Press, 2009, pp. 91-92.
35 *Complete Works of Lenin* (Volume 7). Beijing: People's Press, 1986, p. 222.

extreme tension of all forces on the eve of the proletarian revolution—differ in the most obvious way".[36]

In *Under a False Flag* written in 1915, he divided the historical epoch since the bourgeois revolution into three stages: 1789-1871,1871-1914 and after 1914. "The third epoch, which has just set in ... This is the epoch of imperialism and imperialist upheavals, as well as of upheavals stemming from the nature of imperialism".[37]

In the article *The Right of Nations to Self-Determination,* he expounded the division of capitalism into two epochs, focusing on the perspectives of political system and superstructure:

> First of all, it implies that a clear distinction must be drawn between the two periods of capitalism, as they differ radically from each other as far as the national movement is concerned. On the one hand, there is the period of the collapse of feudalism and absolutism, the period of the formation of a bourgeois-democratic society and state, when the national movements for the first time become mass movements and in one way or another drew *all* classes of the population into politics through the press, participation in representative institutions, etc. On the other hand, there is the period of fully formed capitalist states with a long-established constitutional regime and a highly developed antagonism between the proletariat and the bourgeoisie—a period that may be called the eve of capitalism's downfall.[38]

In the book *Imperialism, the Highest Stage of Capitalism,* Lenin profoundly analyzed the defining features and development trend of this stage of capitalism. He pointed out that the development of imperialism led to a sharpening of various contradictions that triggered the conflicts, crises, and wars around the world, turning the current stage of capitalism into an epoch of socialist revolution of the proletariat. Based on the analysis of the basic features and historical position of imperialism, Lenin believed that imperialism had exerted a significant impact on the historical process of the world. He put forward a series of statements, such as "This is the epoch of imperialist upheavals, as well as of upheavals stemming from the nature of imperialism", "Imperialism is the eve of the social revolution of the proletariat", and "This development stage of capitalism has become the epoch of the socialist revolution of the proletariat".

Lenin analyzed the changes in capitalist society at the end of the 19th century and beginning of the 20th century, divided the development of the capitalist mode of

36 *Complete Works of Lenin* (Volume 7). Beijing: People's Press, 1986, p. 222.
37 *Collected Works of Lenin: On Capitalism.* Beijing: People's Press, 2009, pp. 92-93.
38 *Selected Works of Lenin* (Volume 2). Beijing: People's Press, 1995, p. 375.

production into two stages—free competition capitalism and monopoly capitalism—and drew the scientific conclusion that imperialism is monopoly capitalism. He pointed out that imperialism is the highest stage of capitalism, that capitalism has developed to the stage of monopoly capitalism, and that the epoch of the world capitalist domination has come to an end. He grasped the new features of trends of the epoch of imperialism and proletarian revolution, succeeded in leading Russia to achieve the victory of the socialist October Revolution, and established the first socialist country in the world. He spoke highly of the historical significance of the October Revolution, saying that the revolution ushered in a new era in world history, an epoch of the rule of a new class. The victory of the October Revolution marks the beginning of a new epoch, the epoch of the socialist revolution or the epoch of the transition from imperialism to socialism. The October Revolution brought about "the beginning of a worldwide change of two eras in world history—the era of the bourgeoisie and the era of socialism, the era of capitalist parliamentarism, and the era of the Soviet state institutions of the proletariat".[39]

Through the analysis of the characteristics and nature of monopoly capitalism, Lenin revealed the historical nature of this social form of capitalism. He believed that at the end of the 19th century and the beginning of the 20th century, capitalism had developed from the stage of free competition to the stage of monopoly, its highest, final, and dying stage. Although the development of this stage is much more rapid than the previous stages, the historical trend of the dying of capitalism cannot be reversed. In the stage of imperialism, the highest stage of capitalism, the epoch of proletarian revolution has already come, and the transition from imperialism to socialism and communism has begun. This is a great historical epoch.

Lenin revealed the features of his own epoch according to the development of world capitalism and the change of the revolution tasks of the proletariat. He said that, against the backdrop of the transition from capitalism to socialism, imperialism and proletarian revolution are the main features of the epoch, which includes three basic characteristics as follows:

First is an imperialist war, that is, a war for the division or re-division of the colonies and sphere of influence among imperialist powers. World hegemony is the content of imperialist politics; the consequence of imperialist politics will be an imperialist war.

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39 *Complete Works of Lenin* (Volume 36). Beijing: People's Press, 1985, p. 208.

Second is the division of the world into two parts—the oppressing powers and the oppressed peoples. A handful of imperialist powers occupy most of the territory of the world and enslave more than one billion people.

Third is the proletarian revolution. The imperialist war triggered a proletarian revolution, and a socialist revolution was put on the agenda. Lenin believed that imperialism is parasitical, decaying, and dying capitalism, the highest stage of capitalism, and the eve of a proletarian revolution.

The victory of the October Revolution, the birth of a number of socialist countries after World War II, and the vigorous development of the national independence and liberation movements of the colonial and semi-colonial countries have all confirmed his correct judgment of the epoch.

2.2.2 The Theoretical Value and Practical Significance of Lenin's Outlook on Epochs

The evolution of human society, never plain sailing, has often experienced repetition, stagnation, or even temporary setbacks. In the face of complicated social realities, some are shortsighted or even go to the wrong extreme. The same is true in the understanding of Lenin's ideas on capitalism and the development trend of the epoch.

Some people think that Lenin's thought on epochs had a considerable negative impact on the international communist movement because it limited the minds of the people for a long period of time as a classical and sacred doctrine. Moreover, his judgment about capitalism in *Critique of Imperialism* has proved incorrect and out of date by the development of contemporary capitalism. Profound studies on Lenin's ideas about the changes of the epoch, however, prove that such understandings are wrong. Based on the new changes of capitalism and the practice of the proletarian revolution in the world, Lenin's understanding of the epoch has important historical significance and practical value.

2.2.2.1 *Lenin generalized and defined the epoch from changes in economic, political, and class relations around the world, hence enriching and developing Marxist epoch theory*

Lenin's epoch is quite different from that of Marx and Engels. At the end of the 19th century and the beginning of the 20th, capitalism had developed from free competition to monopoly. After the great depression from 1873 to 1895, capitalism suffered a serious crisis in development. It was in this context that the proletarian revolution

exerted a huge impact on the historical process of the world. Lenin keenly grasped world economic and political changes, integrated the international situation and the proletarian revolutionary movement, and analyzed the basic features and development trend of the world situation and main tasks of the proletarian revolution, thus firmly grasping the core of the epoch's development. Through analysis of the contradictions between the monopoly capitalist class and the proletariat, among the imperialist countries, and between the imperialist powers and the colonial and semi-colonial countries, Lenin made the judgment that the proletarian revolution had become the theme of the epoch. He pointed out that, due to uneven political and economic development, the imperialist powers will vie with each other for markets and raw materials around the world, compete for investment opportunities and spheres of influence, fight for world hegemony, and smother the development of the weak peoples. As a result, a war among imperialist powers is unavoidable and will break out. The war will inevitably trigger a proletarian revolution that will usher in a new epoch of imperialism and socialist revolution of the proletariat and cause the collapse of the entire capitalist world.

2.2.2.2 *Lenin's statements that "the imperialist war will trigger a proletarian revolution" and "socialism will be realized first in one or several countries" greatly inspired the morale of the proletariat and promoted the development of a world proletarian revolution*

An accurate understanding of the epoch is a crucial issue that has an important bearing on the comprehensive grasp of the world economy, politics, and international relations, as well as on the forming of various tactics and strategies by proletarian political parties. Lenin thought that an epoch is a long historical period, during which all kinds of social relations and class relations as its basic contents, are constantly changing. The proletariat needs to formulate and adjust its tactics and strategies according to the specific conditions. Therefore, he believed that proletarian revolutionaries must actively facilitate the victory of revolution with favorable opportunities and conditions rather than waiting for the advent of the socialist revolution.

Lenin actively guided the proletariat to grasp the features of the current stage of development and to formulate correct revolutionary strategies. "We are undoubtedly living at the juncture of two epochs, and the historic events that are unfolding before our eyes can be understood only when we analyze, in the first place, the objective conditions of the transition from one epoch to the other".[40] Only by distinguishing

40 *Collected Works of Lenin: On Capitalism.* Beijing: People's Press, 2009, p. 91.

the basic characteristics of different epochs rather than particular circumstances in the history of individual countries can they correctly formulate their own strategies. Taking reality as the basis of decision-making, Lenin made a profound analysis of nature, its characteristics, and the division of the world of the imperialism at the end of the 19th century and the beginning of the 20th. He pointed out that the internal and external contradictions of the capitalist countries will inevitably lead to crises and war, creating great opportunities that proletarian revolutionaries need to grasp to launch the revolution. The disasters, adversities, bankruptcy, and rudeness brought about by the imperialist war turn the current stage of capitalism to the epoch of the proletarian socialist revolution.

Based on the correct judgment of the epoch and an analysis of the uneven development of the imperialist powers, Lenin put forward with full confidence that the victory of socialism could be won first in a few or even one capitalist country, and most probably in the weakest link of the chain of imperialism, hence providing the theoretical support to the necessity and rationality of the socialist revolution in Russia. On the issues of war and revolution, Lenin sternly refuted various fallacies of the bourgeoisie and the opportunists in the Second International about imperialism, clarified the fuzzy understandings of the Social Democratic Party and the workers in different countries, and pointed out that imperialism is the eve of proletarian revolution, greatly promoting the development of the international labor movement.

2.2.2.3 *Lenin's scientific judgment about the development trend of the epoch pointed out a direction for the world proletariat*

Lenin believed that an epoch is a concept relating to development and change in the entire world and of international relations as a whole. He said that, "an era is called an era precisely because it encompasses the sum total of variegated phenomena and wars, typical and untypical, big and small, some peculiar to advanced countries, others to backward countries".[41]

Lenin believed that every big historical era consists of several development stages that can be seen as different small eras. The length of each stage and the size of each era are specific. We cannot focus on the big era representing the general orientation of historical development while neglecting the smaller ones with specific features. The correct way is to integrate the big eras with the small eras of one's own epoch. Based on in-depth studies on the relationship between the imperialist war and the

41 *Complete Works of Lenin* (Volume 28). Beijing: People's Press, 1984, p. 127.

proletarian revolution, Lenin pointed out that the imperialist war and the proletarian revolution were the two themes of his own era, a great era in which the proletarian revolution would inevitably promote the transition from imperialism to socialism and communism.

Inheriting the scientific judgment of Marx and Engels about epochs, Lenin's idea is the continuation and development of the Marxist thought on epochs, as well as the correct judgment of his own about the latest development of the revolutionary situation in Europe, especially in Russia. The epoch that Lenin was living in is the period of climax of the world proletarian revolution. The revolutionary situation in some European countries, especially the revolutionary situation in Russia at that time, gave Lenin great confidence in winning, which was duly confirmed later by the victory of the October Revolution.

A series of major historical events, such as the two world wars triggered by the division of colonies by the imperialist powers, the victory of the October Revolution in Russia, the national liberation movement, and the birth of a number of socialist countries after World War II have fully confirmed the guiding role of Lenin's theory and judgment on the era. Despite his underestimation of the vitality, capacity of self-adjustment and development potentials, overestimation of the situation of the proletarian revolution, and the excessive optimism of the progress and prospect of a world revolution, Lenin's understanding of the defining features and development trend of his own epoch is correct and has important theoretical and practical significance.

2.3 Communists' Understanding of the Epoch after World War II

After World War II, the communists of different countries in the world unanimously agreed to the judgment that "the world is in the transition from capitalism to socialism", which was written in the Declaration of the World Conference of the Communist Party and Workers' Party held in November 1957. *Moscow Statement,* approved at the international conference of the communist parties of different countries in 1960, wrote:

> Our epoch featuring the transition from capitalism to socialism, starting from the great October Revolution, is the epoch of the struggle between two opposite social systems, the epoch of socialist revolution and national liberation, the epoch of the destruction of imperialism and the elimination of the colonial system, the epoch in

> which more and more people take the socialist road, and the epoch of the victory of socialism and communism all over the world.[42]

After World War II, with the vigorous development of the global socialist movement, a world socialist system including Europe, Asia, and Latin America has taken shape. Remarkable achievements made in the economy and politics of all socialist countries thus confirm the correctness of the judgment made by the communists about the nature of the epoch.

2.3.1 Stalin's Understanding of the Epoch

Stalin wrote in *On the Basis of Leninism* published in 1924: "Leninism is Marxism in the epoch of imperialism and proletarian revolution".[43] Hence, the term "the epoch of imperialism and proletarian revolution" was handed down as the core of Lenin's outlook on epochs. The ideas of Lenin and Stalin on epochs were summarized by some theorists as an outlook from the perspectives of war and revolution. Stalin's understanding of epochs had a far-reaching impact on the international communist movement. He highly affirmed the significance of the October Revolution and said: "The October Revolution cannot be regarded as the revolution of a single country. It is an international world revolution, a fundamental transformation from the old world of capitalism to the new world of socialism".[44] The October Revolution ushered in a new era, the era of the proletarian revolution in imperialist countries, "the era of colonial revolution under the leadership of the proletariat in the oppressed countries,"[45] and "the era of the demise of capitalism". Stalin called it "the era of the overall and fundamental crisis of capitalism as a result of the victory of the October Revolution and Russia's separation from the world capitalist system".[46] The Soviet Union had made great achievements in socialist construction. Fully confident of the new era, Stalin put forward a series of new statements, such as "the age of stability of capitalism has passed" and "the era of the demise of capitalism has come". He believed that the crisis of capitalism is the overall crisis of the world capitalist system, a crisis in all respects, including both economy and politics. The unprecedented intensification of the various contradictions of capitalism will inevitably

42 *Xinhua Bimonthly.* 1960 (24), p. 2.
43 *Selected Works of Stalin* (Volume 1). Beijing: People's Press, 1979, p. 184.
44 *Complete Works of Stalin* (Volume 10). Beijing: People's Press, 1954, p. 203.
45 *Ibid.,* p. 206.
46 *Ibid.,* p. 243.

lead to a "total collapse" of the capitalist system. Stalin's idea of the overall crisis of capitalism has influenced the basic understanding of epoch, war, revolution, and peace in many socialist countries.

Stalin's judgment about the epoch, especially the "overall crisis" and the "total collapse" of world capitalism, has not been realized, failing so far to withstand the test of time. Given the economic and political crises of the capitalist world at that time, the vigorous development of world revolution, and the sharp opposition between West and East, we have to admit that Stalin's understanding of the war and revolution is not groundless fantasy or out of revolutionary fervor. His judgment was made on the basis of the vigorous socialist development of the Soviet Union and its impact on the capitalist world, as well as the development of and changes to the international situation. Therefore, his judgment about the era was in line with reality at that time. With tactics and strategies formed on the basis of the understanding that "war and revolution are the main features of the era", the Soviet Union has successfully resisted armed aggression and intervention of Western capitalist powers, and has demonstrated the superiority of socialism over capitalism, exerting such huge pressure on capitalism that it was forced to make policy adjustments and system improvements.

After the World War I, changes took place in the international situation. The establishment of the first socialist country broke the original global pattern of capitalism dominating the whole world. The anti-imperialism and anti-colonialism movement and national liberation set off in oppressed nations and colonies gave heavy blows to the old colonial system. To make it worse, in 1929, the capitalist world suffered another fatal strike by an unprecedented economic crisis that seriously affected nearly all major sectors in the West, including banking, business, and agriculture, ones that already had been in trouble. During the crisis, a unique phenomenon in capitalist society occurred. Many products were destroyed due to overproduction while the majority of the people starved. The serious economic crisis sharpened social and class contradictions, causing a huge crisis for the capitalist system.

In contrast to the crisis-ridden capitalist system, the Soviet Union fully demonstrated the superiority of the socialist system with its great progress in socialist construction, its vigorous economic development, and its vitality as a nation. Faced with a serious crisis, the capitalist world had to learn from the Soviet Union and made a series of adjustments and reform in an attempt to save the decaying capitalist system. After President Roosevelt took office, he began to implement what was called the "New Deal", a series

of government intervention measures to save the U.S. economy, including making some concessions to the working class and other laboring people. The socialist Soviet Union has become an important force that cannot be ignored in the development of the era.

The outbreak of the serious economic crisis in 1929 provided a favorable environment for the emergence and spreading of Fascism. To shift the consequence of the crisis, the national ethnic chauvinism and militarism emotions were swiftly aroused in Germany, Japan, and Italy, and their national economy increasingly turned toward the military, eventually leading to the disillusion of the Versailles Peace Treaty and the outbreak of World War II. The temporary peace after World War I was quickly replaced by World War II, another war launched by capitalism to shift its own crisis that had brought about global trauma and suffering.

Stalin defined "war and revolution" as the two major features of the era. After World War II, the opposition and struggle between socialism and capitalism, as two ideologies and two social systems, became the main contradiction in international relations. The socialist Soviet Union enjoyed unprecedented international prestige for its vigorous socialist system, its huge achievements made in socialist construction, its significant contribution to the victory over fascism in World War II, and its comprehensive national strength. At the same time, more than ten other people's democratic or socialist countries were founded in succession, especially the People's Republic of China, further changing the international balance of power and expanding the influence of socialism. Capitalist countries headed by Great Britain and the United States were frightened by the establishment of people's democratic and socialist countries. To curb the expansion of communism, they soon began to carry out policies to contain the development of the Soviet Union. Winston Churchill, then British Prime Minister, made a speech in Fulton, Missouri, in the United States, in March 1946, saying that the Soviet Union covered the Middle and Eastern European continent with an "iron curtain", and calling for the forming of a coalition between Great Britain and the United States to effectively contain the expansion of the Soviet Union. This speech was a prelude to the Cold War between the East and West. A series of hostile actions of the West targeted at the Soviet Union, such as the implementation of the Truman Doctrine, the Marshall Plan, and the signing of the North Atlantic Treaty, forced the Soviet Union to launch a counterattack. Under the leadership of Stalin, the socialist camp expanded to become a great force contending with world capitalism and promoted a liberation movement of the world proletariat.

2.3.2 Mao Zedong's Understanding of the Epoch

Mao Zedong made a judgment of his epoch as early as in the War of Resistance against the Japanese. He pointed out that the world was in an epoch of proletarian socialist revolution and a liberation movement in the colonies and semi-colonies. In 1940, he wrote in *On New Democracy:*

> The first imperialist world war and the first victorious socialist revolution, the October Revolution, have changed the whole course of world history and ushered in a new era.[47] The world today is in a new era of wars and revolutions, an era in which capitalism is unquestionably dying and socialism is unquestionably prospering.[48]

In December 1947, he stressed in a report entitled "The Present Situation and Our Tasks": "This is the historic epoch in which world capitalism and imperialism are going down to their doom and world socialism and people's democracy are marching to victory."[49] He called on the whole Party and the whole army to fight for the victory of the revolution. After arduous struggles, the Chinese nation finally won its independence and liberation.

Through profound analysis of and calm judgment about the international situation after the founding of New China, Mao Zedong believed that, due to the presence of imperialism, the risk of the outbreak of a third world war had not been removed completely, but a new world war was avoidable as long as the forces for peace in the world were constantly strengthened. He yearned for world peace. In 1953, China began to implement its First Five-Year Plan for the development of its national economy. To seek a peaceful international environment conducive to socialist construction, Mao Zedong and Zhou Enlai expounded on many occasions China's position of opposition to war and the promotion of peace. Mao Zedong stressed repeatedly: China is still very poor; if only we could have a few decades of peace. He thought that China should give priority to domestic construction, and only if the Chinese built China into a prosperous and strong country were they able to stop the war. At that time, New China was implementing its Five-Year Plan, and the socialist transformation was well underway. If there were a war, China would have to engage in it. Economic and cultural programs would stop, the overall plan would be disrupted, and the process of China's industrialization would

47 *Selected Works of Mao Zedong* (Volume 2). Beijing: People's Press, 1991, p. 667.
48 *Ibid.,* p. 680.
49 *Ibid.,* p. 260.

be delayed. Judging by many of his remarks, we can see that he is not as militant as some people thought.

For world peace, China actively carried out peaceful and friendly diplomatic activities on the international stage. The Asian-African Conference held in Bandung, Indonesia, in April 1955 marks the climax of China's peaceful diplomacy. The conference was very important for Chinese in that China's position was clarified, the misunderstanding between China and other countries was corrected, and the Five Principles of Peaceful Coexistence were accepted by more and more Asian and African countries. Mao Zedong has repeatedly stated that China is willing to establish friendly relations with all countries in the world, including the United States, for the sake of peace and development.

In response to a question raised by a visiting delegation of the British Labor Party—Can the socialism represented by, respectively, the Communist Party of China and the British Labor Party coexist peacefully?—Mao Zedong answered:

> I think we can coexist peacefully. If there is a problem here, can we only address it with this kind of socialism, but not with that kind of socialism? Can we coexist with non-socialist countries, such as the capitalist, imperialism, or feudalist countries? I believe that the answer is yes as long as the two sides are willing to coexist. Why? Because we believe that different systems can coexist peacefully.[50]

He also mentioned that China hopes to live in peace with the United States, and hopes that the United States will also adopt a policy of peaceful coexistence. He said that war always brings about destruction, and we need peace, not war.

However, while trying its best to create favorable conditions for its development, China has many times experienced the threat of war. On June 25,1950, the Korean War broke out. On June 27, President Truman announced that United States naval and air forces would provide comprehensive assistance to the South Korean army and sent the Seventh Fleet to the Taiwan Straits. On October 19, the Chinese People's Volunteer Army was sent to the Korean front, fighting with the Korean People's Army against the U.S. aggressors. The Korean War lasted for three years until the Korea Ceasefire Entente was formerly signed on July 27,1953.

The issue of Taiwan, however, has been pending. In September 1954, the First Taiwan Straits Crisis broke out. China and the United States were on the brink of war. During the crisis, the Chinese government repeatedly called for peaceful negotiations to

50 *Collected Works of Mao Zedong* (Volume 6). Beijing: People's Press, 1990, p. 339.

resolve disputes between China and the United States in the Taiwan region and other far eastern regions rather than resorting to threats or war. In September 1958, the Second Taiwan Straits Crisis broke out. In 1958, the Golden Gate Incident heightened the tension between China and the United States. The border conflict between China and India in 1959 posed serious threats to the borders of China. Moreover, the Berlin Crisis from 1958 to 1961, the interruption of the summit meeting of the United States, the Soviet Union, Britain, and France by the "U-2 Incident" in May 1960, the clamor of "retaking the mainland" by the Kuomintang reactionaries supported by the United States in 1962, and the Cuban missile crisis in 1962 were all potential war fuses.

The increased tension in the international situation directly affected the attitude of Mao Zedong and the CPC on war and peace. Faced with the threat of war, Mao Zedong firmly expressed his attitude:

> Now, people of different countries all over the world are talking about the possibility of a third world war. We must fully prepare for and seriously analyze the issue. We are for peace and against war. However, we must not be afraid if the imperialists start a war. Our attitude on this issue is the same as our attitude to all troubles. First, we oppose. Second, we are not afraid. World War I produced the Soviet Union with a population of 200 million. World War II brought about a socialist camp with a population of 900 million. If the imperialists are to start a third world war, it can be concluded that many more millions of people will turn to socialism, while the imperialists will lose most of their territory, or maybe the whole imperialist system will collapse.[51]

Mao Zedong firmly believed that imperialism would inevitably collapse and that socialism would succeed globally.

At the end of the 1950s, the rupture of the Sino-Soviet alliance and the worsening of relations between the two socialist countries resulted in the deterioration of China's security environment. In the summer of 1964, when the two sides were still in a ferocious row, the sudden outbreak of the Tokyo Gulf Incident on August 3 shocked the world, and the U.S. military immediately began bombing targets in northern Vietnam. From 1965 to 1967 the U.S. intervention in Vietnam upgraded from a "special war" to a "limited war", with the scope of the war extending not only from southern to northern Vietnam, but also to Laos. The expanded military actions of the United States in Vietnam and its invasion into China's territorial sea and airspace posed a direct and

51 *Collected Works of Mao Zedong* (Volume 7). Beijing: People's Press, 1999, pp. 238-239.

serious threat to the southern borders of China. In June 1965, the supportive forces of the Chinese People's Liberation Army began to enter Vietnam. After 1965, the Soviet Union deployed more than one million troops on the Sino-Soviet border and invaded China's Chen-pao Island, triggering bloody conflicts between the two countries.

In the face of these frequent aggressive wars launched by U.S. imperialists and their followers, Mao Zedong and the CPC had to consider the problem taking into consideration the worst possible results. Mao's attitude was clear and resolute. If the imperialists insisted on fighting a war, China had no choice but to fight against them before building the country. Feeling the danger of an impending war, China began stressing the importance and urgency of preparation. Mao Zedong repeatedly reminded the whole Party, the army, and the people to be fully prepared for war, to be vigilant against a possible surprise attack by the enemy. Giving top priority to a large-scale preparation for war, China changed its overall strategic guideline of focusing on economic development and taking important measures to develop the economy and improve its national strength. Efforts were pooled to build strategic hinterland areas in China. Everywhere, people built air raid shelters and various facilities for war. The slogans, such as "Heighten our vigilance to defend our motherland" and "Be prepared against war, be prepared against natural disasters, and everything for the people", were familiar then to all Chinese people. The history of later development shows that deviation and errors in the judgment of Mao Zedong about the degree of deterioration in the international situation, the possibility of the outbreak of a third world war, and the revolutionary situation overall seriously interfered with the normal economic development of China, wasted a huge amount of manpower, materials, and financial resources, causing tremendous loss to the national economy. However, we have to admit that it was the intense international situation at the brink of war that caused Mao Zedong to adhere to the "war and revolution" outlook in this epoch. Mao is not militant. Out of a correct understanding of the nature of imperialism, he raised the slogan "Be prepared against war, be prepared against natural disasters, and everything for the people" to call on the people to actively prepare for a possible war. Maybe it was just because of China's active preparation that the capitalist countries headed by the United States and Great Britain did not dare wage a new war.

On October 6, 1964, China successfully carried out its first nuclear test under extremely difficult conditions. On the same day, the Chinese government solemnly stated that China developed a nuclear weapon not because China believes that a nuclear weapon is omnipotent and wants to use it. On the contrary, China developed a nuclear

weapon to break the monopoly of the nuclear powers and to eliminate nuclear weapons. China's successful development of a nuclear weapon exerted a great deterrent effect for world capitalism. Mao Zedong saw imperialism as the root of the war, and he thought that only through a revolution to overthrow the rule of imperialism could world peace be truly achieved. He called on all countries to unite against the policies of aggression and war of the United States imperialists, and to defend world peace. He thought there were two possible results for a world war: suppression of the war, or revolution caused by the war. He said that China had to fight whether its people were afraid or not. China must make up its mind to fight to the end, fight before building the country, and fight for a new socialist world as soon as possible. Admittedly, the CPC judgment that the themes of the epoch were war and revolution were the inevitable outcome of deterioration of China's peripheral environment, the intensification of military confrontation, and the vigorous development of a global national liberation movement.

As the result of the tenacious struggles of the people of China and the world, the United States had failed repeatedly in a series of aggressive policies and actions. The result shows that national independence and liberation is the inevitable trend of the development of the times, and the vain attempts of the U.S. to act against the trend of the era, that is, to impose its own will on the people of the other countries, is doomed to fail.

In retrospect, Stalin and Mao Zedong's outlooks on epochs were not groundless imagination. The first half of the 20th century saw a world full of turmoil, crisis, and war. War was always accompanied by revolution. The victory of world socialism was closely related to the wars and violent social turbulence. A crisis in the development of capitalism triggered two world wars, which in turn brought about a worldwide climax of revolution. The first socialist country was born in World War I, and after the second war, a number of socialist countries were founded and a national liberation movement swept the world. From the perspective of practice, ideas, such as "the epoch of war and revolution" and "the world in the epoch of transition from capitalism to socialism", are correct judgments about social development and the outcomes of the historical environment at that time. The problem of these revolutionaries is that they were so eager to expect the coming of world revolution and the total collapse of capitalism that they lacked sufficient understanding of the new changes of the era, overestimated the revolutionary forces of the proletariat and the development of the situation of socialist revolution, underestimated the forces of imperialism and its potential for development, and overestimated the danger of world war. Surpassing the stage of social development,

these ideas led to an incomplete grasp of the era. "War and revolution" are two major features of a particular period in the development of the epoch. There has been no worldwide war after World War II. The international environment for socialist countries had fundamentally changed. Most countries were engaged in a new revolution of different nature—the worldwide revolution of science and technology that ushered in an era of great postwar economic development. However, due to their incorrect judgment of the era, socialist countries were too slow to catch up with the latest trend of international development, resulting in a negative impact on the great cause of building world socialism.

2.4 Peace and Development as Themes of the Present Epoch

Deng Xiaoping's thought of peace and development attracted worldwide attention in the present epoch. After 1970s, with calm observation and analysis of the distribution of the major strategic forces and their mutual restraint relationship, and according to the strengthening of the forces for peace and the development of the international situation, especially the changes in the strategic situation between the United States and the Soviet Union, Deng Xiaoping made a new judgment on the status and prospect of world peace and war; he put forward the idea that "peace and development are the themes of the present epoch", a new thought that objectively reflects the overall feature of the current era.

2.4.1 Peace and Development as the Two Themes of the Contemporary World

The basic meaning of various descriptions of the features of the present epoch in the literature of the Party is the same, although there are some slight differences in wording. In the Report to the 13th National Congress of the CPC, peace and development were defined as "the themes of the contemporary world", while in the reports to the 14th and 15th National Congresses, they were described in different ways, such as, "features of the times", "themes of the times", and "the two themes of the contemporary world". The idea of "peace and development" embodies China's new judgment of development in the current epoch. Deng Xiaoping began to think about the changes of the era before the

and revolution"; China must be set to explore new ideas and strategies for building socialism in the new context of world peace and development. According to the new understanding and judgment of the issue of war and peace, a strategic shift was made in China's socialist construction, that is, from preparation for "an early, large-scale and nuclear war" to peaceful building of the country. The judgment that "peace and development are the themes of the era" is of great theoretical and practical significance, and is the basis for adjusting our strategic policy and forming a basic line of taking economic development as the center. Deng Xiaoping repeatedly pointed out that the Communist Party of China overestimated the possibility of another world war, neglecting improvement of the productive forces and economic development in the past. Now, the CPC has to make up its mind to concentrate on economic development according to the new observations and analysis. Peace and development have become the themes of the new era, with development as the core. Therefore, in line with the new features of the development of the new era, the CPC must adhere to the basic line of taking economic development as the center, and vigorously develop China's productive forces. Our Party's adjustment and implementation of strategies for socialist construction have brought about enormous vigor and vitality to the whole country and resulted in huge achievements in various causes. China's socialist system has successfully withstood various severe tests in the ever-changing international situation.

2.4.2 Peace and Development as Two Great Contemporary World Issues

Deng Xiaoping's thought about the present epoch, that is, "peace and development have become the theme of the present epoch", caused concern on all sides. According to this judgment, some asserted that the nature of the contemporary epoch had changed. This assertion, however, does not accord with the thought of Deng Xiaoping, which has much more profound connotations. It is true that he pointed out the theme of the current epoch had changed from "war and revolution" into "peace and development", but at the same time, he insisted that the nature of the epoch had not changed. The world today is still in a stage of transition from capitalism to socialism, and socialism, after a long process of development, will surely replace capitalism.

2 4.2.1 Deng Xiaoping's understanding of the nature and themes of the epoch is completely consistent with the founders of Marxism, zuhether in terms of a standard for judgment or understanding the content

Deng Xiaoping took evolution of the mode of production and the social system as the basic standard for division of eras. His grasp of the features and analysis of the development trend of epochs is practically identical with that of Marxism. He believed that the basic trend of the development of the world revealed by the founders of Marxism had not changed and that the contemporary world is still in an era of transition from capitalism to socialism ushered in by the October Revolution. The nature of the epoch has not changed, and peace and development are the themes of this particular stage. Therefore, studies on the contemporary epoch without considering the social system, the socialist goal, or the development trend of human history that socialism will inevitably replace capitalism do not conform to the Marxist outlook on epochs, or to Deng Xiaoping's thought about the epoch.

According to Marxism, as a big historical period with the change of mode of production and social system as its basic connotation, a process of constant movement and evolution occurs in each era, as does historical development. As a long historical period, an epoch may consist of several developmental stages, each with different themes due to the evolution of social contradictions and changes in the form of their expression. Therefore, the nature of each epoch is determined by its basic contradiction, while each stage may have a particular theme that reflects its unique features. Statements, such as "the epoch of imperialism and proletarian revolution", "the epoch of war and revolution", and "the theme of peace and development", are all correct grasps of the major features of different historical development stages. The nature of the current era, however, has not changed with the features of the stage.

With the disintegration of the Soviet Union, the first socialist country, and the drastic changes of the socialist countries in Eastern Europe, the world socialist movement suffered serious setbacks. Against this international background, there have been various views on the nature of the era. Hostile forces strengthened their attack on socialism, shouting that "the 20th century is the end of communism", and "there will be no room for communism in the 21st century". Some believed the judgment that the world is in an epoch of transition from capitalism to socialism was out of date, and the idea of "the inevitable collapse of capitalism" was wrong, saying that the nature of the contemporary

era has changed, so we must redefine it and give up the Marxist outlook. Others thought that since peace and development have become the theme of the current epoch, the nature of our epoch is completely different from that of the epoch that Marx, Engels, and Lenin lived in. Therefore, it is necessary for us to redefine it.

Deng Xiaoping pointed out that these were erroneous understandings of the Marxist outlook on epochs. While commenting on social upheaval in the Soviet Union and Eastern European countries, he instructed the CPC:

> Over the several centuries that it took for capitalism to replace feudalism, how many times were monarchies restored! So, in a sense, temporary restorations are usual and can hardly be avoided. Some countries have suffered major setbacks, and socialism appears to have been weakened. But the people have been tempered by the setbacks and have drawn lessons from them, and that will make socialism develop in a healthier direction. So don't panic, don't think that Marxism has disappeared, that it's not useful anymore, or that it has been defeated. Nothing of the sort![55]

He firmly believed that more and more people in the world will accept Marxism because it a scientific theory revealing the laws governing the development of human society.

The replacement of slave society by feudal society, feudal society by capitalist society, and capitalist society by socialist society is an irreversible trend of social history, although the process might be very long and with twists and turns. The transition from capitalism to socialism covers a big historical period, with different and interrelated developmental stages. Therefore, it is necessary and beneficial to make a new judgment and definition that better reflects the features of the era. The replacement of "war and revolution" by "peace and development" as the theme of the contemporary epoch only means that realistic conditions, rather than the nature of the epoch, has changed. The CPC must keep pace with the development of the epoch, neither sticking to traditional concepts, nor denying the historical destiny of the inevitable replacement of capitalism by socialism with the excuse that the content and features of the era have changed.

2.4.2.2 *Peace and development as the world's status quo and goals for the struggle*

Due to development, change, and various contradictions, a big epoch tends to experience different stages of development. It is equally important to correctly understand the

55 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 383.

features these different stages and to accurately grasp the nature and orientation of the epoch. Only by integrating the nature of the epoch with the themes of different development stages can we have an overall grasp of the era.

Comprehensive analysis of the related ideas of Deng Xiaoping shows that perceiving the significance of peace and development, he revealed them as two problems and stressed that neither had been solved so far. He raised the issues of peace and development as "the two strategic problems of the world", so we cannot delete or leave out the word "problems" or "themes", and simply say that "ours is an epoch of peace and development", which is inconsistent with the meaning of Deng Xiaoping or the expression in Party literature. At first, Deng Xiaoping put forward the two issues as two problems of the world and believed that, as the common aspiration and requirements of the people of the world, peace and development were still goals for the world people to pursue and resolve, rather than the reality of the world. All people in the world must struggle persistently for them. His judgment of the world situation includes two aspects: world war is avoidable, and peace and development are faced with challenges.

Deng Xiaoping's revelation of the two strategic problems is not a simple description of the international situation—it is an exposure of major global contradictions. The contemporary world is faced with serious peace and development challenges. They are not only the prerequisites for China's socialist modernization drive, but also the needs and aspirations of all people. A Report to the 15th CPC National Congress says: "It has become the mainstream of the times to desire peace, seek cooperation, and promote development." Our Party regards hegemony and power politics as the main obstacles to peace and development. Unremitting efforts must be made to fulfill the important task of promoting peace and development.

On the issue of peace, Deng Xiaoping's basic estimation of the international situation is that the forces of world peace are strengthening, while the danger of war remains. After the Cold War and the disintegration of the bipolar structure, Cold War mentality has not vanished, and world peace is interfered with by hegemony and power politics. The United States and some Western countries constantly interfere in the internal affairs of other sovereign states using the excuse of human rights. Deng Xiaoping clearly realized that the end of the Cold War may be the beginning of two other cold wars: one is against the entire South, or the Third World, and the other is against socialist countries. In talks given in Southern China, he said explicitly: "Peace and development are the two major world issues, and neither has been resolved." He repeatedly warned us: "The root

of the war has not been eradicated, and the danger of world war remains." He reiterated that hegemony is the source of unrest and war, as well as a threat to peace and stability in today's world. He often reminded:

> If the United States and the Soviet Union don't fight each other, there will be no world war, but small wars will be unavoidable. Current wars between underdeveloped countries are actually what the developed countries need. Their policy of bullying backward countries has not changed.

He urged us again and again: "China must hold its ground, or others will plot against us. There are many people in the world who hope we will develop, but there are also many who are out to get us. We ourselves must maintain vigilance".[56]

On the issue of development, Deng Xiaoping pointed out that, with the rapid development of the world economy, the gap between the majority of developing countries and developed countries kept widening, and the North-South issue was becoming more prominent. Without the economic development of developing countries, it is almost impossible to maintain world peace. The only way to address the issue of development is for developed countries to effectively and quickly support the economic and cultural development of most developing countries to lift them out of poverty and backwardness according to the principle of equality, fairness, and mutual benefit. Today, we are living in a world that features turbulence, complexity, and sharpening contradictions. The issue of peace has not yet been resolved, and the issue of development is even more pressing. The development of the international situation has further proven the correctness of Deng Xiaoping's grasp of the current epoch.

2.5 Features of the Contemporary Epoch

In recent years, the issue of the contemporary epoch has been a particular important topic of theoretical studies in China. After all, what era are we living in? Has the nature of the contemporary era changed? According to the Marxist outlook on epochs, we know that the nature of the current era has not changed. We are still in the big epoch of transition from capitalism to socialist ushered in by the October Revolution. The drastic change in the Soviet Union and the Eastern Europe is but a temporary setback in the world socialist movement. At present, the financial crisis triggered by the U.S.

56 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 319.

subprime mortgage has afflicted the whole world, resulting in global economic turmoil. The crisis is another testimony to the correctness and scientific nature of the Marxist understanding of capitalism and epochs. Although earthshaking changes have taken place since the publication of the Marxist classics, such as *Das Kapital* and *Critique of Imperialism,* the theories they embody still have great theoretical significance and provide realistic guidance, like brilliant rays passing through history and illuminating the contemporary era.

2.5.1 Analysis of Various Concepts of an Epoch

Since the 1960s and 1970s, there have been numerous concepts of epoch. Many reflect new understandings. The most influential are the ideas of Western scholars who proposed to mark the feature of the epoch with scientific and technological progress, such as Galbraith's *The New Industrial State,* Daniel Bell's "Post-industrial Society", Toffler's *The Third Wave,* Naisbitt's "The New Information Society", and Brzezinski's "Theory of Electronic Technology". Bell divided the history of human society into three stages, namely, pre-industrial society, industrial society, and post-industrial society, which he labeled the information society. In his book *The Third Wave,* Toffler describes three types of societies, based on the concept of "waves". The First Wave is a society after the agrarian revolution; it replaced the first hunter-gatherer cultures. The Second Wave is society during the Industrial Revolution. The Third Wave is an information wave featuring the revolution of new technology. He believed that the third wave is not only a revolution of production, but also a complete new stage in human history. Naisbitt also divided the history of human society into three stages: Agricultural Society, Industrial Society, and Information Society. These new theories are reflections of the rapid development of modern science and technology, which have brought about unprecedented changes to the means of production and to the lives of individuals.

Based on the development of science and technology, there are numerous other names for the current era, such as the age of science and technology, the age of electronics, the age of biological engineering, the internet age, digital age, and virtual age, the age of a knowledge economy, the age of a new economy, and so on. They are descriptions of our era from different perspectives and development trends of science, technology, economy, and production. It is reasonable for them to be used in a certain range and in a certain sense, but not in a general sense to mark a fundamental change or to predict a change of the nature of the epoch. We cannot regard the understanding

of the development of human society from the perspective of economy, science, and technology as an overall grasp and understanding of the nature of this era.

In fact, the real purpose of the advocates of these new thoughts is to define a historical epoch from the perspective of the technological formation of society rather than from an ideology. They regard science and technology as a panacea for all capitalist ills. With concepts of "technocracy" and "futurism" that induce people to rest their hope on these new developments, they try to construct a variety of future development models for the wonderful new world of capitalism. They argue that due to the leap forward in the development of science and technology, human society has entered a new era, a "knowledge economy era" or an "information era", in which all kinds of problems, political or economic, can be solved with the development of science and technology rather than through class struggle. These theorists, with science and technology as their only content, avoided production and ownership relationships, and totally neglected the differences between various social forms. They reduced the development of human society simply to the progress of science and technology.

They mixed the different social forms—primitive society, slave society, feudal society, and capitalist society—into various social development stages they coined, such as "traditional society", "pre-industrial society", "agricultural society", "industrial society", and "information society". Naturally, they mixed socialism with capitalism, obliterated the fundamental difference between private and public ownership with some superficially common phenomena, covered the problems of the social system with the issue of science and technology, advocated the theory of "the convergence of capitalism and socialism", denied the inevitability of the replacement of capitalism by socialism, and promoted the eternity of capitalism with the development of modern science and technology. For instance, Galbraith argues that technological progress has the magic power to eliminate the social evils of capitalism, and will lead to the convergence of the two social systems of socialism and capitalism. He believes that the main contradiction in today's capitalist society is not the contradiction between the proletariat and the bourgeoisie, and that all social systems in the world share a common trend of convergence. Marx and Lenin both failed to predict this trend of convergence; therefore, their theories on the relationship between capitalism and socialism, especially the theory of the replacement of capitalism by socialism, are not correct in the contemporary world, and that in an epoch of convergence, it is impossible for socialism to defeat capitalism.

Marxism firmly opposes defining the nature of an era only by the development of science and technology, arguing that it is impossible to comprehensively grasp its nature and features through an exploration of this issue only. It is true that science and technology are changing the production and life of mankind, but we cannot define the nature of the current era directly from the perspectives of the technological economy or science and technology. The impact of science and technology on human society is exerted through a series of intermediate social links, including a technological mode of production, organizational and managerial forms of production and labor, a social division of labor, social production relationships, and historical and cultural traditions. Therefore, it is impossible to define overall epochal changes only from the perspective of science and technology. The description of the era by the theorists of "technocracy" and "futurism" provides, to a certain degree, vivid and specific appearances of the development of modern science and technology and the drastic changes of contemporary Western capitalist society—rather than revealing the dynamic and law of social and historical development. Hence it is impossible to correctly grasp the nature of the era and predict the future of social development.

In China, some scholars believe that contemporary capitalism—with its unprecedented development of productive forces, its significant adjustment in production relationships, its perfect operation mechanism, and its mature management experience and methods—is no longer capitalism with an "overall crisis" as described in *General Crisis of Capitalism.* However, this point of view has been repeatedly shattered by reality. In 1997, the Asian financial crisis afflicted Asia and even the whole world, having serious impact on the world economy. Since the summer of 2007, the financial crisis triggered by the American subprime crisis has once again brought about disastrous consequences to the world economy. At present, the world is still deep in the mire of economic recession caused by the American financial crisis. Some used to draw the conclusion that the Asian financial crisis in 1997 was caused by "crony capitalism" or "bad capitalism"—the special outcomes of capitalism in Asia—because it had not affected developed capitalist countries with their mature and sound system of market economies. The present crisis, however, provides no excuse for those who are crazy about the capitalist system and worship neoliberalism. They are faced with a very embarrassing question: Why cannot "perfect" capitalism avoid financial turmoil?

As a matter of fact, economic crisis has never been far from capitalism. In the history of the development of capitalism, there have been several cases of the swelling

and bursting of bubbles with the expansion of speculative financial transactions. Since the 1980s, against a backdrop of economic globalization, financial turmoil has never stopped, with financial system collapse repeatedly occurring in the world, from Mexico to Southeast Asia. At present, capitalism is in crisis again. Among the causes of the crisis often mentioned are financial product innovation, improper financial policy, absence of government regulation, imbalanced financial development, speculation out of control in financial markets, poor competition, excessive lending, and underestimation of risks.

Former Federal Reserve Chairman Greenspan was once in the teeth of the storm during the financial crisis. Some scholars and politicians believed that the Fed in the Greenspan era should be held responsible for the current crisis. It is precisely because Greenspan encouraged the policy of a long-term low interest rate that fostered the U.S. housing market bubble, providing a breeding ground for the rapid propagation of sub-prime lending. In addition, the policy of non-intervention of financial derivatives that he highly praised has ultimately turned the subprime mortgage crisis into global financial turmoil. However, Greenspan himself does not agree with the accusations, saying that he still doesn't understand how it all happened. He admitted that he should bear partial responsibility for the crisis, and the outbreak of the crisis has proven that some of his economic concepts might be incorrect. But he denies that the financial crisis is caused by his policy failures, saying that the real root of the subprime mortgage crisis is global economic expansion, and it is the unprecedented growth of the global economy during that period that leads to the underestimation of risk.

In fact, the financial crisis cannot be attributed to one person. Greenspan is but a scapegoat. In the framework of the development of capitalism, the outbreak of the financial crisis is not accidental and has profound institutional roots. The analysis in the framework of regulation and prevention can only touch the surface rather than the essence of the crisis, which is deeply rooted in the inherent contradiction of a market economy. Therefore, it is impossible for the capitalist system to eradicate the root of the crisis. As the inevitable result of the development and intensification of the inherent contradictions of capitalism, the crisis marks the bankruptcy of neoliberalism.

The current financial crisis is the result of a deepening and concentrated outbreak of the basic contradiction of capitalism after its economy has developed into a new stage, that is, the stage of information, globalization, financialization, and neoliberalism. On the one hand, the socialization of production is developing by leaps and bounds, with unprecedented close ties among the enterprises, sectors, and regions. On the other hand,

the interests of monopoly capital have been further strengthened with aggravation of the spontaneity and blindness of the free market. As a result, the basic contradiction of capitalism, the root cause of the outbreak of the economic crisis, has been sharpened rather than eased.

To capture the essence and identify the cause of the current financial crisis, we must take into consideration the essence of the capitalist system. When we look at the crisis from a perspective limited to finance and the phenomenon of financial crisis, and try to discover the reasons for it just from operational and technical aspects without taking into account private ownership, the nature of financial capital to pursue material gain, and the nature of capitalism, it is impossible to answer the question why the market system of the United States, a perfect one in the minds of so many people, was not able to prevent the outbreak of a financial crisis, and it is impossible to capture the essence and discover the root cause of the crisis—the capitalist system. The successive occurrence of the economic crisis is the process of negation of the capitalist production mode. According to Marxism, the growing economic crisis symbolizes the dying of capitalism.

Under a the capitalist system, none in the new technological revolution can deny the contradiction between the socialization of production and the private ownership of the means of production revealed by Marx. The scientific prediction of Marxism that socialism will inevitably replace capitalism is founded on the profound revelation of the basic contradiction and development law of capitalism. The history of the past more than 100 years has been developing just as Marx predicted.

The relative stable development of a few developed capitalist countries after World War II is due to promoting the revolution of new technology, and to the adjustment and reform made within the capitalist system of some links in the capitalist production relationships, forms of economic operation, and management mechanisms. They even borrowed some practices of the socialist countries, such as adopting macro-control to overcome the drawbacks of an unplanned economy, inviting the workers to participate in enterprise management, improving the welfare state to ease the contradiction between labor and capital, thus mitigating the social and class contradictions of a capitalist society.

However, all these efforts have not eradicated the basic contradiction of the capitalist society, that is, the contradiction between the socialization of production and private ownership of the means of production. On the contrary, due to the increasing

socialization of production and market in a globalized world, the contradiction has intensified and sharpened rather than been eradicated. Historical development shows that social improvement can only mitigate but not eradicate the basic contradiction deeply rooted in the nature of the capitalist society, and there is no panacea that can help capitalism avoid its destiny of being replaced by socialism. Now, people often say that we are in an era of peace and development, but we cannot forget that we are in a big epoch of transition from capitalism to socialism.

Some people argued that Lenin's *Critique of Imperialism* might be powerful in explaining capitalism before World War II, but not the capitalism in a world with economic prosperity after the war—because today's capitalism is quite different, maintaining a huge momentum of development and supporting the economic prosperity of the world. But the advocates of the arguments against Marxism have to lower their heads in the face of a financial crisis triggered by the U.S. subprime mortgage mess. With the outbreak of the financial crisis, Marx's *Das Kapital* and Lenin's *Critique of Imperialism* once again attracted worldwide attention. Many people have realized that the Marxist classical analysis of the basic contradiction of capitalism and the characteristics of imperialism is not at all out of date.

During the crisis, the United States pooled resources of the whole nation to fight against financial market turmoil and economic recession. The capitalist government tried to regulate capitalism to resolve the crisis and restore prosperity. Some began to discuss the necessity to restructure the American economy, especially the financial system, to impose stricter state regulation on the financial system, hoping to replace neo-liberal capitalism with a new form of capitalism. At present, although the governments have invested huge amounts of money to save the collapsing banking and financial system, trying to prevent another economic depression, there are no signs of the crisis abating so far, and the international financial system is still in turmoil. Some people keep saying optimistically that the subprime mortgage is about to reach the bottom and that the U.S. economy will usher in the dawn of recovery, but reality fails to meet their good wishes. The current crisis in the United States is by no means a simple financial crisis, but a deep one closely related to the economic and political system of the United States. So far, there are no signs of the crisis ending. We must continue to analyze the essence and the new forms of expression of this financial crisis under the guidance of Marxist theory.

2.5.2 Maintaining Peace and Development as an Arduous Task

After World War II, especially after the 1970s, there was a general trend of ease in the international situation, with major changes in the features of the era. First of all, with the beginning of the Cold War, the two superpowers, the United States and the Soviet Union, engaged in an arms race and competed for world hegemony, posing a serious threat to world peace and security. However, under the condition of nuclear balance, the two sides were restrained by each other; neither dared to resort to use of force or even nuclear weapons. In addition, other members of the nuclear club, such as China, France, and Great Britain, also restricted, to a certain extent, the outbreak of world war. The possibility of another world war has been substantially reduced, and world peace has been maintained due to the mutual restriction of the nuclear powers, although there have been numerous regional wars and conflicts. Second, the people of the world who have suffered the misery of two world wars are strongly opposed to war. Deeply feeling the cruelty and misery of war, they launched, in an organized way, massive protest campaigns to oppose war and protect peace, vigorously promoting world peace. Third, the issue of development has become common global concern. Under pressure of rapid development at home and abroad, all countries are eager to promote economic development. International economic exchanges and cooperation have become a major dynamic for world peace. All these new changes have laid a sound foundation for a new era of peace and development.

The road leading to peace and development is not smooth. After the disintegration of the Soviet Union, there has been a peaceful atmosphere, rarely felt after World War II, in the international community. With cooperation among major countries, a number of international problems have been successfully resolved, such as withdrawal of the Soviet troops from Afghanistan, Vietnamese troops from Kampuchea, and Iraqi troops from Kuwait. Rebels in some countries buried the hatchet, gave up the use of violence, and participated in governing the countries through peaceful election. These new phenomena filled people with hope and optimism about the prospect of world peace and development. Reality, however, is not so optimistic. "Cold War relics" and "Cold War mentality" still exist, and hegemony and power politics have yet to vanish. After the disintegration of the Soviet Union, the United States does not restrain but further strengthens its policies of hegemony, waving the stick of "human rights" and "freedom"

to interfere in the internal affairs of other countries, trampling on the sovereignty of the developing countries, and engaging in the evolution, separation, and westernization of socialist countries. Not satisfied with gains of the Cold War already achieved, American hegemony keeps expanding the result by the use of force. The global goal of the United States is very clear. It will not allow the emergence of any superpower to compete with it, whether in the territory of the former Soviet Union or any other place in the world.

Western powers led by the United States began to actively contain the countries that are, in their eyes, 'Threatening". NATO continued to squeeze Russia's strategic space, and started its eastward expansion plan, ignoring strong opposition from Russia. Finally, the United States succeeded in blocking the traditional sphere of influence of Russia in Europe, as it was a former superpower across the Eurasian continent. Since the end of the 20th century, under the banner of maintaining the overall security of Europe, NATO, led by the United States, has expanded its military influence not only to the Baltic Sea, but also to the Black Sea, the Caspian Sea, and even the whole world. In addition to the consolidation of European security, NATO's military mission has expanded to intervention beyond the Atlantic region. This is the result of what the United States has been promoting for years and always hopes to see.

In Asia, in order to contain China, the United States is actively building a "Pacific Community", relying on Japan and Southeast Asia. The United States and Japan have further strengthened the Japan-U.S. security alliance and expanded its extent in the Pacific region. *The New Japan-U.S. Cooperative Defense Guidelines* strengthened the U.S.-Japan alliance, still the cornerstone of U.S. strategic policy for Asia. These active actions reveal the strategic ambition of the United States and other Western powers in shaping the world. As the only superpower of the world, the United States hopes to establish its leadership in Europe and beyond.

The local war has never stopped. Western powers led by the United States keep expanding their military power, India and Pakistan take turns in conducting tests of nuclear weapons and long-range missiles, and a number of regional conflicts continue to emerge and upgrade. The Iraqi war broke out, while the smoke of gunpowder has not dispersed in Kosovo and the bombing of the Chinese Embassy in Yugoslavia is still resounding. With the start of NATO's eastward expansion plan and the signing of *the New Japan-U.S. Cooperative Defense Guidelines,* the United States and its entourage countries have begun to put aside the UN Security Council and taken unilateral actions in launching military strikes against Iraq, Yugoslavia, Afghanistan, and other countries. The United States has launched multiple attacks in the Asia-Pacific region. It waged

the Iraqi war to remove its biggest hidden danger in the Middle East. It threatens North Korea with the term "axis of evil" in an attempt to force the situation on the Korean Peninsula to comply with its own interests. The military return to Southeast Asia enables the United States to occupy a favorable position in the ASEAN competition. Its policy about Taiwan Straits is becoming clearer. The Japan-U.S. "cooperative defense" has covered China's Taiwan region. The United States, despite China's strong opposition, is working with Japan to deploy the Theater Missile Defense system that will cover the Taiwan region at the east gate of China.

After the Cold War, the United States has never stopped stationing troops or establishing military bases in foreign countries. On the contrary, it has been active in maintaining a military presence at the forefront of important strategic areas. Although the United States has closed military bases in some areas, it has strengthened the bases and the size of troops in the important strategic areas, especially in the "vacuum" area resulting from the disintegration of the Soviet Union, sparing no effort to penetrate into these areas with political, economic, and military leverage. Its strategic purpose is very clear, that is, to control the world through a global military presence. The Pentagon suggests that the United States should build more small-sized military bases convenient for the mobile deployment of U.S. troops to realize its goal of having a station in East Europe, involvement in Central Asia, and stabilizing Northeast Asia. All these actions are very harmful to world peace and development.

Lenin said that modem war originated in imperialism. Deng Xiaoping further pointed out that hegemony and power politics are the most dangerous sources of war in the contemporary world. The international situation after the Cold War shows that our epoch is in line with the basic judgment of Deng Xiaoping—peace and development are the two major global issues and neither has been resolved. In short, in a world featuring a trend of peace and development and the increase of various factors restricting the outbreak of the world war, we should not forget that neither peace nor development has been achieved, and in the face of various challenges, we must keep pursuing, promoting, and struggling for world peace and development.

2.5.3 Development Trend of the Contemporary Epoch

How to understand the situation and prospect of the development of socialism is a major question in the study of the Marxist outlook on epochs. With the integration of the Soviet Union and the drastic changes in Eastern Europe, and faced with the serious setbacks

of the communist movement, some began to question the future of socialism. It seems that Brzezinski's "Big Failure" of communism, Nixon's "win without fighting", and Fukuyama's "the end of history" have all been realized. Some people borrowed Deng Xiaoping's idea that "peace and development have become the themes of the epoch" to prove that the nature of this epoch has changed and Marxism is out of date. As a matter of fact, the serious setbacks in the cause of world socialism, as a temporary detour and retreat in forward progress, cannot reverse the orientation of epochs and the trend of historical development. The world today is still in the era of transition from capitalism to socialism dating from the October Revolution. During such a long, big transition era, there will be different stages of development with distinctive features. The Marxist outlook on epochs adheres to the dialectical unity of a big era of historical development and its development stages. Only by adhering to the dialectical unity can we recognize the right historical trends, strengthen our belief in socialism, and enable us to make timely strategic and tactical adjustments to adapt to the new external environment according to the changes in different epochal stages. Peace and development are the basic features of the current stage. The world has developed from the stage of "war and revolution" to the stage of "peace and development"—two successive but different stages in an era of global transition from capitalism to socialism. After the current stage featuring peace and development, there will be another stage with different features, but the direction of historical development will not change. The inevitable destruction of capitalism and the ultimate victory of socialism is a scientific conclusion of Marxism drawn on the basis of profound analysis of the development of human society, especially the laws governing the contradictory movement of the capitalist society.

The history of the replacement of human society shows that the substitution of capitalism by socialism will be a rather long historical process. Socialism is developing in a tortuous way full of twists and turns, just like the emergence and growth of capitalism at the end of feudal society. From its occurrence and development, we know that a socialist revolution broke out and succeeded first in some countries with backward economies and cultures, and socialist construction started in countries with weak economic and cultural foundations. This means that socialist revolution and construction will be a long and arduous journey. International capitalism will be stronger than socialism for a relatively long time. All these factors determine that the transition from capitalism to socialism will be a protracted and winding process. Although the world socialist movement has suffered severe setbacks in the drastic changes in the Soviet Union and

Eastern Europe, there have been aggravating factors conducive to the development of socialism. At present, to a certain extent, the world socialist movement is recovering and even developing. The socialist countries, such as China, Cuba, Vietnam, North Korea, and Laos are actively exploring a socialist road suitable for their respective national conditions.

The North Korean Labor Party considers "the collapse of socialism in a number of countries not as failure of scientific socialism, but as bankruptcy of the opportunistic socialism". Kim Jong II pointed out that, at a low ebb of international communist movement, North Korea should all the more adhere to the leadership of the Party, the Juche ideas, and Korean-style socialism, that is, "Juche socialism with people as the center, based on and reflecting Juche ideas".[57]

The former Soviet Union and Eastern European socialist countries have not realized the economic prosperity expected after implementing privatization reform. Asian, African, and Latin American countries promoting neoliberalism are rewarded with the frequent occurrence of economic recessions, financial turmoil, and social crises. In some Latin American countries, the Left Party came into power in succession, and began to explore new paths for economic recovery after suffering the bitterness of neoliberalism. In the Venezuelan presidential election in 1988, Hugo Rafael Chávez Frías, leader of the Fifth Republic Movement, won the election with 60% of the votes. After taking office, he initiated political, social, and economic reform. In August 2004, opposition parties demanded a referendum according to the right of referendum stipulated in a new constitution approved in 1999. He won 63% of the votes and continued to serve as president of Venezuela. Under his leadership, great progress was made in social and economic development. At the beginning of 2005, for the first time, he proposed the idea of "building socialism in the 21st century". On December 3,2006, Chavez defeated his opponents in the presidential election and won the re-election.

In Bolivia, Evo Morales, leader of the left-wing "Movement for Socialism" Party, was elected president on December 18, 2005. He led the people of Bolivia to reflect on the harm of neoliberalism and to look for a new development model.

Cuba is a banner of socialism in Latin America. After choosing the socialist road, it has been isolated and blockaded for more than 40 years. Now, it is on the road of revival.

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57 Jiang Shuxian. *Theory and Practice of Korean Juche Socialism.* Beijing: Social Sciences Literature Press, 2007, p. 500.

From 1994 through 1997, Cuba's economic growth reached 0.7%, 2.5%, 7.8% and 2.2%, respectively, and in 2005, it achieved an amazing economic growth of 11.8%. In some Latin American countries, more and more people began to pay attention to and accept Cuba's socialist ideas.[58] On February 24, 2008, Cuba succeeded in accomplishing a transition of power with Raul Castro elected as President of the Cuban Council of State, officially taking the place of his brother, Fidel Castro. The peaceful and smooth transition of top power in Cuba ensures the continuation and development of socialism in the country, and is favorable to the consolidation and development of a socialist movement in Latin America.

Other ruling leftist parties in Latin America include Brazil's Workers' Party led by Lula (elected in 2003); the Progressive Alliance of Uruguay—Broad Front led by Tabare Vazquez (elected in March 2004); the Chilean Socialist Party led by Michelle Bachelet (elected in March 2006); and leftist Nicaragua Party Sandinista National Liberation Front led by Ortega (elected in November 2006).

All these indicate that socialism has been restored and developed, to a certain extent, all over the world, and vigorously refute the arguments that the nature of the contemporary era has changed and needs to be redefined. "War and revolution" brought about a crisis for capitalism and a victory for socialism, while "peace and development" are promoting a world socialist movement. The CPC used to say that only socialism can save China. Now, the vigorous development of China's socialist construction has proven that only socialism can save the world. Under the lofty banner of socialism, China has made positive contributions to the development of world socialism. It has fully demonstrated the superiority of a socialist system with remarkable economic achievements and constantly improved economic and political systems. The CPC will unswervingly adhere to the socialist system and influence the world and promote the development of world socialism with it. The CPC firmly believes that for a fairly long time in the future, through policy adjustment and institutional innovation, by drawing on the advanced science, technology and management experiences of the capitalist countries, the socialist countries will steadily give full play to the superiority of the socialist system and have a decisive impact on the development of world history. Human society will gradually move from capitalism to socialism and ultimately to communism! We will march toward our destination with full confidence, even though we know it will be a long and arduous journey.

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58 Xiao Feng. "What is the Secret of Cuba's Steadfastness under Pressure". In *2006 Follow-up Research Report on Socialism.* Social Sciences Literature Press, 2007, p. 147.

CHAPTER 3

ORIGIN, DEFINING FEATURES, AND CONTEMPORARY DEVELOPMENT OF SCIENTIFIC SOCIALISM

The creation of scientific socialism is not accidental. As the inevitable outcome of the development of capitalism and the evolution of the basic contradiction of capitalism, scientific socialism provides a powerful ideological weapon for the liberation struggle of the proletariat. Under its guidance, the modern labor movement and the socialist movement have developed vigorously. Socialism has evolved from a scientific theory to a social system practiced in many countries; it has developed into a powerful world system.

In the late 1980s and early 1990s, the disintegration of the Soviet Union and the drastic changes in Eastern Europe shocked the world. As a result, the world socialist movement fell into a trough and the theory of scientific socialism was severely questioned. However, facts show that what has failed is not scientific socialism but the socialist model practiced in the Soviet Union and in Eastern European countries.

Socialism with Chinese characteristics was developed through reviewing the experiences and lessons of socialism in the 20th century, adhering to the general principles of scientific socialism, and integrating the concrete national conditions of China.

3.1 The Creation of Scientific Socialism

The production of any theory has its essential economic conditions and ideological sources; scientific socialism produced in the 1840s is no exception. It has profound social and historical conditions and a class foundation, as well as rich ideological and cultural bases and subjective factors.

3.1.1 Development of the Industrial Revolution Provided the Economic Conditions and Class Foundation for Producing Scientific Socialism

As a revolution of science and technology in the development of human society to the stage of capitalism, the Industrial Revolution resulted in the pursuit of more profits by the emerging bourgeoisie class and improvement in production technology. The Industrial Revolution, marked by the invention and application of the steam engine, started in Great Britain in the 1860s, and quickly expanded to some main capitalist countries in Europe and America.

The Industrial Revolution is a great revolution in production technology that facilitated amazing progress in capitalist social productive forces. Engels pointed out in *The Principles of Communism:* "Big industry created the steam engine and other machines, a means of endlessly expanding industrial production, speeding it up, and cutting its costs".[59] Development of the Industrial Revolution resulted in improvement of the capitalist social productive forces unprecedented in terms of speed and scale. The establishment of a capitalist mode of production and the rapid expansion of the scale of production revealed the historically progressive nature of capitalism in its growth period. "Steam and new tool-making machinery were transformed manufacturing into modern industry, and thus revolutionized the whole foundation of bourgeois society."[60] Of course, with the development of the Industrial Revolution, the ills of a capitalist society were increasingly exposed, and the basic social contradiction between large-scale socialized production and private ownership of the means of production became more and more sharp, triggering cyclical economic crises.

Meanwhile, the Industrial Revolution, also a profound social revolution, divided the society into two opposite classes— bourgeoisie and proletariat. With the application of machinery, a large number of farmers, craftsmen, journeymen, and apprentices, as well as child labor and women, were drawn into factories.

The class structure of human relations had changed dramatically, with the whole society reduced to two simple opposing classes. The capitalists used machines to cruelly exploit

59 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 682.
60 *Collected Works of Marx and Engels* (Volume 9). Beijing: People's Press, 2009, p. 277.

the workers, who were in a position of poverty, unemployment, and hunger, resulting in a increasingly sharp contradiction between the two classes. Engels pointed out:

> For, though the rise of manufacturing first attained importance as it transformed tools into machines and workrooms into factories, and consequently, turned the toiling lower middle-class into the toiling proletariat and former large merchants into manufacturers, the lower middle-class was thus early crushed out, and the population was reduced to two opposing elements, workers and capitalists.[61]

"From its origin, the bourgeoisie was saddled with its antithesis: capitalists cannot exist without wage-workers."[62]

One of the direct consequences of the first Industrial Revolution was formation of an industrial proletariat class, who were increasingly poor and large in number. The three great workers' movements, namely, the two uprisings staged by silk workers of Lyon in 1831 and 1834, British Chartism from 1836 to 1848, and the Weaver Revolt in Silesia in 1844, marked a gradual awakening and maturity of the new class. Although all three movements ended up in failure, the proletariat put forward, for the first time, their political ideas, pointing directly to the entire bourgeoisie and the capitalist system. This indicates that the proletariat had boarded the stage of history as an independent political force, laying a class foundation for the production of scientific socialism.

3.1.2 All Advanced Scientific and Cultural Achievements of Mankind Provide an Important Ideological Source for Producing Scientific Socialism

Scientific socialism, as with any theory, must be developed on the basis of its predecessors' fine ideological materials. Lenin said:

> "Marxism has won its historic significance as the ideology of the revolutionary proletariat because, far from rejecting the most valuable achievements of the bourgeois epoch, it has, on the contrary, assimilated and refashioned everything of value in the more than two thousand years of the development of human thought and culture".[63]

61 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, pp. 402-403.
62 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 525.
63 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, pp. 296-297.

All advanced scientific and cultural achievements of mankind, especially the achievements made in understanding of Nature and human history in the first half of the 20th century, provide a rich source of ideas for scientific socialism.

With the development of the productive forces, studies in natural science reached an unprecedented level in the 1830s and 1840s. The three major discoveries in natural science—the theory of biological cell structure, the discovery of the law of energy conservation and transformation, and Darwin's theory of evolution—greatly improved people's understanding of the objective world. Scholars commented that:

> These great achievements of the natural sciences, as powerful blows to idealism and metaphysics, laid a solid foundation for the creation of dialectical materialism and historical materialism, and the establishment of scientific socialism by Marx and Engels through sorting out the heritage of the social sciences.[64]

In social sciences, breakthrough and development had also been made during the same period of time. The utopian socialist theory of Saint-Simon, Fourier, and Owen was the direct ideological source of scientific socialism. Other important sources include German classical philosophy, especially the "rational crux" of Hegel's dialectics and the "basic crux" of Feuerbach's materialism, and British classical economics, especially Adam Smith and David Ricardo's labor theory of value. Engels pointed out that: "Without German philosophy, particularly that of Hegel, German Scientific socialism (the only scientific socialism extant) would never have come into existence".[65] Lenin wrote in *Karl Marx:*

> Marx was the genius who continued and consummated the three main ideological currents of the 19th century, as represented by works by men of the three most advanced countries: classical German philosophy, classical English political economy, and French socialism combined with French revolutionary doctrines in general.[66]

Critically inheriting all the advanced cultural achievements of mankind, Marx and Engels founded the theory of scientific socialism. In this sense, it can be said that scientific socialism was created on the basis of German classical philosophy, British classical economics, and the theory of utopian socialism.

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64 Huang Zongliang et al. *The History and Theory of Socialism in the World.* Beijing: Central Compilation and Translation Press, 1995, p. 27.

65 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 217.

66 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p .7.

3.1.3 A Change in the Political Position and World Outlook of Marx and Engels is an Important Precondition for Producing Scientific Socialism

These economic, political, scientific, and cultural conditions only provide the objective conditions and possibilities for the production of scientific socialism. Subjective efforts must be made to turn it into reality. Therefore, the subjective factors of the creators are also an important premise of the production of scientific socialism.

The objective conditions mean the theoretical contributions of the predecessors, without which there would be no scientific socialism. The subjective factors of the creators of scientific socialism means to refer to the genius, diligence and the great theoretical creation of Marx and Engels, and more importantly, the change of their political position and world outlook from idealism to materialism, from revolutionary democracy to communism.[67]

That is to say, the creation of scientific socialism in the middle of the 19th century by Marx and Engels is attributed not only to the maturity of economic, political, cultural, and other objective conditions, but also, to a large extent, depends on their subjective efforts. The great changes in the political position and world outlook—from idealism to materialism and from revolutionary democracy to communism—made the production of scientific socialism from possibility to reality.

As is known to all, Marx was born in a lawyer's family and Engels in a factory owner's family. Both used to belong to the Young Hegelians, believing in idealism and revolutionary democracy. To create scientific socialism, they had to first change their own world outlook and political position.

Marx began to engage in political struggle after graduating from college in 1841, while Engels was working in Manchester, the center of British textile industry, after completing his military service in 1842. During this period, on the one hand, they actively engaged in revolutionary activities, maintaining close contact with progressives of the working class, investigating the situation of social development, and summing up the experience of the workers movement. On the other, they conducted in-depth studies on scientific theories, including various theories of socialism and the works of

67 *Selected Works of Jin Huiming.* Shanghai: Shanghai Lexicographical Publishing House, 2005, p. 198.

bourgeois economists, especially the works of Feuerbach. These activities and studies quickly helped them rid themselves of the influence of their family backgrounds. These Young Hegelians realized the two great changes in world outlook and political position.

The manuscript "Introduction to Critique of Hegel's Philosophy of Right" and the essay "On the Jewish Question" published in *German-French Annals* in 1844 marked a complete change in Marx's world outlook and political position. In the two articles, Marx clearly put forward the revolutionary socialist idea of the liberation of mankind from all forms of social and political oppression, stated that the proletariat was the social force to realize the socialist revolution, and publicly declared that his philosophy was to serve the proletariat.

In "Outlines of a Critique of Political Economy" and "A review of *Past and Present,* by Thomas Carlyle", Engels put forward the idea that the economy plays a decisive role in historical development. He expounded the social status and historical missions of the proletariat, as well as the idea of socialist revolution, marking a fundamental change in his world outlook and political position.

Through different means, Marx and Engels had completed the transformation of their world outlook and political position. The common cause of revolution and the pursuit of ideals brought them together. After their second meeting in Paris in August 1844,[68] they began working together, participating in the workers' movement, studying the theoretical issues, and creating the theory of scientific socialism.

3.1.4 Theories of Historical Materialism and Surplus Value Laid a Theoretical Foundation for Producing Scientific Socialism

The creation of scientific socialism could not be separated from necessary theoretical support because the theoretical application was indispensible for socialism to turn from fantasy to reality. The creators of scientific socialism were very clear about this point. Marx stressed that, "We are firmly convinced that it is not the *practical attempt,* but rather the *theoretical application* of communist ideas, that constitutes the real danger".[69] Therefore, since 1844 after the change of their world outlook and political position, Marx and Engels began to expound and verify communism from economics and philosophy, and discovered the theories of historical materialism and surplus value.

68 Their first meeting was at the editorial department of the Rhine in November 1842, when Engels was on his way to England.

69 *Complete Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1956, p. 143.

In *Economic and Philosophic Manuscripts 0/1844,* Marx made a preliminary analysis of capitalist economic relations and exploration in the scientific world outlook of the proletariat. He pointed out in this work:

> Religion, family, state, law, morality, science, art, etc., are only *particular* modes of production, and fall under its general law.[70] Here Marx actually described a very important principle of historical materialism: a certain form of production activities inevitably produces a certain form of social relationships.[71]

In their first joint work, *The Holy Family,* they further explored the contradictions between the proletariat and the bourgeoisie, and between wage labor and private ownership—and explored their development and solutions, pointing out that the relationships of property and possession, "as the *objective being of man",* are "the *social behavior of man to man".*[72] Although still rather obscure at that time, the expression was very close to the basic idea of historical materialism. Lenin highly acclaimed it as "laying the foundation of revolutionary materialistic socialism".[73] Marx and Engels, in an article in *The German Ideology (1845-1846),* put forward for the first time, by applying dialectics and materialism to the study of the social history, the concept of "historical materialism". They completely described the basic theory of historical materialism, eliminated the fundamental flaws in previous theories of history, revealed the ultimate cause and the real power of the historical development of human society, clearly put forward that the contradiction between productivity and relations of production is the real dynamic of historical development, and in the capitalist system only through proletarian revolution could the shackles on the further development of productive forces be broken. The creation of historical materialism brought about great change in the people's outlook on social history, laying the first theoretical cornerstone for the production of scientific socialism.

In the second half of the 1840s, Marx and Engels began to use historical materialism to study the economic history and status of capitalist society. In *The Poverty of Philosophy, Wage Labor and Capital,* and other works, from the theory of labor value, they revealed the essence of the system of capitalist wage labor, exposed the secret of the exploitation of capital, proved the historical inevitability of the replacement of capitalism by

70 *Ibid.,* p. 186.

71 *Selected Works of Jin Huiming.* Shanghai: Shanghai Lexicographical Publishing House, 2005, p.l 47.

72 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 268.

73 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 56.

socialism, and further clarified the status of the proletariat in the capitalist system and ways for them to liberate themselves, thus laying a second theoretical cornerstone for the establishment of scientific socialism. Engels gave high appraisal to the theory of surplus value in *Anti-Dilhring,* pointing out that "scientific socialism dates from the discovery of this solution and has been built up around it".

The outlook on historical materialism and the theory of surplus value revealed, for the first time in history, the objective law of historical development that shows that socialism will inevitably replace capitalism; the outlook identified the revolutionary forces, way, and approach to overthrow capitalism and realize socialism, thus establishing socialism on the basis of reality.

3.1.5 Publication of *Manifesto of the Communist Party* Marked the Birth of Scientific Socialism

The creation of historical materialism and the theory of surplus value provided the theoretical foundation of philosophy and economics for Marx and Engels to expound the basic principles of scientific socialism. Based on the theoretical foundation of historical materialism and the theory of surplus value, Marx and Engels critically absorbed utopian socialism, especially the thoughts of the three great utopian socialists of the 19th century, and finally completed the transformation of "utopian socialism to scientific socialism". The publication of *Manifesto of the Communist Party* in February 1848 marked the birth of scientific socialism.

As the first programmatic document of the international communist movement, *Manifesto of the Communist Party,* jointly drafted by Marx and Engels, is the first comprehensive, systematic exposition of the basic principles of scientific socialism. Applying dialectical materialism and historical materialism, they analyzed the contradictory movement between productive forces and production relationships, and between the economic base and the superstructure; they studied class and class struggle, especially the process of the emergence and development of class struggle in the capitalist society; they proved the historical inevitability of the perishing of capitalism and the victory of socialism, as well as historical missions shouldered by the proletariat as the gravedigger of capitalism. They clearly pointed out that after the proletariat conquest of political power, they must vigorously develop productive forces and steadily make social transformation, thereby sweeping away conditions for the existence of class antagonisms and of classes generally. *Manifesto of the Communist Party* also elaborated on the nature,

characteristics, and strategy for the struggle of the Communist Party as the advanced contingent of the proletariat; revealed the nature and disadvantages of capitalism; clarified the position and mission of the world proletariat; and finally issued an international battle call for "Proletarians of all countries, unite!"

Lenin wrote in the article *Friedrich Engels:* "This little booklet is worth volumes: to this day its spirit inspires and guides the entire organized and fighting proletariat of the civilized world".[74] The publication of *Manifesto of the Communist Party* has epoch-making significance. Since then, the proletariat has been equipped with a powerful ideological weapon to understand and transform the world, and with scientific theory, guidance, and clear goals to guide the proletariat. Meanwhile, scientific socialism was also constantly enriched with innovation and developments in the process of social practice and the proletarian movements.

3.2 The Defining Features of Socialism

As a unique social form, especially as the opposite of the capitalist system, the socialist system has its own features different from other social systems, the capitalist system in particular. "Different from both capitalist society and communist society, socialist society is an independent social form built on the basis of public ownership of the means of production. It has its own defining features and will last for a long time in t history."[75] The creators of the theory of scientific socialism, the founders of the socialist system, and leaders of the socialist revolution and construction had all made explorations in and had summarized the defining features of socialism.

3.2.1 Scientific Prediction of the Nature of Socialism by the Creators of Scientific Socialism

The creators of scientific socialism were, in fact, unwilling to draw up a detailed plan for the entire future system. In their view, "The thing to be done at any definite given future moment, the thing immediately to be done, depends of course entirely on the given historical conditions in which one has to act".[76] However, from the logical association in their works and individual speeches, especially in *Manifesto of the Communist Party,*

74 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 57.

75 *Selected Works of Jin Huiming.* Shanghai: Shanghai Lexicographical Publishing House, 2005, p. 207.

76 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 458.

Das Kapital, Critique of the Gotha Program, and *Anti-Dilhring,* we can still find their vision of the main features of the future socialist society.

Marx and Engels's vision of a future socialist society was drawn from the reverse reasoning of the inherent contradictions of capitalism. From their criticism and negation of the private ownership of capitalism, exploitation in the production of goods, and the state of anarchy in production, we can see the basic outline of the future socialist society envisioned by Marx and Engels. To sum up, a socialist society in their minds would have the following five defining features:

3.2.1.1 *Eliminating private ownership of the means of production and transferring it to the poiver institution of the society: implementing public ownership of the means of production*

The elimination of private ownership and the establishment of public ownership by the whole people are the scientific predictions and visions of Marx and Engels for the form and structure of the ownership of the means of production. Marx and Engels repeatedly stressed that the proletariat must, first of all, turn the means of production into state property once it seizes state power. They said:

> The proletarians cannot become masters of the productive forces of society except by abolishing their own previous mode of appropriation and thereby every other previous mode of appropriation. They have nothing of their own to secure and to fortify; their mission is to destroy all previous securities for, and insurances of, individual property.[77]

They believed that, with the abolition of capitalist private ownership, the basis on which the society is divided into opposite interest groups would be eliminated. Therefore, all workers would have a common interest in and own the means of production together and equally. Engels pointed out that the crucial difference between a future socialist society and the present order "consists naturally in production organized on the basis of common ownership by the nation of all means of production".[78] This type of public ownership in the early stage of socialism will take the form of state ownership, and with the development of socialism and ultimate the demise of countries worldwide, it will be replaced by social ownership of a community of free individuals.

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77 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 42.

78 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 588.

3.2.1.2 *Replacing a commodity-currency economy and market regulation with a national economic plan, thus implementing a planned economy that excludes commodity-currency relations*

Marx and Engels argued that planning social production is the inevitable result of social production and an important feature of a future society. With the establishment of public ownership of the means of production, the relationship between commodity and currency will automatically disappear, and social production will be able to allocate, consciously and in proportion, total social labor, thus replacing the state of anarchy of capitalist production by planned socialist production.

> From the moment when society enters into possession of the means of production and uses them in direct association for production, the labor of each individual, however varied its specifically useful character may be, directly becomes social labor ... with one another and with the quantities of labor required for their production, will in the end determine the plan. People will be able to manage everything very simply, without the intervention of much-vaunted 'value'.[79]

In short, the defining features of the future society envisioned by Marx and Engels are the elimination of the relationship between commodity and currency, and the replacement of a market economy by a planned economy, thus putting an end to the history of domination of human beings by commodity fetishism, and bringing mankind from "the realm of necessity" to the "realm of freedom".

Marx once pointed out clearly that communist society is "organized as a conscious and planned association", in which:

> Socialized man, the associated producers, rationally regulating their interchange with Nature, bring it under their common control instead of being ruled by it as by the blind forces of Nature; and achieving this with the least expenditure of energy and under conditions most favorable to, and worthy of, their human nature.[80]

3.2.1.3 *Distributing individual consumer goods for workers according to their work*

Marx and Engels proposed that all social products must be distributed to the whole society, after necessary deductions have been made, in the form of "labor certificates" to individual workers according to the amount of labor they have furnished. Individual consumer goods are distributed in the form of non-commodity exchange according to

79 *Collected Works of Marx and Engels* (Volume 9). Beijing: People's Press, 2009, pp. 326-327.
80 *Collected Works of Marx and Engels* (Volume 7). Beijing: People's Press, 2009, pp. 928-929.

working hours and the quality and quantity of labor they have given to the society. They envisioned a future socialist society as a community of free individuals. "The total product of our community is a social product. One portion serves as a fresh means of production and remains social. Another portion is consumed by members as means of subsistence. A distribution of this portion amongst them is consequently necessary. The mode of this distribution will vary with the productive organisation of the community and the degree of historical development attained by the producers. We will assume, but merely for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labor time. Labor time would, in that case, play a double part. Its apportionment in accord with a definite social plan maintains the proper proportion between the different kinds of work to be done and the various wants and needs of the community. On the other hand, it also serves as a measure of the portion of the common labor borne by each individual, and of his share in the part of the total product destined for individual consumption."[81] In *Critique of the Gotha Program,* Marx further expounded the concrete content of distribution according to work.

> He receives a certificate from society that he has furnished such-and-such an amount of labor (after deducting his labor for the common funds); and with this certificate, he draws from the social stock of goods as much as the same amount of labor cost. The same amount of labor which he has given to society in one form, he receives back in another.[82]

3.2.1.4 Eliminating exploitation and classes in the context of public ownership of the means of production

Why should the elimination of classes be set as a goal of a future socialist society? The explanation of Marx and Engels is that the proletariat is the most revolutionary class because, as the last class in human history, it is the largest and the most powerful class, one that has suffered the most severe oppression and exploitation. It shoulders the great historical mission of human liberation. The historical position and historical mission determine that "it is a class which, for the first time in history, can demand the abolition, not of this or that particular class organization, or of this or that particular class

81 *Collected Works of Marx and Engels* (Volume 5). Beijing: People's Press, 2009, p. 96.

82 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 434.

privilege, but of classes themselves".[83] After in-depth analysis, they pointed out that, in order to eliminate classes, private ownership must be abolished first.

As the foundation of capitalism, private ownership is not only the origin of economic inequality between the proletariat and the bourgeoisie, but also the base of social and political oppression of the proletariat by the bourgeoisie. Only by eliminating capitalist private ownership can the liberation of the proletariat be possible. "Our concern cannot simply be to modify private property but to abolish it, not to hush up class antagonisms but to abolish classes, not to improve the existing society but to found a new one."[84] According to the understanding of Marx and Engels, "with the abolition of class distinctions, all social and political inequality arising from them will disappear by itself".[85]

3.2.1.5 *Ultimately realizing the free development of each individual*

Marx and Engels had always attached great importance to overall human development. In formulating the theory of scientific socialism, they drew a blueprint and described features of a future society not only from the perspective of the system but also one of full and free human development. They expounded the issue of all-around human development in *The German Ideology, Principles of Communism, Manifesto of the Communist Party, Condition of Working Class in England, Das Kapital,* and other works. In *Manifesto of the Communist Party,* the symbol of the birth of scientific socialism, Marx and Engels put forward the concept of free human development as a lofty communist ideal and a defining feature of the future society. "In place of the old bourgeois society, with its classes and class antagonisms, we shall have an association in which the free development of each is the condition for the free development of all."[86] In *Manifesto of the Communist Party,* Marx further defined the future society as "a higher form of society, a society in which the full and free development of every individual forms the ruling principle".[87] This "community" or "social form", with extremely rich social products and without private ownership, is the communist society in which everyone will enjoy free and all-around development, the lofty social ideal and ultimate goal of Marx and Engels's lifelong pursuit.

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83 *Collected Works of Marx and Engels* (Volume 9). Beijing: People's Press, 2009, p. 164.
84 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 192.
85 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 442.
86 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 53.
87 *Collected Works of Marx and Engels* (Volume 5). Beijing: People's Press, 2009, p. 683.

3.2.2 Exploration of the Features of Socialism by Founders of the Socialist System

The essence of socialism is not only a major theoretical question, but also an important practical issue. Since the creators of scientific socialism had no personal experience in socialist society, they did not make a comprehensive and systematic summary of its defining features. Instead, they provided only a general orientation for the development of the future society. In this respect, Marx and Engels repeatedly stressed that:

> Our view on characteristics that differentiate future non-capitalist society from modem society is an exact conclusion drawn from historical facts and the development process. Without the combination of both, any illustration will have no theoretical and practical value.[88]

After socialism was turned from scientific theory into a realistic system, understanding the defining features of socialism by the founders of the socialist system was in basic accord with Marx and Engels's vision of the first stage of communism. In their opinion, the defining features of a socialist society include public ownership of the means of production, planned regulation of social production and distribution, abolition of a commodity economy, and distribution according to work. Meanwhile, however, they did not adhere rigidly to the conclusion of Marx and Engels, but newly explored the essential characteristics of socialism in light of the practice of socialist construction in their own countries.

3.2.2.1 *Lenin's exploration of the development road and defining features of socialism*

As the founder of the first socialist country in the world, Lenin had made an in-depth exploration of the socialist road in the Soviet Union, which could be divided into three periods: the period of the consolidation of Soviet power, the period of wartime communism, and the period of a new economic policy. During these periods, through persistent and profound thinking about the defining features of socialism and answering a series of questions, such as how to build socialism, he had put forward a series of important ideas.

First, priority should be given to the development of the productive force and improvement of the productivity of labor. Lenin said:

> In every socialist revolution, after the proletariat has solved the problem of capturing power, and to the extent that the task of expropriating the expropriators and

88 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 548.

> suppressing their resistance has been carried out in the main, there necessarily comes to the forefront the fundamental task of creating a social system superior to capitalism, namely, raising the productivity of labor.[89]

Second, the country's overall economic life must be restructured with commodity-money relations in a planned way. In 1921, Lenin decisively terminated the wartime communist policy and implemented a new economic policy, making "commodity exchange as the principal lever of the New Economic Policy". He pointed out that:

> Commodity exchange is brought to the fore as the principal lever of the New Economic Policy. It is impossible to establish a correct relationship between the proletariat and the peasantry, or an altogether stable form of economic alliance between these two classes in a period of transition from capitalism to socialism, without regular commodity exchange or the exchange of products between industry and agriculture.[90]

Third, everything valuable that capitalism left behind should be used to build socialism. "But it is not enough to crush capitalism. We must take the entire culture that capitalism left behind and build socialism with it."[91]

3.2.22 Stalin's exploration of the defining features of socialism

After Lenin's death, the Soviet Union gradually established, under the leadership of Stalin, the first socialist mode in human history, the Stalin Model, in the process of socialist construction. The basic characteristics of this model are, among others, exclusive public ownership of the means of production in the structure of ownership and a mandatory planned economy rejecting all market mechanisms in economic operation. It can be said that a series of ideas of the creators of scientific socialism on a future socialist society had been fully reflected in the Stalin Model. Of course, after a period of practice, Stalin also reconsidered and revised his understanding of the defining features of socialism.

First, in terms of public ownership of the means of production, Stalin changed Marx and Engels' vision that public ownership should be the only form of ownership of all means of production in the entire society into the coexistence of public ownership and collective farm ownership.

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89 *Collected Works of Lenin: On Socialism.* Beijing: People's Press, 2009, p. 96.

90 *Selected Works of Lenin* (Volume 4). Beijing: People's Press, 1995, p. 533.

91 *Complete Works of Lenin* (Volume 36). Beijing: People's Press, 1985, p. 48.

Second, he recognized the role played by law of value within a certain range. In the book *Problems of Socialist Economy in the Soviet Union,* he put forward some important arguments, such as "the law of value still plays a role in the field of circulation" and "the law of value is a very good school of practice", although he rejected the role of regulating the law of value in the field of production, and made strict restrictions and regulations on the role and scope of the market and commodities. He wrote: "It is too bad that our economic workers, with a few exceptions, know very little about the role of the law of value and do not study it or take it into consideration in their accounting".[92]

Third, he changed the concept of the elimination of classes into the elimination of the exploiting class, and revised the idea that socialism is a society without class into socialism is a society with two friendly classes: workers and peasants.

3.2.2.3 Mao Zedong's exploration of the development road and defining features of socialism

In China, with basic completion of the socialist transformation in 1956, the socialist system was officially established. Since then, Mao Zedong made an extensive exploration of socialist construction for 20 years until his death in 1976. He did a lot of pioneering work and put forward many valuable ideas, although some might not mature.

Mao Zedong shared the same insight with the creators of scientific socialism, believing that the defining features of socialism are public ownership of the means of production, a planned economy, and distribution according to work. However, the restriction of the underdeveloped social productivity in China set Mao Zedong rethinking the essential characteristics of socialism. He put forward a series of important ideas, such as "a commodity economy is the lever of development of socialist productivity" and "the coexistence of two forms of ownership is the precondition for commodity production".

During the Great Leap Forward and the campaign to establish people's communes, there was a leftist tendency against a commodity economy and a demand for direct transition to a product economy. After reading and studying *Problems of Socialist Economy in the Soviet Union* and *A Textbook of Political Economy,* he clearly pointed out that "commodity production is a useful tool, an economic approach, closely associated with the development of social productivity, and its nature depends on the form of the social system". He further pointed out that, without abundant products, even if the CPC implemented exclusive socialist public ownership, commodity production and exchange would

92 Stalin. *Socialist Economic Problems of the Soviet Union.* Beijing: People's Press, 1961, p. 15.

continue to exist in some fields. In light of the realistic condition of China's low level of productivity, Mao Zedong stressed that:

> The idea of abolishing commodity production and commodity exchange prematurely, and denying the positive effects of commodity, value, currency, and price is detrimental to the development of socialist construction, and therefore it is wrong.[93]

In 1959, he publicly expressed his opinion on the law of value under a socialist system: "The law of value is a great school in which millions of cadres and all the Chinese people can learn how to build our socialist and even communist society".[94] Mao Zedong's understanding of socialist commodity production and the law of value, to a considerable extent, broke through the traditional concept that a commodity economy and the law of value belongs only to a certain form of social system, laying a theoretical foundation for the development of a socialist commodity economy.

3.2.3 Deng Xiaoping's Insight into the Defining Features of Socialism

After the Third Plenary Session of the 11th Central Committee, Deng Xiaoping pondered over the question of "what is socialism and how to build it" and the essence of socialism. He answered the question from various angles on different occasions. He stressed repeatedly that:

> Predominance of public ownership and common prosperity are the two fundamental socialist principles that we must adhere to. "Socialism has two major requirements. First, its economy must be dominated by public ownership, and second, there must be no polarization." "Socialist wealth belongs to the people, and socialist prosperity is the common prosperity of all people. As for the principles of socialism, the first is the development of production, and the second is common prosperity." We intend to develop the productive forces, expand socialist public ownership, and raise people's income. The purpose of allowing some regions and some people to become prosperous before others is to enable all of them to prosper eventually. We have to make sure that there is no polarization of society—that's what socialism means.[95]

In early 1992, Deng Xiaoping creatively made a new summary of the essence of socialism: "The essence of socialism is liberation and development of the productive

93 *People's Daily.* December 19,1958.

94 *Party Literature.* 1990 (4), p. 27.

95 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. Ill, 138,172,195.

forces, elimination of exploitation and polarization, and the ultimate achievement of prosperity for all."

The conclusion was made after profound examination of the experience and lessons of socialist practice and the realistic conditions of China. It embodies profound theoretical meaning in line with Marxist scientific socialism; it has a clear, realistic pertinence to the new content of socialism in the new era. The connotation of Deng Xiaoping's theory of the essence of socialism consists of three levels as follows:

3.2.3.1 *Realizing the material conditions of socialism*

In fact, the creators of scientific socialism have always stressed the need to develop social productivity and create even more labor productivity than does capitalism. Regarding it as the ultimate decisive force for the development of human society, they believe that the development of productivity is indispensible for the founding and development of a socialist society and even the realization of communism. Therefore, they repeatedly emphasized that: "The proletariat will use its political supremacy to wrest, by degree, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the state, i.e., of the proletariat organized as the ruling class; and to increase the total productive forces as rapidly as possible".[96] Lenin also said that after the proletariat had solved the problem of capturing power, the primary and fundamental task was to raise labor productivity.

Deng Xiaoping had carefully reviewed the historical experience and lessons of building socialism, scientifically analyzed the features of the current era and the specific national conditions of China. He concluded that emancipation and development of productivity is the defining feature of socialism, a prominent characteristic of his theory on its essence.

There was a time when China neglected its basic national condition as a primary stage of socialism; it failed to address the problem of how to develop productivity under the condition of socialism. The CPC mistakenly believed that as long as the Party continued to change the relations of production and improved the degree of nationalization, it could promote the development of productivity. Even worse, the CPC used to replace the central task of development of productivity with class struggle. After conscientiously reviewing the lessons of the past, Deng Xiaoping pointed out:

> The basic expression of the superiority of our socialist system is that it allows the productive forces of our society to grow at a rapid rate unknown in old China, and

96 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 52.

> that it permits us gradually to satisfy our people's constantly growing material and cultural needs.[97]

He further emphasized the significance of the emancipation of productivity:

> After a basic socialist system has been established, it is necessary to fundamentally change the economic structure that has hampered productive force development and to establish a vigorous socialist economic structure that will promote its development. This is reform, so reform also means the emancipation of productive forces. In the past, the CPC only stressed expansion of the productive forces under socialism, without mentioning the need to liberate them through reform. That conception was incomplete. Both the liberation and the expansion of the productive forces are essential.[98] The superiority of the socialist system is demonstrated, in the final analysis, by faster and greater development of those forces than under the capitalist system. As they develop, the people's material and cultural life will constantly improve.[99]

3.23.2 Elimination of exploitation and polarization is the social condition for the realization of socialism

According to Marxism, exploitation means that the owner of the means of production, with the means of production he owns, possesses for free the surplus value of the workers. Since this economic relationship is built on the basis of private ownership, exploitation is inevitable as long as private ownership exists. Therefore, Marx and Engels pointed out in *Manifesto of the Communist Parti/* that: "The theory of the Communists may be summed up in the single sentence: Abolition of private property". The elimination of exploitation and polarization as a defining feature of socialism is a continuation of the ideas of Marx and Engels. This proposition, in essence, aims to realize the socialist principle of "public ownership and distribution according to work", which is both a precondition for and essence of this proposition."[100] Only by eliminating capitalist ownership of the means of production and implementing the principle of distribution according to work can the elimination of exploitation and polarization be possible. Obviously, the reason Deng Xiaoping used the term "elimination of exploitation and polarization"

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97 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p.123.

98 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 370.

99 *Ibid.,* p. 63.

100 Jin Huiming & Yan Fengli. "On the Nature of Socialism". *Studies on Marxism,* 1995 (1), p. 29.

instead of "public ownership of the means of production and distribution according to work" is his consideration of the basic national conditions of the primary stage of socialism in China.

3.2.3.3 Attaining common prosperity is the goal of the development of the socialist society

Common prosperity is the goal of socialist society development as well as a symbol of its fundamental difference from capitalist society. Marx once pointed out that, in the new social system, the development of social productivity is so rapid... and that the purpose of production is for the prosperity of all.[101]

Engels also said:

> Society seizing of the means of production sets free for the community at large a mass of means of production and of products by doing away with the senseless extravagance of the today's ruling classes and their political representatives. This creates the possibility of securing, for every member of society by means of socialized production, an existence not only fully sufficient materially and becoming day-by-day more full but also an existence guaranteeing to all the free development and exercise of their physical and mental faculties.[102]

Deng Xiaoping adhered to and developed the above-mentioned ideas of the creators of scientific socialism. He repeatedly stressed that:

> Socialism does not mean allowing a few people to grow rich while the overwhelming majority live in poverty. No, that's not socialism. The greatest superiority of socialism is that it enables all people to prosper, and common prosperity is the essence of socialism.[103]

Common prosperity, as a defining feature of socialism, is a distinctive characteristic of Deng Xiaoping Theory on the essence of socialism, reflecting the integration of Marxism with contemporary Chinese reality. According to Marxism, the ultimate goal of communism is the realization of free and comprehensive human development. Given the current conditions of China, far from the ultimate goal, we need to first attain common prosperity, one of the basic principles of socialism that we must adhere to as it is an inevitable stage that China must experience in its path to free and comprehensive

101 *Complete Works of Marx and Engels* (Volume 46, Part II). Beijing: People's Press, 1980, p. 222.
102 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 563-564.
103 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 364.

human development. Attaining common prosperity, as an essential requirement of socialism, is a profound reflection on the egalitarianism we used to over-emphasize, as well as the future prospect of China's socialist development.

3.2.4 Public Ownership of the Means of Production is the Most Important Defining Feature of Socialism

Ownership is the foundation of a social economic system. It determines not only the other two aspects of production relations (i.e., distribution and interpersonal relationships), but also the nature of the social and political system. As Marx and Engels pointed out, ownership would be the basic problem of a socialist movement, and public ownership of the means of production would be the most basic characteristic of a future socialist society. In his later years, Engels pointed out more clearly that: "The crucial difference of socialist society from the present order naturally consists of production organized on the basis of common ownership by the nation of all means of production".[104]

From the creators of scientific socialism to Deng Xiaoping, all agree that public ownership of the means of production is the main economic foundation and the defining feature of a socialist system. Although Deng Xiaoping did not directly use the wording "public ownership of the means of production" in his concise summarization of the essence of socialism, the term "elimination of exploitation" implies the implementation of public ownership of the means of production because complete elimination of exploitation is not possible without implementation of public ownership of the means of production.

Of course, "social public ownership", public ownership of the means of production by all the social members, cannot be built in the air. It must be based on highly-developed productivity. The founders of Marxism had a very clear understanding of this point. In answering the question "Will it be possible for private property to be abolished at one stroke", Engels pointed out resolutely:

> No, no more than existing forces of production can at one stroke be multiplied to the extent necessary for the creation of a communal society. In all probability, the proletarian revolution will transform existing society gradually and will be able to abolish private property only when the means of production are available in sufficient quantity.[105]

104 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 588.
105 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 685.

However, immediately after founding a socialist system, many countries adopted a single form of public ownership and a highly centralized planned economic system. As a result, instead of promoting productivity, they restricted the superiority of the socialist system.

Since the middle of 20th century, socialist countries, one after another, have embarked on reform, exploring the road of integrating socialist construction with their national conditions. Some have succeeded while others failed. At a late stage of reform, the Soviet Union and Eastern European countries took a "shock therapy" form of radical transformation, with "free market economy" as their objective, thus setting off a wave of large-scale privatization centered on the redistribution of ownership. Their original intent was to turn, through privatization, the enterprises into independent commodity producers and operators to adapt to the requirements of the market economy, improve enterprise operating efficiency, and get rid of social and economic crises. However, privatization has neither ensured the improvement of economic productivity in these countries, nor brought, as expected, political democracy and economic prosperity to the people. On the contrary, it caused a series of grave social and economic problems, such as a drastic economic decline, a marked deterioration of people's lives, rising unemployment, and soaring inflation, ultimately losing the economic base of the socialist system.

The privatization carried out in the Soviet Union and Eastern European socialist countries eloquently shows that private ownership may not necessarily lead to improvement of economic efficiency and solving polarization and other forms of social inequality. Actually, some forms of privatization may include the factors impeding economic development and social progress. Evidence in this respect can even be found in the privatization of Western countries, where thousands of private enterprises go bankrupt every year, while some state-owned large enterprises are exceptionally successful.

Therefore, in the process of establishing and improving the socialist market economy, China no longer blindly pursues pure unitary public ownership without considering its national condition as the primary stage of socialism, and encourages the coexistence and common development of various types of ownership, including individual, private, and foreign economic elements. At the same time, however, China has always stressed the dominant position of public ownership, regarding it as one of the defining differences between socialist and capitalist market economies. Jiang Zemin said:

> The objective of the reform of the economic structure will be to establish a socialist, not a capitalist, market economy. The most important thing is to ensure the

> continuous development and strengthening of the national economy and the entire public ownership economy in market competition, and to ensure the dominant position and the guiding role of a public ownership economy in the national economy.[106]

It was reiterated in the Report to the 17th National Congress of the CPC: "We will unwaveringly consolidate and develop the public sector of the economy, unswervingly encourage, support, and guide the development of the non-public sector."

The essential characteristics of socialism determine that China persistently adheres to the dominance of public ownership. Wei Xinghua argued that:

> The dominance of public ownership in a socialist society is not determined by a moral standard or some subjective creed. It is a judgment made according to the laws governing social and historical development and the principles of historical materialism. An extremely important reason for the emphasis on public ownership in socialist society is that it is the economic base of socialism, without which there would be no scientific socialism.[107]

There are other reasons: first, the emancipation and development of productivity; second, the elimination of exploitation and polarization, and a steady achievement of common prosperity; and third, the realization of the consciousness and planning of social production and the entire economic operation.

In the establishment and improvement of a socialist market economy, there once appeared a tendency denigrating or even denying public ownership. A representative point of view argued that ownership is not the foundation of a social system, nor is public ownership the defining feature of socialism. Since Deng Xiaoping had never mentioned this in his theory on the essence of socialism, public ownership is therefore not necessarily the main form of ownership in socialism. Some even openly advocated privatization, criticizing and negating public ownership. Obviously, contrary to the basic principles of scientific socialism, these opinions are detrimental to China's socialist construction. This issue has a bearing on the future of socialist countries. Therefore, the CPC must, in the spirit of science and democracy, and from theory and practice, carefully study, analyze, criticize, and refute these erroneous and harmful ideas.

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106 *Jiang Zemin on Socialism with Chinese Characteristics.* Beijing: Central Literature Publishing House, 2002, p. 48.

107 Wei Xinghua. "Several Questions about Public Ownership as the Basic Principle of Socialism". *Studies on Marxism,* 2005 (1), p. 37.

3.3 Contemporary Development of Scientific Socialism

Only a theory that keeps developing with the progress of the practice has enormous vitality. Scientific socialism is such a theory, constantly enriching and improving in practice. Marx and Engels always stressed that the communist Party in different countries must not rely on existing theory, but should constantly sum up their own experience, conduct in-depth scientific and systematic theoretical study, and constantly enrich and develop their own theories. "Our theory is a theory of evolution, not a dogma to be learned by heart and to be repeated mechanically."[108] "We have no final goal. We are evolutionaries, and we have no intention of dictating definitive laws to mankind."[109]

Since its birth in 1848, scientific socialism kept enriching and developing in the struggle of the proletariat against the bourgeoisie, in the practice of the socialist revolution and socialist construction in different countries, and in the struggles against all kinds of non-scientific and anti-scientific thoughts and schools of socialism.

The most urgent task of scientific socialism in the current stage is to combine the universal principles of Marxism with actual situations in different countries to explore a road of socialism as practiced in different countries. After the disintegration of the Soviet Union and the drastic change in Eastern European countries, in the face of the development and changes in the capitalist economy, politics, and ideology in an era of economic globalization, communists in different countries made profound reflections on the international communist movement and the Soviet socialist model, and made, to a different extent, theory and policy adjustments in light of the realistic context in their own countries, thus further enriching and developing the theory of scientific socialism.

3.3.1 Insistence on and Development of Scientific Socialism by Communist Parties in Existing Socialist Countries

After the disintegration of the Soviet Union and the drastic change in Eastern European countries, most members of the socialist camp took the capitalist road. At present, there are only five socialist countries under the rule of a communist Party—China, Vietnam, Laos, Cuba, and North Korea. These countries have not only withstood the test of the "domino" effect, they have also made a series of major theory and policy adjustments.

108 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 562.
109 *Collected Works of Marx and Engels* (Volume 4). Beijing: People's Press, 2009, p. 561.

They keep advancing in theoretical exploration and policy change, as well as in economic and political reform.

In the aftermath of the changes in the Soviet Union and Eastern European countries, Vietnam put forward the task of reforming its socialist economic and political system. A Vietnamese scholar proposed that: "To overcome the crisis and invigorate socialism, it is necessary to reform, restructure and replace the socialist model, and remedy the defects in the mechanism".[110] Nguyen Ping, former member of the Political Bureau of the CPV Central Committee, pointed out that: "Times have not changed although the world has changed. Our Party, our people and our country will unswervingly take the road of the times, the road of socialism".[111] Unswervingly adhering to Marxism and socialism and resolutely opposing bourgeois liberalization and the Western multi-Party system, Vietnam promoted across the board the cause of the socialist "renovation", successfully maintaining political and social stability.

Facing "the most complex and acute situation at home and abroad",[112] North Korea is even more determined to take the road of "Korean socialism", that is, "Juche socialism" after analyzing and summarizing the lessons of the Soviet Union and Eastern European countries. Huang Zongliang pointed out:

> Great change took place in the socialist world in the 1980s and 1990s. Korean-style socialism, however, made little change during this historical turn. The Labor Party of North Korea continues to carry on its Korean-style socialism.[113]

After the death of Kim II Sung, under the leadership of Kim Jong II and adhering to its original ideological line and guiding principles, North Korea adjusted to the concrete policies according to the new situation and achieved some initial results.

Adhering to the leadership of the communist Party and a socialist direction, Laos resisted all kinds of shocks and pressures, then made reflections on and adjustments to its socialist theory and policies. Laos People's Revolutionary Party believes that the country is currently at a primary stage in the transition to socialism because it does not

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110 *Collected Papers of the Sino-Vietnam Symposium.* Beijing: Social Sciences Literature Press, 2000, p. b32.
111 Yuan Deping. "Continue to Follow the Socialist Road Firmly and Creatively". *Review of World Socialism,* 2007 (56).
112 Xiao Feng. *Where Should Socialism Go— World Socialist Movement after the Cold War (Part I).* Beijing: Contemporary World Publishing House, 1999, p. 409.
113 Huang Zongliang et al. *The History and Theory of Socialism in the World.* Beijing: Central Compilation and Translation Press, 1995, p. 384.

have the material conditions of socialism. The Party put forward the task of preparing the material basis for a transition to socialism. In 1991, the 5th National Congress of the Laos People's Revolutionary Party determined the route of "Principled National Reform", and in 2001, the 7th National Congress of the Laos People's Revolutionary Party further stressed that Laos would continue to implement the policy of "Principled Overall Reform", to adhere to the leadership of the communist Party, and to follow the socialist road. At present, its "reform and opening up" toward socialism is in full swing and remarkable achievements have been made in Laos.

As the only socialist country in the Western Hemisphere, Cuba was heavily besieged by capitalist countries. In this extremely difficult and dangerous environment, especially after the disintegration of the Soviet Union and the drastic change in Eastern European countries, Cuba repeatedly stressed the leadership of the communist Party and unswervingly adhered to and upheld the socialist system. At the 4th National Congress of the Communist Party of Cuba in 1991, Marti Thought was added to the guiding ideology of the Party, and the national guiding ideology in the constitution was changed to "Marti Thought and the political and social ideology of Marx, Engels and Lenin" in 1992. Especially since Castro's July 26 Speech in 1993 declaring to launch the reform, Cuba has adopted a series of economic reform measures to consolidate and develop socialism and has made remarkable achievements in preventing economic decline and improving the life of its people.

As the mainstay of the socialist world, China has made miraculous achievements in more than ten years since the drastic changes in the Soviet Union and Eastern Europe. The economy continued to grow rapidly, the people's living standard has improved significantly, and the economic scale and its comprehensive national strength have increased dramatically. The proportion of China's economic output to the world economy rises steadily, now ranking the third only after the United States and Japan.

Especially when the world economy is in deep crisis and recession, and the economy of most advanced countries is very weak, China maintains a high growth rate. A Japanese scholar pointed out:

> In the global downturn, capitalist countries suffered economic stagnation, many Third World countries plunged into economic difficulties, and the Soviet Union and Eastern Europe have turned from stagnation to crisis. Only China's economy is so vibrant and remarkable.[114]

114 Makoto Ito. *Problems of Modern Socialism.* Beijing: Social Sciences Literature Press, 1996, p. 122.

The achievement is accredited to the Party's perseverance in upholding a Marxist ideological line and promoting the sinicization of Marxism. Hu Jintao pointed out in his Report to the 17th National Congress of the CPC: "The main reason this path is completely correct and can lead China to development and progress is that we have adhered to the basic tenets of scientific socialism and in the meantime added to them distinct Chinese characteristics in light of China's conditions and the features of the times. The establishment of the theory of socialism with Chinese characteristics systematically answered, for the first time, the basic question of "How to build, consolidate, and develop socialism" in an economically and culturally backward country.

Practices since the birth of scientific socialism more than 160 years ago have proven that Marxism is full of vigor and vitality once integrated with a country's national conditions and current features. The practice of building socialism with national characteristics has successfully accomplished the historical task of the development of socialism from a single model to diversified ones. As the most important ideological achievement in the development of the theory on scientific socialism in the current era, the theoretical system of socialism with Chinese characteristics, in particular, sets a successful example for the development of socialism toward national diversity.

3.3.2 Latest Exploration of Socialism by Communist Parties in Western Countries

As a major force in the socialist movement in the world, communist parties in Western countries experienced the impact of the drastic change in the Soviet Union and Eastern Europe. Some were disbanded, some were forced to rename, and others suffered a sharp drop in the number of Party members. However, most resisted the pressure from various sides and tenaciously survived. For more than a decade, to adapt to the requirements of the new social practice, they made adjustments to their program, constitution, theory, and policy in light of the economic, political, and ideological changes of capitalism in the era of globalization. Although some of their theoretical arguments do not belong to the category of scientific socialism, and some are a betrayal or even subversion of it, their research and exploration provide a special perspective for the people to understand contemporary capitalism and socialism, thus having a certain positive significance to the theoretical innovation of socialism. The new exploration

of socialism by the communist parties of Western countries is mainly in the following aspects:

First, exploring the road of socialist development from the reality of the country

After the drastic changes in the Soviet Union and Eastern Europe, the communist parties in Western countries attached great importance to the integration of the basic tenets of Marxism and the specific reality of the country. They actively explored the road of development and a socialist model suitable for their national conditions.

The U.S. Communist Party (CPUSA) pointed out that:

> There is not a fixed and universal model for socialism. In light of its own tradition, history, culture, and environment, the United States must take a socialist road reflecting the development and unique environment of the United States, one different from that of any other country in the world. In view of this objective, CPUSA defines the socialism it pursues as "Bill of Rights Socialism".

The Japanese Communist Party also made it clear that it didn't give up the general orientation of socialism and communism. Based on the theory of scientific socialism, it adopted new policies and measures that better suit the national conditions of Japan and strives to realize socialism Japanese style in the comprehensive inheritance and development of freedom and democracy.

In order to effectively respond to the joint attack of the bourgeoisie, the communist parties of various European countries strengthened internal communication among themselves and external communication with left-wing parties, adding some regional color to the socialism advocated by European communist parties. For instance, the theory of New Communism proposed by the French Communist Party directly or indirectly affected the socialist theory and practice of other European countries. However, the European communist parties also pay special attention to exploration of socialism with unique national characteristics, trying to reestablish the goal and practice of socialism from the actual situation of each country. For example, the Portuguese Communist Party clearly stated that: "The blueprint of building socialism in Portugal must be tested in practice and revised and improved according to the will of the people. The Portuguese socialist system will inevitably bear the characteristics and originality of Portugal".[115]

115 Xiao Feng. *Where Should Socialism Go—World Socialist Movement after the Cold War* (Part I). Beijing: Contemporary World Publishing House, 1999, p. 563.

Second, defining democracy as the essential characteristic of socialism

After the drastic changes in the Soviet Union and Eastern Europe, Western country communist parties placed democracy in a particularly prominent position, defining "freedom, democracy, justice, humanity, and human rights" as basic elements and important features of socialism. This certainly has relevance with its strong democratic tradition, but is more based on a profound reflection on the Stalin model of socialism and a clear understanding of the new situation.

Communist parties in Western countries unanimously agree that the dictatorship and centralization of the Soviet model of socialism strangled freedom and democracy, and to win the final victory of socialism, countries must fully realize democracy and strengthen the democracy of the communist Party.

The Communist Party of the United States clearly takes the restoration and expansion of democracy and the establishment of a truly humane society as the important content of its Bill of Rights Socialism. The Japanese Communist Party sets broadening and developing the freedom and democracy conferred by the constitution as one of its basic tasks, claiming to realize a "democratic and prosperous socialism" on the basis of the comprehensive inheritance and development of freedom and democracy. European country communist parties all stress the significance of democracy, be it the Greek and Portuguese Communist Parties with heavy traditional colors, or the French, Spanish, and Italian Communist Parties with their strong sense of innovation.

Third, emphasizing the realization of socialism through peaceful means

After the drastic changes in the Soviet Union and Eastern Europe, communist parties in Western countries proposed to realize socialism through peaceful means. At present, only a very few communist parties still stand for the overthrow of capitalism through armed revolution to seize state power and realize socialism. Most communist parties agree to give up violent struggle and the dictatorship of the proletariat. They advocate transforming the existing capitalist society and gradually moving toward socialism and communism within the framework of the existing capitalist society, and through parliament or other legal forms of action. The Communist Party of the United States believes that socialism can be realized in the United States without violent revolution, but by peaceful means, namely, via a democratic constitution.

The Japanese Communist Party (JCP) clearly pointed out that: Although the policy of the Liberal Democratic Party in Japan has fallen into a deadlock and crisis, and

Japanese politics must be fundamentally changed, the regime target of the JCP at present is to not realize socialism immediately, but to carry out democratic reform within the framework of capitalism according to the interests and requirements of the people by uniting all innovative and democratic forces, including conservatives and non-Party figures, striving to realize the goal of "remodeling Japan and building a democratic coalition government" early in the 21st century.

The communist parties of the European countries also stressed to change and transform the existing capitalist society, and then to realize socialism and communism through the development of democracy. At its 29th National Congress in 1996, the French Communist Party put forward a new theory of "transcending capitalism", calling for reform of capitalist politics, economy, and culture by means of citizen participation and parliament struggle; it called for elimination of exploitation and alienation, and ultimately to found a communist society in which the free development of each individual is the condition for the free development of all.

Fourth, adhering to socialist triumphalism but at the same time recognizing the twists and turns in the realization of socialism

Taking advantage of living in a capitalist society, the communist parties of Western countries made profound analyses of modem capitalism in the era of globalization. They believe that with the rapid development of science and technology and the continuous deepening of economic globalization, capitalism does undergo many deep-seated changes, constantly demonstrating its strong adaptability. With the development of economic globalization, however, capitalism has become a global system with even more ambition in monopoly, robbery, and aggression. The nature of capitalism has sharpened class and social contradictions, with the inherent contradiction of capitalism expanding in a new form all over the world. The crisis of capitalism is inevitable, the internal contradictions of capitalism are becoming more and more acute, and the crisis of the capitalist system is deepening. All these problems determine that capitalism needs a better system, socialism, to replace it.

The Communist Party of the United States believes that monopoly, conglomeration, and globalization are the latest trend in capitalist development. The emergence of large financial empires has exacerbated the poverty of the working class, resulting in serious polarization. The new antagonism in the development of capitalism

spread rapidly from the United States to the whole world, triggering a new round of worldwide economic crisis.

The Japanese Communist Party pointed out that economic globalization since the 1990s has deepened the inherent contradictions of capitalism, creating a more mature condition for surpassing capitalism and establishing socialism in the 21st century.

The Italian Communist Refoundation Party pointed out that capitalism has entered a new stage of globalization that has intensified its inherent ills, such as the gap between rich and poor, social injustice, alienation of labor, and loss of personality.

The communist parties in Western countries firmly believe that "socialism is the best substitute for capitalism" and set the realization of socialism and communism as their goals. At the same time, however, they know very clearly that surpassing capitalism to realize socialism and communism under the new circumstances will take a much lengthier, more complex, and arduous road than the founders of scientific socialism predicted.

3.3.3 New Ideas on Socialism by Left-Wing Scholars in Foreign Countries

The socialist trends and schools of thought of some foreign left-wing scholars have revised and even attacked scientific socialism. Some have caused a negative influence on the world socialist movement. However, the scholars have put forward many notable new topics and positive ideas in their criticism of capitalism, analyzing realistic questions and conceiving socialism. Although having had a tremendous impact on and having generated serious setbacks to the cause of socialism, the drastic changes in the Soviet Union and Eastern European have not reduced the enthusiasm of left-wing scholars in studying socialism. Leftists in developed European countries and the United States drew the conclusions that "liberalism is not able to save Europe" and "privatization cannot save socialism" from their analysis of the causes of the drastic changes. They set off a wave of the "Revival of Socialism" and "Remodeling Socialist Theory". They put forward various theoretical models for future socialist development, greatly promoting the development of the schools of socialist theory in Western countries.

First, the new development of ecological socialism

After the setbacks of traditional socialism caused by the disintegration of the Soviet Union and the drastic changes in Eastern Europe, some left-wing scholars have combined the future and destiny of socialism with ecological problems and the ecological movement, resulting in great progress in ecological socialism in the 1990s. Some communist parties in Europe have developed to a new stage of "the integration of red and green", that is, the integration of the communist Party and the social Party with its green peach movement. Many members of the disbanded communist parties joined the green organization. The phenomenon of "Red in Green" enables the ecological socialists to reform the ecological movement and dissolve the global ecological crisis with Marxism and socialism.

Second, new climax of market socialism

After the drastic changes in the Soviet Union and Eastern Europe, many left-wing scholars in the west, with Paul M. Romer, Pranab Bardhan, and David Schweickat as their representatives, put forward their models of market socialism.

The advocates of these models proposed to summarize, comprehensively and dialectically, the experience and lessons of contemporary world economic development, re-creating the blueprint of socialism according to the principle of efficiency and equality. They put forward and gave a detailed description of all sorts of models for future socialism, ones completely different from the former Soviet model, in order to construct an economic system that is more efficient and equal.

Third, the rise of "the third road"

After the disintegration of the Soviet Union and drastic changes in Eastern Europe, in order to survive and revive, members of the Social (Democratic) Party had to adapt to the changes in the world and reflect profoundly on their traditional theories, policies, and values. They realized that because they lay excessive emphasis on their difference and boundaries with the right wing, and stubbornly followed the logic of the dichotomy of Left and Right in class politics, they were trapped in a rigid mindset, failed to unite effectively various political forces, especially the numerous intermediate forces—so they missed an opportunity to rule and were always in the opposition. Therefore, they decided resolutely to take the "positive central" or "flat middle" position, that is, "central left" surpassing the "old left" and the "new right"—collectively

known as "the third road". The above-mentioned theories of different schools of left-wing scholars renewed the longing of the people for socialism when the world socialist movement was at low ebb. Moreover, the new climax of Market Socialism, the vigorous development of Ecological Socialism, the wide spread of New Socialism in Russia, Latin America, and Eastern and Western Europe strongly refuted the theories of "the failure of socialism" and "the end of history". Some left-wing scholars stated clearly: "It is not correct, whether in theory or in reality, to regard the disintegration of the Soviet Union as the entire failure of socialism, or the reason to deny a realistic possibility of socialism".[116] Other scholars believe that "socialism will have a future in the 21st century"[117], greatly enhancing the socialist belief of the people.

Meanwhile, left-wing scholars have raised many notable new topics arising from the changes and development of the times. They are invaluable inspirations for the innovation of the theory of scientific socialism and the development of the world socialist movement. For instance, the scholars of market socialism proposed the idea that socialism should and must make use of the market, which broke the deep-rooted concept that put market and plan, socialism and market, in sharp opposition, changed the viewpoint that regards central planning as the only model for socialist economic operation in traditional socialist theory and practice, hence enriching and developing the theory of scientific socialism. For another example, ecological socialism correctly revealed the fundamental reason of the ecological crises, holding that the anarchy of capitalist production is the root cause of these crises, and making fierce criticisms of "Ecological Colonialism", that is, capitalist transfer to Third World countries the technology, industry, and even garbage—all harmful to the health of the people and the environment. Taking the ecological issue as an important basis to oppose capitalism and realize socialism, Ecological Socialism has developed the Marxist idea of environmental protection. All these ideas are significant for the development of the Marxist scientific socialism, the improvement of the theory of socialism with Chinese characteristics, and the revitalization of the world socialist movement.

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116 Makoto Ito. *Problems of Modern Socialism.* Beijing: Social Sciences Literature Press, 1996, p. 5.
117 Yunker, J. *Socialism Revised and Modernized: the Case for Pragmatic Market Socialism.* New York: Praeger Pub., 1992, p. 14.

CHAPTER 4

EXPLORATION OF BUILDING SOCIALISM IN ECONOMICALLY AND CULTURALLY BACKWARD COUNTRIES

Unlike the prediction of Marx and Engels, socialism has worked not in advanced and developed Western countries but in economically and culturally backward countries, such as Russia, China, and some Eastern countries. Is this phenomenon inevitable or accidental in historical development? What is its historical and realistic basis? Over the centuries, with the rise and fall of the international communist movement, debates over these issues have occurred time and again. At the end of the 1980s and in the early 1990s, when the world socialist movement receded to a low ebb, China, a socialist country rising from a semi-colonial and semi-feudal backward society, explored and answered this question with its practical action and tremendous achievements. Since the beginning of the new century, especially after the global economic crisis in 2008, China's economy has been outstanding among world powers. The "China road", the "China model", the "Chinese experience", and other inspiring terms have become global topics of discussion, providing great encouragement and profound enlightenment to many developing countries adhering to or looking to follow the socialist road.

4.1 Debates on Building Socialism in Economically and Culturally Backward Countries in History

The debates on building socialism in economically and culturally backward countries roughly fall into two categories: first, whether the backward countries have the necessary conditions to build socialism; second, how to build socialism in these countries. So far, the arguments are mainly about the revolutions in Russia and China.

4.1,1 Debates in Russia (the Soviet Union)

The Russian Socialist Movement began in the 1870s, after which debates on the socialist revolution and the socialist road have never stopped. The most influential ones are as follows:

Struggle between the Marxists and the Narodnik Socialists

The Norodniks, an agrarian socialist movement formed after the reform of Russia in 1861, believed in Russia's special way of life and its agrarian system, and hence the possibility of a socialist peasant revolution. From the 1880s through the 1890s, they abandoned the old populist revolutionary program, reached a compromise with the Tsarist government, and used legal journals to attack Marxism and the Russian Marxists. Liberal Norodniks had become a major obstacle to the integration of Marxism with the Russian workers movement. The Russian Marxists, with Lenin and Plekhanov as their representatives, had heated debates with them.

The destiny of Russian capitalism was the focus of the debate between the two sides. As Lenin said, "after the appearance of *Das Kapital,* the destiny of capitalism in Russia became the principal theoretical problem for Russian socialists; the most heated debates raged around this problem, and the most important points of a program were decided in accord with it".[118] Liberal Narodniks did their best to deny the fact that capitalism in Russia had developed, and asserted that capitalism had no market to develop in Russia with the excuse of the impoverishment of the masses of the people. Lenin pointed out that: "The impoverishment of the masses of the people" (that indispensable point in all Narodnik market arguments) not only does not hinder the development of capitalism, but, on the contrary, is the expression of that development; it is a condition of capitalism and strengthens it".[119] He also said that the market and social divisions of labor were closely linked, and social division of labor was the basis of all commodity production, including capitalist production. While he profoundly expounded the capitalist nature of Russian society, Lenin further explained the tasks necessary for a Russian revolution. Affirming Plekhanov's judgment that the Russian Revolution had a dual task of a bourgeois

118 *Complete Works of Lenin* (Volume 1). Beijing: People's Press, 1984, p. 232.
119 Ibid., p. 81.

democratic revolution and a socialist revolution, he particularly emphasized the link between them.

In the struggle against the Narodniks during the 1890s, Lenin not only completely crushed the Narodnik ideological system, he also made a profound exposition of the social nature and the revolutionary tasks, dynamic, and road of Russia. Meanwhile, he also opposed one-sided condemnation of the Narodniks, arguing that, "It is clear from this that it would be absolutely wrong to reject the whole of the Narodnik program indiscriminately and in its entirety. One must clearly distinguish its reactionary and progressive sides".[120] The struggle between the Marxists and the Narodniks exerted a profound influence on the Russian socialist movement. In summarizing this debate in 1905, Lenin said: "The entire history of Russian revolutionary thought during the last quarter of a century is the history of the struggle waged by Marxism against petty-bourgeois Narodnik socialism".[121]

Debate between the Bolshevik and the Menshevik parties

The debate between the Bolsheviks and the Mensheviks started around 1905 when the two parties differed greatly on how to handle properly the relationship between the democratic and the socialist revolution on the road of revolution.

In the storm of revolution in Russia in 1905, two fundamentally opposing strategic resolutions had been approved separately by the Bolsheviks and the Mensheviks within the Social Democratic Party: the Resolution of the Third Congress of the Bolsheviks and the Resolution of the Congress of the Mensheviks. The Bolshevik Party stated that the proletariat must lead the democratic revolution, unite the peasants, isolate the bourgeoisie, overthrow the dictatorship of the Tsar through an armed uprising, and establish a provisional revolutionary government, carrying the revolution to the end. The Menshevik Party, however, believed that this revolution was a bourgeois revolution, and therefore should be led by the bourgeoisie; that the proletariat should move closer to the bourgeois and keep away from the peasants so as to not scare the bourgeoisie and reduce the scale of the revolution; that if the uprising succeeded, a provisional revolutionary government should be established without the participation of the Social Democratic Party, which should retreat after the success of the uprising and should not take any revolutionary action that might deter the bourgeoisie. The Mensheviks thought, due to Russia's backward productive forces,

120 *Complete Works of Lenin* (Volume 1). Beijing: People's Press, 1984, p. 462.
121 *Selected Works of Lenin* (Volume 4). Beijing: People's Press, 1995, p. 654.

that it did not have the conditions for building socialism. Therefore, they opposed the proletariat socialist revolution and advocated that Russia should develop along the road of bourgeois constitutionalism.

Lenin expounded the theory of the transition from a democratic revolution to a socialist revolution in a series of works, including *Two Tactics of the Social Democratic Party in the Democratic Revolution, Social-Democracy's Attitude toward the Peasant Movement,* and *Socialism and the Peasantry.* He argued that the proletariat should and could become the leader of the Russian bourgeois democratic revolution; the democratic dictatorship of workers and peasants was the only way to win complete victory of the bourgeois revolution; and incessant efforts should be made to transform the democratic revolution into a socialist revolution. The democratic revolution was Russia's first step and the socialist revolution was the second step. There were two links, different from and associated with each other, on the chain of the Russia revolution. He pointed out:

> From the democratic revolution we shall at once, and precisely in accord with the measure of our strength, the strength of the class-conscious and organized proletariat, begin to pass to a socialist revolution. We stand for uninterrupted revolution. We shall not stop halfway.[122]

Lenin's theory about the transition of a successful democratic revolution to an immediate socialist revolution constitutes a major development of the thought of continuous revolution put forward by Marx and Engels in the 1840s and 1850s.

After the February Revolution in 1917, another round of debate broke out between the Bolshevisk and the Mensheviks on the same issue.

In *The Tasks of the Proletariat in the Present Revolution* (also known as *The April Theses),* Lenin pointed out on April 3,1917, that:

> The specific feature of the present situation in Russia is that the country is *passing* from the first stage of the revolution—which, owing to the insufficient class-consciousness and organization of the proletariat, placed power in the hands of the bourgeoisie—to its *second stage,* which must place power in the hands of the proletariat and the poorest sections of the peasants.

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122 *Complete Works of Lenin* (Volume 9). Beijing: People's Press, 1959, p. 221.

The April Theses provided a timely and concrete line, principles, and policies for the Party and the proletariat to strive for the transition from the bourgeois democratic revolution to the socialist revolution. On the contrary, the Mensheviks advocated maintaining the rule of the bourgeoisie by the provisional government and opposed the action of the proletariat to seize power because they thought the conditions for a socialist revolution had not yet matured in Russia. A day before Lenin's *The April Theses, Unity* was published, the official newspaper of the far-right Mensheviks with Plekhanov as their chief editor, used an entire column to criticize Lenin's work, calling it "somniloquy". Plekhanov said in the debate that "the kind of flour used to bake the socialist pie had not yet been ground in Russia".

On October 1,1917, Lenin published an article entitled *Can the Bolsheviks Retain State Power,* refuting the reasons the Mensheviks, one by one, for opposing the proletariat to seize state power. He concluded that:

> Justice alone, the mere anger of the people against exploitation, would never have brought them on to the true path of socialism. But now that, thanks to capitalism, the material apparatus of the big banks, syndicates, railways, and so forth, has grown, now that the immense experience of the advanced countries has accumulated a stock of engineering marvels, the employment of which is being *hindered* by capitalism, now that the class-conscious workers have built up a Party of a quarter of a million members to systematically lay hold of this apparatus and set it in motion with the support of all working and exploited people—now that these conditions exist, no power on earth can prevent the Bolsheviks, *if they do not allow themselves to be scared* and if they succeed in taking power, from retaining it until the triumph of the world socialist revolution.

Two Great Debates on Building Socialism inside the Communist Party of the Soviet Union after the Death of Lenin

In 1925, changes began to take place in the Soviet Union's domestic and international situations. Domestically, industrial and agricultural production had reached or approached the level before the civil war, national economic recovery had basically been completed, and the task of large-scale economic development was put on the agenda. Internationally, the capitalist world had entered a relatively stable period, while the climax of a new world revolution was out of sight within the foreseeable future. Under these circumstances, the Russian people had to shift their attention from abroad to their own country, raising a series of urgent questions that must be answered with clarity: What is

the prospect for a country to build socialism alone? Can the Soviet Union, besieged by the capitalist world, accomplish building a socialist society all by itself? Given underdeveloped industry and a relatively small number of working class people and their vanguards, can the Soviet Union overcome the resistance of the spontaneous forces of the petit producers to smoothly carry out socialist construction? In a word, can the Soviet Union finish building socialism alone? Different answers to these questions turned out to be the main content of the debate between Stalin, Bukharin, and the New Opposition with Zinoviev and Kamenev as their representatives.

The dispute on the question whether or not socialism can be built in one country became public at the opening of the 14th Congress of the Russian Communist Party at the end of 1925. In the Associate Report to the congress, Zinoviev argued that it was impossible to finish building socialism in one country without the aid of world revolutionary forces. He said:

> Can we finally finish building socialism and consolidate the socialist system in one country, not a highly-developed capitalist country like the U.S.A., but in an impoverished agricultural country such as ours? It goes without debating that it is impossible to finish building socialism in only one country.[123]

Bukharin refuted the argument of Zinoviev, saying that Zinoviev did not understand that the essence of the new economic policy was to build socialism in one country, and the idea that socialism could not be built in only one country was only arepetition of a Trotskyist argument.

Stalin made a complete and clear exposition of the question in the article "On Several Question of Leninism" in January 1926. He pointed out that communists should distinguish the two different questions: can we finish building socialism in one country, and can socialism win the final victory in one country? Socialism can be built in one country. He said:

> We can solve the contradiction between the proletariat and the peasants with our own forces, and the proletariat can seize state power and use it to build a complete socialist society in our country with the sympathy and support of the proletariat in other countries, even those who did not necessarily win the revolution in their own countries.

Socialism, however, cannot win the final victory in just one country, which means that, "without a victory of the revolution in at least several countries, it will be impossible

123 *Pravda.* December 23,1925.

for a socialist country to be fully protected from the armed interference and the restoration of capitalism".[124] Stalin's distinction of the two problems emphasized not only the possibility of building socialism with the forces of the people in one country, but also achieving the aim of finishing building socialism, thus answering clearly the urgent question concerning the future of socialism in the Soviet Union.

Another important issue in the debate with the New Opposition was about the new economic policy and the rural policy. The New Opposition believed that the new economic policy was not the only way to socialism, but pure concession and retreat to capitalism, a kind of temporary policy that must be on full alert and contained at any time. Zinoviev believed that the basis of the new economic policy was "state capitalism" rather than socialism. In the autumn of 1925, in a book entitled *Leninism,* Zinoviev not only put forward the argument that "socialism cannot be built in only one country", but also argued that the new economic policy was not a way leading to socialism, but the continuous retreat to a special "state capitalism" in the proletarian country.[125] Kamenev also believed that there was an erroneous tendency then of distorting the Party line and covering up the negative side of the Russian Communist Party's new economic policy.

There were many other arguments about the socialist revolution in Russia (the Soviet Union), the first socialist country in the world. For instance, some members of the Second International opposed a Russian Bolshevik seizure of state power before and after the October Revolution for the reason that "the productivity of Russia was not developed enough to realize socialism". Lenin replied:

> That's true. Russia does not have the economic and cultural conditions for the realization of socialism. But when the revolutionary situation is favorable for the proletariat to seize power, why not seize power first and accelerate economic and cultural development later with the advantages of a regime of workers and peasants the Soviet system?

This involves the dialectical relationship between objective law and subjective initiative. Communists must follow objective law, but at the same time, give full play to the revolutionary pioneering spirit of the revolutionary masses; they must play a leading role in the proletariat political Party by seizing opportunities to promote the great cause of socialism. Only in this way can they realize socialism.

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124 *Complete Works of Stalin* (Volume 8). Beijing: People's Press, 1954, pp. 64-65.
125 *The Rise and Fall of the Soviet Union,* p. 135.

4.1.2 Debates in China

The debate on whether China should and could, and how to take the socialist road began once Marxism-Leninism was spread to China, and it become intense at every critical juncture in China's revolution and construction. To sum up, there have been five major debates in the history of the Chinese revolution.

4.1.2.1 Debates about the socialist theory around the May Fourth Movement included those on problem and doctrine, between Marxism and anarchism, and about socialism

The debate on problem and doctrine is, in essence, the struggle between Marxism and bourgeois reformism. In July 1919, Hu Shi, the representative figure of the right-wing bourgeoisie, published the article "More Study on the Problems and Less Talk about the Doctrines" in the *Weekly Review,* advocating to reform, little by little, the Chinese society, and opposing "the fundamental solution" under the guidance of Marxism. Later, during the American pragmatist philosopher John Dewey's lecture tour in China, Hu Shi published a series of articles, attempting to resist the spread of Marxism-Leninism in China with pragmatism and reformism. In August 1919, Li Dazhao refuted his ideas with an article entitled "More Discussion on Problem and Doctrine" in the *Weekly Review,* arguing that the doctrine is the idea, theory, and method for solving the problem, and to solve the problem, first of all, the CPC must have a common theory and doctrine; to solve the social problems in China, the CPC needs a fundamental solution to solve the concrete problems one by one; the fundamental solution to the Chinese problems is Marxism-Leninism. The debate refuted the attack of the bourgeois right wing on Marxism-Leninism, and expanded the influence and spread of Marxism-Leninism in China.

The debate between Marxism and Anarchism took place in September 1919 when anarchists Huang Lingshuang and Ou Shengbai published in *New Youth* the article "Criticism of the Marxist Doctrine" plus a series of correspondence discussing anarchism to oppose the dictatorship of the proletariat and the socialist distribution principle. Since September 1920, Chen Duxiu, Li Da, and other Marxist writers had published in *New Youth* and the *Communist Party* a series of articles and correspondence, such as "On Politics", "Socialist Criticism", "Discussion on the Socialist Revolution", and "Anatomy of Anarchism". With Marxist theories on class struggle and the state, these articles refuted the empty talk of the anarchists on "freedom" and "equality", and their absurd negation of all powers and the dictatorship of the proletariat. Through this

debate, many young students and intellectuals got rid of the influence of the thought of anarchism, turned to support the Marxist doctrine of the state on the dictatorship of the proletariat, and embarked on a correct revolutionary road.

The opposition of the Marxists against the pseudo "socialism" of the landlords and comprador bourgeoisie began in November 1920, when Zhang Dongsun published "Another Lesson Learned from the Hinterland Tour Group" in the *New Paper on Current Affairs* and another article, "Present and Future", in the journal of *Transformation* in December to defame and attack Marxism. In February 1921, Liang Qichao published "A Reply to Zhang Dongsun on the Socialist Movement", opposing socialism under the flag of socialism. They claimed that, due to China's backward industry, an industrial working class had not been formed, the CPC was unable to establish a true political Party of the workers to launch a real socialist movement. Meanwhile, they advocated "Guild Socialism" and the coordination of labor and capital, opposed violent revolution, and believed that China could be gradually transformed into a socialist society in the future through the development of cooperatives dominated by capitalism. The early Chinese Marxists, such as Chen Duxiu, Li Da, Li Dazhao, and Cao Hesen, waged a tit for tat struggle with them. In their important articles—"Discussion on Socialism", "Discussion on Socialism and Questions for Liang Qichao", "Chinese Socialism and World Capitalism"—they pointed out that the purpose of the idea of developing capitalism first and talking about socialism later was to help capitalism to cancel socialism; only through the realization of socialism could China be completely transformed; to realize socialism, a proletariat political Party must be founded to carry out a violent revolution. This debate ended up expanding the spread and influence of Marxism in China and promoted the founding of the Communist Party of China.[126]

Generally speaking, because the understanding of socialism and Marxism was not profound at that time, the focus of the debates was mainly on the problem of whether or not China could take the socialist road. However, these debates promoted the spread of Marxism and socialism in China and had a positive influence on the Chinese revolution.

4.1.2.2 *Struggle against Chen Duxiu's right opportunism*

During the first revolutionary civil war, the right opportunists—with Chen Duxiu, then General Secretary of the Central Committee of the Communist Party of China, as their representative—implemented the right opportunist line in their practical

126 Cai Wei. *The Struggle of Marxism against Anti-Marxism during the May 4th Movement.* Shanghai: Shanghai People's Publishing House, 1983.

work. They alienated the peasants, a reliable alliance group, gave up leadership of the proletariat in the United Front and gave up leadership of the armed forces, choosing to be the tail of the bourgeoisie. Chen Duxiu's right opportunism mainly originated from his wrong analysis of the classes in Chinese society and the resulting erroneous ideas.

In 1923, Chen Duxiu published "The Bourgeois Revolution and Social Classes" and "China's National Revolution and Social Classes", arguing that:

> In general, the Chinese peasants are very difficult to motivate to participate in the revolution because they are scattered and hard to mobilize. Given their low education, simple life, and moderate desire, they tend to be conservative, and the vast territory of China makes it easy for them to migrate and be content with temporary ease and comfort. Although the working class is an important element in China's national revolution, it is not an independent revolutionary force because, in China's semi-feudal and semi-colonial society, with its underdeveloped industry, the bourgeoisie are very naive, let alone the working class; although as naive as the workers and peasants are, the bourgeoisie are more concentrated than the peasants and more powerful than the workers. Were we to neglect the forces of the bourgeoisie, we would make a big mistake in the national revolution, losing both its class significance and social foundation.

Based on the above analysis, Chen Duxiu drew the following conclusion:

> The Chinese revolution will be a democratic bourgeois revolution under the leadership of the revolutionary bourgeoisie and with the alliance of the revolutionary proletariat; consequently, the bourgeoisie will be in power, and the future of the revolution lies only in capitalism; the socialist revolution can only be carried out when the capitalist society is fully developed and the proletariat is strong enough, thus putting forward the theory of a 'Second Revolution', separating the democratic and socialist revolutions.

Under the guidance of this idea, Chen took a compromise approach to surrender again to the attack of the (KMT) rightists. Chen's right opportunism was the subjective reason for the failure of the first revolutionary civil war. The "August 7th Meeting" held in 1927 criticized Chen's right opportunism, putting an end to the dominance of this erroneous CPC guideline.

4.1.23 Proposal of the third way

In the early 1920s after the break in the first KMT-CPC cooperation, some of the national bourgeoisie, the urban petty bourgeoisie, and their intellectuals tried to explore a new scheme to save the nation, that is, a third way other than those of the Kuomintang and

the Communist Party of China. During the period after the victory of the Anti-Japanese War, "the middle way", or "the third way" was again strongly advocated by some people. They proposed to seek a way other than the dictatorship of the landlords and the comprador bourgeoisie insisted on by the Kuomintang and the people's republic by the CPC. It was, in fact, the way of the Western bourgeois republic.

Although, as a criticism to the political reality of the dictatorship of the landlords and comprador bourgeoisie, the scheme of establishing a bourgeois republic did not have realistic feasibility in practice. The five agreements adopted by the Political Consultative Conference held in January 1946 could create some favorable conditions for the development of capitalism in China. But in less than 10 months, the Kuomintang held a one-sided pseudo "National Congress" and completely tore up the conference agreements, shutting the door to the possible development of capitalism in China. Mao Zedong pointed out:

> Thus Western bourgeois civilization, bourgeois democracy, and the plan for a bourgeois republic have all gone bankrupt in the eyes of the Chinese people. Bourgeois democracy has given way to people's democracy under the leadership of the working class; and the bourgeois republic has given way to the people's republic.[127]

The political proposal of the CPC to establish a people's republic won the support of not only the workers, the peasants, and the urban petty bourgeoisie but also the national bourgeoisie and its political representatives. A people's republic became a historical choice made by the Chinese people. Especially in 1948, the famous "May 1st Slogans" issued by the CPC won a positive response from the democratic parties, who had given up the third way and had taken an active part in preparation for the founding of New China.

4.1.2.4 Struggle against bourgeois liberalization

The struggle between bourgeois liberalization and the Four Cardinal Principles lasted from the end of the 1970s to the end of the 1980s. Bourgeois liberalization emerged from the end of the 1970s in a review of the experience and lessons of the historical process, and gradually flourished in the middle of the 1980s with the expansion of reform and opening up and a variety of "cultural fevers". Taking a negative attitude to the lessons, particularly the detours, in building socialism after the founding of the PRC, this trend of thought attributed, incorrectly, the mistakes we had made because of lack of

127 *Selected Works of Mao Zedong* (Volume 4). Beijing: People's Press, 1991, p. 1,471.

experience to the leadership of the CPC and the socialist system; it advocated economic privatization, political pluralism, and ideological diversity. The bourgeois liberalists attacked the socialist system and advocated a capitalist system. They encouraged student protesters to "overthrow the reform model that seeks an enlightened monarch, and take a road of transforming China within the system.[128] They claimed the socialist system of China to be an authoritarian regime, and said the only way out for China is to embrace capitalism.[129] Deng Xiaoping proposed, as early as 1979, on a theory platform, to adhere to the Four Cardinal Principles.

In the mid-1980s, in the face of the spread of bourgeois liberalization, the Central Committee of the CPC, with Deng Xiaoping as the core, published a series of speeches to resolutely oppose it. Deng Xiaoping pointed out that the so-called bourgeois liberalization "wants China to be totally westernized and to take the capitalist road. Our experience has shown, however, that we cannot take that road". He said:

> It will take 50 to 70 years of struggle for us to modernize. Since it is a long-term task, we can only use constant education and persuasion instead of launching political movements. When necessary, however, we shall resort to administrative or legal measures. It is our firm principle to maintain political stability so that we can carry out the modernization program in an orderly way.[130]

At the same time, the CPC fought bourgeois liberalization. On the one hand, the CPC had expounded in theory the adherence of the Four Cardinal Principles and the struggle against the bourgeois liberalization from a basis of Chinese realities. On the other, the CPC systematically criticized erroneous ideas preached by elements of bourgeois liberalization.

4.1.2.5 Debate on whether a market economy in reform and opening up is socialist or capitalist

By 1997, although it was generally acknowledged that a "market also exists in socialist society" and that a "socialist market economy is integrated with the basic system of socialism", problems concerning the adaptation of the foundation of China's economic system to a market economic system—such as whether socialist public ownership can

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128 The Propaganda Department of the CPC Central Committee. *The Truth of the Political Turmoil and the Performance of the Elites.* Beijing: People's Press, 1990, p. 123.

129 The Propaganda Department of the CPC Central Committee. *The Truth of the Political Turmoil and the Performance of the Elites.* Beijing: People's Press, 1990, pp. 106-107.

130 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. 207-208.

be integrated with ta market economy, and how to realize the effective integration of them—remained a hot topic for debate.

Some people argued that a market economy read neither "socialist" nor "capitalist". For instance, some said that the modern market economy the CPC was building was divided only between advanced and backward and never between socialist and capitalist.[131] Some believed that a socialist market economy = social equity + market efficiency,[132] and it is only a way of allocating resources without the attribute of a socialist system.[133] Dividing China's market economy into a socialist or capitalist market economy was, in fact, to pull the question back to the debate on the nature of a market economy.[134]

On the contrary, the counter Party argued that a socialist market economy was a complete concept, and the CPC could not emphasize a market economy while neglecting socialism. In terms of the basic function of a market economy as an economic means, it does not differ in social attributes. In different social systems, however, the different objective conditions of a market economy determine that it must differ in social attributes.[135] A market economy is always integrated with a social system; whether socialist or capitalist, it must have certain social attributes.[136]

4.2 A Theoretical Basis for Economically and Culturally Backward Countries to Take the Lead Down the Road of Socialism

The realization of socialism in Russia, China, and some other oriental countries with backward economies and culture is the outcome of the interaction between the national and international characteristics of the contradiction between the productive forces and forms of communication, as well as the unity of the necessity and the particularity of the social and historical development of mankind. Paying more attention to the East in their twilight years, Marx and Engels made profound studies and put forward some ideas on

131 *Chinese Business Times.* July 8,1995.
132 Dong Fureng. "Further Research on the Socialist Market Economy". *Economic Studies,* 1998 (11).
133 Dong Fureng. "Accurate Understanding of the Socialist Market Economy". *Reform Forum,* 1997 (3).
134 Ma Licheng and Ling Zhijun. *Confrontation.* Beijing: China Today Publishing House, 1998, pp. 407-408.
135 Zhang Chaozun. "How to Understand the Socialist Market Economy—A Discussion with Comrade Dong Fureng". *Theoretical Frontline,* 1999 (7).
136 Fang Sheng. "Careful Study of the Economic Theory about Socialism with Chinese Characteristics". *Theoretical Frontline,* 1998 (20).

the development of oriental society. Although these ideas may not constitute a theoretical system, and the historical development in these countries in the following years was much greater than that in their lifetime, these brilliant ideas still have important theoretical and methodological significance for backward countries to take the socialist road. In line with the concrete national conditions and in accord with Marxist theories, Lenin, Mao Zedong, and other Marxists had made thorough exploration of the ways and methods of building socialism in economically and culturally backward countries.

4.2.1 The Theoretical Thinking of Marxist Classical Writers on the Problem

After the failure of the revolution of the Paris Commune in 1871, Marx and Engels began to devote more energy to the study of the revolution in Russia and other Eastern backward countries, and put forward ideas concerning the possibility and necessary conditions for those countries to take the socialist road. In the 20th century, Lenin, Mao Zedong, and Deng Xiaoping inherited and developed Marx's theory of oriental society.

4.2.1.1 *"Theory of the oriental society" by Marx and Engels in their later years*

In his twilight age, Marx made a series of analyses, in the form of manuscripts, correspondence, and notes, on the social development of an oriental society, Russia in particular. He pointed out a non-capitalist development road for an oriental society, and also revealed the preconditions and bases for non-capitalist development in this region. These ideas are embodied in Marx's *Notes on Anthropology,* "Letter from Marx to Editor of the *Otecestvenniye Zapisky* in 1877", "The Reply to Vera Zasulich", a female revolutionist of Russia, in 1881, "Preface to the 1882 Russian Edition of *Manifesto of the Communist Party",* and in other important literature. In 1972, after 100 years, with the publication of *Notes on Anthropology* collated by American anthropologist Lawrence Clad, Marx and Engels' theory of oriental society became a hot topic of research and discussion for scholars around the world.

In his letter to the Editor of *Otecestvenniye Zapisky* in 1877, Marx expressed, for the first time, his idea of "skipping over the Caudine Forks":

> As her liberal economists maintain, Russia must begin by destroying the village commune in order to pass to a capitalist regime; or she can begin without experiencing the tortures of this regime appropriate all its fruits by developing the particular historic conditions already given her.[137]

137 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 464.

Like Chemychevsky, Marx agreed to the second solution. Furthermore, he expressed in very clear language that he hoped Russia would not take the capitalist road, leading to misfortunes and disasters, and should instead skip over capitalism and embrace socialism.

After receiving a letter from Vera Zasulich in 1881, given the situation of the socialist revolution and development in Russia, Marx felt a pressing need to give a scientific explanation in theory for the future of the Russian rural commune. In four drafts of his reply to Vera Zasulich, through detailed analysis of various factors, including the internal structure and the external environment of the rural commune, Marx demonstrated in detail the possibilities and realistic conditions for the Russian commune to develop beyond capitalism directly to socialism, calling this leap-frog development "skipping over the Caudine Forks", thus completing the skipping over theory. In the "First Draft of a Reply to Vera Zasulich", Marx wrote:

> Accordingly, the 'agricultural commune' presents itself as the most recent type of an archaic form of society; the period of the agricultural commune appears in the historical course of Western Europe, both ancient and modem, as a period of transition from communal to private property, from the primary to the secondary form. But does this mean that the development of an 'agricultural commune' must follow this route in every circumstance [in every historical context]? Not at all. Its constitutive form allows the following alternatives: either the element of private property that it implies gains the upper hand over the collective element, or the reverse takes place. Everything depends on the historical context in which it is situated.... Both solutions are a priori possibilities, but each one naturally requires a completely different historical context.[138] If the revolution takes place in time, if it concentrates all its forces [of the intelligent part of Russian society] [if the Russian intelligentsia (*l'intelligence russe)* concentrates all the living forces of the country] to ensure the unfettered rise of the rural commune, the latter will soon develop as a regenerating element of Russian society and an element of superiority over countries enslaved by the capitalist regime.[139]

In this way, Russia could skip over the Caudine Forks of the capitalist system but enjoy all its development fruits. As for whether Russia could become a socialist society without passing the Caudine Forks, Marx believed that, apart from the special social conditions in Russian rural commune, the fundamental factors were the external driving force and its historical environment, especially the revolution that was about to break out in both East and West. Marx and Engels had clearly expounded this point in

138 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 574.
139 *Ibid.,* p. 582.

"Preface to the 1882 Russian Edition of *Manifesto of the Communist Party":* "If the Russian Revolution becomes the signal for a proletarian revolution in the West, so that both complement each other, the present Russian common ownership of land may serve as the starting point for communist development."[140] Engels wrote in "Afterword to 'On Social Relations in Russia'": "On the other hand, it is not only possible but certain that after the victory of the proletariat and the transfer of the means of production into common ownership among the West European peoples, the countries that have only just succumbed to capitalist production and have salvaged gentile institutions, or remnants thereof, have in these remnants of common ownership and in the corresponding popular customs a powerful means of appreciably shortening the process of development into a socialist society and of sparing themselves most of the suffering and struggles through which we in Western Europe must work our way. But the example and the active assistance of the hitherto capitalist West is an indispensable condition for this. Only when the capitalist economy has been relegated to the history books in its homeland and in the countries where it flourished, only when the backward countries see from this example "how it's done", how the productive forces of modern industry are placed in the service of all as social property—only then can they tackle this shortened process of development. Then success will be assured. This is true of all countries in the pre-capitalist stage, not only Russia.[141] Judging from the process of exploration of the Russian social development road, we can see that the ideas of Marx and Engels about building socialism in backward oriental countries are always identical.

4.2.1.2 Lenin's theory of "Victory in One Country"

Through in-depth study of imperialism in 1915 and 1916, Lenin not only made a scientific analysis on imperialism, he also found the law of uneven capitalist development and drew an important conclusion: that a socialist revolution could be won first in one or several countries. Marx and Engels believed that the victory of the socialist revolution should first be achieved in several major developed capitalist countries at the same time, or one after another in "joint actions". Lenin believed that, due to the increasing unevenness of economic and political development in the era of imperialism, the socialist revolution could be won first in one or several countries, not necessarily in the most developed capitalist countries, but most probably, in the less developed capitalist

140 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 8.
141 *Collected Works of Marx and Engels* (Volume 4). Beijing: People's Press, 2009, p. 459.

countries. Once the subjective and objective conditions for the revolution matures in these countries, the proletariat could seize, with their own hands, the opportunity to seize state power, and by virtue of a proletariat regime develop the social productivity to create the material basis for a socialist system.

In August 1915, Lenin wrote in "On the Slogan for a United States of Europe" that: "Uneven economic and political development is an absolute law of capitalism. Hence, the victory of socialism is possible first in several or even in one capitalist country alone".[142]

In August 1916, he further argued in "The Military Program of the Proletarian Revolution" that: "The development of capitalism proceeds extremely unevenly in different countries. It cannot be otherwise under commodity production. From this it follows irrefutably that socialism cannot achieve simultaneous victory *in all* countries. It will achieve victory first in one or several, while the others will for some time remain bourgeois or pre-bourgeois.[143] The victory of the October Revolution further proved the accuracy of this theory, on which he later made a further exposition. In January 1923, he wrote in "Our Revolution" that:

> While the development of world history as a whole follows general laws, it is by no means precluded, but, on the contrary, presumed, that certain periods of development may display peculiarities in either the form or the sequence of this development.... Why cannot we begin by first achieving the prerequisites for that definite level of culture in a revolutionary way, and *then,* with the aid of the workers' and peasants' government and the Soviet system, proceed to overtake other nations?[144]

This theoretical contribution of Lenin, generally summed up as the theory of "Victory in One Country", is the development of Marxism in the new historical condition. It is under the guidance of this theory that Russia won the victory of the October Revolution and made tremendous achievements in socialist construction.

Two points must be highlighted here: first, when Lenin proposed that the victory of socialism was possible first in one or several countries, he still emphasized the importance of a united struggle of the proletariat in different countries, holding that "only the united revolutionary action by the workers of different countries can guarantee the most systematic development and the most likely success of the world socialist revolution";[145]

142 *Collected Works of Lenin: On Socialism.* Beijing: People's Press, 2009, p. 4.
143 *Ibid.,* p. 8.
144 *Ibid.,* pp. 357-359.
145 *Complete Works of Lenin* (Volume 24). Beijing: People's Press, 1957, p. 278.

second, Lenin' theory that socialism may be successful first in one or several countries has universal guiding significance not only for the Russian revolution but also for the global proletarian revolution.

4.2.1.3 Theoretical thinking of Mao Zedong and his successors on how to build socialism in the more backward China

In his exploration of the problem of the Chinese socialist revolution, Mao Zedong consciously applied Marxist historical methodology, especially the dialectics of the interaction between the national and international characteristics of the contradictory movement between productive forces and forms of communication. First of all, he emphasized that we must grasp the status quo of the productivity and the national conditions of China, pointing out that this is "the basic starting point of all problems in the Chinese revolution and for a long time after the victory of the revolution", and "therefore, this is the key to a clear understanding of all problems of the revolution".[146]

In the first half of the 20th century, the combination of international and domestic conditions brought about a series of complicated contradictions unprecedented in either Western developed countries or semi-Asian countries, that is, the contradictions between the Chinese nation and the Western capitalist nations, between the masses of the people and the feudal forces, between the proletariat and the bourgeoisie, between the proletariat and the landlord class, between the bourgeoisie and the landlord class, between the national bourgeoisie and the foreign and bureaucratic bourgeoisie. These contradictions influenced each other, contained each other, and interwove with each other, with those between imperialism and the Chinese nation, and between feudalism and the masses of the people—all as major contradictions in Chinese society.

Mao Zedong believed that China must first complete an anti-feudal revolution led by the proletariat, that is, the New Democratic Revolution. He emphasized: "The Chinese revolution cannot avoid taking the two steps, first of New Democracy and then of socialism." He opposed the populist views within the Party and said in an oral report to the 7th National Congress of the CPC: "There is a populist ideology in our Party, hoping to realize socialism directly from the feudal economy, without passing through a capitalist society". On the one hand, the New Democratic Revolution cleared the way for the development of capitalism in China, and had the features of a bourgeois democratic revolution. On the other, it prepared the preconditions and a foundation for the development

146 *Selected Works of Mao Zedong* (Volume 2). Beijing: People's Press, 1991, p. 633.

of socialist factors. "The whole picture will show the development of socialist as well as capitalist factors." Due to its duality, the New Democratic Revolution inevitably faced two possible futures, capitalism or socialism, most probably the latter. According to Mao Zedong's point of view, the Chinese proletariat must give full play to its subjectivity, and "with the addition of a favorable international environment, these factors render it highly probable that China's bourgeois-democratic revolution will ultimately avoid a capitalist future and enjoy a socialist future." It is true that after the victory of the New Democratic Revolution, capitalist and socialist production relations co-exist.

In the 1950s, the socialist economy established through confiscation of bureaucrat capital was undoubtedly a kind of socialized production. It had controlled the lifeline of the national economy, and had the material preconditions for socialist revolution in its original sense. In the early 1950s, leadership of the CPC unanimously agreed on the idea that the new democratic society would last for a relatively long time. They all believed that the new democratic system would eventually be replaced by a socialist system, but differed in the specific implementation of the policy and on the understanding of the problem of when to begin the transition to socialism. Mao Zedong vetoed the suggestions of "industrialization first, collectivization second" and "consolidation of the new democratic system" put forward by Liu Shaoqi and other CPC leaders. He implemented a socialist transformation with socialist industrialization and a socialist transformation of agriculture, the handicraft industry, and the capitalist industry and commerce as the core content, driving China into a socialist society.

In the process of reform and opening up, the second generation of the collective leadership of the Communist Party of China, with Deng Xiaoping as the core, proposed and created the theory of building socialism with Chinese characteristics. The third generation of the collective leadership of the Communist Party of China, with Jiang Zemin as the core, further adhered to and developed socialism with Chinese characteristics. Focusing on the understanding of the fundamental question of "What socialism is and how to build it", the CPC Central Committee with Hu Jintao as general secretary further enriched and developed the theory of socialism with Chinese characteristics, as well as a treasurehouse of the theory of scientific socialism.

China is a "living fossil"[147] embodying the common features of an oriental socialist movement. Its theory of building socialism undoubtedly has more direct significance for a socialist revolution in oriental countries.

147 *Complete Works of Marx and Engels* (Volume 15). Beijing: People's Press, 1963, p. 545.

4.2.2 The Law of Productivity Determines Production Relationships and the Problem of Building Socialism in Economically and Culturally Backward Countries

The fact that the victory of socialism was won first in underdeveloped capitalist countries does not contradict the law of productivity that determines relations of production, but rather the concrete manifestation of the law in specific historical conditions. The relationship between the two is that between peculiarity and universality.

It was on the basis of the relationship between productivity and relations of production that Marx put forward the hypothesis of "Crossing the Caudine Forks". The historical development of any country or any nation should be restricted by the objective law of production that determines relations of production, and the stage of productivity development cannot be skipped over. However, not all countries, nations, or societies in the world must experience every one of the five major forms of social development. Some stages can be skipped over. Marxist basic law about the historical development of human society does not mean that all human societies must inevitably evolve in accord with the strict order of the five major stages, but rather, promoted by the contradictory movement of productivity and relations of production, human society will inevitably develop from a low stage to an advanced stage. This theory about the forms of social development adheres to the universality of the law that social productivity will develop from a low level to a high level, and at the same time, acknowledges the diversity and complexity of social development, hence uniting the universality and particularity of social development.

Marx's hypothesis of skipping over the Caudine Forks of capitalism embodies a dialectic idea of the doctrine that everything has two aspects—the capitalist mode of production and the political system can be skipped over, while the highly socialized productivity associated with the capitalist system cannot. On the one hand, Marx believed that, under certain conditions, Russia and other oriental backward countries could possibly skip over the Caudine Forks without experiencing the torture and struggles of this regime, shorten the process of development, and take a socialist road totally different from that of Western capitalist countries. But on the other hand, the development stage of social productivity is insurmountable, and social productivity can only be developed step by step from a low level to a high level. The development of socialism in

a backward countries in the East cannot exceed the level and stage of the development of productivity. Marx said:

> The time has passed when Russian agriculture required no more than land and tillers of parcelized holdings, peasants armed with rather primitive instruments.... Moreover, since the peasant does not have what is necessary to till his three desyatins, would he be any better off with ten times the number of desyatins?

Given the reality that backward production instruments were far from the requirements of socialized production, to skip over the Caudine Forks, Russia must transform the mode of production of its petty peasant economy with socialized production, and replace the backward, primitive production instruments with modern ones that could unite more peasants. On the contrary, "It is an historical impossibility that a lower stage of economic development should solve the enigmas and conflicts that did not arise, and could not arise, until a far higher stage.[148] Although the Russian rural commune implemented public ownership of production means, it could not produce socialism in that socialism is the final product of a capitalist society, and the socialist mode of production cannot be built on the basis of a natural economy and petty production.

Two erroneous tendencies must be guarded against in this aspect:

First, we must oppose the determinism of vulgar productive forces.

Lenin pointed out that: "the development of world history as a whole follows general laws; it is by no means precluded, but, on the contrary, presumed, that certain periods of development may display peculiarities in either the form or the sequence of this development."

As a "semi-Asiatic" and "semi-oriental" country, that is, between the civilized countries and the oriental countries, or between European and ex-European countries, Russia could and would inevitably show special characteristics. It did not mean that the general route of world history development would, therefore, be changed.

Socialism generates a society that is more advanced than capitalism, and should be based on the highly developed material technology of the capitalist society. This is a general law and route that has not and will never change. What Russia has changed is only the sequence of its development. Unlike Western European countries that could

148 *Collected Works of Marx and Engels* (Volume 4). Beijing: People's Press, 2009, p. 458.

launch a socialist revolution when their productivity was fully developed and their culture highly advanced under a capitalist system, Russia seized a historical opportunity to stage a socialist revolution. It fully developed its productivity and promoted its social and cultural progress under favorable conditions created by the revolution and with socialist measures, thus building a socialist society on a highly developed material and technological basis.

To refute Sukhanov and some other people who did not acknowledge such changes in the sequence of historical development, Lenin asked them in "Our Revolution":

> You say that civilization is necessary for building socialism. Very good. But why could we not first create such prerequisites of civilization in our country by expelling the landowners and the Russian capitalists, and then start moving toward socialism? Where, in what books, have you read that such variations of the customary historical sequence of events are impermissible or impossible? ... If a definite level of culture is required for the building of socialism, why cannot we began by first achieving the prerequisites for that definite level of culture in a revolutionary way, and *then,* with the aid of the workers' and peasants' government and the Soviet system, proceed to overtake other nations?

Lenin argued that, under certain conditions, Russia could and should carry out a socialist revolution. But he never believed that socialism could be built on a backward material and cultural foundation. He knew clearly that "Our country has been and still is a country of peasants, and the transition to communism is far more difficult for us than it would be under any other condition". He stressed that "only when the country has been electrified, and industry, agriculture, and transport have been placed on the technical basis of modern large-scale industry, only then shall we be fully victorious". In the final analysis, a change in the sequence of development does not violate, but realizes more effectively the universal law that socialism must be built on a highly developed material and technological foundation. In fact, the socialist revolution in Russia did not hinder the development of its social productive forces. On the contrary, by relying on the superiority of socialism, Russia has developed from a backward country into the most powerful country in Europe and second in the world. This indisputable historical fact is the most powerful proof of the correctness of the above ideas that Lenin expounded in "Our Revolution".

Second, we must oppose the idea that advocates that we can build socialism without developing productivity and neglect the fact that the fundamental task of socialism is to emancipate and develop productivity.

There was a time when the Narodniks believed that Russia could develop a socialist economy from the feudal economy without passing the stage of capitalism. At that time, Marx thought that if Russia could not guarantee the rapid development of social productivity, and could not absorb all positive fruits of capitalism, including, primarily, modern productivity—crossing the Caudine Forks of capitalism and winning the victory of socialism would be out of the question. Marx's hypothesis emphasizes the conditions rather than the inevitability, and therefore differs in essence from the populists' pure fantasy of realizing socialism on the basis of a backward, small-scale, peasant economy.

Marx's theory of oriental society essentially answers the question of how to build socialism in a country with a backward economy. We must get rid of the historical idealism of talking about the abstract concept of socialism without mentioning productivity. Productivity is the ultimate power that decides social development. The development of a socialist society, from its birth to the transition to a higher stage, cannot be separated from the productivity development, without which the so-called "skipping-over" is either impossible or unsustainable, and the discussion of whether a capitalist stage can be skipped over is meaningless.

It was pointed out in the Report to the 13th National Congress of the CPC that:

> Building socialism in a big, backward, Eastern country like China is something new in Marxist historical development. China is not in the situation envisaged by the founders of Marxism, one in which socialism is built on the basis of highly developed capitalism, nor is China in exactly the same situation as other socialist countries. So the CPC cannot blindly follow what the books say, nor can the Party mechanically imitate the examples of other countries. Rather, proceeding from China's actual conditions and integrating the basic principles of Marxism with those conditions, the CPC must find a way to build socialism with Chinese characteristics through practice. Our Party has explored ways of doing this and has achieved major successes. But the road it has traversed has taken many twists and turns, and this has cost us dearly.

Socialism with Chinese characteristics has a specific meaning. It is not applicable to all other backward countries in building socialism. Its central significance is to point out that Chinese socialism did not develop from the capitalism expounded by Marx, Engels, and Lenin. The historical stage of capitalism can be skipped over under certain historical conditions, while the positive factors in the capitalist economy must be affirmed and used. Capitalism has prepared an adequate material base for socialism, including highly developed productivity, a high degree of socialized production, and

an advanced commodity economy. This is an objective law that must be followed in the economic development of any human society.

The productivity of the new democratic society of China—which inherited the extremely low productivity of a semi-colonial and semi-feudal society with an exceptionally weak material foundation—was much lower than capitalist productivity. The early transition of such a society to socialism means that there is a close relationship between the primary stage of socialism and the new democratic society. Therefore, to understand the theory of socialism with Chinese characteristics, we must take into account the differences between a new democratic society and a capitalist society, as well as the respective features in their transition to socialism.

4.3 Historical and Realistic Bases for Building Socialism in Economically and Culturally Backward Countries

Theory comes from practice. Marxist theory on the realization of socialism first in the backward oriental countries—based on analyses of the international situation and the status quo of the domestic economy and social classes—is the concrete application of historical materialism in these countries.

4.3.1 Uneven Economic and Political Development of Capitalism in the Age of Imperialism

"Uneven economic and political development is an absolute law of capitalism."[149] "Uneven" here mainly refers to uneven development speed. Under a capitalist system, the law of surplus value and the law of competition and production determine that the development of a capitalist economy is bound to be uneven.

Uneven capitalist economic development will inevitably lead to uneven capitalist political development. Changes in the economic strength of capitalist countries will bring about corresponding changes in their political and military power as well as their positions in the international political arena, resulting in the re-division of the world and the spheres of influence according to the latest balance of power. Moreover, in different capitalist countries, the proletarian revolution differs in their degree of maturity and political conditions, including all respects of political life, such as, among others, the contrast in

149 *Collected Works of Lenin: On Socialism.* Beijing: People's Press, 2009, p. 4.

class strength, the intensity of class contradictions, the development of class struggle, and the proletariat's consciousness and capacity for organization and leadership.

Historical practice shows that, in capitalist countries, their degree of maturity and the political condition of the proletarian revolution are not necessarily proportional to their economic development. Some capitalist countries with relatively backward economic development featured sharp class contradictions and early maturity of the political conditions for a proletarian revolution.

In the imperialist stage, some new features appeared in the action of the law of uneven economic and political development in capitalist countries due to the emergence and development of monopoly. The leapfrog development of some capitalist countries made economic development even more imbalanced. Monopoly played a dual role in promoting and hindering the development of production and technology. In emerging imperialist countries, in order to obtain high monopoly profits and compete for the world market, monopoly capital developed and took full advantage of advanced science and technology, facilitating rapid development of national economies. On the contrary, in old imperialist countries, monopoly hindered the application of new technologies, leading to a relative stagnation of the development of production and technology; the large amount of capital outflow weakened, to a certain extent, the development of their domestic economies. As a result, with leapfrog development, some emerging imperialist countries quickly caught up with and outstripped the old imperialist countries, resulting in drastic changes in the balance of economic strength. For instance, Great Britain, known as the "Factory of the World", had ranked first globally in industry before 1870. However, the most developed industries of Britain at that time were sunset industries, such as textile and coal mining. With the transition of liberal capitalism to monopoly capitalism, the rapid development of science and technology and the emergence of new industries by the end of 1880s, the United States quickly outpaced Great Britain to be the most powerful industrial country in the world. At the end of the 19th century, Germany, another emerging industrial power, also outstripped Great Britain and became the second most powerful industrial power. The uneven political development in this period was reflected in the following two aspects. On the one hand, with enhanced economic and military strength, the emerging imperialist countries strongly wanted to re-divide the territory and scope of influence in the world in accord with the new balance of power. To occupy new commodity markets, sources of raw materials, and places for investment, imperialist countries sourced them in old colonial empires, who would

inevitably try their best to maintain and consolidate the original division of the sphere of influence. The sharp contradiction between emerging and old imperialist countries often ended up in global military conflicts. It is the root cause of the outbreak of two world wars in the 20th century.

Wars among imperialist countries weakened their own power. Those with the most concentrated and sharpest contradiction became the weakest links in the world imperialist system, where the proletarian revolution broke out first and was successful. This fact has been proven by the victory of the October Revolution in Russia after World War I and the success of the socialist revolution in China and some other countries after World War II.

The law of uneven capitalist economic and political development in the period of imperialism is the starting point of Lenin's theory about the victory of socialist revolution first in one or several countries. Lenin pointed out that:

> The development of capitalism proceeds extremely unevenly in different countries. It cannot be otherwise under commodity production. From this it follows irrefutably that socialism cannot achieve victory simultaneously *in all* countries. It will achieve victory first in one or several countries, while the others will for some time remain bourgeois or pre-bourgeois.[150]

Based on Lenin's theory, Stalin further pointed out that:

> The war revealed the insurmountable weakness of the world's imperialist front, and the law of uneven development determined in advance that the times of maturity of a proletarian revolution in different countries are different. In accord with Marxist theory, Lenin drew the following conclusion: under the new development conditions, the socialist revolution is likely to win in a single country; it is not possible to win at the same time in all countries or in most of the civilized countries because the degree of maturity of the conditions for a socialist revolution in these countries is uneven. The old formula of Marx and Engels is not suitable for the new historical conditions.[151]

This scientific conclusion of Lenin and Stalin has important theoretical and practical significance. It reveals the law of a proletarian revolution in the era of imperialism, demonstrates the historical process of the substitution of a capitalist system by a socialist system, and greatly inspired the confidence of the proletariat and working people in the world in the victory of the revolution.

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150 *Collected Works of Lenin: On Socialism.* Beijing: People's Press, 2009, p. 8.
151 *Selected Works of Stalin* (Volume 2). Beijing: People's Press, 1979, p. 534.

4.3.2 Economic Reasons for Poor and Backward Countries to Choose Socialism

The transition of laissez-faire capitalism to monopoly capitalism started at the end of the 19th century and completed in the 20th century when the capitalist countries entered the era of imperialism. With further expansion of the imperialist powers around the globe, all other countries, whether developed or underdeveloped, had been incorporated into the world capitalist system. Tsarist Russia, although a member of the system, was often disadvantaged in conflicts among the imperialist countries due to its backwardness.

The majority of poor and backward countries like China were subject to aggression and plunder of the imperialist powers in economy, politics, military, and even ideology and culture. The only way for these countries to accelerate their economic development and get rid of the colonial ruling of the imperialist countries was to take the road of socialism. To maintain a world capitalist system, imperialist countries needed to confine backward countries in their system so they would always be sources of raw materials and cheap labor, as well as product sales markets. Under such a world historical condition, it was impossible for backward countries to develop capitalism independently. Mao Zedong said:

> There are bourgeois republics in foreign lands, but China cannot have a bourgeois republic because she is a country suffering under imperialist oppression. Indeed the history of modem China is a history of imperialist aggression, of imperialist opposition to China's independence and to her development of capitalism.

Even though the national bourgeoisie in some countries sincerely hoped to establish a bourgeois republic to seek independence and prosperity, they were too weak, cowardly, and incompetent to lead the people to carry out a complete revolutionary struggle against imperialism and feudalism to clear all obstacles to the establishment of a bourgeois republic. Moreover, they were so weak politically that they often anchored their hope for the realization of a capitalist democracy on the fantasy of compromise with the ruling class. This situation, not unique to China, was very common in other colonial and semi-colonial countries.

The choice of socialism is the only way for these countries to shed the shackles of the world capitalist system and remove obstacles to their national economic development. This is the economic reason for backward countries, with China as their representative, to take the road of socialism after World War II. History has proven that they made the right choice.

4.3.3 Some Backward Countries have the Necessary Conditions for a Socialist Revolution

According to Marxism, in addition to the material condition of socialized mass production, the outbreak of a socialist revolution also needs a mature revolutionary situation, which, in Lenin's words, has these three features:

One, due to the extraordinary sharp basic social contradiction and other social contradictions it has caused, the economic and political crises nationwide made it impossible for the ruling class to rule countries as usual. Two, the life of the oppressed class was so poor and miserable that they could live on as before. Three, the enthusiasm of the masses is greatly improved, and they are fully aware of the necessity of a revolution and are ready to sacrifice for it. Russia, China, and other backward countries that first took the road of socialism all had national, international, objective, subjective, and domestic conditions for a socialist revolution.

In the late 19th century and early 20th century, Russia was faced with a new era in which laissez-faire capitalism had developed into monopoly capitalism. The inherent contradiction of the capitalist mode of production, marked with frequent economic crises, was becoming more and more severe. Meanwhile, the uneven development of capitalist countries brought about conflicts all over the world, an inevitable result of developing commodity production in the context of the "world market". With profound analysis, Lenin recognized that "uneven economic and political development is an absolute law of capitalism", and that it inevitably produces a weak link in the chain of capitalism. He thus concluded that the victory of socialism was possible first in a few or even one capitalist country.

Domestically, Russia was a capitalist country at that time. Internationally, however, it was somewhere between the civilized countries and the oriental countries, with the coexistence of "the most backward land ownership" and "the most advanced industrial capitalism", and it was a backward country compared with Western European countries. It was involved in a war among the world imperialist countries and was strongly influenced by the inherent contradictions of the capitalist mode of production in Western Europe.

This combination of international and domestic conditions provided Russia with distinct features that Western European countries would never have. With interwoven contradictions, including those between the proletariat and the bourgeoisie,

between the proletariat and the feudal landlord class, between the bourgeoisie and the peasants, and between the bourgeoisie and the feudal landlord class, Russia had become the weakest link and the hinge of the inherent contradictions in the world capitalist system. Russia was therefore granted the possibility of shortening its historical course toward the stage of socialism. Lenin said that: "History is taking a strange road. The glory of leading the great revolutionary movement in the world is given to the backward countries".[152] In our view, the "strange road" is the inevitable result of the interaction of national and international characteristics between productivity and the forms of communication. What is hidden behind the "strange road" is just historical inevitability.

In addition, the victory of the socialist revolution and the great achievements of socialist construction thereafter in Russia (USSR) became a beacon for backward countries to take the road of socialism. The victory of the October Revolution in Russia in 1917, breaking the world capitalist system for the first time, exerted a huge influence on the majority of backward countries in Asia, Africa, and Latin America. China and other countries won national independence and took the road of socialism after World War II.

4.3.4 How to Explain the Phenomenon that Developed Capitalist Countries have not Carried Out a Simultaneous Socialist Revolution

In the era of laissez-faire capitalism, when the political and economic development of capitalist countries were generally balanced, Marx and Engels were undoubtedly correct in predicting that a proletarian revolution would break out, at the same time, in all civilized countries, or at least in the four most developed countries. However, the situation had changed with the development of capitalism from a free competition stage to the stage of imperialism. The socialist revolution did not break out in the developed countries at the same time.

With a perfect system and rich experience in governance, the ruling class of the developed countries succeeded in preventing advanced forces from making breakthroughs in a socialist revolution. Meanwhile, a highly developed economy and abundant social

152 *Complete Works of Lenin* (Volume 28). Beijing: People's Press, 1990, p. 315.

wealth provided a firm material guarantee for the ruling classes to ease domestic contradictions or to suppress revolutionary forces. Moreover, they could take advantage of their political and economic superiority through external expansion to transfer their own crises and contradictions to backward countries to alleviate the pressure of domestic social problems.

In developed capitalist countries, the new technological revolution had greatly promoted the development of productivity and enhanced socialized capitalist production. In order to survive and develop in new conditions, contemporary capitalism had made a partial self-adjustment to the capitalist relations of production and realized a transition from a private monopoly to a state monopoly by conforming to the objective requirements of the development of productivity and reviewing its past ruling experience. Through state intervention and regulation of the social and economic life and some social improvement measures, such as social welfare and social security, the developed capitalist countries had relatively eased their economic crises and class contradictions, and remarkably improved the livelihood of the working class and other working people.

In major contemporary capitalist countries, a relatively stable society and moderate economic growth make it possible for their ruling classes to maintain their ruling position and for the working class to live a comfortable life. Meanwhile, due to the gentle and artful statecraft of the bourgeois class and the wide spread of the reformist ideology in the workers' movement, the class consciousness of workers in developed capitalist countries is generally weakened. The workers are easily satisfied with the present situation, unaware of the necessity and urgency of a revolution. Therefore, at present and even in the near future, there is no realistic possibility for an outbreak of socialist revolution in the developed countries.

Since the end of World War II, developed capitalist countries have featured economic development, relative social stability, mitigated class contradictions, and diminishing enthusiasm for workers' movements. These temporary phenomena, however, do not mean that the capitalist system will last forever, or the historical process of the replacement of capitalism by socialism has stopped or been reversed. Whether or not the socialist revolution will break out in capitalist countries, and socialism will replace capitalism are not determined by the subjective desires of the people, but rather, by the basic contradiction of the capitalist society: that between the socialization of production and the private ownership of the capitalist means of production.

Through the development of state monopoly capitalism, contemporary developed capitalist countries have temporarily mitigated but will never eradicate the basic contradiction because state monopoly capitalism has not changed the nature of ownership of private monopoly capital. Engels pointed out:

> The modern state, a capitalist state, no matter what its form, is essentially a capitalist machine, the ideal personification of total national capital. The more it proceeds to take over productive forces, the more it actually becomes the national capitalist, the more citizens it exploits. The workers remain wage-workers—proletarians. Capitalist relationships are not done away with, rather, they are brought to a head.[153]

At the same time, taking full advantage of its dominant position in social and economic life, state monopoly capitalism makes it possible for all forms of socialization, including the socialization of production, management, and capital, to reach the highest and most comprehensive degree possible, thus preparing the most complete material conditions for the means of production to be possessed by all of society, and for production and distribution to be organized and made by the whole society. That is to say, promoted by the socialization of productivity, monopoly capitalism has involuntarily created the most adequate social and economic conditions for the death of capitalism and the birth of socialism. The current global financial crisis clearly shows that capitalism cannot dissolve its own contradictions, nor can it avoid the occurrence of economic crises. This has inevitably weakened the strength of capitalism and prepared favorable conditions for the birth of a new form of society.

4.4 Practical Exploration of Economically and Culturally Backward Countries on the Road of Socialism

Since the beginning of the 20th century, a number of economically and culturally backward countries, with Russia and China as their representatives, have stepped on the road of socialism and made arduous and creative exploration in practice. The lessons and experiences in this respect, summarized by the proletarian ruling parties in these countries, have revealed the special and universal laws for the development of socialism, thus enriching and developing Marx's theories.

153 *Selected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 1995, p. 629.

4.4.1 From Lenin's New Economic Policy to the Stalin Model

4.4.1.1 The new economic policy is an exploration of building socialism in a small peasant country

From the summer of 1918 to the end of 1920, in the face of serious difficulties and in order to ensure the needs of the war, Lenin and the Bolshevik Party had to adopt a wartime Communist policy. This policy played a positive role in securing the victory of the war, but its negative effects became more and more obvious with the passage of time. By the spring of 1921, it had caused widespread discontent among not only the peasants but also the workers, sparking off serious economic and political crises in the Soviet Union. After listening widely to opinions both inside and outside the Party, especially those of the peasants, Lenin decisively proposed to abolish the Food Surplus Appropriation System, replace it with a food tax, and restore commodity exchange and circulation. The Tenth All-Russia Congress of the Russian Communist Party (Bolshevik) held in Moscow in March 1921 marked the beginning of Russia's New Economic Policy.

Having been implemented for only nine years, the New Economic Policy played an extremely important role, not only in the social and economic development and transformation in the Soviet Union, but also in the history of the modern communist movement. Although at the beginning, most of the Bolsheviks, including Lenin himself, thought that the New Economic Policy was but a temporary "retreat" that had to be made. But at the end of 1922, after two years of practice and thinking, Lenin fully recognized that it was not a measure of expediency, but a concrete economic system suitable for the characteristics of Russia and its transition to socialism. He saw it was the inevitable way for backward countries dominated by a small-scale peasant economy to develop toward socialism. The theoretical significance and historical position of the New Economic Policy is that it provided an economic model for countries dominated by small-scale production to transition to socialism by pointing out intermediate approaches and effective remedies for the transition of the various pre-capitalist relationships of those oriental countries to socialism. Corresponding to the general development line, a set of ways, methods, and approaches for the socialist transformation of the small-scale peasant economy, that is, the socialization of agriculture, in economically backward countries had also taken shape in the period of the New Economic Policy.

The essence and basic features of the New Economic Policy can be summed up by three interlocking links:

One, the Food Surplus Appropriation System was replaced by the food tax, marking the beginning of implementation of the New Economic Policy. It was, primarily, a policy for the peasants, who were the "decisive factor"[154] in Russia. Lenin pointed out that: "The essence of the New Economic Policy is the alliance of the proletariat and the peasants, and the integration of proletarian vanguards and the overwhelming majority of the peasants".[155] The main content of the food tax policy was that the state collected a certain amount of food and other agricultural and sideline products specified in advance from the peasants in the form of a food tax. After paying this tax, the peasants could dispense of the surplus food and other agricultural and sideline products as they chose. The policy greatly stimulated the peasants' enthusiasm for production.

Two, the relationship between goods and money was restored and developed, and a market mechanism was applied to the allocation of resources, the organization of production, and the exchange and distribution of products under the regulation and guidance of state planning. The New Economic Policy emphasized the need for rapid development and proper control of the form of a commodity economy in the transition to socialism.

Three, the New Economic Policy allowed the existence and development of capitalism in a certain range under the supervision and regulation of the state, that is, the transition of capitalism to socialism on the road of state capitalism under the Soviet regime. Lenin said: "We are advancing along the road of state capitalism.... This is a road leading us to socialism and communism (the highest stage of socialism)."

The essence of the New Economic Policy lies in the fact that Russia found a way to "continue erecting a socialist edifice in a small peasant country without committing such mistakes", hence opening up a realistic road of building socialism in economically and culturally backward countries. Its basic difference with Wartime Communism is that it adopted a "roundabout reformist way" rather than the direct "revolutionary approach".

4.4.1.2 Formation of the Stalin Model

The Stalin Model, also known as the Soviet Union Model, is a socialist model constructed during the reign of Stalin in the late 1920s and early 1930s. Since the de-Stalin movement in 1965, the evaluation of Stalin and the Stalin model became a hot issue of intense

154 *Selected Works of Lenin* (Volume 4). Beijing: People's Press, 1960, p. 664.
155 *Complete Works of Lenin* (Volume 33). Beijing: People's Press, 1972, p. 143.

debates inside the international communist movement as well as in the political and ideological circles of East and West. It took more than ten years for the Stalin model to develop from its formation to maturity, but the time and space of its influence is extensive and far-reaching. Stalin came to power in 1924 when the Soviet Union continued to implement its New Economic Policy. In the late 1920s, Stalin believed that through the implementation of the New Economic Policy, the Soviet Union had consolidated state power, restored the national economy, and now it was time to stop "retreating" and launch an across the board offensive against capitalism.

In April and May 1929, with the large-scale movement of collectivization and the approval and implementation of the first national economic plan, the Soviet Union began to take firm step in surpassing the New Economic Policy to create the Stalin model. The form of organization of the agricultural economy of the New Economic Policy was replaced by collective farms. Stalin said: "Since the summer of 1929, we entered a stage of complete collectivization".[156] On December 5, 1929, the Central Committee of the Soviet Communist Party (Bolshevik) approved a "Resolution on the Restructuring of Industry Management" and decided to reorganize the Trust to which all enterprises were affiliated by implementing a three-level administration system of enterprise, conglomerate, and the Supreme National Economic Commission. In the early 1930s, with reform of the credit, tax, and wage systems and strict regulation of industrial and commercial activities, the planned economic system of the Soviet Union took shape.

In 1932, with approval of the first "Regulation on Agricultural Labor Association", the Soviet Union firmly fixed the collective farm system established in 1928; it set up a strict system of compulsory turning-over and sales of agricultural products, hence ensuring a rigorous state regulation of every link in food production and distribution. In this way, all power over the administration of the agricultural economy of the whole country was concentrated in the People's Commissariat of Agriculture of the Soviet Union. After the implementation of the planned administration of industry, commerce, and agriculture, private industry and commerce were banned, and the market circulation of goods was excluded. With this strict department administration of industry, agriculture, commerce, and most other economic activities, the highly-concentrated planned economic system of the Soviet Union had taken shape.

Politically, with an across the board defeat of the opposition Party, Stalin's power in the Party had been unprecedentedly strengthened. Senior positions in the Party, the

156 *Complete Works of Stalin* (Volume 12). Beijing: People's Press, 1955, p. 157.

government, and the army originally assumed by Trotsky, Zinoviev, Kamenev, and Bukharin were all taken by the confidants of Stalin. A highly centralized political system took shape. The Central Committee, the Political Bureau, and the Secretariat had great power, and Stalin personally had extremely high prestige in the Party.

The Soviet Union also made corresponding cultural and ideological adjustments to the system to support the political struggle and the economic shift. After dismissing the Bukharin clique from leadership of the culture, Stalin reshuffled across the board the circles of philosophy and social sciences, the People's Commissariat of Education, and the cultural and academic groups; he began to create an institution of culture, ideology, and propaganda—and an academic arena completely obedient to the new central authorities.

In 1934, the 17th Congress of the Communist Party of the Soviet Union (Bolshevik) decided to reorganize, according to the principle of production, the seven central authorities subordinate to the Secretariat of the Central Committee into more than ten ministries, including, among others, Ministry of Industry, Ministry of Agriculture, Ministry of Planning, Finance, and Trade, and Ministry of Political Administration, thus further strengthening the power of the Secretariat of the Central Committee in its control over the economic sector.

In 1936, the promulgation of a new constitution of the Soviet Union, which fully confirmed the highly centralized economic, political, and cultural system, marked the formal establishment of the Stalin model. In 1938, Stalin proposed an outline, and wrote in person some of the chapters in *A Concise Textbook of the History of the Communist Party of the Soviet Union (Bolshevik),* further settling and theorizing about his model.

After the implementation of the Stalin model, the Soviet Union had became the most powerful country in Europe and the second in the world in less than two decades. With this incredible achievement, the Stalin model exerted a huge influence on the whole world at that time. For a long time, the Stalin model had been an archetype for backward countries in building socialism. Even Brzezinski, who has a strong hostility toward communism, had to admit:

> This trend inevitably encouraged dozens of former colonial countries to adopt a variety of state socialist approaches. Many sought inspiration from the experience of the Soviet Union and used it as a model for emulation.... In the 1950s and 1960s, many Third World countries celebrated the Soviet model as the best and fastest way to modernization and social justice.[157]

157 Brzezinski. *Great Failure—the Rise and Fall of Communism in the 20th Century.* Beijing: Military Science Press, 1989.

The Stalin model indeed has considerable reference value for the large number of backward countries in the process of modernization.

Implementation of the Stalin model, despite its many inherent disadvantages, created remarkable achievements. On the one hand, as the first model for backward countries in building socialism, it vigorously promoted the modernization process in backward countries. On the other hand, it brought about a difficult period of stagnation after its rapid economic development, and needed to be reformed constantly according to the changes in then-current situations. The disintegration of the Soviet Union in late 1980s was not directly caused by the Stalin model but by deviation from the socialist road in its reform.

4.4.2 From the New Democratic Revolution to Socialism with Chinese Characteristics

4.4.2.1 Mao Zedong's exploration of the transition from New Democracy to socialism

Mao Zedong assumed to use the "new democratic capitalism" to prepare the material base for building socialism in China. This idea is different from the assumptions of both Marx and Engels and the theory of Lenin. In line with China's reality, Mao Zedong proposed a new model for taking the socialist road in economically and culturally backward countries: the proletariat could, by leading a democratic revolution, first build a new democratic society and then develop it into a socialist society.

In the early days after the founding of the PRC, Mao Zedong and other communist leaders said that the transition from New Democracy to socialism would take about 10 to 15 years. Mao Zedong clearly opposed the ideas of "industrialization first and collectivization second" and "consolidating New Democracy" put forward by Liu Shaoqi and other leaders. In 1952, Mao Zedong said on many occasions that "From now on, not after 10 years, we will spend 10 to 15 years to basically finish the transition to socialism".[158]

In the summer of 1953, Mao Zedong put forward a general line and major tasks, with "industrialization and three transformations" as the core, for the Party in the period of transition. To be specific, "We will spend 10 to 15 years or even more to basically finish state industrialization and the socialist transformation of agriculture, the handicraft industry, and capitalist industry and commerce". The task of "industrialization and

158 Bo Yibo. *Review of Several Important Decision-making and Events* (Volume 1). Beijing: Central Party School Publishing House, 1991, p. 220.

three transformations" is the creation of the CPC made according to the basic tenets of Marxism, especially Lenin's theory about the transition to socialism after accomplishing a democratic revolution in backward countries, and in line with the specific conditions of China.

The prominent feature of the general line of the Party in the period of transition lies in the simultaneous development of socialist industrialization and a socialist transformation. The former provides a material base for the latter, while the latter constitutes the prerequisite for the former. In essence, their simultaneous development is the close integration of China's social system revolution and its production and technology revolution, and the emancipation and development of China's productive forces. No doubt, the general line of the transition successfully opened up a path for socialist transformation in a large oriental country with a backward economy and culture.

From the original idea of the development of the new democratic society to the formulation of a general line for the period of transition, the CPC had finished a great leap in understanding socialism. In fact, this was a process of emancipating the mind, transcending self in theory, and constant breakthroughs in the constraints of the Soviet model; it was a process of further understanding China's national conditions and unique features in pursuit of a road of socialist transformation suitable for the actual situation in China; it was a new leap in promoting the sinicization of Marxism, as well as a process of the realization of another historical change in the Chinese society in the 20th century.

In this process, the CPC made the following five breakthroughs in theory and practice:

— In the relationship between the development of national industrialization and socialist transformation, the CPC broke through the doctrine of "building foundation first and making transition second" and created a new approach of the simultaneous development of national industrialization and socialist transformation.

— In the way of transition to socialism, the CPC broke through the doctrine of total transition in one stroke and made the transition step by step when the conditions matured.

— In the socialist transformation of agriculture, the CPC broke through the doctrine of "mechanization before collectivization" and created new ways of transition, such as elementary and advanced collectives, in line with the regional features and different levels of productivity.

— In the socialist transformation of capitalist industry and commerce, the CPC created various forms of transition, ranging from a low degree to a high degree of state capitalism, realizing a peaceful redemption of the bourgeoisie.
— In the forms of the public ownership, the CPC broke through the doctrine of a solely state-owned system, and created a new pattern with the coexistence of state-owned, joint public-private-owned, and collective-owned economies.

The focus of the five breakthroughs is that, in a large agricultural country with a backward economy and culture, the CPC broke through the doctrines of the Soviet model and opened up a new road of transition to a socialist society in line with the concrete realities of China, and solved the problems of peaceful transition, class struggle, and the material base for social change.

4.4.2.2 *Blazing the trail of socialism with Chinese characteristics in reform and opening up*

The Third Plenary Session of the 11th Central Committee re-established the ideological line of seeking truth from facts, decisively stopped using the slogan of "taking class struggle as the key link" as it was unsuitable for China's socialist society, and made an official strategic decision to "shift the focus of the work of the whole Party and the attention of all Chinese people to social modernization, thus setting the Party's political line back to the right course. After the session, China put forward the idea of building socialism with Chinese characteristics, initiated a market-oriented reform, and opened up a successful road of building socialism in an economically and culturally backward country by using the market to take advantage of the latest achievements of the capitalist world and develop China's productivity.

The Party's Third Plenary Session of the 11th Central Committee is a great turning point of far-reaching significance in the history of the CPC, marking the beginning of a new era for the development of China's socialist modernization drive. In September 1982, in the Opening Speech at the 12th National Congress of the CPC, Deng Xiaoping pointed out:

> We must integrate the universal truth of Marxism with the concrete realities of China, blaze a path of our own, and build socialism with Chinese characteristics—that is the basic conclusion we have reached after reviewing our long history.

In October 1987, the 13th National Congress of the CPC summarized the theoretical achievements in the exploration of the question of "what is socialism and how to build

it" since the Third Plenary Session of the 11th Central Committee, and named it, for the first time, as "the theory of building socialism with Chinese characteristics". This summary comprehensively and systematically put forward the theory for the primary stage of socialism and expounded the connotation, basic features of, and basic lines for this stage. This theory provides a key to understanding the success and failure since the founding of the PRC, and a theoretical basis for the implementation of reform and opening up, and for further exploration of the road of socialism with Chinese characteristics.

Apart from the Soviet Union and China, Vietnam, Cuba, and some other countries have also made a series of explorations in line with their own realities on the road of socialism, enriching from different aspects the theory and practice of building socialism in backward countries.

4.4.3 Historical Meditation on Embracing Socialism in Economically and Culturally Backward Countries

Since the 20th century, the realities of the world socialist revolution movement are as follows: Russia, China, and some other countries with relatively backward economies and cultures achieved the victory of a socialist revolution before the Western capitalist countries. Meanwhile, these countries have all experienced the glory of success and the pain of setback and even failure in the process of building socialism. Therefore, it is of great significance for China, and for the healthy development of the socialist revolution in the world, to think about and sum up the experiences and lessons from these countries in their socialist endeavors over the past century.

4.4.3.1 Unity of the particularity and necessity of historical development

Thanks to the interaction between the national and international natures of the contradictory movement of productivity and forms of communication, backward countries can surpass the typical or complete stage of capitalism and stride directly into socialism before the developed countries do so. This historical phenomenon has not only the particularity but also the necessity of historical development.

As is known to all, a certain level of productivity requires a certain form of production relations, and production relations and the superstructure constitute the shell of a society; when established productive relations and the superstructure are adapted to the requirements of the productive forces, they will inevitably play a positive role in promoting their development. However, once enhanced to a new level, productivity needs

to break the old shell of the society and build a new structure of productive relations and superstructure at a high level. At this time, the original shell will inevitably confine and constrain the development of productivity. The more developed and perfect the original society, the harder the shell and the more difficult to break. On the contrary, in backward countries or regions where the shell of the society is not very hard, the new requests of the productivity can easily result in the break of the shell and the establishment of a new social form. This is an economic as well as a historical materialist explanation of the phenomenon that the revolution always breaks out first in backward countries. It is in this sense that Marx said:

> No social order is ever destroyed before all the productive forces for which it is sufficient have been developed, and new superior relations of production never replace older ones before the material conditions for their existence have matured within the framework of the old society.[159]

Some scholars, both at home and abroad, argue that the Marxist theory on socialist revolution is based on the principle of backwardness. The more backward the society, the easier the transition to socialism. This is undoubtedly a distortion of Marxist theory. In fact, "backwardness" refers to the relative backwardness compared to developed countries, not an absolute one. Lenin pointed out that: "Without a certain degree of the development of capitalism, it is impossible for us to be successful".[160] In fact, neither Russia nor China has surpassed the stage of capitalism; what they have surpassed is a typical or complete stage of capitalism. They were on the road of capitalism or had achieved certain degree of development of capitalism when they started the socialist revolution.

Historical development is promoted by the unity of law and purpose, the unity of unity and diversity. The orientation of development is fixed: the historical development of a country or nation may surpass a certain historical stage, but not in a reverse direction to historical laws and the general process of world history.

4.4.3.2 Compared with developed capitalist countries, building socialism in the relatively backward countries is easy at first and hard to continue

Generally speaking, it is easier for a revolutionary movement to break out in countries with backward economies and cultures. In the late 18th century and early 19th century,

159 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 592.
160 *Complete Works of Lenin* (Volume 60). Beijing: People's Press, 1990, p. 60.

great changes took place in the class struggle and economic situations in Western countries.

Through exploitation and plunder, the ruling class of these countries had adopted a series of measures to alleviate social and class contradictions. However, in the backward countries, such as Russia and China, the moderate development of a capitalist economy was overwhelmed by the backward feudal economy. Associated with such a backward economic system were low social productivity, a serious lack of social resources, and a reactionary political system.

People were living a miserable life in a society with extremely sharp social and class contradictions. They had no access to lawful means to demand their rights and needed a revolution to liberate themselves. After the October Revolution, Lenin said:

> We say it is easier for a movement to start in countries that are not among those exploiting countries that have opportunities for easy plunder and that are able to bribe the upper section of their workers". "I have had occasion more than once to say that it was easier for the Russians than for advanced countries *to begin* the great proletarian revolution, but that it will be more difficult for them *to continue* it and carry it to final victory—in the sense of the complete organization of a socialist society.[161]

It is easier to launch and win the victory of the proletarian revolution in backward countries. This can be attributed to their extremely powerful revolutionary forces. In Western capitalist countries, such as Great Britain and France, the bourgeois revolution destroyed the feudal system; the farmers are very conservative and content with "small plots of land". "They are therefore not revolutionary, but conservative. Nay, more, they are reactionary, for they try to roll back the wheel of history."[162] However, in Russia and China and other backward countries, the peasantry and the urban petty bourgeoisie can ally with the proletariat, and under the leadership of the proletariat and its political Party, join its mighty revolutionary army. Lenin said:

> Russia's backwardness merged in a peculiar way the proletarian revolution against the bourgeoisie with the peasant revolution against the landowners. That is what we started from in October 1917, and we would not have achieved victory so easily then if we had not.[163]

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161 *Complete Works of Lenin* (Volume 36). Beijing: People's Press, 1985, pp. 293-294.
162 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 42.
163 *Complete Works of Lenin* (Volume 36). Beijing: People's Press, 1985, p. 294.

We should also see the other side of the problem. Although backward countries may skip over the full development stage of the capitalist relations of production and step directly into socialism, the low level of productivity and the remnants of backward thinking and cultural concepts of a pre-socialist society will inevitably become huge obstacles to socialist construction. These countries will meet enormous difficulties when building socialism. Therefore, after seizing state power or establishing a socialist system, the proletarian political parties in these countries must learn from the advanced achievements of developed capitalist countries. This is also a main theoretical basis of China's opening up to the outside world since the end of the 1970s.

4.4.3.3 The route and model for economically and culturally backward countries to take the socialist road must be diverse

In the history of the world socialist movement, the idea that there is only one model of socialism has long preoccupied people's minds. It has become even more deep-rooted and firmly established with the formation, consolidation, and development of the Stalin model in the 1930s. In 1950, Yugoslavia's Autonomous Socialism was labeled revisionist by leaders of the Soviet Union and other socialist countries. In October 1956, at its Eighth Plenum, the Polish United Workers' Party emphasized the diversity of the forms of socialism and proposed to follow the Polish socialist road featuring democracy. This proposal was also severely suppressed by the leading body of the Soviet Union headed by Khrushchev. One reason for the misconduct is that they insisted that all socialist countries must follow the Soviet model.

As a matter of fact, the belief that there is only one socialist model does not conform to the thought of Marxist classical writers. As for what political and economic measures the proletariat should take after seizing political power, Marx and Engels wrote in *Manifesto of the Communist Party,* "These measures will, of course, be different in different countries."[164] They emphasized the diversity of the forms of socialism. In a preface to the 1872 German Edition of *Manifesto of the Communist Party,* they answered the question of how to correctly apply the Manifesto's basic principles: "Practical application of the principles will depend, as the Manifesto itself states, everywhere and at all times, on the existing historical conditions".[165] They stressed that the basic principles of the *Manifesto* should be applied in accord with the historical conditions, meaning that the CPC must

164 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 52.
165 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 5.

respect the diversity of the forms of socialism and formulate different policies and measures according to the different conditions.

Lenin's idea in this respect is even more explicit and clear. During the World War I, Lenin wrote in articles analyzing the situations, perspectives, and road of revolution that:

> All nations will arrive at socialism—this is inevitable, but all will do so in not exactly the same way; each will contribute something of its own to some form of democracy, to some variety of the dictatorship of the proletariat, to the varying rate of socialist transformations in the different aspects of social life.[166]

He meant that each nation would have its own way, form, and model of socialism, and that there would be more than one model. After the success of the October Revolution, especially during the period of the New Economic Policy, Lenin attached great importance to the problem. In the spring of 1921, he wrote:

> There is no doubt that in a country where the overwhelming majority of the population consists of small agricultural producers, a socialist revolution can be carried out only through implementation of a whole series of special transitional measures that would be superfluous in highly developed capitalist countries where wage-workers in industry and agriculture make up the vast majority.[167]

That is to say that the approach and form of Russia's socialist transition, or the socialist road and model of Russia, were different from those of Western capitalist countries. It is impossible for there to be only one socialist model.

Socialism with Chinese characteristics is a socialist model different from the Stalin model. Deng Xiaoping always advocated that different countries must explore their own socialist road and build socialism in line with their national conditions. On May 18, 1988, Deng Xiaoping said, in a talk with President Joaquim Alberto Chissano of Mozambique:

> Given the conditions in your country, you should consider whether a headlong rush to socialism is advisable. Choosing a socialist orientation is a good idea, but first of all you have to know what socialism is. Socialism is certainly not poverty. When you speak of socialism, it can only be socialism suited to conditions in

166 *Complete Works of Lenin* (Volume 28). Beijing: People's Press, 1990, p. 163.
167 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 201.

> Mozambique.... The world's problems cannot all be solved in the same way. China has its own way, and Mozambique must also find its own way.[168]

Obviously, he believed that China had its own model and Mozambique should have its own model. In this way, he advocated that there must be diversified models of socialism.

4.4.3.4 Building socialism in economically and culturally backward countries is a long process with twists, turns, and theoretical debates

Productivity development in countries with relatively backward economies and cultures cannot be accomplished in one day but is destined to be a long process. Meanwhile, even after arriving at socialism, the remnants of the old system and cultural ideas of the feudal and capitalist societies in these countries cannot be eliminated in a short time.

Not long after the victory of the Russian revolution, based on the reality of its backward economy, Lenin thought that Russia needed one or two generations to complete a basic socialist system. He said:

> Even the more developed generation of the immediate future will barely achieve a complete transition to socialism.[169] We know that we cannot establish a socialist order now—God grant that it may be established in our country in our children's time, or perhaps in our grandchildren's time.[170]

Similarly, Deng Xiaoping thought China needed an even longer period of time to consolidate and develop socialism. In his talks given in South China in 1992, he pointed out that: "It will take a very long historical period to consolidate and develop a socialist system, and it will require persistent struggle by many generations, a dozen or even several dozen. We can never rest on our oars." In a word, Lenin's retreat from Wartime Communism to the New Economic Policy and socialism with Chinese characteristics are both wise steps taken at the height of historical materialism.

The world socialist movement is currently at a low ebb or in a process from a low ebb to high tide.

Since the disintegration of the Soviet Union and the drastic changes in Eastern Europe, the international situation, the world economy, and global politics have undergone

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168 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 261.
169 *Complete Works of Lenin* (Volume 34). Beijing: People's Press, 1985, p. 243.
170 *Complete Works of Lenin* (Volume 37). Beijing: People's Press, 1985, p. 367.

profound changes. The remarkable achievement China has made since reform and opening up does not change the overall depression of the world socialist movement. It takes some time for socialist countries to overcome their shortcomings through reform, fully demonstrate the superiorities of a socialist system, and attract and influence people in capitalist countries.

As a global system, capitalism has the upper hand in influencing and controlling the world. Due to uneven economic and political development, there are still a large number of underdeveloped countries with backward economies and cultures. The situations in these countries, however, are quite different from those in the middle of the 20th century.

New colonialism and interventionism promoted by Western countries headed by the United States have exerted a profound and extensive impact on these backward countries, making it even harder for them to realize socialism. At the same time, we also see that the structure of the working class in contemporary capitalist countries has changed. With the adjustment of the industrial structure, the internal class structure of capitalist countries is becoming more complex and multilevel. There are more and more transitional strata between the working class and the bourgeoisie. It seems that it is very difficult for these countries to take a socialist road.

In a word, we must be fully aware of the historical inevitability for backward countries to take the lead in realizing socialism and to shoulder the hardships, twists, and turns in this historical process.

CHAPTER 5

THE SINICIZATION OF MARXISM AND THE THEORETICAL SYSTEM OF BUILDING SOCIALISM WITH CHINESE CHARACTERISTICS

During more than 80 years of arduous exploration in combining the universal truth of Marxism-Leninism with China's specific realities, two historic leaps have been made, producing two great theoretical systems. The first is the theoretical system of the New Democratic Revolution: the correct theoretical principles and the summarization of experiences in the Chinese revolution formed during the New Democratic Revolution. The second is the theoretical system of building socialism with Chinese characteristics: the correct theoretical principles and the summarization of experiences in China's socialist construction developed during socialist construction. Both systems are the outcome of the practical experiences and collective wisdom of the Party and the people and constitute its invaluable political and spiritual wealth.

As early as April 1956, Mao Zedong pointed out at the enlarged meeting of the Central Political Bureau that:

> The most important thing for us is to think independently to combine the tenets of Marxism-Leninism with the specific realities of China's revolution and construction. During the democratic revolution, we suffered severely until we realized this combination and won the victory of the New Democratic Revolution. Now, in the socialist revolution and construction, the CPC must combine Marxism with China's reality for a second time to find a path for building socialism in China.[171]

171 *Biography of Mao Zedong (1949-1976)* (Volume 1). Beijing: Central Party Literature Press, 2003, p. 506.

At the new stage in the new century, President Hu Jintao further pointed out:

> As the latest achievement in adapting Marxism to Chinese conditions, the theory of building socialism with Chinese characteristics belongs to the theoretical achievements made during the second historic leap in combining Marxism-Leninism with China's specific realities.[172]

These important statements reveal the history of the theoretical system of building socialism with Chinese characteristics, from its origin to its development, and they determined its historical position in adapting Marxism to Chinese conditions, providing an important basis for us to learn and research the theoretical system. Therefore, deepening our understanding of the historical process and development law of the sinicization of Marxism, and to further learn and research Mao Zedong Thought and the theory of building socialism with Chinese characteristics is of great significance for us to keep to the path of building socialism with Chinese characteristics and create a new situation in reform, opening up, and socialist modernization.

5.1 Essential Requirements and Historical Process of the Sinicization of Marxism

As a scientific world outlook and methodology, Marxism is a powerful theoretical weapon to guide any proletarian political Party to understand and transform the world, and to accomplish man's historical mission of liberating the proletariat and all mankind. In building a proletarian political Party, Marx and Engels pointed out that the new theoretical system—consisting of dialectical and historical materialism, political economics for the working class, and scientific socialism—is the guiding ideology of the Party, and emphasized that "having a scientific world outlook as theoretical basis is one of the big advantages of the proletarian political Party".[173]

Since its birth in 1921, the Communist Party of China has established Marxism as its basic guiding ideology, and through the education of Marxist theories within the Party, overcome all kinds of non-proletarian ideology and transformed the majority of the Party members of peasant and small bourgeois origin into firm communist fighters.

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172 Xi Jinping. "Some Understandings of the Theory of Socialism with Chinese Characteristics". *Study and Research,* 2008 (3).

173 *Complete Works of Marx and Engels* (Volume 13). Beijing: People's Press, 1962, p. 528.

As Mao Zedong said in a political report to the 7th National Congress of the CPC, "From its very beginning our Party has based itself on the theory of Marxism-Leninism, for Marxism-Leninism is the crystallization of the most correct and most revolutionary scientific thought of the world proletariat".[174]

In the course of more than 80 years of eventful and arduous struggles, our Party has always maintained a vanguard nature in leading the people of all ethnic groups to win the victories of the socialist revolution, construction, and reform. The principal reason for our success lies in our adherence to the principle of building the Party ideologically, creatively applying Marxism to the specific practice in China, and making sinicized Marxism the common ideological foundation for the unity and struggle of the Chinese people.

5.1.1 Scientific Attitude and Fundamental Principles in Adhering to and Developing Marxism

To guide our practice with Marxism, we must take a scientific attitude toward it, consciously combine the basic principles of Marxism with the features of the times, solve the new problems of the new era with a Marxist standpoint, viewpoint, and method, and constantly update Marxism to ensure that it keeps up with the times. Marxism plays a pivotal role in guiding the social practice of the Party and the people because it is a scientific theory developing with the changes of the times, is the essence of the spirit of the times, and has the theoretical quality of keeping pace with the times, always maintaining its vitality.

As early as 1872, Marx and Engels wrote, of the preface in the German version of *The Communist Manifesto,* that:

> The general principles laid down in the Manifesto are, on the whole, as correct today as ever. The practical application of the principles will depend, everywhere and at all times, on the historical conditions for the time being. This program has in some details been antiquated.

In his talk on reading *A Textbook of Political Economics* published in the Soviet Union, Mao Zedong pointed out:

> First of all, the books of these ancestors, such as Marx, must be read, and their basic principles must be observed. However, the Communist Party of any country, the

174 *Selected Works of Mao Zedong* (Volume 3). Beijing: People's Press, 1991, p. 1,093.

> ideological and political circles of any country, must create new theories, write new books, and produce their own theorists to serve their current politics. We can't just rely on the ancestors. Now, we have entered the socialist era and are facing a series of new problems. *On Practice* and *On Contradictions* are not enough. We must adapt to the new needs, write new works, and develop new theories.[175]

Deng Xiaoping also emphasized that, "Now we are engaged in building socialism with Chinese characteristics. Different eras and tasks require us to master the basic Marxist theory in line with new realities and promote the development of both our cause and Marxist theory".

The Chinese communists—with Mao Zedong, Deng Xiaoping, Jiang Zemin, and Hu Jintao as the representatives—made scientific judgments on the themes and features of the times, reached a new realm in the development of Marxism, and created, respectively, such major strategic theories as Mao Zedong Thought, Deng Xiaoping Theory, the important thought of the Three Represents, and the Scientific Outlook on Development. Thanks to their great insight and outstanding contributions, our Party is able to march in the forefront of development of the times. Under the leadership of the Party, the Chinese people have made remarkable achievements in socialist revolution, construction, and reform. Our great achievement provides a striking contrast to some communist countries in which the communist Party failed to keep up with the times, stuck to an outdated theory and rigid system, and ended up in the downfall of the Party and subjugation of the country.

Adopting a scientific attitude toward Marxism, the CPC must consciously combine the tenets of Marxism with China's specific realities, guide our practice with nationalized and localized Marxism, and constantly promote the sinicization of Marxism. Lenin said:

> What the Marxist theory provides are the general guiding principles. The specific application of these principles varies in different countries. England is different from France, France is different from Germany, and Germany is different from Russia.[176]

Mao Zedong clearly put forward the proposition of "the sinicization of Marxism" as early as 1938 at the Sixth Plenary Session of the Sixth Central Committee of the Communist Party of China. He pointed out:

> The great strength of Marxism-Leninism lies precisely in its integration with the concrete revolutionary practice of all countries. For the Chinese Communist Party, it is a

175 *Collected Works of Mao Zedong* (Volume 8). Beijing: People's Press, 1999, p. 109.
176 *Selected Works of Lenin* (Volume 1). Beijing: People's Press, 1995, pp. 274-275.

> matter of learning to apply the theory of Marxism-Leninism to the specific circumstances of China. For Chinese Communists who are part of the great Chinese nation, flesh of its flesh and blood of its blood, any talk about Marxism in isolation from China's characteristics is merely Marxism in the abstract, Marxism in a vacuum. Hence, to apply Marxism concretely in China so that its every manifestation has an indubitably Chinese character, i.e., to apply Marxism in the light of China's specific characteristics, becomes an urgent problem for the whole Party to understand and solve.[177]

In terms of content, the sinicization of Marxism means that we must enrich and develop Marxist theory and use the Marxist position, viewpoint, and method to study and solve China's practical problems. In terms of the form, sinicized Marxism refers to Marxism with Chinese style, elaborated in plain and simple Chinese language and used to reveal the nature and laws of Chinese revolution and construction.

Deng Xiaoping said to Mike Wallace:

> We have Marxism or the Communist Ideal. It is through the integration of the tenets of Marxism with the realities of China that we won revolutionary victory. Since this victory, in the course of construction, we have again integrated the fundamental principles of Marxism with the concrete practice of China.[178]

Practice has proved that, when we break away from China's reality, apply mechanically the Marxist classics or copy blindly other countries' theories and practice, we will inevitably cause great harm to the cause of the Party and the country. Therefore, integrating the basic principles of Marxism with the concrete realities of China to promote the sinicization of Marxism is key to the prosperity of the Party and the country.

Adopting a scientific attitude toward Marxism, we must constantly promote the popularization of Marxism, elaborate on its fundamental principles and basic viewpoints in plain and explicit language so that they can be easily understood, accepted, and flexibly applied by the people. Marxism is not a profound and obscure theory confined to studies and monopolized by a few elites. Instead, it is a simple and down-to-earth theory serving people's needs and should be mastered by the majority of the people. What is particularly worth mentioning is that Marxism is not a spontaneous product of the workers' movement. Rather, it is a scientific theoretical system created by the outstanding intellectuals Marx and Engels on the basis of their summarization of the history of social development and the critical absorption of all fine achievements of

177 *Selected Works of Mao Zedong* (Volume 2). Beijing: People's Press, 1991, p. 534.
178 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 173.

human civilization. To be accepted by the majority of the people, it must go through an arduous process of popularization to be "mastered by the people". Without the work to popularize the theory, it is impossible for Marxist theory to be transformed into material power to destroy the exploitation system, or for it to be tested, enriched, and developed in the practice of millions of people. It would be limited to the studies and brains of theorists as Marxism that is not understood or used by the people and a doctrine that could be neither realized nor developed.

Its ability to be popularized is an essential attribute of Marxism; it is also an inherent requirement of its function, development, and innovation. Marx said that "ideas *cannot carry out anything* at all. In order to carry out ideas, men are needed who can exert practical force".[179] Engels put forward some effective ways to promote and spread Marxism in practice. He suggested rewriting the main chapters and viewpoints of *Das Kapital* into several popular pamphlets to popularize Marxist theories and gave some specific advice on their content and writing. Lenin emphasized that with persistent efforts the CPC must penetrate the Marxist principle into the brains, habits, and life routines of the people[180] to transform it into a firm belief. Another incisive saying of Lenin is "maximum Marxism = maximum popularization".[181] Mao Zedong also pointed out clearly that we must liberate Marxist philosophy from books and classrooms and turn it into a sharp weapon in the hands of the broad masses of the people.

Rather than degrading and vulgarizing Marxism, the tight integration of Marxism with the life of the people is the inevitable way for Marxism to win the hearts and guide the practice of the people. During the period of the New Democratic Revolution, without the popularization of Marxism and Mao Zedong Thought that won the support of millions of people, it would have been impossible to overthrow "the Three Mountains" of imperialism, feudalism, and bureaucrat capitalism, and turn the semi-feudal and semi-colonial Old China into a socialist New China. During periods of socialist modernization and reform, without the popularization of Mao Zedong Thought and the system of theories of socialism with Chinese characteristics that won the support of billions of people, it is equally impossible for our Party to have registered the great achievements in socialist modernization and reform and opening up in a large oriental country with a backward economy and culture within such a short period of time.

179 *Complete Works of Marx and Engels* (Volume 2). Beijing: People's Press, 1956, p. 15.
180 *Complete Works of Lenin* (Volume 39). Beijing: People's Press, 1986, p. 100.
181 *Complete Works of Lenin* (Volume 36). Beijing: People's Press, 1959, p. 467.

The modernization, sinicization, and popularization of Marxism are interrelated and constitute an organic unity with sinicization as the core. Vertically (temporally), Marxism keeps developing with the times with its application and innovation adapting to the features of the proletarian liberation movement in different eras. Horizontally (spatially), it suits the local conditions with its application and innovation in line with the concrete realities of different countries. Practically (main body), it wins the hearts of the people through publicizing and popularizing the scientific theory of Marxism in lively and flexible ways to turn itself into a powerful ideological weapon for the people to understand and transform the world. For Marxism to grasp the pulse of the times and to be believed by the people, it must adapt to the basic national conditions of various periods in China. Therefore, the process of the modernization and popularization of Marxism must be accompanied with the sinicization of Marxism. Deng Xiaoping pointed out that "we have profound faith in Marxism, but we must integrate it with Chinese realities. Only Marxism that is integrated with Chinese realities is the genuine Marxism we need".[182] Hu Jintao also stressed that "upholding and consolidating this status of Marxism in China provides the basic guarantees for unity between the CPC and the people and ensuring our country always takes the correct course. Meanwhile, only when Marxism is closely integrated with the actual conditions of China, with the trend of the times, and is constantly enriched and developed through practice, can its role of guiding practice be brought into fuller play".[183] In the past 90 years, the CPC has persistently integrated the basic principles of Marxism with the features of the times, the concrete realities of China, and the practice of the people, constantly promoted the sinicization of Marxism, and guided the Chinese revolution, construction, reform, and opening up by the theoretical achievements made in adhering to and developing Marxism.

5.1.2 Arduous Exploration and Theoretical Achievements in the Sinicization of Marxism

From the historical situation and social reality of China, the Chinese Communists, with Mao Zedong as their chief representative, creatively applied a Marxist standpoint, viewpoint, and method to the study of the characteristics and law of the Chinese revolution, answered a series of major questions about how to carry out the New Democratic Revolution and

182 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 213.
183 Hu Jintao. "Address at the Meeting Commemorating the 30th Anniversary of the Third Plenary Session of the 11th Central Committee". Beijing: People's Press, 2008, p. 14.

take the path of socialism in China, and created Mao Zedong Thought. At the 7th National Congress of the CPC, Mao Zedong Thought, established as the guiding ideology of the Party, provided a powerful guarantee for building a united, disciplined, and heroic working-class vanguard to lead the people of the nation to win the war against the Japanese invasion and the victory of national liberation. Under the guidance of Mao Zedong Thought and the leadership of the CPC, the Chinese people accomplished the historical tasks of national independence and people's liberation, founded a socialist New China, and laid a sound political and institutional foundation for development in contemporary China.

After the establishment of a socialist system, China was faced with the new task of building and consolidating a socialist country with a backward economy and culture. Drawing on the experiences and lessons of the Soviet Union in building socialism, Mao Zedong began to think about how to build and develop socialism in China and gained invaluable ideological insights in how to guide China's socialist construction. For instance, he suggested that in order to realize industrialization, the CPC must properly balance the relationships among agriculture, light industry, and heavy industry, consolidate the worker-peasant alliance, and "achieve greater, faster, better, and more economical results in building socialism". He comprehensively expounded the basic contradictions in the socialist society, pointing out that the CPC must distinguish between the two kinds—contradictions between Party members and the enemy, and contradictions among the people. Mao Zedong said that correctly dealing with contradiction among the people is the theme of political life in China. Due to the complexity of domestic and international situations and for various reasons, some of the correct ideas of Mao Zedong on the construction of socialism had not been implemented, and he had made serious mistakes, such as the Cultural Revolution. However, his painstaking exploration in building socialism and the invaluable achievements he had made in this respect will go down in history and never be denied.

The second generation of Party leadership with Deng Xiaoping at its core correctly evaluated the merits and demerits of Mao Zedong and the historical position of Mao Zedong Thought as follows:

> In many ways, we are now trying to accomplish what Mao Zedong had proposed but not finished, correct his mistakes, and do a good job in what he failed to do well. We will continue to do so for quite a long time. Of course, we have developed Mao Zedong Thought and will go on developing it.[184]

184 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 300.

In his report to the 17th National Congress of the CPC, Hu Jintao also emphasized that "the ongoing reform, opening up, and socialist modernization drive undertaken by the people of all ethnic groups under the Party's leadership are a continuation and development of the great cause of socialist construction since the founding of the People's Republic, and the great cause of the Chinese people's struggle for national independence, prosperity, and strength since modern times".[185] If we negate completely Mao Zedong's theory and practice in building socialism and the historical status of the 30 years from the founding of New China in 1949 to initiating reform and opening up in 1978 in the development of socialism in China, the system of the theories of socialism with Chinese characteristics would become water without a source and a tree without roots.

The Chinese communists with Deng Xiaoping as their chief representative summarized the historical lessons and experiences since the founding of the People's Republic of China, restored and developed the Party's ideological guideline of emancipating the mind and seeking truth from facts, transferred the work center of the Party to economic development, adhered to the Four Cardinal Principles, carried out reform and opening up, and created a new situation in the socialist modernization drive. They gradually formulated the guidelines, principles and policies of building socialism with Chinese characteristics, expounded the basic problems in building, consolidating and developing socialism in China, and developed Deng Xiaoping Theory.

From the Third Plenary Session of the 11th Central Committee through the 15th National Congress of the CPC, Deng Xiaoping Theory was established as the guiding ideology of the Party, providing a powerful guarantee for building a Marxist political Party armed with the theory of building socialism with Chinese characteristics and able to stand the test of various risks to lead China in opening up a new path of reform, opening up, and socialist modernization.

In his speech to celebrate the 80th anniversary of the founding of the Communist Party of China, Jiang Zemin pointed out that:

> (Mao Zedong Thought and Deng Xiaoping Theory) constitute Chinese Marxism, which embodies the basic principles of Marxism-Leninism and the fine philosophy of the Chinese nation and the practical experience of the Chinese Communists. It is exactly because we have had the guidance of Marxism-Leninism, Mao Zedong

185 *Documents of the 17 th National Congress of the CPC.* Beijing: People's Press, 2007, p. 54.

> Thought, and Deng Xiaoping Theory that our Party has been able to lead the people in overcoming all hardships and setbacks and winning one victory after another.[186]

Our Party and nation are facing new opportunities and challenges in the 21st century as China has entered a new stage of building a moderately prosperous society in all respects and accelerated the socialist modernization drive. In terms of national conditions, remarkable achievements have been made in reform and opening up, and China's overall strength has been significantly increased. The economic composition, forms of organization, means of employment, interests of different sectors, and modalities of distribution have increasingly diversified. The people have become more independent, selective, changeable, and diverse in thinking. Consequently, the contradictions and problems the CPC faces in economic and social development are becoming more complicated and prominent. In terms of the conditions of the Party, after more than 80 years of development, the position, environment, and the tasks of our Party have undergone tremendous changes. The number of new Party members has increased by a big margin, while cadres of the younger generation have been replacing the older ones, and many young cadres have taken leading positions.

On the basis of summarizing the practical experiences gained since reform and opening up, especially since the Fourth Plenary Session of the 13th Central Commission of the CPC, the Chinese communists with Jiang Zemin as their chief representative scientifically and accurately sized up the international and domestic situations and our Party's historical position and created the important thought of the Three Represents with the collective wisdom of the CPC. This theory elevated the development of China's advanced productive forces, the promotion of China's superior culture, and the realization of the fundamental interests of the overwhelming majority of the Chinese people to the height of the nature, principle, and guiding ideology of the Party; the theory of Three Represents reflected the new requirements for the work of the Party and the nation arising from changes and development in contemporary China and beyond; and it creatively answered the questions of what socialism is, how to build it, and what kind of Party to build, and how to build it with a series of new ideas and viewpoints. It is therefore a continuation and development of Marxism-Leninism, Mao Zedong Thought, and Deng Xiaoping Theory as the third major theoretical achievement in adapting Marxism

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186 *Selected Important Documents of the 30 Years since Reform and Opening Up* (Volume 2). Beijing: Central Party Literature Press, 2008, p. 1,168.

to Chinese conditions. To maintain the vanguard nature of our Party in theory, at the Sixteenth National Congress of the CPC, the important thought of Three Represents was established as a guiding ideology of the Party that must be followed for a long time to come to ensure that our guiding ideology will keep pace with the times.

Since the 16th National Congress of the CPC, the Chinese communists with Hu Jintao as their chief representative have kept up with new developments and changes in and outside China, grasped the strategic opportunities of this important period, vigorously improved the socialist market economic system, promoted scientific development and social harmony, practiced core socialist values, and resolutely carried forward the great cause of reform, opening up, and the socialist modernization in building a moderately prosperous society in all respects. In light of the basic reality that China is in the primary stage of socialism and the current features of development in China, the Central Committee of the CPC with Hu Jintao as General Secretary proceeded from the overall situation of the development of the cause of the Party and the nation, and put forward the Scientific Outlook on Development that advocates people-oriented, comprehensive, balanced, and sustainable development.

From eight aspects—namely, economic development, economic system, people's living standards, coordinated development, democratic and political progress, cultural progress, social progress, and opening up to the outside world—the Report to the 17th National Congress of the CPC expounded the current features of development in China, described the extensive and profound changes taking place from productivity to relations of production, from the economic base to the superstructure, and a series of new contradictions and problems that the CPC faced in economic and social development.

Meanwhile, CPC members must realize that the basic reality that China is still in the primary stage of socialism and will remain so for a long time to come has not changed, nor has Chinese society's principal contradiction—the one between the ever-growing material and cultural needs of the Chinese people and their low level of social production. A large population, weak economic foundation, unbalanced development between urban and rural areas, and an underdeveloped productivity status are still the biggest problems in China. The contradictions and problems the CPC encountered in development are rare in the world in terms of size and complexity. The current reality requires that we must always bear in mind the basic fact that China is in the primary stage of socialism, be fully aware of the protracted and arduous nature of building a moderately prosperous society in all respects, basically realize socialist modernization, discover and solve problems, and

make decisions according to the principle of seeking truth from facts. As the concrete manifestation of that basic reality at this new stage in the new century, the current feature of development in China is the foundation of the Scientific Outlook on Development.

In line with a Marxist standpoint, viewpoint, and method, and focusing on development, the top priority of the Party in governing and rejuvenating the country, the Scientific Outlook on Development summarized the experiences and lessons of development at home and abroad, and further answered major theoretical and practical questions, such as what socialism is and how to build it, what kind of Party we must build and how to build it, and what kind of development China should achieve and how to achieve it. It is a new theoretical weapon to strengthen and improve Party-building and promote the self-improvement and development of the socialist political system of our country.

As a product of the integration of Marxism with the current features and China's practical reality, the Scientific Outlook on Development is, in essence, the latest theoretical achievement in the modernization, sinicization, and popularization of Marxism, an important guiding principle for China's economic and social development, and a major strategic thought that must be followed and implemented in building socialism with Chinese characteristics.

At its 17th National Congress, the CPC summarized the invaluable experiences gained in the historical process of reform and opening up, creatively put forward and expounded the system of the theories of building socialism with Chinese characteristics, and incorporated it, together with taking the path of socialism with Chinese characteristics, into the general category of holding the great banner of socialism with Chinese characteristics.

Taking the path of socialism with Chinese characteristics means we will, under the leadership of the CPC and in light of China's basic conditions, take economic development as the central task, adhere to the Four Cardinal Principles, persevere in reform and opening up, release and develop the productive forces, consolidate and improve the socialist system, develop a socialist market economy, socialist democracy, an advanced socialist culture, and a harmonious socialist society, and make China a prosperous, strong, democratic, culturally advanced, and harmonious modern socialist country.

The system of the theories of socialism with Chinese characteristics is the concentrated reflection and scientific generalization of the great practice and basic experience of building socialism with Chinese characteristics, the embodiment of the wisdom and hard work of several generations of Chinese Communists leading the people in carrying

out tireless explorations and practices, and the invaluable political and intellectual asset of the Party and the people.

The great banner of socialism with Chinese characteristics is the organic unity of the path and theory of socialism with Chinese characteristics. It guides the correct direction of development and progress in contemporary China, and lays a sound foundation for a common ideology and political program that unites the Party and the people. Holding high the great banner of socialism with Chinese characteristics, the CPC must, on one hand, continue to explore the development path of socialism with Chinese characteristics under the guidance of the system of the theories of socialism with Chinese characteristics, and, on the other, keep enriching and developing the system in practice along the path of socialism with Chinese characteristics.

5.2 Scientific Connotation and Essential Features of the Theory of Building Socialism with Chinese Characteristics

Marx and Engels once wrote that:

> All epoch-making systems have as their real content the needs of the time in which they arose. Each one is based on the whole of the antecedent development of a nation, on the historical growth of its class relations with their political, moral, philosophical, and other consequences.[187]

The system of the theories of socialism with Chinese characteristics was formed to tackle the historical task of how to build, consolidate, and develop socialism under the conditions of reform, opening up, and a socialist market economy in an economically and culturally backward country. It is a science for the systematic study of the nature and law of the socialist construction in China.

5.2.1 Logical Structure of the System of Theories of Socialism with Chinese Characteristics

Any theoretical system must have a strict logical structure, that is, an intrinsic link between concepts and principles. Otherwise, it cannot constitute a theoretical system,

187 *Complete Works of Marx and Engels* (Volume 3). Beijing: People's Press, 1960, p. 544.

and it is very hard for people to grasp it completely and systematically. Based on the objective facts and the practice of reform, opening up, and the modernization drive, the system of the theories of socialism with Chinese characteristics reflected, with complete logical form, the theme of how to understand and build socialism in such an economically and culturally backward country as China, and revealed profoundly the essential features and development law of socialism in China. An in-depth study of the logical structure and distinct features of this theoretical system is indispensable for us to comprehensively grasp the scientific connotation and essential features of the system through the integration of theory and practice.

5.2.1.1 *Philosophical foundation and quintessence of the system of theories of socialism with Chinese characteristics*

The system of theories of socialism with Chinese characteristics is based on Marxist philosophy, dialectical and historical materialism. The Marxist philosophical viewpoints on objectivity, connection, development, practice, and the masses are the standpoint, viewpoints, and methods always adhered to in the system of theories of socialism with Chinese characteristics. They not only guided the conception, birth, and development of the system, but also permeated every part of the system and contributed to the establishment of this scientific t system. Therefore, Marxist philosophy is both the foundation of the world outlook and methodology and is the supreme level of the system of theories of socialism with Chinese characteristics.

As a fundamental viewpoint and method of Marxism, emancipating the mind and seeking truth from facts constitutes the essence of the system of theories of socialism with Chinese characteristics. Crystallizing the essence of Marxism, particularly its philosophy, dialectical and historical materialism, into the principle of "seeking truth from facts" is the theoretical innovation of the Chinese communists with Mao Zedong and Deng Xiaoping as their chief representatives. It is, as well, a shining example of adapting Marxism to Chinese conditions.

As early as June 1968, Deng Xiaoping pointed out in his speech at the All-Army Conference on Political Work: "The principle of seeking truth from facts is the point of departure, the fundamental point, in Mao Zedong Thought as well as the fundamental viewpoint and method of Marxism".[188] Later on, he expounded, from the height of a philosophical world outlook and methodology, the theoretical significance and

188 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 114.

ideological guideline of "seeking truth from facts" on several important occasions. In December 1978, he pointed out at the closing meeting of the working conference of the Central Committee that:

> Seeking truth from facts is the basis of the proletarian world outlook as well as the ideological basis of Marxism. Just as in the past we achieved all the victories in our revolution by following this principle, so today we must rely on it in our effort to accomplish the four modernizations.[189]

In February 1980, reiterated at the Fifth Plenary Session of the 11th Central Committee of the CPC: "The Third Plenary Session laid down—or more precisely, reaffirmed—the Party's Marxist ideological line. Marx and Engels propounded the ideological line of dialectical and historical materialism, a line that Mao Zedong summarized in the four Chinese characters 'seek truth from facts'. To seek truth from facts, we must proceed from reality in all things, link theory with practice, and hold practice to be the touchstone of truth—that is the ideological line of our Party".[190] Early in 1992, in his historic tour in South China, he emphasized again that:

> The essence of Marxism is seeking truth from facts. That's what we should advocate, not book worship. The reform and the opening up policy have been successful not because we relied on books, but because we relied on practice and sought truth from facts.[191]

One of the salient features of our Party in adhering to the Marxist ideological line is to unite emancipating the mind and seeking truth from facts in a dialectical way and constantly open up new realms in the cause of building socialism with Chinese characteristics. In the late 1970s, the CPC Central Committee gave top priority to the emancipation of the mind of the Party to restore the ideological guideline of seeking truth from facts. Deng Xiaoping pointed out:

> When it comes to emancipating our minds, using our heads, seeking truth from facts, and uniting as one in looking to the future, the primary task is to emancipate our minds. Only then can we, guided as we should be by Marxism-Leninism and Mao Zedong Thought, find correct solutions to emerging as well as inherited problems, fruitfully reform those aspects of the relations of production and of the

189 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 143.
190 *Ibid.,* p. 278.
191 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 382.

> superstructure that do not correspond with the rapid development of our productive forces, and chart a specific course and formulate specific policies, methods, and measures needed to achieve the four modernizations under our actual conditions.[192]

In his eyes, emancipating the mind and seeking truth from facts are interrelated and integral parts of an organic unity:

> Emancipating our minds means making our thinking conform to reality—making the subjective conform to the objective—and that means seeking truth from facts. When we want to be practical and realistic in all our work, we must continue to emancipate our minds.[193]

The 17th National Congress of the CPC summarized the practical experiences in reform and opening up and called the principle of emancipating the mind "a magic instrument for developing socialism with Chinese characteristics".[194]

From the philosophical perspective, the powerful vitality of the system of the theories of socialism with Chinese characteristics lies in its adherence to the cognitive lien of dialectical and historical materialism and the basic principle of emancipating the mind and seeking truth from facts to adapt to the changes and development of international situations and the concrete realities of China, overcome idealism and metaphysics that divorce theory from practice, and keep consolidating and developing socialism with Chinese characteristics.

The system of theories of socialism with Chinese characteristics uses, in a creative way, materialist dialectics to analyze and solve problems emerging in the process of reform, opening up, and modernization, and enrich and develop the world outlook (including the historical view) and methodology of dialectical materialism and historical materialism. In 1985, Deng Xiaoping said sincerely and earnestly at the National Congress of the CPC:

> Times have changed and our tasks have changed. We are now building socialism with Chinese characteristics. There is indeed much new knowledge we need to master, but that makes it all the more necessary for us to study basic Marxist theory in light of the new situation. Because that is the only way we can become better able to apply the basic principles and methods of Marxism to solving the fundamental questions arising in the political, economic, social, and cultural fields. And that is the

192 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 141.
193 *Ibid.,* p. 364.
194 *Documents of the 17th National Congress of the CPC.* Beijing: People's Press, 2007, pp. 1-2.

> only way we can advance both our cause and the theory of Marxism and also prevent cadres, particularly the newly promoted young and middle-aged cadres, from losing their bearings in the increasingly complex struggle.... That will enable them to become well versed in basic Marxist theory, and thus they will adhere more strictly to principles and work more systematically and with greater foresight and creativity. Only thus can our Party keep to the socialist road and go on to build socialism with Chinese characteristics until we reach our ultimate goal—communism.[195]

Marxist philosophy is not only the philosophical foundation of the system of theories of socialism with Chinese characteristics, but it is its central component. As the fundamental view and method of Marxism and the central content of the Party's ideological guideline, emancipating the mind and seeking truth from facts is the quintessence of every aspect of the theoretical system throughout the whole process of its development. The CPC must study and grasp the historical position and guiding significance of the system from the altitude of Marxist philosophy.

5.2.1.2 Important cornerstone of the system of theories of socialism with Chinese characteristics

The so-called theoretical cornerstone refers to the most fundamental principle of a scientific system or theory that is vital, fundamental, and decisive to the birth and development of a system or theory. In expounding the theory of scientific socialism, Engels believed that Marx had made two major discoveries. The first is a new view on history, that is, historical materialism, which revealed the law of the development of human history and was extremely important to the concept of socialism. The second is the theory of surplus value, which completely clarified the relationship between capital and labor, revealed the special law of motion governing the present-day capitalist mode of production, and the bourgeois society that this mode of production has created, and led to the scientific conclusion that socialism and communism will inevitably replace capitalism. Therefore, modern scientific socialism is based on these two major facts.[196] Lenin further illustrated that historical materialism and the theory of surplus value are the cornerstones of scientific socialism. These two theories turned socialism from utopia to science.

Similarly, the theories of the essence of socialism, the primary stage of socialism, and the socialist market economy illustrated the current stage of the development of China's socialism, the forms of our socialist practice in light of the realities of China, laying

195 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. 146-147.
196 *Selected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 1995, pp. 328-338, 776-778.

a sound foundation for the establishment of the system of theories of socialism with Chinese characteristics. The other parts of the system are the specific demonstration and extension of this system, serving as the most fundamental theoretical content in the system, without which the establishment of the system would be out of the question.

The theory of the essence of socialism is the generalization of the major properties and features of socialism and profoundly embodies the socialist ideals and goals. In the talks during his inspection tour in Southern China in 1992, Deng Xiaoping pointed out that, "the essence of socialism is liberation and development of the productive forces, elimination of exploitation and polarization, and the ultimate achievement of prosperity for all".[197]

This statement revealed the long-term goals of socialism to eliminate exploitation and polarization to ultimately achieve prosperity for all, and stressed the basic task of liberalizing and developing the productive forces China's socialist society, reflecting the degree of our understanding and realization of socialism at the present stage. The two aspects are interrelated and constitute a comprehensive understanding of the essence of socialism. The theory on the essence of socialism must be implemented in all respects and in the whole process of China's socialist revolution and construction. The insight of our Party into the essence of socialism laid a sound foundation for all the theories and viewpoints on socialism with Chinese characteristics and answered the questions of what socialism is and how to build it.

The theory of the primary stage of socialism is the scientific understanding of the stages and process of socialism and the historical position of Chinese socialism, and the correct judgment made by our Party on the development law of human society and the basic conditions of China. Since the third Plenary Session of the 11th CPC Central Committee, the Party Central Committee has made a correct analysis of the national conditions and drawn a scientific conclusion that our country is still in the primary stage of socialism. It has two connotations: the first is that our country has already entered a socialist society, and the CPC must adhere to but cannot leave socialism; the second is that, as China is in the primary stage of socialism and will remain so for a long time, the CPC must face this reality and know it cannot skip this development stage. In the Report to the 15th National Congress of the CPC, it was pointed out that:

> Socialism is the primary stage of communism, and China is in the primary stage of socialism, that is, a stage of underdevelopment. In this large Eastern country, it is a

197 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 373.

> great victory for us to take the socialist road after a period of New Democracy. But, at the time when China entered socialism, it lagged far behind developed countries in terms of productive force development. China is, therefore, destined to go through a rather long primary stage of socialism. During this stage, China will accomplish industrialization and the socialization, market orientation, and modernization of its economy.[198]

In a general sense, it is not the initial phase, a phase that every country goes through in the process of building socialism. Rather it is, in a particular sense, the specific stage China must necessarily go through while building socialism under the conditions of backward productive forces and an underdeveloped commodity economy.

As the saying goes, “every long journey begins with the first step." To build socialism in China, we must start from the reality of the primary stage of socialism rather than from a subjective desire, by blindly copying foreign models, or with a dogmatic understanding of a particular Marxist theory or erroneous arguments with the label of Marxism. The theory of the primary stage of socialism is both the starting point of the practice of socialism with Chinese characteristics and the foothold of the theory of socialism with Chinese characteristics. It is the important foundation and integral part of the system of theories of socialism with Chinese characteristics, and it is the realistic basis and theoretical proposition for our Party to formulate its line, guiding principles, and policies.

The theory of a socialist market economy revealed the law governing the contradictive movement between socialist productive forces and relations of production and the essential features of the economic form of the Chinese economy. Integrating socialism with a market economy, it is one of the most important ideological achievements made in the history of economics for hundreds of years as well as a great innovation and pioneering work of our Party.

Since the Third Plenary Session of the 11th Central Committee, Deng Xiaoping made an in-depth analysis of the changes and development of the international economy, summarized the experiences and lessons of China's economic development, and asserted that a market economy is also applicable in a socialist country. The 14th National Congress of the CPC clearly set the goal for the reform of China's economic system—to establish a socialist market economic system that is in line with both the objective law of the world economic development and objective requirement of the development of China's

198 *Collected Documents of the 15th National Congress of the CPC.* Beijing: People's Press, 1997, p. 15.

productive forces. The 15th and 16th National Congresses of the CPC summarized the theoretical and practical experiences in building a socialist market economic system, answered some of the deep-seated questions concerning the development of the socialist market economy, and followed the direction of the reform of the socialist market economy.

Since the socialist market economy is combined with the basic economic system of socialism, the basic political system, and the socialist spiritual civilization, the CPC must address such complicated problems as how to integrate a market economy with socialist public ownership, state regulation, state control, the socialist democracy and legal system, and with socialist moral and ethical progress. Therefore, as a foundation of Chinese economics and an important principle of the theory of socialism with Chinese characteristics, the theory of a socialist market economy has an important bearing on the overall situation of China's reform, opening up, and socialist modernization drive.

5.2.1.3 *Main framework of the system of theories of socialism with Chinese characteristics*

The theory of socialism with Chinese characteristics is both abstract and concrete. It expounds not only the world outlook, methodology, and general laws and principles for building socialism with Chinese characteristics from the abstract perspective of philosophy, but it is also a series of important principles for economic, political, cultural, and social development, foreign strategy, and Party-building with Chinese characteristics—all in line with the reality that China is at the primary stage of socialism, revealing the essential attributes, the form of realization, and the law of development of socialism with Chinese characteristics from a concrete dimension. These important principles embody the basic program and strategic deployment of building socialism with Chinese characteristics, and are the concrete implementation of the Party's basic line and important theories in all aspects of economic and social development.

In light of Deng Xiaoping Theory and the Party's basic line, and aiming at the goal of building China into a powerful, prosperous, democratic, and highly-civilized socialist country, the 15th National Congress of the CPC further clarified the questions of what are the economy, politics, and culture with Chinese characteristics at the primary stage of socialism and how to build them, and formulated the basic program of the Party in the primary stage of socialism.

The 16th National Congress of the CPC clearly set social harmony as an important goal of building a moderately prosperous society in all respects. At its Fourth

Plenary Session, the CPC Central Committee put forward the strategic task of building a harmonious socialist society; it made continuously improving its ability to build a socialist harmonious society an important content in strengthening the Party's governance capability. The Sixth Session of the 16th Central Committee further clarified the position of the task of building a harmonious socialist society in the overall arrangement of the cause of socialism with Chinese characteristics, and it issued a special *Decision on Several Major Issues Concerning the Building of a Harmonious Socialist Society.*

In light of the changes in both international and domestic situations and the current features of China's development in the new era, the 17th National Congress of the CPC made a comprehensive deployment for a socialist economy, politics, culture, and for social development, national reunification, and national defense, army-building, put forward a clear requirement for advancing the great new undertaking to build the Party in the spirit of reform and innovation, and solemnly declared to the world the CPC's steadfast belief in and action program for building socialism with Chinese characteristics from a new historical starting point. Interrelated and organically united, the basic objectives, policies, experiences, and principle formulated for the accomplishment of the tasks in all these respects constitute the major framework and main content of the system of theories of socialism with Chinese characteristics.

5.2.1.4 Basic category of the system of theories of socialism with Chinese characteristics

"Category", a basic concept revealing the contradictive relationships among matters, refers to the reflection and generalization of the essence of matters in the human mind. Lenin defined it as "steps in the process of human understanding of the world" and "the nodes on the net for a human being to understand and grasp natural phenomena".[199] Similarly, the basic category of the system of theories of socialism with Chinese characteristics is the reflection and generalization of the major issues and contradictive relationship the CPC has made in understanding socialism and socialist construction, as well as nodes in the net of understanding and grasp of socialism with Chinese characteristics—in other words, the indispensable steps on the road leading to the understanding of socialism with Chinese characteristics. The concept of category is, therefore, a basic element and vital link in the study of the system of theories of socialism with Chinese characteristics.

The basic category of socialism with Chinese characteristics embodies the forms of practice and important achievements of the Party and the people in the exploration of

199 *Complete Works of Lenin* (Volume 55). Beijing: People's Press, 1990, p. 78.

the path of building socialism in China. It is the crystallization of historical experience and collective wisdom of the Party and the people in adhering to and developing socialism with Chinese characteristics. Mao Zedong's *On Ten Major Relationships,* Jiang Zemin's *Correctly Handling Some Major Relationships in the Socialist Modernization Drive,* and "the Ten Integrations on Reform and Opening up" summarized in the *Report to the 17th National Congress of the CPC,* among others, are all invaluable materials for Party members to study the category of socialism with Chinese characteristics. The CPC has refined eight pairs of major categories, namely, 1) the tenets of Marxism and the sinicization of Marxism, 2) the Four Cardinal Principles and reform and opening up, 3) the basic system of socialism and the specific institution of socialism, planning, and market, 4) efficiency and fairness, 5) the people's democracy and the rule of law, 6) the leadership of the Party and the grassroots mass autonomy, 7) independence, 8) and opening up to the outside world.

The CPC will research these categories to assist people to better grasp the dialectical materialism in China's reform, opening up, and socialist modernization drive; this will generate a deeper understanding of the basic principles of socialism with Chinese characteristics and its theoretical system.

The four parts mentioned above—the philosophical foundation and quintessence, the important cornerstone, the main framework, and the basic category of the system of the theories of socialism with Chinese characteristics—comprehensively reflect the rich connotation, spiritual essence, and intrinsic logical structure of the great cause of building socialism with Chinese characteristics. They embody correct answers to a series of basic questions concerning the understanding and building of socialism in contemporary China, and constitute an extensive and profound scientific system. Of course, any mature theory has a corresponding system that must be correctly understood—one that shows the integrity and the scientific nature of the theory but does not mean the end of theoretical understanding. Only by adhering to the system of the theories of socialism with Chinese characteristics and continuing to enrich and develop the system in practice, can the CPC constantly promote the vigorous development of socialist theory and movement.

5.2.2 Distinct Features of the System of Theories of Socialism with Chinese Characteristics

The dominant idea in a society should be not only the essence of the spirit of a nation in an era, but also a symbol of the spirit of the nation and of the times. The fundamental

reason for the system of the theories of socialism with Chinese characteristics to be established as the guiding principle of the Party and the ideological foundation for the solidarity and endeavor of the Chinese people of all ethnic groups lies in the theoretical coherence, strong sense of reality, and high degree of openness of the theory. Reflecting the development trend of the times and the requirements of the rejuvenation of the Chinese nation, it is the spiritual pillar for the Chinese people to successfully carry out reform and opening up and realize socialist modernization.

The system of the theories of socialism with Chinese characteristics is coherent, always based objective facts, and has a scientific standpoint, viewpoint, and method. It reveals the essence of the law of the development of socialism in China in scientific and theoretical expression in the form of rigorous logic. Mao Zedong once pointed out that, "there is only one kind of true theory in this world, theory that is drawn from objective reality and then verified by objective reality".[200] The system of the theories of socialism with Chinese characteristics is such a theory. It is not a scholastic divorce from a reality in China that can be interpreted arbitrarily. Rather, it is a scientific system that follows the objective law of the development of human society, adapts to the requirements of contemporary China's basic national conditions and development. It is produced in, tested by, and constantly enriched and developed in the practice of reform, opening up, and in the socialist modernization drive. Therefore, the CPC must treat and study the theoretical system with a scientific attitude and method, then arm the Party and educate the people with it. The major task for theorists is to establish, with painstaking research and processing, a scientific theoretical system in line with the ideas and mentality of the founders and successors of the theories of socialism with Chinese characteristics to help China's people fully and accurately grasp the essential law of socialism with Chinese characteristics, then strive to build our country into a powerful socialist country and achieve the great rejuvenation of the Chinese nation.

A strong sense of reality means that, in the system of the theories of socialism with Chinese characteristics, it always starts from reality. It integrates the basic principles of Marxism with the reality in China and the features of the times in formulating new ideas and viewpoints to open up a new realm of Marxism and a new path of socialist construction. Such a pragmatic spirit indicates that the system of theories of socialism with Chinese characteristics is not a theory of pure abstract reasoning isolated from the

200 *Selected Works of Mao Zedong* (Volume 3). Beijing: People's Press, 1991, p. 817.

development of the times and the reality in China. It is instead a theory that respects the fundamental interests of the masses of the people and their pioneering spirit, that respects the objective requirements of the socialist practice, and that keeps enriching and advancing with the development of the times, practice, and science. Adhering to the unity of standards for practice and productivity, and adopting the Marxist standpoint, viewpoint, and method, this theory determined the line, program, principles, and policies—based on scientific analysis and judgments made on current features and international and domestic situations—the success or failure of other socialist countries in the world, the gains and losses of the developing countries in seeking development, and the contradictions and problems faced by developed countries.

A high degree of openness means that the system of the theories of socialism with Chinese characteristics is complete but not self-satisfied, rigorous but not conservative, and it constantly opens up a new road to seek the truth and enrich and develop itself with new theoretical achievements and practical experiences. Oriented to practice, the theory extracts an inexhaustible theoretical vitality and development dynamic from the great practice of building a socialist economy, politics, culture, and society with Chinese characteristics; it is oriented to the world, draws on the experience and lessons of the success or failure, rise and fall of other socialist countries, and it actively absorbs the fine civilization achievements of the capitalist society; oriented to the future, realistic and innovative, pioneering and enterprising, it strives to create a new situation with the socialist modernization drive and a new realm of the development of Marxism.

Our Party has consistently adhered to the dialectical materialism and the historical materialism viewpoint and method to solve problems. On one hand, the CPC affirms that the system of theories of socialism with Chinese characteristics has taken shape and that it requires it be used to guide our entire cause and specific work. On the other hand, we object to turning it into an absolute doctrine. The theory is an open theoretical system that keeps developing. It demonstrates the great vitality of contemporary Marxism in China, and opens up a broad space for us to continue to make theoretical and practical innovation.

The report to the 17th National Congress of the CPC pointed out that:

> All Party members must cherish the path of socialism with Chinese characteristics and the system of theories of socialism with Chinese characteristics, which the Party explored and created after going through all the hardships, and must keep to the path and uphold the system for a long time and constantly develop them. The CPC must

> continue to emancipate our Chinese minds, seek truth from facts, keep up with the times, make bold changes and innovation, stay away from rigidity or stagnation, fear no risks, never be confused by any interference, broaden our path of socialism with Chinese characteristics, and ensure that the truth of Marxism of contemporary China shines even more brightly.[201]

The report pointed out the right direction and put forward higher requirements for us to apply and develop a system of theories of socialism with Chinese characteristics.

5.3 Theoretical Value and Practical Significance of the System of Theories of Socialism with Chinese Characteristics

The system of theories of socialism with Chinese characteristics has very important theoretical value and practical significance. It is the product of the combination of the tenets of Marxism-Leninism with the contemporary features of the times and China's specific conditions, as well as the latest achievement of the sinicization of Marxism. Its three major elements—the tenets of Marxism-Leninism, the features of the times, and the reality of China—are unified in an organic way in the system and run through all aspects and parts of the theory. From a new historical starting point, the 17th National Congress of the CPC summarized the basic experience of reform and opening up in a historical process of nearly 30 years, and profoundly expounded the scientific connotation, historical status, and guiding significance of the system, marking the establishment of the theoretical system as spiritual pillar and action guide to the development and progress in contemporary China.

5.3.1 Creative Application and Development of the Marxist Theory

It is well known that, socialism, unlike the prediction of the founders of Marxism, has come to pass not in the advanced and developed capitalist countries but in economically and culturally backward countries. Thus, communists are required to explore the effective forms of the realization of socialism from the concrete realities of their different countries in different historical periods while adhering to the basic principles of scientific socialism.

201 *Documents of the 17th National Congress of the CPC.* Beijing: People's Press, 2007, p. 12.

Lenin was unable to solve the problem due to his premature death, but he had realized that manifesting socialism in developed capitalist countries was "difficult to start but easy to move on", while in economically and culturally backward counties, on the contrary, "easy to start but difficult to move on".[202] Stalin fought with the erroneous tendency against building socialism in backward countries and built the first socialist system model in practice. The Stalin model of socialism, historically inevitable and reasonable, had played an active role in the transformation of the world pattern through building the Soviet Union into a powerful country. With the changes of the times and the development of the practice in building socialism, however, this model increasingly hindered further development of productivity in socialist countries and the improvement of people's living standard, gradually revealing its limitations and transitional nature.

After founding the People's Republic of China, the Chinese communists with Mao Zedong as their chief representative began to explore their own path of socialist construction and made great achievements and had invaluable experiences. Of course, they have also had serious setbacks and made mistakes. After the Third Plenary Session of the 11th Central Committee, with the full swing and great momentum of reform, opening up, and the socialist modernization drive, the CPC officially proposed a conceptual category and theoretical system of building socialism with Chinese characteristics. Party members earnestly studied and addressed the major topic in contemporary China—how to build and develop socialism in an economically and culturally backward country. Naturally, the great practice of building socialism with Chinese characteristics became the research object of this theoretical system.

To build socialism with Chinese characteristics, the CPC must correctly understand and answer three basic questions: what is socialism and how do we build it? What kind of Party must we build and how do we build it? What kind of development should China achieve and how does China achieve it? The degree of understanding of these basic questions determines the level of development of the theory of socialism with Chinese characteristics. So far, Deng Xiaoping Theory, the important thought of the Three Represents, and the Scientific Outlook on Development in the system of theories of socialism with Chinese characteristics, focusing on the three basic questions, preliminarily and systematically revealed, from different perspectives, the ideological

202 *Complete Works of Lenin* (Volume 34). Beijing: People's Press, 1985, p. 343.

line, development path, stage, strategy, basic tasks, development drivers, reliable forces, international strategies, leading force, and fundamental goals of building socialism with Chinese characteristics. These theories, with a series of new ideas and viewpoints, have deepened the CPC's understanding of the laws governing the building of socialism, the governance of communist ruling parties, and the development of human society, raising our understanding of socialism to a new and scientific height—this is a significant contribution our Party has made to Marxist theory and the great cause of socialism.

The integral parts of this scientific theory are both in the same line and keep up with the times. In terms of the theoretical theme, they are in line with the common theme of building socialism with Chinese characteristics; in terms of theoretical foundation, they are in line with Marxism-Leninism and Mao Zedong Thought; in terms of practice, they are in line with the primary national condition that China is still in the primary stage of socialism and will remain so for a long time; and in terms of a theoretical goal, they are in line with the fundamental interests of the overwhelming majority of the people. By "keeping up with the times", we mean that these theories start from practical reality. They focus on summarizing practical experiences; they address the new contradictions and problems in various periods and stages of reform and opening up; and they make unique contributions to the generation and development of the system of theories of socialism with Chinese characteristics.

After the Third Plenary Session of the 11th Party Central Committee, the Chinese Communists, with Deng Xiaoping as their chief representative, adhered to the ideological principle of emancipating the mind and seeking truth from facts, shifted the focus of Party work onto economic development, carried out reform and opening to the outside world, and preliminarily and systematically answered, for the first time, the question of what socialism is and how to build it—thus creating Deng Xiaoping Theory, marking the official birth of a system of theories of socialism with Chinese characteristics.

After the Fourth Plenary Session of the 13th Party Central Committee, the Chinese Communists, with Jiang Zemin as their chief representative—in responding to the various tests of international and domestic political turmoil, economic risks, and natural disasters, and on the basis of an accurate grasp of the development and changes in global, national, and intra-Party conditions—acquired a deeper understanding of the primary question of what socialism is, how to build it, creatively answered the question of what kind of Party the CPC must build and how to build it, and formed the important thought of Three Represents.

After the 16th National Congress of the CPC, the Chinese Communists, with Hu Jintao as their chief representative, in order to meet the new the requirements for development, summarized the development practice of China while drawing on the development experience of other countries. He generated the Scientific Outlook on Development, which puts people first and calls for comprehensive, balanced, and sustainable development. The Scientific Outlook on Development further answered the two primary questions of what socialism is and how to build it and what kind of Party must the CPC build and how to build it, and creatively answered the basic question of what kind of development China should achieve and how to achieve it, hence enriching and improving the system of theories of socialism with Chinese characteristics.

As a theory in line with China's reality and as the Marxism that guides the trend of the times, the system of theories of socialism with Chinese characteristics is a correct theory, one able to guide development and progress in contemporary China. The basic reasons for this argument lie in the fact that it not only eliminates a dogmatic understanding of Marxism, it also resists the erroneous tendency against the socialist system. It not only adheres to the basic principles of scientific socialism, it also bears distinct features of the times and Chinese characteristics; it not only inherits the fine achievements of its predecessors, it also opens up new realms for theoretical development.

Theoretically, the system of theories of socialism with Chinese characteristics systematically and initially addressed the historic subject in contemporary China of how to build, consolidate, and develop socialism in an economically and culturally backward country, and it enriched and developed Marxism with a series of new ideas and new viewpoints. Its achievements and contributions are as follows:

— It expounded the idea of the essence of socialism.
The essence of socialism is to emancipate and develop productivity, to eliminate exploitation and polarization, and ultimately to achieve common prosperity, thus enriching and developing a Marxist theory on the essential features of socialism.

— It expounded the idea of the primary stage of socialism.
It emphasized that the primary stage of socialism is a specific and inevitable stage that China must go through in building socialism under the conditions of its backward productive forces and commodity economy, thus enriching and developing a Marxist theory on the stages of socialist development.

— It expounded the idea of reform and opening up in a socialist country.
Reform is the self-improvement of a socialist system. Opening up is an indispensable external condition for building socialism. Reform and opening up are sources of vitality for the development and progress of the Party and the country, thus enriching and developing a Marxist theory on the dynamic of socialist development.

— It expounded the idea of a socialist market economy.
It proposed the idea of integrating the basic system of socialism with a market economy to establish a socialist market economic system, thus enriching and developing a Marxist theory on socialist political economics.

— It expounded the idea of socialist political civilization.
The leadership of the Party, the position of the people as masters of the country, and the rule of law should be well-integrated to develop a socialist democracy and build a socialist country under the rule of law, thus enriching and developing a Marxist theory on politics and law.

— It expounded the idea of cultural and ethnic progress.
It advocates for developing an advanced socialist culture, building up the system of socialist core values and a harmonious culture, and setting up the socialist maxims of honor and disgrace, thus enriching and developing a Marxist theory on ideology.

— It expounded the idea of a harmonious socialist society.
It proposed to build a harmonious socialist society in accord with the general requirements for democracy and the rule of law, equity, justice, honesty, fraternity, vigor, vitality, stability, order, and harmony between man and Nature, thus enriching and developing a Marxist theory on social construction.

— It expounded the idea of socialist peace development.
It emphasized that peace and development are the themes of the times, that the CPC must pursue an independent foreign policy of peace, and strive for peaceful development in the course of which China develops itself by safeguarding world peace and contributes to world peace by developing itself, thus enriching and developing a Marxist theory on international relations.

— It expounded the idea of building a Marxist ruling Party.
It proposed to strengthen the governance capability and maintain the vanguard nature of the Party, and to follow the requirement of scientific, democratic,

and law-based governance to effectively improve the Party's art of leadership and governance capacity, enriching and developing a Marxist theory on Party-building.

— It expounded the idea of socialist scientific development.

It takes development as the top priority of the Party in governing and rejuvenating the country, puts people first, and calls for comprehensive, balanced, and sustainable development, thus enriching and developing a Marxist theory on social development.

The CPC must correctly grasp innovation in the system of theories of socialism with Chinese characteristics as a development of Marxism, while at the same time properly understand what it inherited from Marxism-Leninism and Mao Zedong Thought, and not separate them or even put them in opposition.

First, the system of theories of socialism with Chinese characteristics comprehensively inherited Marxism-Leninism and Mao Zedong Thought from its philosophical base, its essence, and its basic principles. It is the inheritance relationship that makes them intrinsically connected and highly united.

Second, development, rather than simply inheritance, is the main element of their relationship. Development does not mean deviation from Marxism-Leninism and Mao Zedong Thought. On the contrary, it was made under their guidance. In terms of the essence and significance, such a development is not reflected on specific and individual issues, but rather on a series of basic issues; it is not ordinary temporary fixes in theory and practice, but rather historic development; it is not the increase or extension in quantity to pure theoretical viewpoints, but rather a qualitative leap to the theoretical system. So far, we can conclude that the system of theories of socialism with Chinese characteristics belongs to the general system of Marxism and as a relatively independent ideological system, it is *the* Marxism in contemporary China.

Third, the system is a continuation and development of Marxism-Leninism and Mao Zedong Thought under new historical conditions, enriching the treasure house of Marxist and socialist theories with new ideas and viewpoints. In interpreting Leninism, Stalin pointed out that: "Lenin is a Marxist and, of course, his world outlook is founded on Marxism. However, we cannot conclude simply that expounding Leninism should start from expounding Marxism. Rather, we should start from those unique new contributions that Lenin added to the treasure house of Marxism in his works and are naturally

inseparable from the name Lenin".[203] [204] The same can be said today that expounding the system of theories of socialism with Chinese characteristics means to expound the unique new contributions that the Chinese communists—with Deng Xiaoping, Jiang Zemin, and Hu Jintao as their chief representatives—have added to the treasure house of Marxism in their works and are naturally inseparable from their names.

Generally speaking, the system of theories of socialism with Chinese characteristics adhered to and further developed Marxism-Leninism and Mao Zedong Thought, and is the latest achievement in the sinicization of Marxism. In contemporary China, to stay true to Marxism means to adhere to the system of theories of socialism with Chinese characteristics.

5.3.2 Powerful Ideological Weapon Guiding the Practice of Socialism

Practically, the system of theories of socialism with Chinese characteristics plays an important guiding role in China's reform, opening up, and socialist modernization drive. It has exerted and will continue to exert a huge impact on these endeavors for a long time. Marx once said that, "Theory becomes a material force as soon as it has gripped the masses".[2(M] The function of theory is to guide and serve social practice. Without the theory of socialism, there would be no socialist movement. For a socialist theory to become a reality, the CPC must rely on the Party's line, principles, and policies to implement the theory, and implementation means the practice of the masses. But the realization of a socialist theory relies on the implementation of the Party's guiding line, principles, policies, and the practice of the Chinese people. Nowadays the CPC must inspire the enthusiasm and creativity of the overwhelming majority of the people to build socialism, and more importantly, ensure that they further recognize and grasp the system of theories of socialism with Chinese characteristics, have a more profound understanding of the fact that the Party's basic theory, line, and program represent the fundamental interests of the people of all ethnic groups and strive to put these theories into practice.

Under the guidance of the system of theories of socialism with Chinese characteristics, the CPC has gone through a glorious course of 30 years of reform and opening up and socialist modernization. Looking ahead, to accomplish the great cause of building

203 *Selected Works of Stalin* (Volume 1). Beijing: People's Press, 1979, p. 184.
204 *Selected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1995, p. 9.

socialism with Chinese characteristics, the CPC's task is arduous, the road long and tortuous, and all kinds of difficulties and challenges must be dealt with. To arm the people with scientific theories, the CPC must adhere to the guidance of the system of theories of socialism with Chinese characteristics to unite the thought and action of the Party and all the Chinese people. This is the most reliable guarantee for our socialist cause to stand various tests and ultimately achieve its goals.

Although produced under specific historical conditions in China, and bearing national features, the system of theories of socialism with Chinese characteristics, as a theoretical system, has global significance and international influence because it was formulated and developed on the basis of a scientific observation of the world via a Marxist standpoint, perspective, method, and correct analysis of the current features and international situations, the experience and lessons of other socialist countries, the success and failure of the developed countries seeking development, and the difficulties and challenges faced by the developed countries in their further development. The issues it addresses are common ones in the face of all socialist countries, and what the law and essence of socialism is attempting to reveal is the understanding of universal truth. Therefore, it has both the particularity of Chinese socialism and the universality of world socialism. It is Marxism in contemporary China, marking a new stage in the development of Marxism in China, and will surely spread beyond China's borders and have extensive and profound influence on world socialism.

The political upheaval in the former Soviet Union and Eastern Europe caused serious setbacks to the socialist movement, throwing the region into long-term turmoil, recession, and stagnation, and it greatly reduced the number of world socialist countries. On the contrary, China has made remarkable achievements in reform, opening up, and in its socialist modernization drive, attracting the attention of progressive people and the media all over the world. It was reported by some media that "the theory of socialism with Chinese characteristics has created one of the most spectacular economic miracles in the twentieth century", "it reversed the trend of the world socialist movement in the late twentieth century", "it saved the socialist ship from crashing", and "it is the most important contribution to the international socialist movement in the twentieth century". In fact, since the 1980s, the achievements and experiences of China's reform, opening up, and socialist modernization drive have exerted an increasing influence on the situation in Asia and beyond, particularly on developing countries, the former Soviet Union and East European countries, and all other socialist countries, and it

promoted the development and innovation of socialist theory and practice. Just as Deng Xiaoping said:

> Our reform is an experiment not only for China but also for the rest of the world. We believe the experiment will succeed. If it does, our experience may be useful to the cause of world socialism and to other developing countries.[205] If we assume that by the mid-21st century our population will have reached 1.5 billion and that we shall have a per capita GNP of $4,000, then our total annual GNP will be $6 trillion, and that will place China in the front ranks of nations. When we reach that goal, we shall not only have blazed a new path for the peoples of the Third World, who represent three quarters of the world's population, but also—and this is even more important—we shall have demonstrated to mankind that socialism is the only path and that it is superior to capitalism.[206]

The Communist Party of China has 70 million members, socialist China is a large developing country with a population of more than one billion, and the CPC is engaged in the grand cause of building socialism with Chinese characteristics and realizing the great rejuvenation of the Chinese nation. Such a big Party, a large country, and a grand cause require the CPC to unswervingly arm the Party and educate the Chinese people with theory of socialism with Chinese characteristics, and to consolidate the theoretical foundation and spiritual pillar for the solidarity and endeavor of the Party and the people. As early as July 1977, addressing the phenomenon of fragmenting, distorting, and tampering with Mao Zedong Thought, Deng Xiaoping pointed out clearly:

> We must acquire a correct understanding of Mao Zedong Thought as an integral system instead of just citing a few specific words or sentences, and we should be proficient at studying it, mastering it, and applying it as a guide to our work.[207]

In March 1973, he emphasized again at a meeting on the Party's theory work that, "what we consistently take as our guide to action are the basic tenets of Marxism-Leninism and Mao Zedong Thought or, to put it another way, the scientific system formed by these tenets".[208] In this way, he proposed a way of thinking as well as an important principle for the theoretical circles to correctly understand and study Marxism in a scientific and systematic way.

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205 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 135.
206 *Ibid.,* p. 225.
207 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 42.
208 *Ibid.,* p. 171.

In the past 30-plus years of reform and opening up, it is because we persistently adhered to the Marxist standpoint, viewpoint, and method, and constantly open up new realms for adapting Marxism to Chinese conditions in line with the theoretical system constituted by the basic theories of socialism with Chinese characteristics that we are able to rule out interferences of both left and right tendencies and resist the influence of the erroneous thoughts of dogmatism and empiricism. At a new stage in a new century, China has entered a critical juncture of deepening reform and speeding development in a comprehensive way. China has made tremendous achievements in economic development and social progress. At the same time, however, uncertainties and risks are also on the rise. In this new situation, enhancing the learning and study of the essential law of the sinicization of Marxism and its theoretical achievement—Mao Zedong Thought and the system of theories of socialism with Chinese characteristics—will undoubtedly have important theoretical and realistic significance for the CPC to correctly understand and solve the complicated contradictions and problems in reform, opening up, and the socialist modernization drive, adhere to the correct direction of reform, have more scientific decision-making and better-coordinated measures for reform, and be more conscious and determined in following the path of socialism with Chinese characteristics.

CHAPTER 6

THE MARXIST CLASS THEORY AND NEW CHANGES IN THE CURRENT CONDITION OF CHINESE SOCIAL CLASSES

As an important part of historical materialism, Marxist class theory is central to Marxism. The theory, warmly welcomed, severely criticized, and resulting in both success and failure in practice since its formation, is worth the CPC's profound review and scientific reflection. The CPC must at the beginning of the 21st century, further reveal the scientific nature of this theory and profoundly analyze and explore the realistic value of the theory for the cause of building socialism with Chinese characteristics, whose future development is closely related to the Party's handling of relevant issues.

6.1 Comparison between the Scientific System of Marxist Class Theory and Other Western Social Stratification Theories

6.1.1 The Scientific System of Marxist Class Theory

Although the word "class" generally bears the mark of Marxism, and is considered to be one of the core concepts of Marxism, Marx is definitely not the first person to use the word "class" or study class problems. In a letter to J. Weydemeyer dated March 5,1852, Marx wrote pertaining to the issue:

> Now as for myself, I do not claim to have discovered either the existence of classes in modern society or the struggle between them. Long before me, bourgeois historians

> had described the historical development of this struggle between the classes, as had bourgeois economists their economic anatomy.[209]

The contribution of Marx is that, on the basis of historical materialism, he made a scientific explanation of the concept of class, a complicated social phenomenon. As for class, he continued to write in the letter that, "what I did that was new was to prove: (1) that the existence of classes is bound up only with particular historical phases in the development of production, (2) that class struggle necessarily leads to the dictatorship of the proletariat, and (3) that this dictatorship itself only constitutes a transition to the abolition of all classes and to a classless society".[210] Obviously, it is precisely these three aspects that constitute the basic framework of Marxist class theory.

The general context of historical evolution of Marxist class theory is as follows:

The first stage is the formation of Marx and Engels's concept of class, marking the beginning of Marxist class theory. From their theoretical contributions at this stage, Marxist class theory had taken shape with all the basic viewpoints, except that the standard for class division was yet to be further improved. The second stage of the formation and development of Marxist class theory is Lenin and Stalin's outlook on class. The outstanding contribution of Lenin to the theory lies in his scientific definition of class and general standard of class division. The third stage of the formation and development of Marxist class theory is Mao Zedong's class outlook. Mao had made unique and theoretical explorations about class, class contradictions, and class struggle after completing socialist transformation of production materials. In the new historical conditions, Deng Xiaoping and Jiang Zemin put forward a series of new ideas and viewpoints pertaining to the problem of class in the primary stage of socialism.

The main content of Marxist class theory can be summarized as follows:

The relationship between class phenomenon and productivity

Marxist class theory holds that class is a historical category. The phenomenon of human society divided into classes is closely associated with the stages of development of productivity. Marx believed that human development in the past was based on limited social productivity that was not able to satisfy the whole society. Consequently, some

209 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 106.
210 *Ibid.,* p. 106.

people relied on others to meet their needs, while others (the majority) often had to struggle to meet their most pressing needs. As long as productivity fails to reach a level that meets the needs of all members of society, and as long as work accounts for all or almost all of the time of most members of society, class division is inevitable. Engels pointed out in *Manifesto of the Communist Party* that:

> So long as it is not possible to produce so much that there is enough for all, with more left over for expanding social capital and extending the forces of production—so long as this is not possible, there must always be a ruling class directing the use of society's productive forces, and a poor, oppressed class.

Therefore, to explore the origins of class, it is necessary to include economic factors.[211] Marxist class theory also holds that, as a result of developing productive forces to a certain stage, class is based on a production shortage and will be destroyed by the full development of productive forces. Engels pointed out that:

> The abolition of classes in society presupposes a degree of historical evolution at which the existence, not simply of this or that particular ruling class, but of any ruling class at all, and, therefore, the existence of class distinction itself, has become an obsolete anachronism. It presupposes, therefore, the development of production carried out to a degree at which appropriation of the means of production and of the products—and, with this, of political domination, of the monopoly of culture, and of intellectual leadership by a particular class of society—has become not only superfluous but economically, politically, intellectually, a hindrance to development.[212]

Therefore, class is not an eternal phenomenon but a historical category. Just as Marx said, the existence of class is related only to a certain historical stage of the development of production.

Standards for class division

The meaning of class varies with different usages. Since the time of Aristotle and Plato, political theorists in different historical periods have clearly noticed the obvious difference between the ruler and the ruled in the social structure. People can be

211 Wang Huning. *Logic of Politics—Principle of Marxist Politics.* Shanghai: Shanghai People's Press, 1994, p. 100.

212 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 563.

divided into classes by property ownership, by the exercise of power and authority, or simply by the allocation of surplus labor. Marx wrote in *Manifesto of the Communist Party:* "In the earlier epochs of history, we find almost everywhere a complicated arrangement of society into various orders, a manifold gradation of social rank."[213] But different from other standards of class division, Marxist class theory holds that classes are divided by economic relationships, first of all, from the relationship between people and production materials—and ownership of production materials is central to class division. Engels pointed out that, "these warring classes of society are always products of the modes of production and of exchange—in a word, of the *economic* conditions of their time".[214] Lenin also clearly pointed out that, "the basic sign to distinguish the various classes is their position in social production, that is, their relationship with production materials. It is the particularity of the standard for class division that distinguishes Marxist class theory from other social stratification theories.

Class Struggle

Marxist class theory holds that class struggle originates from material interests. Marx believed that:

> The very moment civilization begins, production begins to be founded on the antagonism of estates and classes, and finally on the antagonism of accumulated labor and actual labor. No antagonism, no progress. This is the law that civilization has followed up to the current era. Till now, productive forces have been developed by virtue of this system of class antagonism. To say now that, because all the needs of all the workers are satisfied, men could devote themselves to the creation of products of a higher order—to more complicated industries—would be to leave class antagonism out of the picture and turn all historical development upside down.[215]

In 1879, Marx and Engels made a solemn declaration by criticizing the tendency within the proletarian movement that attempted to eliminate class struggle:

> For almost forty years, we have stressed class struggle as the immediate driving force of history, and in particular the class struggle between the bourgeoisie and the proletariat as the great lever of the modern social revolution; it is therefore

213 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 31.
214 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 1995, p. 544
215 *Complete Works of Marx and Engels* (Volume 4). Beijing: People's Press, 1958, p. 104.

> impossible for us to cooperate with people who wish to expunge this class struggle from the movement.[216]

As for the question of what class struggle is, Lenin believed that it is the struggle of a part of the people against the other part of the people, the struggle of the powerless, oppressed, and workers against the privileged and oppressors, and the struggle of hired workers and the proletarian against the private asset owners and the capitalists. Although class struggle appeared after the disintegration of primitive society, it is fully demonstrated only in a capitalist society. After the emergence of a working class political Party, the struggle of the working class against the bourgeois class is carried out in economic, political, and theoretical arenas, thus assuming three forms of struggle—economic, political, and theoretical. Marx and Engels hold that, although the interests and demands of each class are an objective existence, they are not universal in any form. Only when they rise to the height of politics can they be universal and representative of a whole class. Only political struggle has the nature of whole class struggle. On this issue, Marx and Engels pointed out in *Manifesto of the Communist Party* that, "every class struggle is a political struggle".[217] The direct goal of class struggle is for political power. Only when a workers' movement develops into a political movement can it be called a class movement.

Proletarian dictatorship

Marx pointed out that, "class struggle necessarily leads to the dictatorship of the proletariat".[218] According to Marxist class theory, a fundamentally successful proletariat class struggle must lead the dictatorship of the proletariat—which means that the proletariat occupies the dominant position in policy-making and decision-making in state affairs. The necessity of the existence of the dictatorship of the proletariat lies in, first, the existence of a hostile and overthrown bourgeoisie class and its resistance against the proletariat; and second, in the fact that economic conditions for the existence of the class and class struggle have not vanished. Marx said:

> As long as the other classes, especially the capitalist class, still exist, so long as the proletariat struggles with it (for when it attains government power its enemies and the old organization of society have not yet vanished), it must employ forcible

216 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 484.
217 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 40.
218 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p.106.

> means, hence governmental means. It is itself still a class and the economic conditions from which the class struggle and the existence of classes derive have still not disappeared. They must forcibly be either removed out of the way or transformed, this transformation process being forcibly hastened.[219]

Consistent with the necessity of a dictatorship of the proletariat are its two main tasks: one is to suppress the resistance of the opposing classes, namely, the bourgeois class that has been overthrown, and the other is to transform the social and economic relations to create conditions for a communist society. From the perspective of social development stage, Marx wrote in *Critique of the Gotha Program,* an important document on scientific socialism, that, "between capitalist and communist society there lies the period of the revolutionary transformation of the one into the other. Corresponding to this is also a political transition period in which the state can be nothing but the revolutionary dictatorship of the proletariat."[220] Marxist class theory believes that this dictatorship is a necessary transitional stage in the elimination of all class distinctions, all the relations of production brought about by these distinctions, and all the social relations adapted to these relations of production, so as to ultimately change all the ideas generated by these social relations.

6.1.2 A Comparison between the Marxist Class Theory and Other Western Social Stratification Theories

Class analysis and stratification are two classical research paradigms with distinctive differences on the social structure of Western society. The debate about the two paradigms simply boils down to a debate between Karl Marx and Max Weber.

Outlook on history

Marx argued that:

> The history of all past society has consisted of the development of class antagonisms, antagonisms that assumed different forms in different epochs.... Whatever form they

219 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 403.
220 *Ibid.,* p. 445.

> may have taken, one fact is common to all past ages, viz., the exploitation of one part of society by the other.[221]

Both class analysis and stratification studies recognize that society is divided into the ruler and the ruled, the exploiter and the exploited, but there are fundamental differences in their outlooks on history. Adhering to the scientific attitude of historical materialism, Marx believes that this inequality is not an eternal phenomenon. Through economic analysis of the structure of capitalist society, he has revealed not only the origin and essence of the class contradictions of the capitalist society, but also the historical trend that communist society will inevitably replace capitalist society. In Marx's opinion, capital and class are both historical phenomena, and class will be eliminated with the termination of capital.

However, stratification analysis holds that social inequality is a kind of structural form that meets the needs of the whole society and that fundamentally determines the formation of social inequality and its internal logic. Therefore, it is impossible for any society to eliminate the phenomenon of social inequality. Social stratification is not only inevitable, but also beneficial to the society and every individual. Max Weber pointed out that social inequality was developed unconsciously, a means for society to consciously ensure that the most important positions are to be held by the most qualified people. Weber's successors have always insisted on this idea. In 1945, Kingsley Davis and Wilbert E. Moore pointed out that, from a so-called social need with "universal necessity":

> That any society faces the same problem: put the individuals in the social structure and inspire them.... Therefore, inevitably, a society must first provide some kind of reward as an inducement, and secondly, it must provide a way to assign the rewards discriminatively to different positions.... Social inequality is an instrument unconsciously developed to consciously ensure that the most important positions are to be assumed by the most competent persons.[222]

Joseph Alois Schumpeter argued that essentially, social inequality is universal in any human society. This is determined by an individual's different talents and abilities that

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221 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 51.
222 Davis, Kingsley and Wilbert E. Moore. "Some Principles of Stratification". *American Sociological Review,* 1945 (10).

guarantee promotion and success in different times. On this point, the understanding of French sociologist Raymond Aron is correct:

> According to Marx, class always exists because until now, ownership of production materials has always existed. However, Schumpeter thinks it is due to the difference between people and society and the ever-changing society.[223]

Stratification standard

A stratification standard always remains a key issue for both class and stratification analysis. In Marxist theory, the social structure of a society is determined by its economic structure. He confirms the social structure from the economic structure, and then derives the historical nature of the social structure from that of the economic structure. Therefore, class analysis first introduces the relationship between people and production materials, which serves as the basis and premise of the discussion of social stratification. This is a fundamental difference between class analysis and stratification research. Wright pointed out that "for the Weberists, the concept of class structure is not necessarily related to the mode of production; on the contrary, the category of stratification is connected with a market society".[224] Specifically, the key to Marx's study lies in the field of production because he regarded exploitation relationships as the essence of class antagonism; and in the field of exchange and distribution, it is impossible to find a key to unlock the mystery of exploitation. The theory of social stratification in the West mainly discusses the status of individuals and groups from the surface layer of the society. It holds that, although class is a concept determined by the economy, "it is a reflection of commodity or labor market conditions", with its emphasis in the field of market and exchange, and with its interest in how to avoid the exhaustion and disintegration of the capitalist system by class contradictions. The focus of class analysis is on determination of its nature, while that of stratification analysis is on difference in quantity. Marx seeks to reveal the deep nature of class antagonism. As is pointed out by some scholars, in class analysis, qualitative rather than quantitative difference is essential in social inequality.[225]

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223 Raymond Aron. *Introduction. Classes et Conflits de Classes dans la Societe Industrielle.* Nanjing: Yilin Publishing House, 2003, p. 30.

224 Ronald H. Chilcote. *Theories of Comparative Political Economy.* Beijing: Social Sciences Literature Press, 2001, p. 108.

225 Feng Shizheng. "On the Paradigm Shift of the Study of Chinese Social Inequality". *Social Studies,* 2008 (5).

Therefore, for class analysis, qualitative analysis is in a dominant position and quantity analysis is in a subordinate position.

In this regard, those who hold that class analysis is based on a grand narration grasp the essence of this theory.

It can be seen that what class analysis confirms at first is that class is an economic concept. This primary attribute of class analysis determines that class division must be based on economic factors. Many Western scholars argued that, on this point, Marx is a mono-determinist while they advocate poly-determinism. Generally speaking, they are basically right. It is based on this logic that class analysis and stratification research are marked as two opposite stratification paradigms. Of course, mono-determinism and poly-determinism are put forward to distinguish the fundamental difference between the two. Mono-determinism in Marxist class analysis highlights the fundamental significance of economics in the theory, but does not mean it is the only factor. In the article *The Eighteenth Brumaire of Louis Bonaparte,* Marx wrote that "insofar as millions of families live under conditions of existence that separate their mode of life, their interests, and their culture from those of the other classes, and put them in hostile opposition to the latter, they form a class".[226] This means that for various classes, the difference is not only in economy, but also in other aspects, which are only of secondary importance.

Theoretical value

Ever since Marx claimed that "the philosophers attempt to explain the world from different perspectives, but the problem is to change the world", nearly every basic idea in his own theory has acquired a significant feature of duality with its particularity in "changing the world". First of all, class analysis holds that there are at least two classes in any class society that are dialectically contradictory, and their contradictory interests may result in conflicts. What is different from stratification analysis is that "Marx analyzed society by dividing it into a dominant or ruling class and a subordinate class".[227] Raymond Aron, who also had an accurate understanding of this idea, believed that Marx's class theory includes two aspects: one is "practical, almost empirical"; the other lies in his historical philosophy with the concept of class as its central content, according

226 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, pp. 566-567.
227 Ronald H. Chilcote. *Theories of Comparative Political Economy.* Beijing: Social Sciences Literature Press, 2001, p. 434.

to which all social characteristics are determined by a leading class that owns the production materials, and rules and exploits other people.[228]

According to Marxist class theory, a struggle between the basic classes is inevitable. The struggle between the working class and the bourgeoisie determines the economic, political, and social life of a capitalist society. From a functional perspective, many people believe that class analysis is clearly oriented to revolutionary struggle. This is an objective fact because, for the working class, the revolutionary significance of Marxist class theory is self-evident. Weber's theory is directed to "a common base of consensus through bargaining", while Marx's concept, however, means struggle. Historical facts show that class struggle had existed before the birth of Marxist class theory, but this kind of struggle was often spontaneous and did not reach the level of overall class struggle. As an ideological weapon for the proletariat to defend itself and, at the same time, launch attacks against the bourgeoisie, Marxist class theory has been fully applied in the history of the international communist movement for more than 100 years. On the contrary, stratification research argues that, with personal talent and initiative, an individual can seek promotion to become a member of a higher social stratum through training, education, and lifestyle change.

Based on these differences, the relationship between the two theories is often understood by some social scholars as opposition between conservative and aggressive positions, and there has been a tradition that simply grafts them with the theories of conflict and function, respectively. What is particularly worth mentioning is that it is not fair to simply boil down class analysis to a theory of conflict. The function of the Marxist class theory of changing the world does not exclude its function of understanding the world. In other words, the theory has both the value of "calling for struggle" and the significance of "analyzing reality". In Marxist historical philosophy, Marx clearly expounded not only the unique function but also the general function of the state in relation to class analysis. Therefore, Raymond Aron is not right in saying that "the key to the reasoning of Marxism lies in its confirmation that there is a ruling class in all societies, and a country is nothing but an instrument for this class to exercise its powers".[229] Although, compared with revolutionary significance, descriptive significance is not the

228 Raymond Aron. *Introduction. Classes et Conflits de Classes dans la Societe Industrielle.* Nanjing: Yilin Publishing House, 2003, p. 28.
229 Raymond Aron. *Introduction. Classes et Conflits de Classes dans la Societe Industrielle.* Nanjing: Yilin Publishing House, 2003, p. 24.

most important in class analysis—the CPC cannot, however, completely deny the existence of the latter with the former.

In contemporary Western countries, it is an indisputable fact that class analysis has been on the decline. "The line between Marxism and non-Marxism has been blurred, with a focus on the study of the middle class, while the research agenda of the left is not much different from the general study of this class."[230] Ernesto Laclau and Chantal Mouffe, representatives of post-Marxism, also argued that it will be impossible to keep a Marxist concept of class, which has given place to concepts emphasizing political pluralism and interest groups. In most cases, Weber's model is more popular in comparative politics. The focus of their research is not on class differences, but the personal and institutional categories that distinguish the nature of power among different countries.[231] A universal truth is that the mainstream of humanities and social sciences does not avoid the concept of class, as Richard Wolff, professor of economics at the University of Massachusetts, pointed out, partly because of the long history of the concept of class. In contemporary social criticism, even people who don't know much about its history will also use the concept of class, whose connotation, however, has been dissolved into a synonym for "social group". Nevertheless, this fact does not cover the contemporary value of class analysis. The CPC must see that today's world of economic globalization and political multi- polarization is still a world of class opposition. Alejandro Colas pointed out that the contradiction between abstract capital and labor is still the main form of opposition for capitalism in the era of globalization: "The modem stage of global capital accumulation continues to provoke social and political divisions between particular states and societies, and within countries, which appear as a form of class".[232] In defending Marxist class theory, Ronald H. Chilcote pointed out that in today's world of economic globalization:

> Nowadays, as long as the accumulation of capital penetrates into every aspect of our lives, the phenomena of institutional inequality, such as poverty, unemployment, and homelessness, continues to exist, class politics and theory will still be pertinent.[233]

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230 Ronald H. Chilcote. *Theories of Comparative Political Economy.* Beijing: Social Sciences Literature Press, 2001, p. 137.

231 Ibid., p. 148.

232 Alejandro Colas. *The Class Politics of Globalization,* in Mark Rupert and Hazel Smith (eds.), *Historical Materialism and Globalization,* Routledge, 2002, p. 191.

233 Ronald H. Chilcote. *Theories of Comparative Political Economy.* Beijing: Social Sciences Literature Press, 2001, p. 134.

In recognition of the contemporary value of class analysis, we should also note that, with the deepening development of globalization guided by capital, an increasing complexity in class relationships is an objective reality. Arif Dirlik, an American left-wing scholar, believes that, in the context of capital-led globalization, class relations are mixed with race and gender relations, giving rise to "gender and race problems in class, class and race problems in gender, and gender and class problems in race".[234] These new phenomena provide an opportunity for us to further enrich and develop Marxist class theory.

6.2 New Changes in China's Current Class Structure

After the end of the Cultural Revolution, the Chinese Communists, represented by Deng Xiaoping, began to rethink the problems of the road of building socialism in China. Deng Xiaoping pointed out:

> To sum up, it is as follows. First, we should not adopt "Leftist' policies by divorcing ourselves from reality or skipping over necessary stages. Otherwise, the task of building socialism will not be accomplished. We have suffered losses from 'Leftist' policies. Second, whatever we do must contribute to developing productive forces.[235]

In the eyes of the Chinese Communists, one basic error of New China in the 30 years of socialist construction is that the socialist relations of production the CPC had established were, to a certain extent, beyond the stage of social development, hence hindering, to a certain extent, rapid development of China's productive forces. If the CPC cannot correctly understand the stage of China's societal development, it is difficult to formulate a correct line, principles, and policies of socialist construction. Therefore, where China is in terms of its social development stage has become a major theoretical issue of top priority for the Party.

At the Sixth Plenary Session of the 11th Central Committee in 1981, the Communist Party of China clearly put forward, for the first time, the basic statement that China is still in the primary stage of socialism. In *Resolution of the CPC Central Committee on Some Historical Problems of the Party since the Founding of the People's Republic of China* passed at the session, it is expounded that "although we are still at the primary stage of socialism,

234 Arif Dirlik. *Post-revolutionary Atmosphere.* Beijing: China Social Sciences Press, 1999, p. 47.
235 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 312.

there is no doubt that we have established a socialist system and entered a socialist society. Any idea that denies this basic fact is wrong". The 13th National Congress of the CPC held in October 1981 systematically expounded the idea that China is in the primary stage of socialism, that Chinese society is already a socialist society. It is not the initial phase in a general sense, a phase that every country goes through in the process of building socialism. Rather it is, in a particular sense, the specific stage China must necessarily go through while building socialism under the conditions its backward productive forces and an underdeveloped commodity economy.

After 30 years of reform and opening up, the Report to the 17th National Congress of the CPC still pointed out that:

> Through unremitting efforts we have made since the founding of the People's Republic in 1949, particularly since the introduction of the reform and opening up policy, China has scored achievements in development that have captured global attention, and has experienced far-reaching changes in its productive forces and the relations of production, as well as in its economic base and superstructure. However, the basic reality that China is still in the primary stage of socialism and will remain so for a long time has not changed, nor has Chinese society's principal contradiction—the one between the ever-growing material and cultural needs of the people and China's low level of social production. Stressing recognition of the basic reality is not meant to belittle the Party, wallow in backwardness, or encourage unrealistic pursuit of quick results. Rather, such recognition will serve as the basis of the CPC endeavor to advance reform and plan for development.[236]

Based on the reality of China's productive forces, Deng Xiaoping made the judgment that China is still in the primary stage of socialism. He pointed out that in pondering the problems of building socialism in the new historical conditions, we must take into account two important features:

One, we are starting from a weak base. It is true that since the founding of the People's Republic we have achieved signal successes in economic development, established a fairly comprehensive industrial system, and trained a body of technical personnel. The average annual rate of growth in our industry and agriculture is fairly high by world standards. Nonetheless, because of our low starting point, China is still one of the world's poor countries. Our scientific and technological forces are far from adequate. Generally speaking, we are 20 to 30 years behind advanced countries in the development of science and technology.

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236 *Documents of the 17th National Congress of the CPC.* Beijing: People's Press, 2007, p. 14.

Two, we have a large population but not enough arable land. Of China's population of more than 900 million, 80 percent are peasants. While there are advantages to having a large population, there are disadvantages as well. When production is insufficiently developed, it poses serious problems with regard to food, education, and employment.[237]

The Report to the 13th National Congress of the CPC made a preliminary summarization of the overall characteristics of the primary stage of socialism in China:

> The backwardness of China's productive forces determines the following aspects of the relations of production: socialization of production, which is essential for expanded social public ownership, is still at a very low level; the commodity economy and domestic market are only beginning to develop; the natural economy and semi-natural economy constitute a considerable proportion of the whole; and the socialist economic system is not yet mature nor well developed. In the realm of the superstructure, a number of economic and cultural conditions—ones necessary if the CPC is to promote a high degree of social democracy—are far from ripe; and decadent feudal and capitalist ideologies and small-producers' force of habit still have widespread influence in society and often corrupt Party cadres and public servants. All this shows that China still has a long way to go before it can advance beyond the primary stage of socialism.

At present, which development stage is our society in? The answer to this question must involve profound meditation over the question of what kind of relations of production are needed to match the current level of productive forces. In practice, the theory of the primary stage of socialism first of all requires the CPC to adjust the relations of production to better develop China's productive forces. The core problem of the theory of the primary stage of socialism is to make a correct judgment and analysis on the principal contradictions in this historical stage, followed by exhaustive research on and detailed determination of the central tasks for this stage.[238] Given the reality that our country is still in the primary stage of socialism, productivity is not high enough to eliminate a private economy, which will still exist within a limited scope, contributing to the development of productivity under certain circumstances. Therefore, in theory, a deepening understanding of the primary stage of socialism will inevitably be reflection on the adjustment of and policy arrangement for the original relations of production.

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237 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, pp. 163-164.

238 Chen Yunquan, and Fang Jun. *Philosophical Foundation of Deng Xiaoping Theory.* Beijing: Beijing Publishing House, 2002, p. 139.

New changes in China's social and economic structure since reform and opening up are mainly reflected in the recovery and development of a private economy, an individual economy, and other non-public economies. Production relationships are consistent with class relations, and the class structure will inevitably change correspondingly with a change in the economic structure, specifically, with the following three basic features: one, comprehensive and profound differentiation of the original social classes and strata, with that of the farmers being the most remarkable; two, rapid growth of the private enterprise owner strata, the self-employed, and the employed workers; and three, rapid widening of the gap between rich and poor based on class differences. The two prominent social groups at the rich pole are corrupted officials and private enterprise owners, while the two outstanding social groups at the poor pole are laid-off workers and farmers. Because of space constraints, this chapter focuses on analysis of two new social strata, namely, private enterprise owners and workers employed in private enterprises.

6.2.1 The Stratum of Private Enterprise Owners

6.2.1.1 The recovery and development of a private economy

Revival and recovery stage (1979-1991)

The Cultural Revolution, which lasted for ten years, ended in 1976. With huge social demands and the dynamic for the development of productive forces through reform of the relations of production, great social and economic changes were about to take place in China. Under the specific historical conditions at that time, the policy direction of the ruling Party and government had a decisive effect on how to change the relations of production. In 1979, when China was under huge pressure of the return of a great number of educated urban youth who had gone to work in the countryside and more than seven million unemployed urban laborers, the ruling Party and the government proposed that the local government could approve idle labor to engage in repairing, services, and the individual handicraft industry, but they were forbidden to hire workers.

With the development of an individual economy, the phenomenon of "hired" workers soon appeared. Practice proved that a certain degree of private economy development, as a necessary and beneficial supplement to the public ownership economy, was conducive to the production, market, employment, and satisfaction of the people. In 1989, the private ownership economy was included in China's national statistics, with

the number of private enterprises, investors, and hired workers reaching 90,000,214,000, and 1,426,000, respectively.

Rapid development stage (1992-2000)

Deng Xiaoping delivered several important talks when he visited the south in the spring of 1992. In October of 1992, the 14th National Congress of the CPC clearly stated for the first time that:

> The goal of China's economic system reform is establishing a socialist market economy. So far as the ownership structure is concerned, for a long time the CPC needs to allow diverse sectors of the economy to develop side by side. The public sector, which includes enterprises owned by the people and enterprises owned by collectives, is to remain predominant, with the private sector, which includes individually owned and foreign-owned enterprises, as a supplement.

In September 1997, the 15th National Congress of the CPC further clarified that:

> It is China's basic economic system for the primary stage of socialism to retain a dominant position for public ownership and to develop diverse forms of ownership side by side. The non-public sector, including self-employed and private businesses, is an important component of China's socialist market economy.

By the end of 2000, the number of private enterprises had reached 1.762 million, with 3.953 million investors; the number of employed workers had amounted to 20.111 million (not including self-employed and employed persons working in foreign-invested and other non-public enterprises), accounted for 5.65% of the total number of non-agricultural labor in China in the same period. Although the revival and recovery of the private sector of the economy was only part of the changes in China's social and economic structure in more than 20 years, it reflects the policy changes of the ruling Party and the essence of the transformation of the social and economic structure triggered by China's reform and opening up.

Mature and stable stage (2001-to present)

In March 2004, the National People's Congress approved the fourth amendment to the constitution of the People's Republic of China, which revised Article 13 "The state protects the right of citizens to own lawfully earned income, savings, houses, and other lawful property" to "Citizen's lawful private property is inviolable". The constitution protects not only the means of subsistence, but also the private means of production of

the citizens, hence bringing private capital under its protection. In March 2005, *Several Opinions of the State Council on Encouraging, Supporting, and Guiding the Development of Individual and Private Economy and Other Non-Public Sectors of the Economy* was issued to effectively address the difficulties and problems in developing the non-public sector of the economy. The eighth national private enterprise sampling—conducted jointly by the Central United Front Work Department, the All-China Federation of Industry and Commerce, the State Administration for Industry and Commerce, and the Chinese Private Business Research Institute—shows that the number of registered private enterprises (including affiliates) totaled 6,239,000 by June 2008.[239]

6.2.1.2 Political participation and attitude of private enterprise owners

Politics is the concentrated expression of economy. The accumulation of economic interest is bound to lead to a political requirement, and economic interest groups will inevitably enter the political sphere to express, strive for, and defend their own rights and interests. Private enterprise owners are no exception. At the present stage of Chinese society, the political participation of private enterprise owners is mainly reflected in the following forms:

Participation in the Federation of Industry and Commerce, Private Enterprise Association, and various trade associations

Surveys show that, out of consideration to safeguard their own rights and interests, private enterprise owners expect to set up autonomous trade associations or private entrepreneurs associations, and 85% of private enterprise owners think that such autonomous organizations are "important" or "very important".

Election of representatives to the People's Congress and all levels of membership in the Chinese People's Political Consultative Conference (CPPCC)

This is the most important and standardized means of their political participation. In the new National People's Congress and the CPPCC in 2003, the number and proportion of members representing the non-public sector of the economy both exceeded those of the last term, with at least 65 members, accounting for 2.9%, in the CPPCC. Yin Mingshan, chairman of Lifan Industry (Group), was elected vice chairman of the

239 *China Private Economy Yearbook (June 2006-June 2008),* compiled by All-China Federation of Industry and Commerce and the Chinese Private Business Research Institute.

Chongqing Municipal People's Political Consultative Conference, and Xu Guanju, chairman of Transfar Group, was elected vice chairman of the People's Political Consultative Conference of Zhejiang Province—the first time for private enterprise owners to rank among provincial leadership.

Joining the Communist Party of China

Surveys show that the proportion of private enterprise owners with CPC membership has risen in recent years. The main cause for this phenomenon is that many cadres, government officials, and persons in charge of state-owned and collective-owned enterprises became private enterprise owners.

Another important social phenomenon that needs to be analyzed deeply in the study of the political participation of this stratum is the alliance of private enterprise owners with the "political elite" and "cultural elite". This social phenomenon not only reflects the basic characteristics of China's progressive reform, but also, more importantly, symbolizes the gradual maturity of private enterprise owners as a social stratum. "Political elites" here refers to cadres of the ruling Party and government officials. The alliance took two forms: alliance of groups inside the system and alliance of individuals outside the system.

The former is open cooperation between private enterprise owners and cadres and officials established for their respective interests. Out of consideration for local interests in dealing with labor disputes, some local governments consciously stand on the side of private enterprise owners, some even absorb those with outstanding economic achievements into the political system by granting them political honors or even posts.

Cultural elites refers to illegal transaction of power for money between officials and private enterprise owners. The two parties make use of and cater to the needs of each other, and both can be active. In China, almost every successful entrepreneur has a carefully-woven social network with cadres of the ruling Party and government officials at all levels, functionaries in various administrative departments and persons in charge of the state-owned enterprises as the central nodes. Some private enterprise owners think the only way to solve the problem is to talk with "big brother" (Number One of the Party and government). Surveys show that 41.1% of private enterprise owners maintain intimate relationships with government officials at all levels, and 25% of them believe that

the most important way to improve their political status is to make friends with leaders at all levels.

Making an alliance with the "cultural elite" to serve their interests has become a conscious action of Chinese entrepreneurs who have real insight. The fierce debates at present between different viewpoints on some hot issues actually reflect the contest among intellectuals representing the interests of different social groups. Division within the intellectuals is now an indisputable fact. Some famous scholars have, consciously or unconsciously, become political spokespersons for the stratum of private enterprise owners. They exert influence on the ruling Party and the decision-makers in the government for private enterprise owners, who, they say, do not have the ability to or find it inconvenient to speak out.

In China today, there is a consensus among private enterprise owners that the political environment is essential to the operation of private enterprises. It can be said, in a sense, that the 30 years' reform and opening up is a process of the steady improvement and completion of political conditions for the development of the private sector of the economy. This is a point unanimously agreed upon by private enterprise owners.

A relevant survey shows that most of them believe that "without the Party's reform and opening up policy, it would impossible for them to be successful today", and they thank the Party for its policy to enrich the people. This is the base of the political attitude of the social stratum. What needs to be further analyzed is the fact that, although the private enterprise owners are satisfied with the political environment today, they remain cautious and take a low-profile stance in political participation and deliberately keep an "appropriate" distance, thus showing a sharp contradiction in their attitude toward political participation. The sample survey jointly made by the United Front Work Department of the CPC Central Committee and the All-China Federation of Industry and Commerce in 2004 shows that the number and proportion of private enterprise owners who give priority to business only are far more that those who seek to join the Party and the political organizations—the National People's Congress (NPC) and the CPPCC.

The deeper reason for this phenomenon is that—although the Party's policies are more liberal for the development of a private economy, private enterprise owners generally believe that the situation is "irreversible", and as a new social stratum, they are getting stronger and their voice in the political arena is much louder than decades

ago—most of them prefer to choose their own agents and pin their hope on them, feeling that it is safer to keep an appropriate distance from politics. Even if their representatives participate in political affairs in NPC and CPPCC politics, their main purpose is still economic rather than political. In other words, at this stage, it is from an economic perspective that private enterprise owners assess the effects of political participation.

In reality, private enterprise owners are characterized with a typical dual personality of subjective dissatisfaction with and objective dependence on the ruling Party and the government. On one hand, the dissatisfaction of private enterprise owners is an objective existence. Because the Party and the government control important resources and key economic departments, and also due to policy arrangements of the Party and the government, it is difficult for private enterprise owners to directly obtain important economic and political resources. On the other hand, to make a fortune and obtain certain political status, private enterprise owners must find "relationships" to seek support and help within the system. This feature will not change much in the future for a period of time.

An American scholar named Bruce Dixon wrote the book *Red Capitalists in China: Prospect of the Party, the Private Sector, and Political Reform* in 2003. In this book—quite opposite to traditional Western political theory, that is, privatization and economic modernization, if not directly will indirectly promote the democratization process—the author argued that, in China's unique circumstances, integration of private enterprise owners with the CPC will only strengthen the current regime rather than promote liberalization. The reason for this argument, Dixon believes, is that private enterprise owners are not likely to try to use their own power to influence the authorities at present, but on the contrary, they will choose more in-depth integration into the existing system. Chinese private enterprise owners like order more than democracy.

The contradiction between the overall estimate and the realistic attitude of private enterprise owners toward corruption is a typical reflection of their dual political character. The breeding and spreading of corruption has become a major problem in current political and social life in China. The overall estimate of private enterprise owners' corruption is basically similar to that of the other social strata. However, unlike working people who hate corruption so much that they call for its elimination, private enterprise owners assume an ambiguous attitude toward it. As early as more than ten years ago, private enterprise owners said in an investigation report that "corruption can neither be too serious nor completely eliminated". This is rather thought-provoking. Even today,

the number of private enterprise owners who choose "agree" is nearly the same as those who choose "don't agree" or "hard to say". Two-thirds of the respondents clearly pointed out that in the transaction between money and power, the power side should bear more responsibility.

To sum up, the stratum of the private enterprise owners has developed to a mature and stable stage in which it is able to realize and maintain its economic interests through their influence on the policies of the ruling Party and the laws of the country.

6.2.2 The Stratum of Employed Workers

6.2.2.1 *Long working hours and poor working conditions*

In China's private enterprises at the present stage, it is a common phenomenon for employed workers to work overtime, often continuously, and for the private enterprise owners to raise the quota for piece-rate wage in a disguised way to prolong working hours. In fact, many workers have not enjoyed a 40-hour work week nor the statutory rest days and holidays stipulated in the Labor Law.

Mr. Xia Xiaolin, a researcher in the Macroeconomic Research Institute of the National Development and Reform Commission, pointed out in a survey report of Zhejiang Province in 2003:

The private sector of Zhejiang Province, called "the benchmark of China's private economy" by state media, has great influence in the country. Wenzhou City, known as "the pioneer and model" in Zhejiang Province, has been "a holy land for pilgrims all over China to seek experience in private economy development". In 2003, Zhejiang Province ranked first in China with a total private enterprise employment of 4.84 million. With its highly developed private sector, the problem of working overtime is very popular. For their extra work, employees are paid only a piece-rate wage, without overtime pay, which is even lower than the statutory minimum wage. Relevant reports show that working extra hours without overtime pay is a very serious phenomenon. In Wenzhou, the most privatized city in China, for instance, less than 1% of the enterprises, mostly state-owned and collectively-owned, strictly observe the laws and regulations relating to working hours. The problem of serious overtime labor is very prominent in most small and medium-sized enterprises, especially in labor-intensive enterprises such as leather-making, electrical appliances, knitting, and garments, with a daily work time exceeding 12 hours and almost no free weekends. A random questionnaire survey in

the Lucheng District of Wenzhou City shows that 41% of the employees work more than 12 hours per day, 52% work 8 to 12 hours, and only 7% less than 8 hours. The survey reflects the overall situation in the province. Moreover, long-term overtime labor and excessive fatigue is the main cause for safety accidents.[240]

In general, labor protection in private enterprises is far worse than that in the state-owned enterprises of the same trade. Driven by market profits, many private enterprises start operation hastily, completely neglecting the issue of labor protection. Even when production gradually stabilizes, they are reluctant to invest in the improvement of labor protection facilities and the elimination of hazardous production processes. Insufficient investment in labor protection, poor production equipment, backward technology, and a shortage of protective facilities make working conditions in private enterprises far from satisfactory. Working conditions in a considerable number of enterprises, especially those engaging in mining, textile, machinery, or chemical industry, is abominable. Dust, noise, high temperature, toxic and harmful gases and frequent accidents seriously damage the health and even endanger the lives of the employees. At a CPPCC National Committee meeting in 2005, a member said that about 60% of deaths and 70% of accidents in the past two years occurred in small non-public enterprises. In Yueqing City, Zhejiang Province, poor quality punches with no safety protection device are widely used in some private enterprises. The punches cut off the fingers of 5,000 workers in 2002, requiring more than 10 hospital operations *daily* to reattach the fingers. However, most of these injured migrant workers were hastily dismissed, without getting full compensation in accord with the law.[241]

Even worse is conditions in private coal mines. At present, despite the repeated efforts of authorities to tighten production security, fatal accidents occur frequently. Rapid economic development led to a sharp increase in China's dependence on coal, which accounts for about 70% of the country's energy mix. Director General of the State Administration of Production Safety admitted that China produced 31% of the coal of the world, but the number of deaths of the miners accounted for 79% of the world's total—with an average of 3 miners' deaths per million tons of coal, 30 times as many as in Poland and South Africa, and 100 times more than in the United States. More than 6,000 miners died in these accidents in 2004. That means at least 15 lives daily for enough coal

240 Xia Xiaolin. "Analysis on Labor-Capital Relationship behind the Development of Private Economy". *Internal Reference of Private Economy,* July 16, 2004.
241 *Workers' Daily,* September 25, 2003.

to support economic development. In fact, the real number of deaths might be much larger than government statistics because businesses conceal a considerable number of accidents. For instance, in Hejin County of Shanxi Province in the past five years, of the 14 coal mine accidents causing 95 deaths, only five that caused 11 deaths were reported.[242] Most fatal accidents occurred in small, private coal mines. In the first half of 2005, 2,672 coal miners have been killed in China, 2,195 in private coal mines, accounting for 82% of the total.[243] The owners of these private coalmines invest very little in safe production processes, never provide safety training, and even worse, often force the miners to go down the mines even though they know it is very dangerous.

6.2.2.2 *Low level of salary income and social security*

A survey shows that the average wage of workers in private enterprises in Shanghai and Jiangsu is 14,527 yuan, 30% more than that in Guangdong (11,297 yuan) and 20% more than in Zhejiang (12,173 yuan). Their conditions are polar opposites of that of private enterprise owners.

In Chinese private enterprises, most employees are peasants. In accord with the provisions of national policies, enterprises of all types of ownership, including non-public enterprises, must pay the three social insurances (medical, endowment, and unemployment) for the employees. However, a survey made jointly by the United Front Work Department of the CPC Central Committee and the All-China Federation of Industry and Commerce in 2004 shows that only 33.4% of the respondents (enterprises) participated in medical insurance, 38.7% in endowment insurance, and 16.6% in unemployment insurance. Even worse, these enterprises paid insurance only for a few workers (permanently-employed skilled workers and the relatives of the owners), not for all the long-term employees. In fact, the proportion of employees who have participated in medical, endowment, and unemployment insurance are remarkably low, accounting for only 14.5%, 22.7%, and 6.0%, respectively, of the total employees of the surveyed enterprises.[244] Once injured, sick, or fired, they will have no statutory social assistance, and when disabled, they will become a burden on their family or society.

242 *Xinhua Net.* May 29,2002.

243 *China Youth Daily.* July 20, 2005.

244 Dai Jianzhong. "Coordination of Labor Relations Is an Important Part of the Healthy Development of Non-Public Enterprises". Forum of the Chinese Party and Government Cadres, 2005 (4).

A survey by the National Development and Reform Commission made by Xia Xiaolin corroborates the one conducted by Zhejiang Province:

> According to Zhejiang Provincial Bureau of Statistics in 2002, social security coverage in private enterprises is much lower than that in public ownership enterprises. 'By the end of 2001, the number of employees in urban private enterprises and the self-employed in Zhejiang Province reached 2.36 million. However, it is a common phenomenon for their rights and interests to remain unprotected, with their participation in all types of social security lower than that of the employees in state-owned and collective-owned enterprises. According to a sample survey, rates of participation in basic old-age insurance for the employees in state-owned, collective, and private enterprises in Zhejiang Province are 93.1%, 88.9%, and 53.7%, respectively; the rates of participation in unemployment insurance for the three types of enterprises are 72.0%, 58.7%, and 24.1%, respectively; and the rates of participation in medical insurance are 79.9%, 60.9%, and 37.0%, respectively. Residents do not want to be employed in private enterprises because of the low social security. Therefore, to improve the social security of the employees of private enterprises is a basic requirement of a law pertaining to the protection of the rights and interests of the workers. In Wenzhou City, the problem of social security is particularly serious in private enterprises. Only 50% of private enterprises have participated in endowment insurance. The insured persons are mostly executives and shareholders, and practically no workers are covered.'[245] By the third quarter of 2003, the rate of participation of non-public enterprises in social insurance was 40%.[246]

6.3 Theoretical Problems Concerning New Changes in China's Current Class Situation

In the 1980s and 1990s, while trying to prove that private enterprise owners are a new social stratum, some theorists questioned the realistic value of Marxist class theory. The call for the return to class analysis in sociology at the beginning of the 21st century proves that Marxist class theory is not out of date. Feng Shizheng argues in *The Return to Class Analysis—On the Shift of the Paradigm in the Study of Chinese Social Inequality* that after 20 years of prevalent social stratification research in sociology, given

245 Zhejiang Provincial Bureau of Statistics. "Low Security Coverage of Employees of Private Enterprises in Zhejiang". Zhejiang Statistical Network, December 3, 2002.

246 Xia Xiaolin. "Private Sector: Coordination Mechanism for Labor-Capital Relationship". *World of Management,* 2004 (6).

the increasingly intensive social situations in China in late 1990s, some social scholars proposed that only from the perspective of class analysis can we make a more insightful and forward-looking analysis on the structure and formation of social inequality in China. This argument, from one side, reflected a continued debate between the two basic paradigms of class analysis and stratification studied since reform and opening up. Obviously, the shift of the research paradigm in the field of sociology has extremely profound enlightening significance. On the one hand, highlighting the value of Marxist class theory in "analyzing the reality" today should not be regarded as a subterfuge for retreat. On the other hand, only under the guidance of Marxist class theory can we provide correct ideas and methods to deal with the class contradictions and conflicts in the present stage of Chinese society.

6.3.1 Private Enterprise Owners

Since reform and opening up, the debate about Marxist class theory has focused on cognition of the social attributes of private enterprise owners in China.

Some people in the theoretical circle called private enterprise owners a stratum rather than a class for two reasons: first, theoretical discourse must be subordinated to political necessity; second, political necessity is embodied in two aspects as follows:

— Deng Xiaoping, chief architect of China's reform and opening up, had repeatedly emphasized that the CPC will not allow the emergence of a new bourgeoisie. It is very difficult for our socialist system to produce millionaires. "If our policies lead to polarization, it will mean the CPC has failed; if a new bourgeoisie emerges, it will mean that the CPC has strayed from the right path."[247] The recognition of China's private enterprise owners as a class is tantamount to admitting that the reform has failed.

— The word "class" in Chinese often refers to the Marxist concept of class in the traditional sense, that is, social groups with conflicting interests, opposite to and struggling with each other, and divided by the possession of production materials. The word tends to remind people of serious social conflicts, turbulence, and struggle among the people, and some scholars and people have a negative emotion toward or even an aversion to the word. The word "stratum"

247 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 111.

> is often regarded as a group concept with a hierarchical nature not associated with conflict.[248] It is a relatively neutral concept for analysis that can be used to explain the appearance without having to pursue the essence.

It is out of the above-mentioned two considerations that Chinese private enterprises owners are generally labeled as a "stratum". In another view, some scholars also insist on calling them a stratum instead of a class, but for different reasons. They do not recognize the scientific nature of Marxist class theory and think that it is a bit too rough to divide a class only by an economic structure with production materials as the core—because social, political, and cultural factors are individual variables, such as politics or power, occupational prestige, education, and knowledge. In other words, the scholars holding this view believe that class is not determined only by economic factors, but by multiple factors, including economy, politics, and culture, and from the reality of China, private enterprise owners have not formed a class, but still form a stratum.

It can be seen from Lenin's definition of "class" that the criteria of Marxist class division is mainly for self-existing classes. The state of self-existence marks the formation of a class. This is remarkably different from Western Marxism. In the preface to the first German edition of *Das Kapital,* Marx pointed out:

> But here individuals (capitalists) are dealt with only insofar as they are personifications of economic categories, embodiments of particular class relations and class interests. My standpoint, from which the evolution of the economic formation of society is viewed as a process of natural history, can make the individual responsible for relationships among the people within the class to which he belongs, however much he may subjectively raise himself above them.

Therefore, defining Chinese private enterprise owners as a class is not out of subjective preferences, but an objective and scientific judgment based on social fact.

More than ten years ago, Mr. Li Peilin, professor of the Institute of Sociology of the Chinese Academy of Social Sciences pointed out in *A Report on China's Classes and Strata in the New Era:*

> What worries a socialist country most is whether the trend of capital accumulation will lead to the emergence of a new class with a large amount of wealth and production materials and claiming independent political interests.

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248 Lu Xueyi. *Research Report on Contemporary Chinese Social Strata.* Beijing: Social Sciences Literature Press, 2002, p. 6.

The analysis at that time was:

> Judging from the proportion of resources and total social resources they have accumulated, the social influence of private enterprise owners is still very weak. However, in areas where they have a larger share of resources, their influence is quite powerful. At the same time, due to their strong motivation and suitable means, their influence is much greater than that of other groups in terms of their proportion to the total population.

Today, after more than ten years, they are powerful enough to exert influence not only at the community level, but also at higher levels.

Determined by a basic economic system in the primary stage of socialism, private enterprise owners are bound to exist and will achieve corresponding development whether in the field of social consciousness or in the field of political superstructure. Engels had such a profound exposition: "An historical factor, once it has been brought into the world by other—ultimately economic facts—thereupon also reacts upon its surroundings and even affects its own causes." Examining the political relationship with the social group of private enterprise owners from the perspective of maintaining its ruling status, improving and developing the socialist system has become a major practical problem that the Communist Party of China cannot avoid. As a Marxist ruling Party, the CPC must have a clear and long-term understanding of the profound structural changes of China's social classes and strata as well as their political consciousness and behaviors, and make corresponding strategic arrangements with a clear understanding of the basic direction of social development.

Some foreign political forces and scholars tend to apply the experiences of "the Third Estate" in European bourgeois revolution and the liberal bourgeoisie in developing the "New Continent" of America to China's private enterprise owners, regarding them as embracers of ideas of "sovereignty in people", "everyone was born equal and free with a right to the pursuit of happiness and property", the subversives of the existing regime, and the base of "political democracy". They believe that "once this class matures, the democratic movement will be successful".

Although China's private enterprise owners are becoming more and more mature, their judgment has not yet come true in China.

Professor David Schweickat of the Department of Philosophy, Loyola University, Chicago, argues that China initiated reform in a social context without the bourgeoisie. "This is a very significant objective fact," he believes. "There was no bourgeoisie class

that might hinder the massive structural changes. Moreover, the emerging bourgeoisie, whose existence is allowed and whose development is encouraged, tends to play a more positive role as capitalist entrepreneurs than the bourgeoisie that occupied the dominant position for a long time, thus, generally speaking, are more beneficial to society."[249]

Therefore, it is a basic attitude to face the political demands of the social stratum of private enterprise owners. Socialist politics with Chinese characteristics does not exclude political participation by private enterprise owners as long as they follow the basic principles of the leadership of the CPC, people as the masters of the country, and the rule of law. Therefore, the ruling Party should allow the private enterprise owners to participate in politics within the framework of the system with Chinese characteristics, and grant them full expression of their economic needs and political will. Of course, their political participation should be conducive, rather than detrimental, to safeguarding the purity and vanguard nature of the ruling Party and the healthy development of socialist modernization with Chinese characteristics.

Bruce Dixon pointed out in *Red Capitalists in China: Prospect of the Party, the Private Sector, and the Political Reform* that "it is possible for private enterprise owners to become a dominant social group in China in the future, depending on the degree of their integration with the existing regime and the strength of their willingness to participate in politics." In this regard, the "attachment" of private enterprise owners in the present stage might be a political expediency as this social group is not yet full-fledged in all aspects. In the face of this problem, the Marxist ruling Party needs to make a thorough analysis and corresponding arrangements. Generally speaking, to promote the healthy development of a socialist democracy, an important political means is to encourage workers and farmers to participate directly in politics. Today, since the educational level of China's workers and farmers has been greatly improved, they already have the ability to participate in government and political affairs, and there is no need to rely on professional trade union cadres, enterprise managers, and administrative cadres to speak for them. Protecting and expanding the right of speech of the laborer group must be an urgent consideration and top priority in the CPC discussion of the problem.

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249 Yu Keping, and Huang Ping. *China Model and Beijing Consensus: Beyond Washington Consensus.* Beijing: Social Sciences Literature Press, 2006, p. 89.

6.3.2 "Bureaucratic Bourgeoisie"

At the end of the 1950s, in his talk on reading *Political Economics Textbook* of the Soviet Union, Mao Zedong pointed out that "in the process of the development of a socialist society, there is a problem worth noting, the problem of the 'vested interest group'." Since reform and opening up, based on China's historical conditions of opening up to the outside world and creating a socialist market economy, our Party has repeatedly reiterated that we will never allow the existence of any CPC vested interests. The objective fact is that the recovery and development of a private economy in the ownership structure and the substitution of a planned economy with China's socialist market economy provided the soil for the generation of a new special social stratum. Some Party and government cadres, public enterprise managers, and figures with power over the management of personnel, financing, and property want to be "both officials and capitalists". They use the powers in their hands to support their agents to do business and make a lot of money, or abuse their powers to seek personal gain, solicit and accept bribes, trade power for money, and establish intimate relationships with the capitalists (such as private enterprise owners).

If we refer this special social stratum as "a vested interest group", the meaning of the term is obviously quite different from what Mao Zedong meant, though they do have all the features of a vested interest group in its original sense. As an outcome of corruption, their corruption is different in principle with that in a general sense. The profits made by means of power are not spent on consumption, but transformed to capital, bringing about a new capital stratum different from the private enterprise owners. As early as late 1990s, Wang Yunkun, former governor of Jilin Province, pointed out the importance of vigilance against breeding bureaucratic capital while addressing the problem of obtaining corporate shares by some local officials. He said:

> I have read a lot of materials on the issue of bureaucratic capital and put forward some suggestions. When an officer has a certain power, he will have the temptation to do business. If he does business, he is bound to mix with the capital.
>
> We did not have this problem before launching the reform of a shareholding system. At that time, there were a handful of officials who did abuse their power to seek personal gain, but I have never seen an official with capital. After reform of the shareholding system, however, there appeared the signs of this new type of corruption. In the shareholding reform of some corporations, officials with power were given the so-called "dry share", which could easily give rise to bureaucratic capital.[250]

250 Ma Yingbo. "What is Essence of the Battle against the 'Left'". *China Social Sciences Quarterly,* Spring, 1999.

A large number of typical cases of corruption show that many corrupted officials either ganged up with the tycoons or were official-capitalist themselves, with their children as bosses of newly established companies, private enterprise owners, or other types of "big shots" or tycoons of the "New Rich Stratum". Some scholars pointed out that "the essence of such corruption is the external manifestation of development and the spread of the new bourgeoisie from outside to inside the system, as well as a way of budding and development of the bureaucratic bourgeoisie".[251] Since the beginning of the new century, the frequent exposure of major and serious corruption cases characterized by the integration of officials and business proves that the bureaucratic bourgeoisie, no longer the fiction of the Mao Zedong period, have become a living objective existence.

Of course, the group does not constitute a fundamental part of the social structure in the primary stage of socialism. However, as a special group, it reflects, from one aspect, the complexity of the social structure in this stage. As for the main cause of its formation, Jiang Zemin pointed out at the Fourth Plenary Session of the Central Commission for Discipline Inspection on January 12, 2001:

> Our country is in the primary stage of socialism and will remain so for a long time. We need to undergo a process to build and improve the institutions, mechanisms, legal system, and management regulations that adapt to the socialist market economy. Inevitably, there will be some gaps and loopholes, objectively providing opportunities for the emergence and spread of corruption.[252]

This phenomenon was often seen on the eve of the disintegration of the Soviet Union and during the drastic changes in Eastern Europe.

Russian scholars have pointed out, when analyzing the phenomenon of "bureaucratic bourgeoisie" in the reform of the Soviet Union and Russia, that the bureaucratic bourgeoisie did not consume all their wealth, but increased its value by capitalist means. They transferred their illegal incomes to foreign accounts, invested them in real estate, or at best, in trade and finance industries, bought the shares of the enterprises and financial institutions with good profits, or made direct investments in industry through proxy companies, relatives, or third parties.[253]

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251 Ge Yunshu. "Economic and Social Analysis on the Changes of Class Relations in China at Current Stage". *National History Studies,* 1999 (28).

252 Jiang Zemin. "Speech at the Fourth Plenary Session of the Central Commission for Discipline Inspection". Beijing: People's Press, 2001, p. 30.

253 Men Sanshan. "On the Phenomenon of Bureaucratic Bourgeoisie in the Reform of the Soviet Union and Russia by Russian Scholar Rybakov". *World Economy and International Relations,* 1996 (7).

The Chinese theorists summarized it as the transformation of power. They argue that in the process of system transformation, corporate managers and government officials holding important positions can transform their management power over state assets into right of ownership through informal channels, or take advantage of their favorable position to fish in the troubled water of the period of transition. Taking advantage of social resources in their hands, they have a much better chance than any other social strata to make maximum profits in the process of privatization.[254]

It must be pointed out that China's reform that aims to improve the socialist system is different in principle with the reform of privatization in the Soviet Union, and so is the understanding and treatment of bureaucratic capital in the two countries. In October 2003, the Third Plenary Session of the 16th Central Committee approved *Decision of the CPC Central Committee on Some Major Issues Concerning the Improvement of the Socialist Market Economy.* It pointed out that:

> Strengthening the Party's working style, building a clean government, and fighting against corruption are important guarantees to establish and improve the socialist market economy, ones that must be carried out in the entire process of reform, opening up, and socialist modernization. The two important tasks—to improve the socialist market economy and to resolutely combat corruption—must complement each other and interact with each other. Only in this way can we steadily eliminate bureaucratic capital and prevent it from breeding and spreading. It should be clearly recognized that effectively inhibiting and overcoming the influence of this special stratum on the direction and policy of the reform is a significant issue having a great bearing on whether our reform can be carried out on the right track.

In analyzing the causes of the disintegration of the Soviet Union, a foreign scholar put forward a viewpoint that "the reform attempt resulted in the formation of a social group and class alliance that inclined itself to a transition to capitalism". He argued that in this pro-capitalist alliance were senior officials who no longer believed in the official ideology and turned to believe that "the transition to capitalism could enable them not only to manage and own the production materials but also to make public the huge personal wealth they had accumulated". Obviously, the optimal choice for this special stratum is to give up socialism to embrace capitalism. Therefore, the ruling Party, as the vanguard of the proletariat, must hold a high degree of vigilance in this regard.

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254 Akos Rona-Tas. "Are Men of the Past Beach Swimmers today?" *Foreign Sociology,* 1994 (5).

6.3.3 Class Contradiction

Since reform and opening up, the great change in China's social structure has inevitably been reflected in the complex situation of its social relations. Class struggle will exist within a certain range for a long time in the primary stage of socialism. As early as the beginning of reform and opening up, Deng Xiaoping pointed out:

> Class struggle exists objectively in socialist society. It should be neither underestimated nor exaggerated. Otherwise, as practice has shown, we shall make serious mistakes. But we must recognize that in our socialist society there are still counter-revolutionaries, enemy agents, criminals, and other bad elements of all kinds who undermine socialist public order, as well as new exploiters who engage in corruption, embezzlement, speculation, and profiteering. And we must also recognize that such phenomena cannot all be eliminated for a long time. The struggle against these individuals is different from the struggle of one class against another, which occurred in the past (these individuals cannot form a cohesive and overt class). However, it is still a special form of class struggle or a special form of the leftover, under socialist conditions, of the class struggles of past history.[255]

Based on the above analysis, he emphasized that:

> This shows us that although class struggle is no longer the principal contradiction in our society, it still exists and cannot be neglected. If these problems—which differ in nature—are not handled promptly and unhesitatingly as required in each individual case but instead are allowed to spread and then converge, our stability and unity will be seriously undermined.[256]

The term "class struggle" used by Deng Xiaoping refers to "the contradiction between ourselves and the enemy". He emphasized that antagonistic social contradictions were a phenomenon that will exist for a long time in the primary stage of socialism. Doubtlessly, the contradiction between the overwhelming majority of the people and corrupt Party and government officials, managers of State-Owned Enterprises (SOEs), and illegal private enterprise owners belongs to the contradictions between ourselves and the enemy. The crux of the problem is, as long as we further confirm that the private sector of the economy is an important part of the economic structure in the primary

255 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 169.
256 *Ibid.,* p. 370.

stage of socialism, the contradiction between labor and capital will inevitably be a major social contradiction that will exist for a long time.

In the present stage of China, employees do not have much bargaining advantage due to the large number of surplus labor, a reserve army of labor waiting to be thrown into the market for capital to choose. Labor is at an absolute disadvantage in the contradiction between capital and labor. Moreover, in the relationship between capital and labor in the enterprises, employees lack the ability to negotiate with enterprise owners because most used to be farmers and they are newcomers who have just crossed the threshold of the industrial society. However, the resistance of the employees against capital will become more and more intense with the increase of the number of employees, the accumulation of their working experience in the enterprises, and the improvement of their bargaining abilities. In fact, the conflict between labor and capital has become a major social problem in China today. In Guangdong Province, for example:

> About 53% of foreign-funded and private enterprises fell into arrears, deducted from or even refused to pay wages, causing serious problems of labor relations, which had become a main factor of social instability in the Pearl River Delta region.[257] In 2004, labor disputes increased rapidly in Shenzhen, with 346,300 people involved in a petition for labor and security issues. The contradiction between labor and capital has become one of the most basic social contradictions in the city, obviously harmful to social stability.[258]

A survey made by the Chinese Academy of Social Sciences Institute between 2002 and 2004 on current social contradictions shows that the most serious contradiction in today's society is that between labor and capital, and the most bitter conflict between labor and capital in enterprises of all types of ownership is the conflict in private enterprises.[259]

Recognizing the rationality of the existence of private enterprise owners in the primary stage of socialism, the CPC must treat the vast majority of the conflicts between

257 "More Than Half of the Foreign-funded and Private Enterprises Fell into Arrears with Wages of the Employees". China Xinhua News Agency, April 27, 2002.
258 *Workers' Daily.* August 5, 2005.
259 Li Peilin. *Social Conflicts and Class Consciousness—A Study on Social Contradiction in Contemporary China.* Beijing: Social Sciences Literature Press, 2005, pp. 166,183.

labor and capital as a contradiction among the people. Although class contradiction of this type can be antagonistic, if the proletariat is powerful enough, with the help of the farmers, the antagonism between the proletariat and the bourgeoisie, when properly handled, can be turned into a non-antagonistic contradiction.[260]

However, if we fail to handle it properly, rejecting our policy of unity, criticism, and education to the national bourgeoisie, or if they refuse to accept our policy, the contradiction between the working class and the national bourgeoisie may become the contradiction between CPC and the bourgeoisie. We have made serious mistakes in building socialism in the past, causing great damage to the socialist cause. One reason is that the CPC failed to grasp the nature of this contradiction and excessively expanded and intensified it into the contradiction between ourselves and the enemy. Under the new historical condition, the CPC must face up to this contradiction and make proper system and policy arrangements to promote the building of a harmonious socialist society.

260 Association of the History of the People's Republic of China. *Mao Zedong's Comments and Talks on Reading Socialist Political Economics* (simplified version), p. 183.

CHAPTER 7

CHARACTERISTICS AND DEVELOPMENT PATTERNS OF A SOCIALIST MARKET ECONOMY

The establishment of a socialist market economy in China is a breakthrough in traditional socialist theory and a subversion of the modem Western economic concept that equates markets with capitalism. As a new form of modern market economy, the socialist market economy, is different from both the Neo-liberalist market economy with the United States and Britain as representatives and from the social market economy typical of Germany and France. With not only the general features of a market economy but also the essential characteristics of a socialist system, China's socialist market economy has its unique nature and law. Built on a socialist system foundation, the socialist market economy is a great cause unprecedented in human history, with no ready-made model to copy or refer to, and in need of constant exploration in practice. The CPC believes that:

> The development of a socialist market economy under socialism is both a great pioneering work and a brand new topic. The CPC must adapt to the trend of global economic development and technology and the new situation of reform and development in our country, grasp the inherent requirements and operation features of a socialist market economy, consciously abide by objective law, and give full play to the role of the superiority of the socialist system as well as the market mechanism.[261]

Although the CPC initially established a socialist market economy and made remarkable achievements in this respect, the Party is facing many operational problems. Therefore, it is a major and urgent task in the CPC's current theoretical and practical

261 *Decision of the CPC Central Committee on Strengthening the Party's Governing Capacity.* Beijing: People's Press, 2004, p. 9.

work to further study the fundamental characteristics of a socialist market economy and its operation rules and explore how to give full play to the dual advantage of both socialism and a market economy.

7.1 Socialist Market Economy as a New Form of Modern Market Economy

Historically, a market economy is initially in the form of capitalist market economy. Based on this concept, some people consider it a patent of capitalism and claim that "the market is the core of the capitalist system, the essence of capitalism, and it is feasible only under capitalism".[262] As a matter of fact, as a means of resource allocation and a method of economic adjustment, the market economy belongs to the category of an economic operation mechanism. According to the definition in *Macmillan Dictionary of Modern Economics,* a market economy is an economic system in which prices, salaries, and the supply of goods are controlled by what and how much people buy, not by the government, applicable in both a private-owned capitalist economy and a public-owned socialist economy; price is set by the producers, consumers, and the owners of the means of production; and a market economy is subordinate to the basic social system and can serve both capitalism and socialism. The socialist market economy established in China is a new form of modern market economy under the proactive and effective macro-regulation of the state with the market playing a fundamental role in the allocation of resources.

7.1.1 Evolution and Contemporary Features of a Market Economy

Evolving gradually with the development of the modern capitalist mode of production and the commodity economy, a market economy is an outcome of the socialization of production and the development of a commodity economy and an operating mechanism with the market playing a fundamental role in the allocation of resources. Since it was born, the market economy has experienced two stages of development, namely, "laissez-faire" and "planned adjustment", and it has undergone major changes in many aspects.

262 Mises Von L. "Economic Calculation in the Socialist Commonwealth". In Hayek, *Collectivist Economic Planning.* London, 1935, p. 110.

China's contemporary market economy has some characteristics different from the classical laissez-faire market economy.

The laissez-faire market economy, the first stage in the development of a market economy, came into being with the emergence of the capitalist system. It was implemented during the period of the capitalist workshop handicraft industry and the period of transition from a workshop handicraft industry to a machine industry.

The word laissez-faire literally reveals the axioms of the economic operation mechanism. As a free market economy without government intervention can automatically achieve economic balance, a laissez-faire economic policy is the best policy. A government that does not intervene in the economic life is the best government. Such a market economy calls for free economic development and stresses adjusting the economic operation completely by means of market price. It opposes government intervention in economic life and advocates that the government bears only the responsibilities for public works and minimum social security without intervening in the economic operations.

Although the libertarians who opposed state intervention advocated again and again that the market mechanism can well solve all economic problems, and asserted that the supply in the Western society would automatically produce the demand so that it was impossible for an economic crisis of overproduction to arise in the capitalist society. With the emergence of monopoly at the end of the 19th century, however, the inherent drawbacks of a free market economy were gradually exposed. The outbreak of an economic crisis in the capitalist world from 1929 through 1933 shook the foundation of the laissez-faire market economic system, and proclaimed the destruction of the myth of the universality of the market, thus completely refuting the laissez-faire theory claiming the automatic equilibrium of the market.

Under the impact of the Great Depression, John Maynard Keynes's theory of state intervention began to be accepted by many countries. The theory holds that the main cause of the economic crisis of capitalism lies in insufficient effective demand. To stimulate effective demand, a spontaneous market regulation mechanism is not enough. Therefore, leaders must make use of a series of national fiscal and monetary policies, such as tax cuts, increased government spending, and money supply. "I admit that the cleverest way is the combination of both, controlling the volume of investment by the society and increasing consumption through various policies."[263] In addition to the

263 Keynes. *The General Theory of Employment, Interest and Money.* Beijing: Commercial Press, 1983, p. 281.

Keynes school, the Neo-institutional school, and the Swedish school actively advocated that the government should carry out macroeconomic regulation and control on market economies. With the support of these theories, the market economy has entered a stage of "planned and regulated", the stage of a modern market economy.

In the stage of a modern market economy, economists put forward a set of theories and policies for government intervention, a healing crisis, and stabilizing the economy. Moreover, many people gradually came to realize, from the reality of the economic crisis in the capitalist society, that the market is not a perfect closed system, and it is impossible for the market mechanism to effectively solve all problems. "Market failure" and "market imbalance" may happen in the process of economic operation. The inherent defects of the market mechanism determine that the government must intervene in economic operation, quickly and effectively making up and correcting its shortcomings and defects by strengthening macroeconomic regulation and control. Therefore, after World War II, countries that used to embrace a laissez-faire market economy began to turn to a "planned and regulated" market economy, strengthening, to different degrees, state regulation and intervention in the economy in light of their specific national conditions—and, while maintaining the market mechanism and free competition, introducing a market plan in an attempt to eliminate the cyclical economic fluctuation caused by market failure by means of a guiding plan.

The term modern market economy refers to a market economy with the macroeconomic regulation and control by the government. Scholars pointed out that:

> On the basis of maintaining a market economy mechanism, the modem market economy has combined many new factors—government intervention and market regulation, moderate monopoly and competition, and domestic and international markets.[264]

The main features of the modern market economy are as follows:

— Government began to participate in the market as a major player and indirectly intervened in the economy through macroeconomic regulation and control of fiscal and monetary policies.
— Property rights are more socialized, and the modern corporate system with a highly developed credit system penetrates into every corner of the economy.

264 Xu Xiaojie. *Modern Market Economy—Challenge in the Era of Revolution.* Beijing: Social Sciences Literature Press, 1993, pp. 15-16.

— Complete economic laws, regulations, and a social security system have become important conditions for the stable operation of the economy.
— A sound production factor market system has become the carrier of resource flow and allocation.[265]

7.1.2 Two Typical Models of a Modern Market Economy

A market economy is practiced in the vast majority of countries and regions today. In the capitalist world, due to different historical and cultural traditions and current conditions, coupled by various strategic objectives and policies adopted by the governments of different countries, there exist different models of a market economy that differ from each other in economic theory, social and historical background, their economic operation mechanism, enterprise organization, and management model, and other specific economic systems, such as finance and social security. The two most representative models are the liberal market economy and the social market economy.

7.1.2.1 Liberal market economic model, also known as Anglo-Saxon model, typified by economies of the United States and Great Britain

Based on classical economics theory that advocates laissez-faire—which holds that the free market economy can automatically balance the economy without government intervention—a liberal market economy calls for free economic development, small government, big market, individualism, and free competition. It is generally recognized as a free market economy.

After World War II, the countries practicing a liberal market economy strengthened the role of the state in economic life and the allocation of resources. Compared to other countries, however, government intervention was at a low level and within a limited range, and was accomplished mainly through such indirect means as financial and monetary policies. The limited role of the government was reduced to micro, short-term, passive intervention when the market failed or where the private sector could not. Moreover, state regulation and intervention under such an economic model was a passive and necessary choice "made when the economic crisis and the problems of the market became so serious that the state had to intervene in the economic life".[266]

265 Yang Ganzhong. *Introduction to the Socialist Market Economy.* Beijing: China Renmin University Press, 2004, p. 37.
266 Chen Xiushan. *Comparative Study of Government Macro-Control Models.* Beijing: Beijing Publishing House, 1999, p. 101.

Although equality is valued in the liberal market economy model, the focus is on the equality of opportunity and procedure while inequality of result is considered the motivation of personal struggle and the driving force of economic growth. Therefore, in most of the countries practicing that economic model, the United States in particular, the distribution was so unfair (as Marx pointed out: accumulation of wealth on one side and accumulation of poverty on the other) that they are known as the most developed but unfair countries in the world. A collaborate study conducted by the Department of Labor and the Department of Commerce in 1994 showed that “income distribution of the United States is the most unfair among the developed countries".[267] "There, the concept of social justice is considered subversive, almost obscene, and the only alternative is to fight poverty with charity."[268]

7.1.2.2 *Social market economic model, sometimes called the "Rhine Model", typified by the economies of Germany and other continental countries*

A social market economy is a combination of economic liberalism, democratic socialism, and many other social and economic theories and policies. This model advocates respect of social priority and harmony, the importance of social justice and orderly competition, the necessity of government intervention and social constraints, the establishment of an economic and social order based on a market economy, and the order of competition maintained by a powerful nation.

The social market economic model involves two important principles, namely, the principle of freedom and the principle of limited state intervention. On the one hand, economic activity is based on the market, and the market mechanism plays a leading role in economic operation; on the other, through legal and economic means, the state conducts limited intervention and regulation in the market to create free and equal competition for individuals and enterprises to facilitate the orderly development of social and economic activities. In essence, a social market economy is a model of market economy under the regulation of the state. Whenever possible, economic operation is regulated by the market. The government plays a role in establishing and maintaining the order of competition and adjusts the deviation of market operation through direct intervention

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267 Madrick, J. *The End of Affluence: The Causes and Consequence of America's Economic Dilemma.* New York: Random House, 1995, p. 138.

268 Michel Albert. *Capitalism Counter Capitalism.* Beijing: Social Sciences Literature Press, 1999, p. 27.

(such as price control, various policies and rules, participation in corporate investment, etc.) and indirect intervention.

Compared with a liberal market economic model, one of the defining features of a social market economic model is that it highly values economic equality and social unity, emphasizing that "the combination of the principle of market freedom and the principle of social justice"[269] is the basic concept for economic and social development. From Ludwig Erhard's idea of "competition instead of selfishness"[270] to Gerhard Schroder's concept that "we want a market economy, not a market society", Germany has always followed the principle of "self-help when possible and helped by others when necessary", calling every social member to help oneself through personal efforts while at the same time requiring the society to provide adequate help to those unable to help themselves. The countries with a social market economy pay more attention to the organic combination of efficiency and fairness, emphasize the equality of result, excel in using various social security measures (including social insurance, social care, social relief, etc.) to support the disadvantaged and relieve the poor. As a result, these countries are relatively fair and equal, and the income difference is obviously much smaller. Accordingly, this model has also been widely praised. Michel Albert, the famous French scholar pointed out that "the Rhine model is unique. It successfully combines capitalism with social democracy. The most striking quality is that it maintains at once balance as well as efficiency".[271]

7.1.2.3 Socialist market economy is a brand new form of modern market economy

As is well known, the emergence of a market economy is related to the establishment of a capitalist mode of production. In today's world, almost all countries practicing a market economy are based on private ownership of the means of production. Although there are many differences between the two models, they share a common characteristic—they both belong to a capitalist market economy based on the private ownership of means of production.

A liberal market economy is a typical economic system based on private ownership. The United States constitution clearly stipulates that private property is sacred and inviolable. It has two obvious characteristics. The first is the dominance of the private sector

269 Claus Green. *The Social Market Economy of Federal Republic of Germany.* Beijing: Central Compilation and Translation Press, 1994, p. 2.
270 Ludwig Erhard. *The Welfare of the Masses.* Wuhan: Wuhan University Publishing House, 1995, p. 4.
271 Michel Albert. *Capitalism Counter Capitalism.* Beijing: Social Sciences Literature Press, 1999, p. 106.

in the U.S. economy with the state-owned economy making up only a small proportion. According to statistics, the private sector accounts for more than three-quarters of U.S. GDP. The second is the high concentration of private capital. Although there was a trend of decentralization of equity shares and a common phenomenon of stock-holding after World War II, the control of enterprises remained in the hands of a few big shareholders and senior executives.

Although emphasizing the decentralization of property rights and social balance and advocating the economic system with the coexistence of various forms of ownership, the social market economy belongs to a system based on private ownership. Advocates of a social market system believe that "private ownership of the means of production is one prerequisite of the competition system".[272] It is true that through a social market economy that values social fairness and implements welfare policies, many countries have, to a certain extent, narrowed the gap between rich and poor, met the needs of the people for a better life, and mitigated social contradictions. In essence, however, a social market economy is only an improvement on a capitalist market economy because it touches only the area of distribution rather than private ownership and its political structure. Therefore, it is impossible for such an improved capitalism to address the root causes of its polarization. Even worse, it is bound to hinder economic and social development because more and more revenue and capital will be spent on social welfare. At present, the high-welfare and high-subsidy welfare policy pursued by social market economies has sparked many negative effects, especially in the era of economic globalization when a large number of jobs will be cut and the welfare policy sinks into the inextricable mire and faces serious crisis.

It is also known that socialist countries pursuing public ownership of the means of production chose a highly centralized planned economy at the primary stage. As a result, over a long period of time, many people tend to define a planned economy as a basic characteristic of socialism and the market as a patent of capitalist private ownership, thus regarding a market economy and socialism as incompatible as water and fire. Naturally, whether and how socialism can be integrated with a market economy has become a major problem in socialist economic theory and practice. For nearly 100 years, foreign scholars have made an arduous exploration into this difficult global historical problem. A variety of theoretical models of market socialism have been produced or even put into practice. All, however, ended up in failure or fantasy due to the fact that they were divorced from reality.[273]

272 Walter Eucken. *Principle of Economic Policy.* Konrad Adenauer Foundation, 2003, p. 19.
273 Lv Weizhou. *On Market Socialism.* Zhengzhou: Henan People's Press, 2002.

In China, reform of the economic system is a process of expanding the role of the market mechanism. Since market-oriented reform was officially launched in 1978, after decades of debates on and exploration into theory and practice, and after paying heavy historical costs, China finally realized the positive role of the market on economic development, and the CPC set a goal of establishing a socialist market economy in the process of reforming China's economic system. As is pointed out in the Report to the 14th National Congress of the Communist Party of China:

> Numerous facts show that the market is an effective way to allocate resources and provide incentives, and to bring pressure and power to an enterprise. Moreover, the market response to various signals is also sensitive and rapid. Because of these advantages, more and more people in socialist countries have realized the positive role of the market for economic development. The one-sided understanding of and bias against the market in the past are being abandoned.[274]

The socialist market economy proposed and established in China is a shining example for the world in combining, in a scientific way, socialism with a market economy. In this sense, we can say proudly that the 14th National Congress of the Communist Party of China held in October 1992 opened up a new era in Chinese history.

The Report to the 15th CPC National Congress clearly pointed out that "it is a great pioneering undertaking to combine socialism with a market economy". Making public ownership of the means of production the mainstay is the basic feature for such a combination, the essential difference between a socialist market economy and a "liberal market economy" and is the root cause for it to become a brand new form of modern market economy.

7.2 General Features and Laws of a Socialist Market Economy

As a unique and new model of modern market economy, the socialist market economy, like other models, must reflect the general features and laws of the market and a market economy. Of course, these features and laws must be adapted to the requirements of the socialist system while functioning in the system of a socialist

274 *Selected Important Documents since the 14th CPC National Congress* (Volume 1). Beijing: People's Press, 1996, p. 19.

market economy. To sum up, the general features and laws of a socialist market economy are as follows:

7.2.1 The Market Plays a Fundamental Role in the Allocation of Resources Under the Macro-Control of a Socialist Country

There are two ways to allocate resources and regulate the economy, plan, and market, each with advantages and disadvantages. After the establishment of a socialist system, China built a highly centralized planned economic system in accord with the blueprint of the Marxist classical writers for a future society. With deepening reform of the economic system, however, China gradually realized that the market is an effective way to achieve the optimal allocation of resources. Through competition and price leverage, it can allocate scarce resources to the most profitable links, thus stimulating economic development. Based on this recognition, the CPC began to stress the advantages of a planned economy and market, and gradually established a socialist market economy as the goal of economic system reform.

A market economy is a kind of economic model with the market as the basis of resource allocation. It is the sum of a series of market factors—such as competitive price, market supply and demand, market system and its mutual relations, featuring equality, competition, openness, and rule of law. As is defined by some scholars:

> A market economy is an economic model that takes the market as the center link in the economic process, allocates the main resources, distributes productive forces through the role of the law of value, regulates the types and quantity of social production with the price—and distributes the national income in accord with the relationship between demand and supply and the competition mechanism of survival of the fittest to achieve a balanced and stable development of the national economy.[275]

In a market economy, all economic activities are linked through the market, all factors of production enter the market, and the market mechanism is the basic regulator promoting the flow of factors of production and facilitating the optimal allocation of resources. It can be said that the fundamental role of the market in the allocation of resources is a prerequisite for and a basic feature of a market economy.

A socialist market economy is no exception. It must take the market as the basis for the allocation of resources and as the dominant mode of economic operation.

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275 Liu Zhuping, and Liu Xue. *On the Socialist Market Economy.* Beijing: China Social Sciences Press, 1997, p. 48.

Therefore, as the CPC sets the establishment of a socialist market economy as the goal of the reform of China's economic system, the Party must clearly emphasize that "by establishing such an economic structure, we mean to let market forces, under the macroeconomic control of the state, serve as the basic means of regulating the allocation of resources". Since the 14th National Congress of the CPC, China realized the transition from planned resource allocation to market resource allocation. The fundamental role of the market in the allocation of resources has been given full play in invigorating the economy and promoting the sustained, rapid, balanced, and sound development of the Chinese economy.

7.2.2 Economic Activities Must Comply With the Requirements of the Law of Value and Adapt to Changes in the Relationship Between Supply and Demand

The law of value is one of the most important economic laws governing the operation of a market economy. It can adjust the proportional distribution of total social labor between production and circulation departments, and stimulate production enterprises to upgrade technology, improve operation and management, and maximize the efficiency of resource use to promote the development of social productive forces.

Market regulation is, in essence, regulation of the law of value, that is, the regulation of the "invisible hand". Talking about the law of value, Marx and Engels said: "A relation exists in the earth like the fate of the ancients, and with an invisible hand allots fortune and misfortune to men".[276]

In a market economy, the law of value is the major regulator of social production and circulation. Its regulation of social production is realized through the fluctuation of market prices. As a coercive force, it requires that every producer pay attention to market demand.

Mr. Sun Yefang, a famous economist and former director of the National Bureau of Statistics, began to construct a system of socialist economic theory based on the law of value in the late 1950s when China was implementing a highly centralized planned economic system. In *Laying the Plan and Statistics on the Basis of the Law of Value* published in 1956, he expounded the important role of the law of value in a socialist economy, pointing out that "even in the socialized production of a communist society, the law of value

276 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 539.

will exist and play a role".[277] Later, to criticize the Soviet model that neglects profits and the law of value, and to criticize China's policy during the period of the Great Leap Forward regardless of costs and profits, Sun Yefang further stressed the importance of the socialist law of value, decisively put forward the idea that "the secret of all economic problems lies in how to produce more products with less work", and proposed to "produce as many products as possible in a planned way to satisfy social needs with the least consumption of social labor".[278] He considered it key to the elimination of the drawbacks of the original economic system that sought growth of total output but neglected economic benefits.

With the establishment of the goal of reform of its socialist market economy, China pays more attention to the role of the law of value. "Economic activity must be subject to the law of value and responsive to the changing relationships between supply and demand."[279] Therefore, in a socialist market economy, the law of value is the most important objective law governing the operation of economy.

7.2.3 The Main Body of Market Economic Activity is Enterprises Enjoying Full Autonomy in Operation and Responsible for Their Profits and Losses

As the cell of the market mechanism, an enterprise is the most basic and important player in market activity. The basic elements of a market economy, an economic system, are enterprises that enjoy full autonomy in business operation and are responsible for their profits and losses.

As is pointed out by some scholars, the fundamental role of the market in the allocation of resources is realized through operation of enterprises. According to market signals, mainly price fluctuation, enterprises determine what and how much to produce, and what and how many services to provide to maximize profits. Thanks to their pursuit of economic benefits, social resources are effectively allocated to fields in need. Therefore, the enterprise is the major player in market economic activity.[280]

277 Sun Yefang. *Several Theoretical Issues on Socialist Economy.* Beijing: People's Press, 1979, p. 373.
278 Ibid., p. 65.
279 *Selected Important Documents since the 14th CPC National Congress* (Volume 1). Beijing: People's Press, 1996, p. 19.
280 Zhang Zhuoyuan, and Shi Xuehua. "Laws and Characteristics of the Socialist Market Economy". *Academic Exploration,* 2005 (3), pp. 18-23.

In a market economy, only when enterprises become legal "persons" enjoying autonomous operation and are responsible for their profits and losses—with the freedom to choose their investment locations and sectors, and to engage in production, circulation, and services to ensure their business scope and objectives within the scope allowed by the laws and policies of the country—can they face the market, respond sensitively and effectively to market signals and changes, and make corresponding adjustments in their production and operation to reap maximum economic benefits and achieve optimal resource allocation. If enterprises, as basic market elements, lack independent economic interests and cannot become the subject of market economic activity, there will be no carrier and no object for the market mechanism and the market economy will cease to exist. Therefore, the status of the enterprise as a corporate entity and the subject of market competition is the prerequisite for the existence of a market economy.

In a market economy, enterprises must become independent, autonomous, and self-responsible economic entities that can make independent decisions on what and how much to produce for maximum profits according to the fluctuation of market prices, rather than being subsidiaries of administrative departments in a planned economy. To this end, the CPC has carried out reform aiming to transform all kinds of enterprises, especially state-owned business, into independent market entities. While performing the function of the investor in state-owned, holding, and shareholding enterprises, the government can serve only as the boss or shareholder, rather than to play the role of board of directors or the management body. This separates the function of the government in public management from its function as a state-owned property investor.

7.2.4 Sound Legal System

The practice of a market economy at home and abroad proves that the performance of a market economy is difficult to guarantee by the market operation itself. Only under rule of law can the negative effects caused by the spontaneous adjustment of a market economy be reduced. This is because the diversity of interests, the decentralization of decision-making, and the complexity of the restrictive factors of a market economy determine that a sound and perfect legal system is a prerequisite for the orderly operation of a market economy. In this sense, a market economy, in essence, is a legal economy built on the basis of credit and contract. The law can protect the interests of the

market players, regulate their behaviors, guide the operation of the market mechanism, and maintain order in the market economy. Jiang Zemin said:

> The legal system is the basis of the operation of the market economy. Without a sound socialist legal system, there will be no healthy development of a socialist market economy. Economic development is inseparable from protection by a sound legal system. Social and economic order maintained by a perfect legal system is a prerequisite for rapid economic growth, substantial benefits, and strong competitiveness in the fierce international market.[281]

As a law-based economy, the socialist market economy can maintain healthy development only on the track of rule of law. Therefore, while setting the objective of establishing a socialist market economy, the CPC also put forward the objective of improving the legal system for the economy. This included speeding up economic legislation, further improving civil law, criminal law, and laws relating to the national institutions and administrative organs in accord with the principles stipulated in the constitution to establish a legal system suitable for the socialist market economy at the end of the 20th century.

China has always attached great importance to improving its legal system in establishing a socialist market economy, regarding it as the important content and the system guarantee of market-oriented reform.

In *Decision of the CPC Central Committee on Some Major Issues on Improving the Socialist Market Economy,* the CPC put forward the task of "promoting overall improvement of the legal system", and the requirements of "focusing on establishing the system, clarifying rights and responsibilities, and protecting rights and interests in improving economic legislation". In addition, laws concerning the market players and intermediary organizations must be enacted to guarantee the full capacity and responsibility of all types of market players.

7.2.5 Perfect Macroeconomic Control System

Macro-control refers to state regulation and control of the total output and structure of China's market economy through various macroeconomic policies, economic laws, and regulations according to the overall situation of the national economy. "A market economy needs the support of a complete and powerful macro-control system."[282]

281 *Jiang Zemin on Socialism with Chinese Characteristics (Special Collection).* Beijing: Central Party Literature Press, 2002, p. 330.

282 *Jiang Zemin on Socialist Market Economy.* Beijing: Central Party Literature Press, 2006, p. 90.

The market is not omnipotent. The spontaneity and blindness of a market economy, as well as a series of problems of external diseconomy and social injustice caused by a market economy need to be remedied and rectified by the state through a macro-control policy. Therefore, macro-control is an indispensable instrument for a modern market economy, and a fundamental requirement of a socialist market economy. For the entire national economy, the balance of macro-economy is an indispensable condition to ensure the vitality of the micro-economy, and the vitality of the micro-economy is an indispensable foundation for the development and stability of the national economy. Only by integrating in an organic way the market mechanism with state regulation can the CPC achieve the most effective allocation of resources. In China today, when the market is still developing, the strengthening of macro-control is all the more important.

Since officially setting the reform objective of establishing a socialist market economy, the CPC has attached great importance to the role of macro-control, repeatedly stressed that market allocation of resources must be made under the macro-control of the state, and clearly put forward its four basic objects: "The CPC must stimulate economic growth, create more jobs, stabilize prices, and maintain the balance of international payments as the main macroeconomic control objectives".[283]

Targeting the objectives, the CPC has formulated corresponding economic policies, including a state plan, financial policy, and monetary policy. The state plan plays the role of regulating the balance of the macro-economy and promotes the optimization of economic structure. The financial policy undertakes the task of promoting economic growth, optimizing structure and regulating income. The monetary policy performs the function of maintaining the stability of the RMB and its total amount. The three macro-control instruments constitute China's macro-control system.

In addition, the CPC has strictly limited the scope and mode of macro-control. It has restricted the function of the government in economic administration to serving the market players and creating an environment conducive to market development.

This shows that China's macro-control system and government functions have changed fundamentally in line with the requirements of a market economy. It is repeatedly stressed in the Report to the 17th National Congress of the CPC that we should improve the macro-control system, which is of great significance to the healthy development of the macro economy and the rational prosperity of the capital market.

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283 Jiang Zemin. *Building a Well-off Society in an All-around Way and Creating a New Situation in Building Socialism with Chinese Characteristics.* Beijing: People's Press, 2002, p. 27.

7.2.6 A Unified and Open Modern Market System that Allows Orderly Competition

It was pointed out by scholars that:

> A market system is an interrelated and interdependent unity and the sum of all the markets—financial market, labor market, real estate market, and technological information market—based on the consumer goods market, production goods market, and other commodity markets.[284]

A mature market system is the prerequisite for a market economy to play a role, is an important precondition for realizing the institutionalized market allocation of resources, and is a key link in the establishment of a socialist market economy.

To give full play to the fundamental role of the market in resource allocation, China must have a unified, open, competitive, and orderly modern market system. Therefore, after setting the goal for the reform of the socialist market economy, the CPC undertook the task of nurturing and developing a market system, focusing on the market's means of production, and breaking regional and departmental segregation and blockages to form a market system that is unified, open, competitive, and orderly.

After years of development, the market system of our country has taken shape, with all kinds of market factors showing a momentum of accelerated development. But on the whole, China's market system is still not perfect, the development of various kinds of markets is uneven, some markets seriously lag behind, a unified and open market system has not really been achieved, and the task of nurturing and developing a unified, open, competitive, and orderly modern market system remains arduous. It is stressed in the Report to the 17th National Congress of the CPC:

> We will accelerate the formation of a modern market system that is unified and open and that allows orderly competition, develop markets for factors of production, improve the pricing mechanism for factors of production and resources to reflect changes in market supply and demand, resource scarcities, and environmental costs, regulate and develop industry associations and market-based intermediaries, and improve the social credibility system.

To sum up, these are the six features and laws reflected in the market economy of all socialsystems. Of course,indifferentsocialsystems they havedifferentformsofexpression.

284 Su Xing. *On the Socialist Market Economy.* Beijing: Central Party School Press, 1994, p. 114.

Moreover, they are the defining features that differentiate a socialist market economy from the traditional planned economic model.

7.3 Institutional Features and Laws of a Socialist Market Economy

As a new form of economic model in the history of market economy development, the socialist market economy has both the features of a market economy and the socialist system. If the general features of a socialist market economy reflect a basic difference from the traditional planned economy system, then its institutional features show its essential differences from a capitalist market economy.

As is mentioned above, a market economy is subordinate to, restricted by, and dependent upon a basic social system. Integrated with the basic system of socialism, a socialist market economy must meet the requirements of the socialist system and fully reflect its basic characteristics. As was repeatedly stressed by Jiang Zemin:

> The socialist market economy we are building is a component part of the basic system of socialism. If we leave the basic system of socialism, we will slip into capitalism. We cannot leave out the word 'socialism'. It is indispensible like "the eyes of the dragon", rather than redundant like the feet of the snake. It shows the nature of our market economy.[285]

To sum up, the institutional features and fundamental principles of a socialist market economy are mainly embodied in the following aspects:

7.3.1 A Market Economy Features the Dominance of Public Ownership

As the foundation of the social and economic system, ownership determines not only the other two aspects of production relations (i.e., distribution relations and human relations), but also the nature of the social and political system. Public ownership is the basic feature of socialism and the foundation of a socialist economic system. As a socialist country, China must adhere to the dominance of public ownership in establishing and improving its socialist market economy.

285 *Jiang Zemin on Socialist Market Economy.* Beijing: Central Literature Press, 2006, pp. 202-203.

In the process of building a socialist market economic system, what the Chinese leaders emphasized most was the dominant position of public ownership. Jiang Zemin said:

> Predominance of public ownership and common prosperity are the two fundamental socialist principles that we must adhere to.[286] Adhering to the dominant position of public ownership is a fundamental principle of socialism and a basic symbol of the socialist market economy. The objective of reform of the economic structure will be to establish a socialist market economy, not a capitalist market economy. The most important thing is to ensure that the state-owned economy and the whole public sector of the economy will continue to grow and develop in market competition, will always maintain a dominant position in the national economy, and will play a leading role in the socialist market economy.[287]

It can be said that ownership is the core of the theory about the socialist market economy and reform of the socialist economic structure of China. The key issue in establishing and improving the socialist market economy and reform of the economic system, and the most disputed and ambiguous theoretical problems in the formulation of the theory about the socialist market economy is the problem of the ownership structure.

Since reform and opening up, our Party has made unremitting efforts to explore the ownership structure in the primary stage of socialism, and it has made some major ideological breakthroughs. First, the CPC got rid of the old concept that the more public ownership the better, and established a new concept that the ownership structure is determined by the nature of the productive forces. Second, the Party got rid of the old idea that the more unified ownership the better, and put forward a new idea of separation of ownership and management rights. Third, the CPC got rid of the traditional concept that the more pure the ownership the better, and embraced a new concept of the domination of public ownership with the coexistence of various forms of ownership. These breakthroughs were made after a process of deepening the Party's understanding of the position and role of the non-public sector of the economy.

At the beginning of reform and opening up, the state-owned economy and the collectively owned economy were regarded as China's basic economic forms, while the individual economy of the workers in a certain scope were a necessary complement to the public sector of the economy. The Third Plenary Session of the 14th Central Committee of the CPC established the basic policy of "the public sector remaining dominant, and diverse sectors of the economy developing side by side". At the 15th National Congress

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286 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 111.

287 *Jiang Zemin on Socialist Market Economy.* Beijing: Central Literature Press, 2006, pp. 244-269

of the CPC, for the first time, this basic policy was defined as a basic economic system in the primary stage of socialism with Chinese characteristics. The 16th National Congress of the CPC further stressed to encourage, support, and guide the development of the non-public sectors of the economy, and to improve the services and supervision of the non-public enterprises.

Made through summarizing the practice of our socialist economic development and reform of the socialist economic system, these are the breakthroughs in the development of the Marxist theory about ownership. In fact, a certain degree of development of the non-public sector of the economy in the primary stage of socialism is in line with the productive forces of this stage, and conducive to promoting production, invigorating the market, expanding employment, and meeting various needs of the people. Therefore, establishing s policy of "remaining dominant and diverse sectors of the economy developing side by side" as a basic economic system in the primary stage of socialism is a scientific summarization of the practice and experience of our Party in building socialism, as well as an inevitable choice for China's economic and social development and prosperity

7.3.2 A Market Economy Adheres to the Principle of Distribution According to Work

The theory of distribution according to work was put forward by Marx and Engels as a critical inheritance of "the idea of distribution according to work" of the utopian socialists. Marx mentioned the issue of distribution according to work for the first time in the form of an assumption in the first volume of *Das Kapital:*

> We will assume, but merely for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labor time. Labor time would, in that case, play a double part. Its apportionment in accord with a definite social plan maintains the proper proportion between the different kinds of work to be done and the various wants of the community. On the other hand, it also serves as a measure of the portion of the common labor bome by each individual, and of his share in the part of the total product destined for individual consumption.[288]

In *Critique of the Gotha Program, Socialism: Utopian and Scientific* and other works, Marx and Engels further expounded the principle of distribution according to need in

288 *Collected Works of Marx and Engels* (Volume 5). Beijing: People's Press, 2009, p. 96.

a communist society and the system of distribution according to work in a socialist society.

From then on, the principle of distribution according to work has been written into the program of struggle for the international communist movement and the socialist revolution, become the pillar of the Marxist political economics theory, as well as a defining economic feature that separates capitalism from socialism. After China established a socialist system, distribution according to work has become a China's basic distribution system.

It should be clarified that the theory of distribution according to work was designed by Marx for a socialist planned economy that, in the future, would have eliminated commodity, currency, and market exchanges and have the following basic prerequisites:

— Public ownership of the means of production would be implemented in the whole society.
— There would be enough means of production to be invested in production, enough employment opportunity and freedom for workers to choose employment.
— There would be no commodity-currency relationship. The work of each individual worker is directly considered as part of social work and can be measured simply with the time of work.[289]

This raises a question for us: in a socialist market economy, and in abasic economic system of "the public sector remaining dominant and diverse sectors of the economy developing side by side", how should we change distribution relationships and deepen reform of the distribution system to ensure that China's income distribution system can both adapt to the trend of continuous development of a market-oriented economy, and fully demonstrate its socialist superiority to manifest our objectives of "common prosperity" and "building a moderately prosperous society in all respects"? In the exploration of this question, China has experienced three stages since initiating market-oriented economic reform: first, re-establishing the socialist principle of distribution according to work after reflecting on egalitarianism under the system of a planned economy and; second, building a system featuring the dominance of distribution according to work and the coexistence of various forms of distribution in light of the national condition in the primary stage of socialism; and third, putting forward a principle of distribution that integrates distribution according to work and distribution according to production factors to meet the requirements of developing a market economy.

289 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 96,433-434.

It cannot be denied that distribution according to the factors of production can mobilize the enthusiasm of the owners through effective allocation of various factors of production in today's China with its diversified ownership of the means of production and modes of management and operation. At the same time, however, it must be clarified that distribution according to the factors of production must be in a subordinate and secondary position in China's socialist market economy, and distribution according to work, like public ownership, must always be dominant in China's income distribution system. This is a fundamental difference in income distribution between capitalist and socialist market economies.

7.3.3 A Market Economy Strives for the Goal of Common Prosperity

"Common prosperity" is the ultimate goal of a socialist market economy, marking the fundamental difference between socialism and capitalism. As was repeatedly stressed by Deng Xiaoping:

> The aim of socialism is to make all people prosperous, not to create polarization. One of the features distinguishing socialism from capitalism is that socialism means common prosperity, not polarization of income. To take the road to socialism is to realize common prosperity step by step.[290]

As is known to all, the ultimate aim of the operation of a capitalist market economy is to seek the maximum amount of surplus value. According to the classical writers of Marxism, to produce surplus value or to make money is the absolute law of the capitalist mode of production, the direct purpose, and the decisive motive of capitalist production. They said:

> The production of surplus value, or the extraction of surplus labor, is the specific end and aim, the sum and substance, of capitalist production.[291]

It was also mentioned that:

> The directing motive, the end and aim of capitalist production, is to extract the greatest possible amount of surplus value, and consequently to exploit labor-power to the greatest possible extent.[292]

290 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. 110,123,373.
291 *Collected Works of Marx and Engels* (Volume 5). Beijing: People's Press, 2009, p. 344.
292 *Ibid.,* p. 384.

The fundamental objective of a capitalist market economy determines that polarization between rich and poor is inevitable.

Different from the capitalist market economy resulting in polarization between rich and poor, a socialist market economy is built on the basis of public ownership of the means of production with common prosperity as its objective. Realizing common prosperity of the overwhelming majority of the people on the basis of highly developed productive forces is the ultimate goal of socialism. It is one of the fundamental characteristics of a socialist market economy. As is pointed out by some scholars:

> Different from the polarization in a capitalist market economy, common prosperity is not only the goal of a general policy for a socialist income distribution, but also the fundamental goal of socialism, demonstrating the defining features and superiority of the system.[293]

A socialist market economy based on a basic socialist system provides an institutional guarantee for the realization of common prosperity. However, it cannot automatically eliminate the gap between a rich and a poor to achieve common prosperity. Therefore, the CPC must correctly understand and deal with the unity of opposites between a market economy and achieving common prosperity. It is pointed out by scholars:

> On the one hand, a market economy and achieving common prosperity are unified because the market economy can effectively allocate resources, promote the rapid development of productive forces, and analyzed from a development trend, possibly balance social distribution. On the other hand, they are opposite in terms of the nature and direct function of a market economy.[294]

On the one hand, a market economy and common prosperity are unified. China's remarkable economic achievement since its market-oriented reform has proven that, as an effective way of resource allocation, a market economy can promote rapid development of productive forces and create a material basis for common prosperity. On the other hand, a market economy and common prosperity are opposites. As a kind of competitive economy, a market economy is a so-called "profit-loss economy", incapable of automatically achieving fairness. A pure market regulation competition mechanism continues to divide market players into winners and losers, profit and loss makers, thus

293 Yang Shengming. *On the Market Economy with Chinese Characteristics.* Beijing: China Social Sciences Press, 1996, p. 114.
294 Ibid., p. 112.

exacerbating social differentiation and leading to a serious gap, or even polarization, in income distribution. This is proved by the recent widening of the gap between rich and poor in China.

Thus it can be seen that the ultimate goal of common prosperity of socialism cannot be achieved automatically through the development of a market economy. While promoting the development of social productive forces and lifting the society out of poverty, a socialist market economy must redistribute social wealth and narrow the gap between rich and poor through a series of fiscal, taxation, social relief, and securities policies and measures to ensure the well-being of all workers and citizens, and ultimately achieve common prosperity.

7.3.4 A Market Economy with People as Masters of the Country

The principle of "the people are the masters of the country" is the essence and core of a socialist democracy, as well as another fundamental difference between a socialist and a capitalist market economy.

Based on the private ownership of the means of production, the capitalist system is aimed at safeguarding the interests of the bourgeoisie, especially the minority monopoly capitalist class. The working class, without the means of production, has to engage in wage labor subject to exploitation and oppression. It has been pointed out that:

> Capitalist production is the production of surplus value with the capitalists and the proletarians as its necessarily representatives. However, they occupy a completely opposite position, exploiter and exploited, in the system of capitalist production. One possesses the work of a lot of people, while the other obtains whole or part of the means necessary for the maintenance of the reproduction of the labor force.[295]

Correspondingly, the decision-making power of the allocation of resources is in the hands of a small number of capitalists in a capitalist market economy. It is the unfair allocation of power that gives priority to the personal interests of the capitalists, with the working class increasingly subordinated, resulting in depriving them of their survival, exchange, and many other rights.

The socialist system established the equal status of the working people as the masters of their country. A socialist market economy established and developed on such a

295 Institute of Philosophy of the Academy of Science of the Soviet Union. *Philosophy and Contemporary Epoch of the Capital.* Changchun: Jilin People's Press, 1983, p. 404.

basis is one with various property right bodies making independent decisions and the working people are seen as the masters of their country. Ensuring the rights of the working people in running the country is both the basic content of our socialist democracy and the aim and outcome of our political and economic reform. As was stressed in a Report to the 17th National Congress of the CPC, "We must always make sure that the aim and outcome of all the Party and state work is to realize, safeguard, and expand the fundamental interests of the overwhelming majority of the people."

In a socialist market economy, the purpose of social production is to meet the ever-growing material and cultural needs of the people. That is to say, in a socialist market economy, the workers are the masters of the means of production, and the purpose of social production is to safeguard their fundamental interests and meet the basic needs of the overwhelming majority of the working people. To this end, the CPC always stresses its fundament purpose of "serving the people wholeheartedly". Just as Hu Jintao pointed out in his Report to the 17th National Congress of the CPC:

> Every endeavor of the Party is for the well-being of the people. We must always make sure that the aim and outcome of all Party and state work is to realize, safeguard, and expand the fundamental interests of the overwhelming majority of the people. We must respect the principal position of the people in the country's political life, give play to their creativity, protect their rights and interests, take the path of prosperity for all, and promote their all-around development—to ensure that development is for the people, by the people, and with the people sharing in its fruits.

In China's socialist market economy, the principle of "the working people as the masters of their own country" is reflected in the following aspects:

First, the working people have the right to elect representatives to participate in the formulation of policies for the basic framework and reform of the socialist market economy through the National People's Congress.

Second, the working people have the right to choose their own jobs, and they have equal opportunities to engage in various economic activities.

Third, while clearly recognizing and giving full play to the mechanism for individual interests, the Communist Party of China, the political Party representing the interests of all working people, put the common interests of all people in a prominent position and struggle for the common political and economic interests of all people.

Fourth, working people have the right to participate in decision-making on public policy and on the public capital operation, as well as decision-making in the operation of their own working units in accord with their social status and their responsibilities.

7.3.5 A Market Economy with an Organic Integration of Market Mechanisms, with Macro-Control

A significant feature of China's contemporary market economy is the implementation of "planned regulation", that is, the combination of a market regulation mechanism with government interference in the macroeconomy on the basis of the market economy. As Swedish economist Klass Eklund pointed out:

> A pure market economy does not exist in reality. The market has always been supplemented or restricted, to various degrees, by the intervention or regulation of cooperative enterprises and monopolies, or government organs and various groups.[296]

As modern market economies, both the socialist economy and the capitalist market economy advocate the integration of a market mechanism with macro-control, but differ significantly in the scope, degree, means, and results of regulation and intervention.

In a capitalist market economy, the role of macro-control and planned regulation is relatively minor, while in a socialist market economy, the organic integration of market mechanism and macro-control is repeatedly stressed. The CPC believes that:

> By establishing such an economic structure the CPC means to let market forces, under the macroeconomic control of the state, serve as the basic means of regulating the allocation of resources, to subject economic activity to the law of value and to make it responsive to the changing relations between supply and demand.... Nevertheless, we must be aware that the market has its own weaknesses and negative aspects. Macro-control of the economy by the state is therefore very important, and the way in which it is exercised must be improved.[297]

As Jiang Zemin pointed out:

> The macro-control of the state and a market mechanism are the essential requirements of a socialist market economy. The two are unified, complementing and promoting each other. To establish a socialist market economy, the CPC must make full use of the market mechanism and state macro-control. The priority may be different in each period, sometimes on the role of the market, sometimes on macro-control of the state. That depends on the actual situation. But the Party cannot focus on one and neglect the other.[298]

296 Claes Eklund. *Theory and Practice of Modern Market Economy.* Beijing: Beijing Economic Institute Press, 1995, p. 76.
297 *Selected Important Documents since the 14th CPC National Congress* (Volume 1). Beijing: People's Press, 1996, p. 19.
298 *Ibid.,* pp. 554-555.

On the issue of the integration of the market mechanism with macro-control, a socialist market economy has the following distinctive features that differentiate it from a capitalist market economy:

First, a socialist market economy emphasizes macro-control as an essential requirement. "Macro-control is strengthened and improved to make up for the shortcomings and negative aspects of the market."[299] It was pointed out in *Decision of the CPC Central Committee on Some Major Issues on Establishing the Socialist Market Economy* that "the macro-control of the state and the market mechanism are the essential requirements of a socialist market economy. The two are unified, complementing and promoting each other."[300] Therefore, the socialist market economy has not ignored the function of macro-control because of its emphasis on the market mechanism, but rather, it has provided more emphasis on strengthening and improving state macro-control.

Second, a socialist market economy has given new functions to macro-control. In a capitalist market economy, the main purpose of macro-control is to overcome and make up for market failure caused by the market's spontaneity, blindness, and hysteresis.

In addition to providing guidance, rectification, supplements, and services for the market mechanism, the most important function of macro-control in a socialist market economy is to ensure that the operation of a market economy is in line with the essential requirements of socialism. There are three major functions for this macro-control: first, to maintain a basic balance in total economic output; second, to promote the optimization of the industrial structure; and third, guide the coordinated development of the national economy and society. That is to say, in China, macro-control is not only an important aspect of but also a guarantee for the healthy development of its socialist market economy.

7.3.6 A Market Economy with an Organic Integration of Socialist Democracy and Rule of Law with Socialist Cultural Ethical Progress

"The socialist market economy is a legalized and civilized economy subject to regulation by the socialist legal system and the guidance of socialist spiritual civilization."[301]

299 *Ibid.,* p. 19.

300 *Selected Important Documents since the 14th CPC National Congress* (Volume 1). Beijing: People's Press, 1996, p. 554.

301 Liu Zhuping and Liu Xue. *On the Socialist Market Economy.* Beijing: China Social Sciences Press, 1997, p. 291.

7.3.6.1 A socialist market economy, as a perfect legalized economy, must operate on the track of the legal system

Competition in the operation of the market economy needs to be regulated, guided, and guaranteed by a sound legal system. The legal system has a multifaceted role in a market economy, which, in essence, is a legalized economy. Only when the market economy is running on the track of a legal system can it play an effective and positive role and reduce the negative effects caused by spontaneous market adjustments.

A socialist market economy is also a legalized and competitive economy. Only when market players operate legally can we ensure the sound development of China's socialist market economy and consolidate the system of socialist democracy. Jiang Zemin said:

> The legal system is the basis for the operation of a market economy. Without a sound socialist legal system, there will be no healthy development of a socialist market economy. Economic development is inseparable from the legal system. Only with a sound legal system in an ordered society and economy can we achieve rapid economic growth, substantial benefits, and strong competitiveness in the fiercely competitive international market.[302]

In the process of establishing and improving China's socialist market economy, the CPC needs to build and improve the relevant laws, regulations, and systems that consolidate China's socialist economic and political systems. This is because a market economy is a diversified economy with diversified interests and values—which will inevitably affect our socialist democracy and political life. The development of a socialist market economy must consolidate rather than undermine our socialist political system. At the same time, China's socialist legal system must restrict the negative impact of the market economy and prevent it from eroding socialist politics and corrupting cadres. In a sense, the serious corruption in China at present is closely related to the market economy. Only by strengthening the legal system can the CPC reduce the breeding and spread of corruption. Scholars pointed out that:

> The establishment of a socialist market economy will undergo a process of transformation from the old to a new system. In the process, the loopholes and weak links in the system and mechanism may provide opportunities for corruption. Therefore, we must continue to establish and improve the legal system to control and prevent all kinds of corruption.[303]

302 *Jiang Zemin on Socialism with Chinese Characteristics.* Beijing: Central Literature Publishing House, 2002, p. 330.

303 Wu Guanzheng. "Constantly Promoting the Legalization of Party-Building and Anti-Corruption". *People's Daily,* November 17, 2003.

7.3.6.2 A socialist market economy must be organically integrated with socialist cultural and ethical progress

Socialist ethical and cultural progress is the inherent requirement of the development of a socialist market economy. As is pointed out by scholars:

> Ethical and cultural progress is the prerequisite for the establishment of a new system and order of the socialist commodity economy and market economy. Its healthy and stable development is indispensible.[304]

The diversified values of a market economy will inevitably exert a considerable impact on China's socialist ethics and morality, contaminating the cultural, educational, academic, and other relevant fields. In fact, the problem of the spread of decadent ideas, such as "benefiting oneself at the expense of the others", "seeking nothing but profits", and "money worship", induced by the market economy has become very serious. The existence of this phenomenon is directly related to the CPC's work in the ideology field, especially the promotion of a mainstream ideology. The negative effect of the market economy is pervasive everywhere and at all times. If the Party does not take strong and effective measures to resist and struggle against it, it will gradually disintegrate China's socialist culture and morality, destroy its mainstream ideology, and consequently undermine China's social economy and politics. Thus, the CPC must enhance mainstream ideology, and strengthen the study and fostering of core socialist values—to guide and regulate the operation of the socialist market economy and build one that is coordinated with socialist ethical and cultural progress, featuring integrity, civilization, and socialist morality.

7.4 Important Issues in Establishing and Improving China's Socialist Market Economy

Since the initiation of the market-oriented reform of the economic system, the entire economic structure of China has undergone extensive and profound transformation. With the evolution and development of the theory and practice, the socialist market economy has brought about miraculous achievements in promoting economic development, improving the living standard of the people, and enhancing China's

304 Ri Shan. *On Socialist Market Economy by Famous Scholars.* Beijing: People's Press, 1992, p. 389.

overall national strength. At the same time, however, the issues and contradictions caused by the market economy have also begun to emerge, including many deep-seated problems, such as an irrational economic structure, problematic distribution relationships, a slow increase in farm income, mounting pressure on employment and social security, and weak overall economic competitiveness. The issues have caused a series of institutional contradictions, such as the widening gap between urban and rural areas, among different regions and industries, an inadequate property rights system, a serious loss of state assets, intensification of the contradictions between economic development and environmental protection and the conservation of natural resources, and the delayed transformation of government functions. The CPC must attach great importance to and make a serious reflection on these problems and contradictions.

Of course, reflection on the socialist market economy does not mean to deny the advantages of a market economy, or to return to the highly centralized planned economic system of the past, or to negate the advantages of the socialist system and blindly tout a neo-liberalist market economy. Rather, the CPC must integrate the basic socialist system with the market economic system, and keep exploring the ways and means to integrate them effectively with laws governing the socialist market economy to take full advantage of the dual superiority of the two systems. As was stated in a Report to the 17th National Congress of the CPC:

> We need to deepen our understanding of the laws governing the socialist market economy and introduce institutions to give better play to the basic role of market forces in allocating resources.

Therefore, in the exploration of the operational characteristics and the development laws of a socialist market economy to improve China's economic system, the Party must always adhere to a socialist orientation and control the market economy with the essential requirements of socialism. To sum up, the CPC must focus on the following basic principles:

7.4.1 Drawing on but Never Copying the Western Market Model

Marx pointed out that:

> All epoch-making systems have as their real content the needs of the time in which they arose. Each is based on the whole of the antecedent development of a nation, on

> the historical growth of its class relations with their political, moral, philosophical, and other consequences.[305]

With unique natural, geographical, cultural, and historical conditions, each country has its own level of economic development, and all face the complicated domestic and international environment. Therefore, each country must cautiously choose its own model and path and control the speed and rhythm of economic reform in light of its concrete national conditions. Many Western economists have a very clear understanding of this point. For instance, Joseph Eugene Stiglitz pointed out that "a market economy is diversified. The characteristics and results of the U.S., the Scandinavian, and the European models are quite different". "Each country has unique national conditions, and therefore, should choose the market economy model that is in line with its own characteristics according to its national conditions and environment."[306] Blindly copying or imitating the models of other countries without considering specific national conditions will inevitably lead to disastrous consequences, possibly a serious recession of the national economy. One important lesson of the disintegration of the Soviet Union, the drastic change of Eastern European countries, and the serious consequences of neo-liberalist reform in Latin American countries is that the CPC can draw on but not copy the Western market economy, and must resolutely resist the temptation of neoliberalism.

In the practice of establishing and improving China's socialist market economy, the CPC must boldly absorb and draw on specific policies and measures of Western countries in implementing a market economy, especially the experiences of the European "social market economy", and "inherit and take in all valuable elements from each theoretical school."[307] Meanwhile, however, the Party must, in light of China's national conditions, adhere to the socialist orientation of the market economy, and highlight its Chinese characteristics. The elements in a Western market economy that follow the rules of socialized production and obey the general laws of the market are the common ground of capitalist and socialist market economies. No doubt, they are what the CPC must learn from and draw on. The Western market economy is practiced under the capitalist system, while our market economy will be implemented under a socialist system.

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305 *Complete Works of Marx and Engels* (Volume 3). Beijing: People's Press, 1960, p. 544.

306 Joseph Stiglitz. "China Should Choose the Market Economy Model in Line with Its Own Characteristics", http://news.tsinghua.edu.cn, 2006-3-20.

307 Jin Huiming. *Drawing a Clear Line between Marxism and Anti-Marxism.* Marxist Studies, 1996 (6), p. 3.

This is the difference between the two types of market economies and is where our creativity and characteristics lie.[308]

Since the late 1950s, China has begun to explore the road of building socialism with Chinese characteristics, drawing on the lessons and experiences of the Soviet Union. In the reform of its economic structure and the establishment of a socialist market economy, China has neither been restricted by the traditional model of a socialist planned economy, nor copied the market economy model of the Western countries. The CPC boldly introduced the mechanism of a market economy as a foundation for the allocation of resources, and it has explored a unique development model that is in line with the national conditions of China, that is, a socialist market economy with Chinese characteristics. Russian scholar Boris Savinkov made the following comment on China's socialist market economy: China did not deliberately look for a model to follow. To realize modernization of the country, it learned Western science and technology and even introduced a market economy. But so far, it resists the Western democracy, separation of the three powers, and multi-Party politics.[309]

Of course, we cannot deny that the CPC reform to establish a socialist market economy has been seriously interfered with by neoliberalism, especially in the field of economics, where neoliberalism was once so popular that Marxism tended to be marginalized. In the eyes of some advocates, the core ideas of neoliberalism, such as "Hypothesis of Economic Man", "private ownership is eternal", "market economy is omnipotent", and "minimization of state function", are self-evident truth and applicable everywhere.

During China's market-oriented reform, some people even demanded privatization and proposed to build a capitalist market economy based on private ownership according to the theory of neoliberalism. Some advocated the omnipotence of a market economy, negated the role of macro-control of the state, and even urged to expand the market mechanism to non-economic areas, such as health care, education, and politics. Hyped as "innovation" and put into practice in some areas, these ideas once confused the minds of the people, seriously interfered with the reform process, and caused people considerable dissatisfaction.[310]

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308 *Jiang Zemin on Socialism with Chinese Characteristics.* Beijing: Central Literature Publishing House, 2002, p. 69.

309 Yu Keping. *On China's Economic Reform by Overseas Scholars.* Beijing: Central Compilation and Translation Press, 1997, p. 4.

310 Zhou Xincheng. "On the Integration of Socialism with Market Economy". *Economic Survey,* 2007 (3).

Therefore, to draw a clear line between Marxism and neo-liberalism is an urgent task for the CPC theory circle, and is a basic requirement for improving the socialist market economy. In fact, when neoliberalism was still in the early period of expansion and the drawbacks of a laissez-faire market economy had not been completely exposed, some Western economists began to worry about the market they were advocating. "The market can be a good horse for us to ride. But no matter how good the horse is, its energy has a limit, which will not be exposed immediately.... Beyond this limit, the market is bound to stumble".[311] At present, with the deepening of the financial crisis triggered by the U.S. subprime mortgage crisis and the rapid spread of a comprehensive economic recession, neoliberalism is faced with worldwide criticism stronger than ever before, and even French President Nicolas Sarkozy said that "liberalism has come to an end". The spread of the financial crisis completely broke the myth of the theory of a liberal market economy, and declared the bankruptcy of laissez-faire neoliberalism, providing the Party with a golden opportunity to criticize it and have a profound understanding of the drawbacks of a laissez-faire market economy.

7.4.2 Forbidding Privatization

As early as the 1920s in the debate about the questions of "whether the central planned economy can operate effectively" and "whether the socialist economy can be reasonably calculated", Polish Marxist economist Oskar Lange put forward the idea that a market economy can be used by socialist countries with public ownership; this initially solved, in theory, the problem of the compatibility of a market economy and public ownership. In practice, however, the problem has not been solved very well. The former Soviet Union and the Eastern European socialist countries have tried to foster a market system in the framework of public ownership, but eventually embarked on the road of privatization. Although the market-oriented reform of China's economic system in the past 30 years proved that socialist public ownership and a market economy can be compatible, in reality, however, we can still see the inverse relationship between public ownership and the market. Undeniably, the non-public sector of the economy is a necessary and beneficial supplement to the public sector in the primary stage of socialism. A certain degree of non-public economy development is conducive to promoting production,

311 Martin Feldstein. *The American Economy in Transition* (Volume 2). Beijing: Commercial Press 1990, p. 738.

invigorating the market, expanding employment, and better meeting the various needs of the people. Therefore, China has made a number of relevant policies and laws to protect the legitimate interests of a non-public economy. Practice has proved that the common development of public and non-public sectors of the economy has indeed injected enormous vigor and vitality to China's economic and social development—which drives the country on a track of rapid development.

In the past 30-plus years since reform and opening up, China's annual average GDP has increased by 9.8%, from 364.52 billion yuan in 1978 to 30.067 trillion yuan, more than three times the world average over the same period. The per capita disposable income of urban and rural residents has grown 6.5 and 6.3 times in real terms, respectively. The proportion of China's economic output to the world total is rising steadily, now ranking third, after the United States and Japan. Especially when the world economy is in deep crisis and recession, and most developed countries are struggling against stagnation, China still managed to achieve a high year-on-year growth rate.

However, the state-owned enterprises of our country still have shortcomings that are incompatible with the new socialist market economic system, and they need to be overcome—for instance, in some SOEs, low quality of services, inefficient management, and inadequate wages and benefits.

Some people took the problems as an excuse to ask for a predominant non-public sector of the economy, arguing that:

> The withdrawal of state-owned enterprises is the essence of restructuring the national economy, a necessary requirement of deepening the economic reform, and the strategic objective of the reform is in the most difficult areas of the state-owned enterprises". "The withdrawal of state-owned enterprises makes room for the entrance of private capital. It is actually the replacement of state capital by private capital, with the former playing its role in due areas, and the latter becoming the basis of a market economy.[312]

However, the Party must clarify the two main reasons for the present predicament of state-owned enterprises: first, the disadvantages of the confusion between government and business functions, ambiguous property rights, and the soft-budget constraint caused by the traditional economic system, and second, the unfavorable position in market competition due to various social burdens on state-owned enterprises. Therefore, in practice, the CPC needs to assist the state-owned enterprises to get rid of

312 "Privatization". *China Business Tinies,* June 12,1999.

their heavy burdens, enhance their market competitiveness, and continue to improve and develop the system of public ownership. The Party must not simply sell the state-owned enterprises and give up the basic economic system of the predominance of public ownership just because of current problems in some enterprises. That is to say, the key to reform of the state-owned enterprises lies in the degree of public ownership. If the Party exceeds a certain degree, reform will slip to privatization.

At the beginning of establishing a target for socialist market economic reform, the famous economist Su Xing stressed that:

> The success or failure of a socialist market economy depends on whether we can maintain the predominance of public ownership. If we can't, ours will be no different from the market economy of other countries.[313]

Maintaining the predominance of public ownership to improve China's basic economic system is closely related to the correct orientation of its socialist market economic reform.

Practice has proved that, as indispensable economic forms for the development of the social productive forces in the primary stage of socialism, both public and non-public sectors of the economy can and must serve socialism with Chinese characteristics. The CPC must unite them in the process of establishing and improving China's socialist market economy, neither clinging to single and pure public ownership, nor encouraging the unlimited development of the non-public sector and privatization.

On the one hand, in the primary stage of socialism when overall productive forces are relatively low, there is no way out for single and pure public ownership because this ownership structure, which is beyond the stage of and unsuitable for the development of productive forces, can lead only to slow development of the productive forces, low production efficiency, and poverty of the people. This was proved by lessons before China's reform and opening up. On the other hand, privatization is even worse because it can lead only to polarization and hence the collapse of the socialist cause. This was proved by the painful lessons of the international communist movement.

Privatization reform under the guidance of neoliberalism in the former Soviet Union and Eastern European socialist countries failed to ensure the improvement of productivity and failed to bring about economic prosperity and political democracy to their people. On the contrary, it led to a series of social and economic problems, such as a

313 Su Xing. *On the Socialist Market Economy.* Beijing: Central Party School Press, 1994, p. 79.

sharp economic downturn, deterioration of the life of the people, a continuous rise in the unemployment rate, soaring inflation, intensified social contradictions, and ultimately the collapse of the economic foundation for the socialist system and state power. These serious consequences show that a predominance of public ownership is the economic foundation of a socialist system and state power, and only by maintaining and consolidating its predominant status can the CPC ensure that reform of the socialist market economy will always develop in a correct orientation of socialism.

7.4.3 Avoiding Polarization

The objective of common prosperity is put forward to negate the exploitation and polarization typical of capitalist society. Deng Xiaoping said:

> The aim of socialism is to make all our people prosperous, not to create polarization. If our policies lead to polarization, it will mean that the Party had failed; if a new bourgeoisie emerges, it will mean that the Party had strayed from the right path.[314]

Social equity and common prosperity are the essential requirements of socialism and are prerequisites for improving and developing a socialist market economy.

Undoubtedly, as an effective means to realize the efficient allocation of resources and promote rapid development of the productive forces, a market economy provides the necessary material guarantee to realize common prosperity. However, market economy and common prosperity are not a unity without contradiction.

Based on the law of value, a market economy has the internal motivation to widen the income gap—as competition will inevitably lead to a certain degree of concentration of social wealth and the polarization of rich and poor through survival of the fittest. In the world, competition has exacerbated the polarization of rich and poor countries, and in a single country, it has aggravated polarization among different regions and between rich and poor. In China, with the acceleration of marketization, the market economy is playing a more and more important role in economic life. Especially after implementing a policy that encouraged the participation of the capital, technology, and other production factors in distribution, there was an obvious trend of rapid accumulation of wealth and a widening income gap. Although China has adopted a series of regulation and control measures, the trend of the widening gap between urban and rural areas, and among different regions and industries continues.

314 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. 110-123.

According to the *Annual Report on Income Distribution of Chinese Residents in 2006* released by the National Development and Reform Commission, the income gap between urban and rural areas in 2005 increased by more than 500 yuan over the previous year, with the per capita disposable income of rural residents accounting for less than one third that of urban residents. The gap between eastern and central regions widened by 462 yuan, and between eastern and western regions by 545 yuan. China Labor Association statistics show that the income gap among different industries was 2.63 times in 2000, but increased rapidly to 4.88 in 2005.[315] The widening gap of income distribution has become a prominent problem and major concern of all walks of life.

The growing income disparity is caused by many reasons relating to the income distribution system, to macro-control, and most directly, to the urban-rural economic structure of China. "The current widening of the income gap has both historical and realistic reasons, and is caused by inadequate policies and ineffective policy implementation./^ /."[316]

It cannot be denied that China's growing income disparity is the inevitable result of its market-oriented reform, and a reasonable disparity under control is a necessary condition for maintaining its high efficiency. But it is equally undeniable that a wide income gap will hinder sustainable development of the economy and have negative effects on social harmony and stability. In recent years, this problem has become the root cause of many social contradictions and mass disturbances. Left unchecked, it will inevitably cause even more serious results. People are strongly dissatisfied with unfair access to education, employment, social security, and other public services—as they contribute to polarization and to the illegal means of making a fortune, such as corruption, monopoly, and seeking illegal rent. In an interview with *Business Weekly,* Liu Guoguang, a famous Chinese economist, pointed out that when:

> Building a market economy in China, with its inadequate legal environment, if we do not emphasize the socialist spirit of fairness and social responsibility, if we ignore the goal of common prosperity, what we will build is bound to be a so-called crony market economy with polarization.[317]

Responding to the current situation of a widening income gap, the Report to the 16th National Congress of the CPC pointed out that:

315 *Facing the Theoretical Hot Spots.* Beijing: Study Press, People's Press, 2007, p. 114.
316 *Ibid.,* p. 117.
317 Liu Guoguang. "The Reform Would Be Considered to Have Failed If It Ended Up in Polarization". http://www.cnfol.com, 2005-11-25.

> We should guard against an excessive disparity in income while opposing egalitarianism. In primary distribution, we should pay more attention to efficiency.... In redistribution, we should pay more attention to fairness and strengthen the function of the government in regulating income distribution to narrow the gap when it is too wide. We should standardize the order of income distribution, properly regulate the excessively high income of some monopoly industries, and outlaw illegal gains.

Report to the 17th National Congress of the CPC stated that the CPC "should overhaul income distribution practices with a view to gradually reversing the growing income disparity", and reiterated the importance and principle of income distribution system reform:

> Equitable income distribution is an important indication of social equity. We will adhere to and improve a system whereby distribution according to work remains the predominant mode and coexists with other modes. We will improve the distribution system to allow factors of production, such as labor, capital, technology, and managerial expertise to have a rightful share according to their respective contribution. We will strike a proper balance between efficiency and equity in both primary distribution and redistribution, with a particular emphasis on equity in redistribution.

To curb the trend of a widening gap between rich and the poor, and to finally realize the goal of "common prosperity", The CPC must further promote reform of the distribution, employment, and social security systems. In the distribution system, the Party must improve the system of the predominance of distribution according to work with the coexistence of various other forms. The CPC must work hard to improve the income of low-income groups, and at the same time, make an appropriate adjustment to excessively high-income earners to narrow the income gap between urban and rural areas, and among regions and industries. In the employment system, the Party must continue to implement proactive employment policies to improve the environment for entrepreneurship and employment. The Party must promote various forms of employment, such as encouraging workers to start their own businesses and seek employment by themselves—and at the same time, give more incentives to enterprises to create more jobs and employ more workers. In the social security system, the CPC must accelerate the establishment of a social security system adapted to China's economic development, one that covers all members of the society—a multi-level system consisting of social security, social welfare, and the combination of basic and supplementary insurance that is reasonably borne by the state, collectives, and individuals.

7.4.4 Resisting Liberalization

Different from a neo-liberal market economy that vigorously advocates "liberalization" and opposes "regulation and control", China's socialist market features the leadership of the Party and the macro-control of the government. Scholars pointed out that:

> A socialist market economy is one under the leadership of a proletarian political Party, with the people as the masters of their country, and under the macro-control of the government. It is not a leaderless, anarchic, and completely laissez-faire economy.[318]

Further improvement of China's socialist market economy still depends on Party leadership and government macro-control.

7.4.4.1 Improving the Party's ability to control China's socialist market economy

As the ruling Party of socialist countries, the communist Party is the core leadership of the great cause of socialism. Socialist practice in the 20th century has demonstrated that this leadership is one of the key factors that determines the success or failure of socialism. The painful lessons of the disintegration of the Soviet Union and the drastic changes in Eastern Europe proved that giving up communist Party leadership and engaging in political pluralism and a multi-Party system will inevitably ruin a socialist cause.

The Communist Party of China is the core leadership of the great cause of socialism with Chinese characteristics. Only under the leadership of the Party can Chinese people follow the correct orientation, draw up a blueprint, and realize the goals of social and economic development.

To build a perfect socialist market economy, Party members must adhere to the firm leadership of the Party. To exercise correct leadership, the Party must constantly improve its art and capacity of leadership. The Communist Party of China has always attached great importance to self-improvement. In *Decision of the CPC Central Committee on Strengthening the Governing Capacity of the Party* approved at the Fourth Plenary Session of the 16th Central Committee of the CPC, the Party put forward the requirement "to regard development as the top priority of the Party in governing and rejuvenating the country, and to constantly improve its capacity to manage and control the socialist market economy". This clarified the correct orientation of the economic work

318 Li Xingshan. "Profound Understanding of the Essential Characteristics of the Socialist Market Economy". *Liberation Daily,* January 31, 2005.

of the Party—to "grasp the direction, plan the overall situation, map out the strategy, formulate policies, and promote legislation to create a favorable environment for the socialist market economy". To effectively strengthen the leadership of the Party and constantly improve the capacity of the Party to lead and control the development of the socialist market economy, the CPC must meet the following requirements:

First, the Party must constantly improve the art of leadership and the capacity of Party governance, as well as enhance members' ability to resist corruption and various risks in accord with the principle that "the Party must supervise its own conduct and run itself with strict discipline".

Second, the Party must reform and improve the way it exercises leadership and governance to enhance Party solidarity and capacity.

Third, the Party must give full play to its role as the core of leadership, and make all-around efforts to strengthen the Party ideologically and organizationally and to improve its conduct.

7.4.4.2 *Establishing a perfect, effective macro-control system*

A socialist market economy establishes a market economy under the macro-control of the state. A neo-liberalist market economy embraces marketization and liberalization for a laissez-faire market economy.

Marketization and liberalization are the basic concepts in the theory of Neo-liberalist market economics. The neo-liberalist economists argue that the market is a panacea, and that the market mechanism can produce a "natural order". The intervention of the state in the country's economic life cannot maintain stability and promote economic growth, and even worse, restrict the self-improvement and self-adjustment of the market. Neo-liberalists tend to attribute all serious problems—such as decreased growth rate of productivity, reduction of capital accumulation, intensification of the economic crisis, increase in unemployment, and rising inflation—to the policies of state economic intervention. Of course, the neo-liberals are also very clear that it is impossible to fully restore 19th century economic liberalism. Therefore, they do not completely reject the use of state intervention to stabilize a capitalist economy, but they argue for strict limitation to the scope and form of state intervention. "Neoliberalism regards the role of market rules and individual liberalism as the supreme creeds."[319]

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319 Li Bingyan. "The Fundamental Difference between the Neo-liberal Market Economy Theory and the Theory of Socialist Market Economy". The Net of Marxist Economics.

Of course, the economic, political, and social problems caused by a neo-liberalist reform in some Latin American countries sounded the alarm for the CPC to properly deal with the relationship between a market economy and macro-control.

Since the very moment that the Communist Party officially set the establishment of a socialist market economy as the objective of China's economic reform, it has attached great importance to the role of macro-control. The Party believed that only by integrating a market mechanism with a state regulation mechanism can the CPC achieve the most effective allocation of resources. In the past decades, the transformation of government functions to enhance and improve macro-control has always been a particularly important issue for the CPC in giving full play to the role of the market.

The Party has argued over the necessity and importance of macro-control, and how it is different in socialist and capitalist market economies. The key lies in the problem of how to achieve ideal effects.

The Third Plenary Session of the 16th Central Committee of the Communist Party of China established the objective to improve China's socialist market economy:

> To meet the requirements of balancing urban and rural development, development among regions, economic and social development, the relationship between man and Nature, and domestic development and opening to the outside world, the Party must give better play to the basic role of market forces in allocating resources to enhance the vitality and competitiveness of the enterprises, to improve state macro-control, streamline the government functions of social management and services—all to provide a strong institutional guarantee for building a moderately prosperous society in all aspects.

To achieve this objective, the CPC must take everything into consideration to balance development and create a harmonious relationship among all aspects. All must be accomplished under the macro-control of the state.

Gradually formulated in the process of establishing a socialist market economy, the Scientific Outlook on Development, with overall consideration as its fundamental approach, summarizes and reflects on the achievements and problems of socialist market economy development.

> Reflecting the deepening understanding of our Party of the laws governing a socialist market economy, the Scientific Outlook on Development actually presents the guiding ideology, direction, requirements, and principles for further development and improvement of China's socialist market economy.[320]

320 Leng Rong. "The Scientific Outlook on Development and the Socialist Market Economy". *Qiushi,* 2006 (7).

The CPC must thoroughly apply this scientific outlook to balance the development of all aspects to achieve the stable and rapid development of China's national economy.

To sum up, with the establishment of a socialist market economy, China has made great achievement in economic development. However, it is not yet perfect. As is pointed out in Report to the 17th National Congress of the CPC:

> The socialist market economy is basically in place, but there remain structural and institutional obstacles slowing development; and further reform in difficult areas is confronted with deep-seated problems.

To improve the socialist market economy, the CPC must not only have a clearer understanding of it in theory to find the answer to a series of theoretical questions, but it must also reveal the laws governing the development of a socialist market economy in practice. At present, existing socialist countries are actively exploring the development path that truly integrates socialism with a market economy; communist parties in the United States, Japan, and other developed countries also put forward the idea of "realizing socialism through a market economy". The success of our practice in China's socialist market economy will be a great contribution to the international socialism.

CHAPTER 8

SOCIALIST DEMOCRACY AND THE DICTATORSHIP OF THE PROLETARIAT

Democracy and dictatorship are two interrelated functions of any state power, of which the former is the core and the latter the guarantee. Dictatorship is realized through democracy and guarantees its practice. As long as the state exists, there will be no dictatorship without democracy, or vise versa. Since class distinctions came into being, human society has experienced four types of social systems—slave society, feudal society, capitalist society, and socialist society—which represent the successive evolution of the four modes of democracy and dictatorship.

Socialist democracy and the dictatorship of the proletariat is a brand new mode of democracy and dictatorship in human history. Socialist democracy means that the people are true masters of the country, and the dictatorship of the proletariat serves as a tool to safeguard the practice of a socialist democracy. For the first time in human history, socialist democracy and the dictatorship of the proletariat undermine the foundations of a private ownership economy, bring forth democracy for the overwhelming majority and dictatorship over the insignificant minority, which will eventually lead to the transition of human society from a class society to classless society.

In China, people's democratic dictatorship is in essence the dictatorship of the proletariat. In working to build a socialist political civilization and advance the cause of developing socialism with Chinese characteristics, it is imperative to continue to develop a socialist democracy, improve the dictatorship of the proletariat, and adhere to the path of developing democratic politics with Chinese characteristics.

8.1 The People Are True Masters of the Country

In the course of human history, socialist democracy, a wholly new type of democracy, surpasses capitalist democracy. Any democracy involves two basic questions: for whom and in what aspects. The former is concerned about the subject of democracy; the latter is about its content. In terms of its subject, a socialist democracy is intended for the overwhelming majority of the people; in terms of its content, socialist democracy ensures that the overwhelming majority of the people can comprehensively enjoy their economic, political, cultural, and other rights. The two questions reveal two characteristics of a socialist democracy: extensiveness and comprehensiveness, making it truly worthy of a people's democracy.

8.1.1 The Scope of a Socialist Democracy

Which groups of people enjoy democracy or who is the subject of democracy is a question that must be answered first by any democratic system. Cohen, an American scholar, called it the "the scope of democracy".[321] In socialist society, the scope of democracy is greatly expanded. The subject of democracy for the first times extends from a particular class to the broadest masses of the people—a great leap in the development history of people's democracy, on that gives first expression to the authenticity of a socialist democracy.

8.1.1.1 The class nature of democracy in all class societies

Democracy has a distinctive class nature. In class society, it invariably belongs to the ruling class: to slave-owners in slave society and to landlords in feudal society. In a capitalist society, though democracy for the first time acquired the form of "supra-class" and "universality", it is still the privileged right of the bourgeoisie who monopolize and manipulate it.

The word "democracy" comes from ancient Greece and means that "people are the masters of their country" and "rule by the people". However, people never enjoyed democratic rights in the strict sense until the coming of a socialist society. The Greek historian Herodotus (484-430/420 BC) first named the Athenian political system as

321 Cohen. *On Democracy: Toward a Transformation of American Society.* Beijing: Commercial Press, *2007, p.* 12.

"democratic politics" in his book *The Histories.*[322] According to the book, democratic politics is "the people's rule", and its characteristic is "everything should be judged by the people".[323] Pericles (495^L29BC), a famous Greek statesman, said that Athenian politics was called a democracy because not the few but the many govern.[324] It is recorded that Athenian democracy started in 508 BC and ended in 323 BC. Athenian democracy was made up of three important institutions—Assembly, Council of Five Hundred, and Popular Courts. Through these institutions, "people can, to a large extent, ensure their own decision-making power."[325]

But the Athenian democracy, a system deeply rooted in slavery, operates in fact for the interests of slave-owners and is not democracy for the majority of the people. At its most prosperous time in Athens, there were about 168,000 citizens (Athenian citizenship was limited to men and women whose parents had also been Athenian citizens), 32,000 "metoikoi" (Greek word), or "resident foreigners", and 200,000 slaves. Out of all those people, only about 40,000 citizens could participate in the democratic affairs—10% of the population.[326] Since slaves and resident foreigners were excluded from Athenian citizenship, its democratic rights were only a slave-owner privilege. This indicates that Athenian democracy in the beginning was a form of democracy that featured class distinction.

In ancient Chinese classics, the word "democracy" first appeared in *Shang Shu,* also known as *The Book of History,* and originally meant "lord of the people".[327] However, the word doesn't denote "people being the lord" but "being the lord of the people". So the meaning is inverted compared with the modern concept of democracy. Moreover, the idea of "people-oriented" in ancient China was also inverted in its subject and object, opposite from its present-day meaning. There are two underlying reasons: first, the ruler regarded the people as the source of social wealth, but "the people" here is not an active subject but a passive object; second, democracy was not an institutional system, but, at the most, it was a moral standard. "The people" as an object could not become "the cornerstone" in reality and were still seen as "the vulgar people" or "the lower-class people".

322 Herodotus. *The Histories* (Volume I), Beijing: Commercial Press, 1959, reprinted in 2007, p. 318.
323 Herodotus. *The Histories* (Volume I), Beijing: Commercial Press, 1959, reprinted in 2007, p. 232.
324 Li Tieying. *On Democracy.* Beijing: People's Press, 2001, p. 2.
325 Wang Shaoguang. *Four Lectures on Democracy.* Beijing: SDX Joint Publishing Press, 2008, p. 10.
326 Li Tieying. *On Democracy.* Beijing: People's Press, 2001, p. 2.
327 Ibid., p. 3.

In feudal society, feudal lords and serf-owners occupied the dominant position. They enjoyed democratic rights and formed the feudal dictatorship. The laboring people, however, were left in a totally powerless position and suffered from ruthless exploitation and oppression. Therefore, whether we view the issue from the perspective of democratic development or of systematic arrangement, feudal society is a dark period in the whole democratic progress.

In the bourgeois revolution, enlightenment thinkers upheld the principles of liberty, equality, democracy, and human rights, all of which have a positive impact on social development. They criticized theocracy, monarchy, and class privileges. The English philosopher John Locke (1632-1704), in his essay *Two Treatises on Civil Government,* refuted the views of the "divine right of absolute monarchy", and expounded theories of social contracts and natural law, believing that the right to rule came from "consent of the governed". A French Enlightenment philosopher Baron de Montesquieu (1689-1755), in his book *The Spirit of the Laws,* argued against the feudal autocracy and wrote with admiration about three "branches" of government that checked one another's power. Another radical French thinker, Jean-Jacques Rousseau (1712-1778), in his book *The Social Contract,* came up with the theory of popular sovereignty; he believed that sovereignty was the implementation of the "general will" or majority rule, and the "general will" is what rational people would choose for the common good. Essentially, these democratic thoughts are part of a bourgeois ideological system, reflecting their own interests. However, they played a significant role at that period under the condition that the chief task for all revolutionary classes, including the bourgeoisie and peasants, is anti-feudalism. These thoughts at first appear in abstract and supra-class forms, thus motivating all revolutionary classes to overthrow feudalism under the flag of a bourgeois democratic revolution and march into a new social system, namely capitalism and capitalist society.

A capitalist democracy was gradually established after the bourgeois revolutions. However, it is not as democratic as they claimed. It is democracy for the sake of capitalists; as for proletariats and all the working people, it is more of dictatorship than democracy. Vladimir Lenin pointed out that:

> In a capitalist society, providing it develops under the most favorable conditions, we have a more or less complete democracy in the democratic republic. But this democracy is always hemmed in by the narrow limits set by capitalist exploitation and consequently always remains, in effect, a democracy for the minority, only for the propertied class, only for the rich. Freedom in a capitalist society always remains

> about the same as it was in ancient Greece: freedom for slave owners. Owing to the conditions of capitalist exploitation, modern wage slaves are so crushed by want and poverty that 'they cannot be bothered with democracy or politics'; in the ordinary, peaceful course of events, the majority of the population is debarred from participation in public and political life.[328]

In retrospect, capitalist regimes have exposed their evil nature—with hatred and cruelness to proletariats since its birth. Taking the Great French Revolution as an example, as soon as the feudalist regime was overthrown, the bourgeoisie betrayed their previous cooperators and ruthlessly suppressed the uprising of French workers in June 1848. To wipe out the Paris Commune in 1872, the bourgeoisies unmercifully slaughtered unarmed workers. These facts reveal that their hypocrisy and ruthlessness are no less than that of the feudalists. Capitalist regimes establish political democracy in the name of a multi-Party system and separation of powers in order to balance the different bourgeois interest groups and essentially maintain them. The so-called "supra-class" and "universality" of capital democracy are actually deceptive. There is no abstract and universal democracy in a class society. A capitalist democracy is aimed to protect the fundamental interests of the bourgeoisie.

8.1.1.2 Socialist democracy for the immense majority of people

In a socialist society, the proletariat acquires a dominant position over the bourgeoisie and remnants of other exploiting classes. Therefore, a socialist democracy refers to the democracy of the proletariat. However, proletarian democracy still possesses a class nature other than universal and transcending democracy. Since the proletariat's fundamental interests are consistent with those of other masses of people, a proletarian democracy is also the democracy of the overwhelming majority of the people—a people's democracy. In socialist society, the broadest masses of people become the master of the country and society, jointly enjoying democratic rights and practicing dictatorship over the enemy and its remaining forces. For the first time in human history, the scope of democracy is extended into the broadest masses of people—a qualitative leap for democracy.

Socialism is in essence democratic, and its economic base is socialist public ownership of the means of production. Socialism is not only a new economic system based on socialist public ownership of the means of production, but also a new political system of

328 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 258.

which the working class and laboring people are the master. Under socialist conditions, the establishment of socialist public ownership ensures the shared interests of the overwhelming majority of the people, and equality of political status and common needs of cultural life. These conditions have laid solid foundations for the development of a socialistic democracy. The broadest masses of people need more than a rich material and cultural life. They also need a highly democratic political life and new patterns of interpersonal relationship built on the principle of a socialist democracy. The realization of these needs must be preceded by the establishment of a basic socialist system. Therefore, democracy and socialism are closely related to each other and cannot be separated. What we call socialistic democracy is to let the overwhelming majority of the people become masters of the country; without this point, it cannot be called a socialist society, nor can we say socialism has been established.

In a socialist system, the fundamental reason democracy can be extended to the overwhelming majority of the people lies in the fact that the masses established an economic system of public ownership after they seized power by means of revolution, and they exerted economic expropriation on the bourgeoisie by political power. Without this premise, the people will be deprived of political power, and the people's democracy will degenerate into capitalist democracy. Reform is the only solution for the self-perfection and development of a socialist system. To do this, the CPC must adhere to the path of socialism. In the first place, the Party must safeguard the dominant position of socialist public ownership, and develop a socialist market economy by adhering to the system of public ownership of the means of production. As an important part of a socialist market economy, an individual or private economy can exist and be better developed on the condition that it is in a subordinate status lest it harm China's basic economic, political and cultural (ideological) socialist system.

Capitalist democracy, no matter what forms it may take, is an instrument the capitalist class employs to protect its own interests and dominance. Since it is based on the private ownership of the means of production, it belongs only to an insignificant minority. Although it is claimed to be classless and universal, and endows people with freedom and various rights via lip service, in reality it restricts the democratic rights of the ruled class. The general public can enjoy their democratic rights under the condition that the bourgeois system is unthreatened. It is pointed out that:

> When people's only passion for real democracy begins to undermine the basic social system to the extent that it influences the authority of the bourgeoisie, the democratic

> system will automatically replace it or call it back. Such is the predicament some capitalist countries like Europe and North America are facing.[329]

As long as capitalism is still the crucial economic power in our social life, democracy can only be the democracy of money, the democracy in which money rules people. "No capitalist society today may reasonably be called democratic in the straightforward sense of securing personal liberty and rendering the exercise of power socially accountable."[330] Some scholars pointed out that:

> Capitalism and democracy are not complementary systems. Rather, they are sharply contrasting rules regulating both the process of human development and the historical evolution of whole societies: one is characterized by the preeminence of economic privilege based on property rights, the other insists on the priority of liberty and democratic accountability based on the exercise of personal rights.[331]

In fact, capitalism was born with the priority of money. Since the day when a capitalist society was established, the achievement of individual liberty and democracy as well as rights was always closely related with money. Ordinary people in capitalist countries seem to enjoy democracy superficially, but in fact, they are not endowed with real democratic rights.

When it comes to democracy, many people will always model themselves after Americans. But in fact, American democracy is typical of capitalist democracy in which the proletariat and the general public do not enjoy real democratic rights. Although American scholar William Domhoff declared that he was not a Marxist, he clearly pointed out in his book *Who Rules America: Power, Politics, and Social Change* that "people may enjoy freedom in personal or religious problems and they may also be allowed to talk about their political orientation freely, but they do not enjoy political rights".[332]

First, American constitutionalism is at service to its bourgeois constitutional system

Robert A. Dahl once analyzed how the American constitution breached the principles of democracy in *How Democratic Is the American Constitution?* For example, according to the U.S. constitution, the president is elected indirectly by an electoral college. Not merely should voters elect a president from between two candidates, but voters should also

329 *Democraci/ and Capitalism.* Beijing: Commercial Press, 2003, p. 6.
330 *Ibid.,* p. 3.
331 *Ibid.,*
332 William Domhoff. *Who Rules America: Power, Politics, and Social Change.* Nanjing: Yilin Press, 2009, p.5.

directly elect designated intermediaries called "electors", who always pledge to vote for particular presidential and vice presidential candidates. The number of electors in each state is equal to the number of representatives and senators. There are currently 538 electors, corresponding to the 435 Representatives and 100 Senators, including the three additional electors from the District of Columbia. These electors form an electoral college, the essence of which is a system of indirect election. As Robert points out, "No part of the Constitution revealed the flaws in its design more quickly than the provision for an electoral college. Even when the electors were chosen by popular election, however, undemocratic features remained inherent in the electoral college. For example:

1. *Popular votes versus electoral votes.* First, the candidate with the greatest number of popular votes—a plurality or even an outright majority—might not receive a majority of electoral votes and thus might fail to be chosen as president. Four presidential elections—including that of 2000 (including the election in which George Walker Bush won)— have led to just such an outcome. In the most famous instance, the election of 1876, a candidate with an outright *majority* of popular votes lost the presidency.
2. *Wining with a minority of popular votes.* In fact, winning the presidency with only a minority of popular votes has been a fairly common occurrence. In a total of eighteen elections, candidates have gained the presidency without winning a majority of popular votes. Overall, then, in one out of every three presidential elections, the highest office in the land was awarded to a candidate chosen by a minority of voters."[333]

In view of these deficiencies, Dahl pointed out:

> From a democratic perspective, the most desirable change will be a constitutional amendment that will replace the electoral college with a direct election of the president by popular vote; if no candidate were to win more than 50% of votes on a popular vote, a run-off election between the two top candidates would be held shortly thereafter. Surveys indicate that the vast majority of Americans support the enforcement of this reform. Nonetheless, constitutional design denies the possibility, for it will barely win 67% of votes from the senators. According to statistics, over 700 proposals designed to revise or abolish the electoral college have deluged the House of Representatives, none of which have been passed.[334]

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333 Robert A. Dahl. *How Democratic Is the American Constitution.* Beijing: Orient Press, 2007, pp. 68-79.
334 Ibid., pp. 74-75.

To return now to our question, why did the framers settle on this solution? The usual answer runs like this: they wanted to isolate the presidential election from the hands of popular majorities. Dahl argues that the effort exerted by framers to separate the chief executive from the general public provides unshakable evidence that proved the framers' failure in setting a constitution that serves democracy and republicanism.[335] From the very beginning, the original framers spared no effort in depriving the general public of and constrained them from their democratic rights.

Second, high election expenses have constrained candidates to the well-off

Since it came into being, bourgeois democracy has been tied to money, which provides indispensible support for democracy in capitalist societies. Without money or wealth, people cannot realize their political rights or guarantee social rights promised by the bourgeoisie. Money or wealth determines people's political *and* social status. Under a capitalist regime, an election is an important reflection of exercising democratic rights, while an important means of election by monopoly bourgeoisie is money and wealth. Modern capitalist countries lifted restrictions on wealth and gender of qualifications for election, but money or wealth still remains a decisive factor. A case in point is the United States. The distribution of wealth has been highly centralized throughout U.S. history. In the 19th century, 1% of the upper class population owned 40 to 50% of the wealth in large port cities; it remained almost the same in the 20th century. But in 2001,1% of the people in senior official positions held 33.4% of marketable assets, that is to say, 20% of the population held 84% of its private wealth. After research, G. William Domhoff concluded that "the upper class was a kind of economic class, based on ownership and control of revenue-generating assets".[336] This class controls not only the U.S. economy and politics, but also U.S. elections. Moreover, the escalating campaign spending is an essential means to win these rich-dominated elections. Over the years, the spending of presidential campaigns in the United States continued to hit records. In 1980, it was $16.2 million, and it doubled to $32.4 million in 1988. But in 2000, total campaign spending soared to $52.9 million, then hit a record $88.1 million in 2004. "Nowadays, it will be possible to become a senate candidate only by spending at least $1 million."[337] Under the

335 Robert A. Dahl. *How Democratic Is the American Constitution.* Beijing: Orient Press, 2007, p. 76.
336 William Domhoff. *Who Rules America: Power, Politics, and Social Change.* Nanjing: Yilin Press, 2009, pp. 24-25.
337 Ibid., p. 5.

electoral system of capitalism, running for president is impossible without money or wealth. In capitalist society, then, democracy is incomplete, necessitous, and hypocritical, enjoyed only by a few rich people.

Third, senior government posts are held by the rich

The political system of the United States is the presidential system, which allows the president to appoint rich people to high government positions. Among President George W. Bush's cabinet members, senior officials are unprecedentedly relevant to business communities:

Vice President Richard Bruce Cheney was a CEO in Halliburton Company for eight years prior to Bush's presidential election. Halliburton is a conglomerate that handles construction, petroleum, and other industries, and was the seventh largest U.S. defense contractor in 2003. Cheney's annual income was several million U.S. dollars. He also received over $20 million in company stock options when he left. He had previously worked on the board of directors of Electronic Data Systems, Procter & Gamble, and Union Pacific.

Andrew Card, White House Chief of Staff under President George W. Bush, once acted as the CEO of the American Automobile Manufacturers Association for seven years and for two years was General Motors' Vice President of Government Relations.

Secretary of Defense Donald Rumsfield once acted as the CEO of G.D Searle & Company for eight years, and was CEO of General Instrument Corporation for three. Before he joined the Bush administration in 2001, he was a board member of four companies: Key Logic Group, Sears Roebuck, BBD Publishing, and Gulfstream Aerospace Corporation. He was also the director of two think tanks: American Enterprise Institute and Rand Corporation.

Secretary of the Treasury John W. Snow was president of Chessie Railway Transport Company and director of Verizon Communications.

Carlos M. Gutiérrez, Secretary of Commerce, was executive vice president of Kellogg Company in 1990 and its CEO in 1999.

Norman Mineta, Secretary of Transportation, a Japanese American, inherited his father's insurance company. Retired from the U.S. Congress in 1995, he acted as vice president of Lockheed Martin Space Systems Company until July 2000.

Secretary of Health and Human Services Mike Leavitt acted as CEO of the Leavitt Group Insurance Company founded by his father. The company had 100 branches in the U.S. and was the 27th largest corporate insurance agency. Before entering politics,

he was appointed to the board of directors of numerous companies including Pacific Corporation, Utah Power and Light, and Greg Wisdom Savings and Credit Company.

As can be seen from the above analysis, the government is closely connected with corporations and consortiums. Scholars pointed out that:

> The general picture that emerges from this information on the overrepresentation of members of the corporate community and policy network in appointed governmental positions is that the highest levels of the executive branch, especially in the State, Defense, and Treasury departments, are interlocked constantly with the corporate community through the movement of executives and corporate lawyers in and out of government. Although the same person is not in governmental and corporate positions at the same time, there is enough continuity for the relationship to be described as one of revolving interlocks. Corporate leaders resign from their numerous directorships to serve in government for two or three years, then return to the corporate community.[338]

Their interests are closely tied together.

8.1.2 The Comprehensiveness of Socialist Democracy

In what aspects can people can enjoy democracy is the second question that any democratic system should answer. Cohen referred to this issue as "the scope of democracy". In a socialist society, the overwhelming majority of the people work as masters of the state and society, and fully enjoy the rights of economy, politics, culture, and more by participating in state and social affairs—which shows that socialist democracies are inclusive. The scope of democratic rights widely ranges from political democracy to economic, cultural, and social fields, which is another giant leap in the human history of democratic development. The comprehensiveness of democracy is another reflection of the authenticity of a socialist democracy.

8.1.2.1 What do comprehensive democratic rights mean ?

The intrinsic meaning of democracy is manifold. It includes democratic rights, democratic systems, democratic style, and so on. Democracy should first mean democratic rights; democratic systems are the embodiment of democratic rights, which stipulate what kind of people can enjoy democratic rights and make sure they are available;

338 William Domhoff. Who *Rules America: Power, Politics, and Social Change.* Nanjing: Yilin Press, 2009, pp. 331-336.

democratic style is a kind of thought, with characteristics of behavior and habits formed in the long enforcement of democratic rights. All are closely related. Democratic right is the basis, democratic system the guarantee, and democratic style the manifestation of democracy. Democratic styles seem like individual behaviors, but in fact are a reflection of democratic rights and democratic institutions formed in democratic practices. Only under a true democratic institution can they happen. In short, real democracy is the combination of rights, institutions, and styles.

From the perspective of democratic rights, economic, political, cultural, and social rights are built on the basis of socio-economic, political, cultural, and other social relationships, which make up an integrated and organic system of democratic rights. Economic right is the basis and core of the system, political right the key and fundamental guarantee, cultural right the ideological reflection, and other social rights are attached to the system. There are different systems of democratic rights in different social modes. Accordingly, social systems form, ones that reflect and guarantee those particular rights. In a word, any social system is for the sake of the content, range, and degree of rights of different classes, and it guarantees specific rights.

Democracy means that people become the masters of the country, which implies that they should enjoy economic, political, cultural, and other rights. Social systems and institutions must guarantee these rights. When a social system is democratic, the principle that people are the masters of the country must be put into effect and embodied in its economic, political, ideological, cultural, and other fields. The economic system stipulates the basic status of all social classes in its social-economic relationships, which constitutes the economic foundation of the society; the political, ideological, and cultural system that constitutes the social superstructure is the political guarantee and reflection of the economic system, the latter serving the former. The democratic principle should first be embodied in social-economic and economic relations in a democratic society; a democracy in this aspect is called an economic democracy. Economic democracy is the root of democracy in other fields. Without it, real democracy in other fields can never exist.

Human rights, according to Marxism, are not inherently entitled by nature, but are interpersonal relationships shaped in the process of a changing Nature, society, and man himself. They are concrete, historical rights that change over time and can be enriched with societal development. Human rights are related to Nature, society, and man himself, including the right to life and development, or more specifically, to economic, political,

and cultural rights and so on. Capitalist democracy represents one stage of development of human rights, a bourgeois democracy in nature. A capitalist democracy aims to serve the rights of the bourgeoisie, while the general public cannot enjoy full human rights. Under this system, capitalists have absolute economic hegemony over others. Political and cultural rights are conferred to the public on the premise that they do not impede the function of capitalist ownership and the capitalist society.

From the perspective of human liberation, capitalist democracy has not erased personal dependence. In primitive society, people suffered from Nature but were freed of social oppression. Although barbarity still largely remains in human beings, each was an independent individual and had no right to dominate others. In the slave society, polarization in social status existed among people as slaves had been deprived of their personal rights, demoted to physical attachment to slave owners. For the first time, human beings experienced class and social oppression. In a capitalist society, human differentiation still exists. It seems that people had obtained personal rights, but their rights had to give way to money's rights. Driven by the money's rights, the working class became an accessory of the capitalist state machine. In the capitalist world, slaves' direct personal reliability on slave owners had shifted to that of the working class relying on the production system, indirectly on capitalists. Slavery hadn't been ended—just transformed. Therefore, capitalist society is far away from a democratic society. Only in a socialist society does the social system guarantee elimination of human rights deprivation and enable people to build a communist society where a person's free, independent, and all-around development can be truly achieved.

8.1.2.2 Political democracy is the precondition for comprehensive democracy

The practice of socialist democracy proves that political democracy is a precondition of comprehensive democracy. The democracy and social formation of human society are the same in nature. Socialist social formation is a historical inevitable outcome. Before that, socialist democracy cannot be gained. After that, nothing can stop it. During the process of building a socialist democracy system by keeping with the trend of history, the people should first gain a political democracy, then build a comprehensive socialist democracy.

From the perspective of transformation of a social system, the emergence of a new social form follows a universal law: from the birth of new economic relations (rudimentary stage) and theoretical reflection, to the emergence of a political revolution

(revolutionary transformation of the state power), and finally to economic revolution (the formation of a new economic mode). In other words, this law means that in the beginning, the factors of new economic relations are bred in the old social formation. Then theoretical reflection comes into being. It includes new theoretical views, a theory system, social trends, and mass public opinion. These new economic relationships and the theoretical reflection reflect the demand of advanced productive forces and have great vitality and a disintegration influence on the old economic mode. But this influence has a too weak effect to change the old economic mode in order for it to be replaced with new economic relationships. The birth of new economic relationships must be based on the intermediate link—political revolution. It can help to build a country's new state power to change the social economic relationships from the ground up. Social formation transition has been following this universal law since mankind entered a class society.

From the perspective of a static analysis of social structure, the core of democracy is that it can be the master in the economic sphere. But the most important thing is for the CPC to create a political democracy. To become a political democracy the Party must first build a political institution. From what is mentioned above, democracy belongs to the category of political institutions, meaning that the CPC can make a confirming orientation for democracy and hold its core only in this category. Especially under the socialist system, the Party must hold this core even if democracy exists extensively within many aspects, such as economic, politics, culture, and more. In essence, democracy in all aspects must be based on political democracy. It functions as the extension of political democracy. "Democracy is a form of the state, it is one of the structures of the state", said Lenin.[339] The democracy of a country mainly refers to its political system. As a kind of state system, the political system belongs to the category of superstructure in the social structure, and, in the final analysis, it is determined by and serves a certain economic base. As mentioned by Lenin, any democracy, just like any political superstructure (political superstructure must exist until the classes are eliminated), serves production and is determined by the relationships of social production.

Thus, after obtaining state power by revolution, the proletariat must also carry out a fundamental transformation in social economic relationships to control the economic lifeline of the country and to create an economic foundation for proletarian democracy. Otherwise, the bourgeoisie, taking advantage of the economic forces they hold, will

339 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 270.

have a chance to resist, which can harm and even subvert the proletarian regime. This important lesson is what Marx and Engels learnt from the failure of the Paris Commune. "The first step in the working class revolution is to raise the proletariat to the position of a ruling class to win the battle of democracy."[340] In this quotation, "to win the battle of democracy" refers to establishing a proletarian regime. Based on this, it is proposed that:

> The proletariat will use its political supremacy to wrest, by degree, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the state, i.e., of the proletariat organized as the ruling class; and to increase the total productive forces as rapidly as possible.[341]

That is to say, the relationships of production in a socialist society are designed to rely on the working class's state power, i.e., its democratic political system, which is established by the expropriation of the expropriators. Only after finishing this first step "to raise the proletariat to the position of a ruling class to win the battle of democracy," can a socialist economic foundation and then a socialist society be established. Without this democracy, there will be no socialism.

In class society, democracy is always exclusive to the ruling class that dominates the country. In this sense, there is no essential difference between bourgeois democracy and any other democracy in previous social forms. In other words, capitalist society, in terms of its essence, is not a democratic society at all. However, bourgeois democracy has actually achieved greater progress compared with previous social forms. Its progress is mainly manifested in two aspects: in the political regime and in individual rights. All societies before the capitalist society, such as slave and feudal societies, were authoritarian regimes. They had a typical feature: state power is owned by the supreme rulers of the state—monarch, king, emperor, and the like. But in bourgeois society, bourgeois democracy adopted a political system of separation of three powers, in which state powers are separated, checked, and balance each other. In individual rights, bourgeois democracy recognizes the equal rights of the people in form.

In socialist society, the people enjoy true democracy, not only in the field of politics, but also in various fields of social life—economy and culture, etc. Therefore, only a socialist country can truly be called a democratic country or society. Socialist public ownership ensures economic democracy of the people. Freed from the slavery of

340 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 52.
341 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 52.

capital, they become masters of the means of production and can independently develop socialist productive forces. The purpose of socialist production is to serve the people and continually meet their growing material and cultural needs, rather than to pursue surplus value. Furthermore, the basic economic policy throughout a period of socialism is to expand and meet the domestic demand, while foreign trade and exports are only supplementary means to achieve this end.

Democratic rights are available to people under a socialist political system, which is a powerful tool for people to govern the country and to execute a dictatorship over the enemy. Similarly, rights of education, cultural consumption, and freedom of speech are available. The cultural right of the people is a powerful tool to develop a socialist cultural career. Of course, socialist democracy is still in its primary stage, and there is much space for improvement in democratic form, system, and procedure. These defects can be remedied by means of a harmonious development.

In fact, "democratic country" or "democratic society" are just labels dubbed by capitalists themselves, which was evidenced by the global financial crisis in the fourth quarter of 2008. Financial crisis is in essence economic crisis. Owing to private ownership, many people were exploited ruthlessly, losing purchasing power and living a precarious life. In face of this financial crisis, the bourgeoisie tricked people with so-called "financial creation", a hoax to put people into debt, which triggered the great crash. People who were creators of social products found themselves shackled in debts. Can a true democratic society in which people govern the country be trapped into such a dilemma? In the wake of the financial crisis, a lot of money flowed into capitalists' pockets rather than being used to reduce people's debts. Such a solution can't bridge the gap between social consumption and social production, nor uproot a financial crisis.

Democracy, whether it is socialist or capitalist, is a historical phenomenon that will develop and perish with human society. First, democracy as a political superstructure is not an everlasting value of mankind, which will perish with the state and the class. Second, democracy is a political phenomenon which will develop with social forms. As a kind of political civilization, democracy will evolve from a lower to a higher level, or develop from backward to advanced. That is to say, the three kinds of democracy existing in slave society, feudal society, and capitalist society have and will experience historical evolution and successive replacement by one after another. During a capitalist society, democracy is still restricted by class and private ownership, but it represents social progress that emerges as "national democracy"

for the first time in human history. Although the formal democracy is not what the working people really want, it is the working people's phasic achievement in fighting for democratic rights in the course of history. Third, democracy develops historically even in the same social form. In the society of private ownership, all social forms witness a process of rise and fall, as does the democracy itself. During the rise period, democracy witnesses a process of gradual improvement and development; during the fall period, democracy gradually shows a trend of decay with its superstructure maintaining the old economic foundation until new social factors in a new social form emerge, replacing the old with the new.

A socialist democracy is a new form of democracy based on a public-owned economy. It represents a new stage of democracy in human history. In its development, a new political democracy has been born and the social democracy has been consolidated and developed. When humans enter a true communist society, classes and states will perish, and political democracy will be found only in history exhibitions.

8.2 Essential Guarantee of a Socialist Democracy

Like any other democracy in history, the socialist democracy possesses clear class character, the nature of which is proletarian democracy. The inherent unity between the socialist democracy and the dictatorship of the proletariat implies that the former is the inevitable requirement of the latter, and the latter is the essential guarantee of the former. Without a dictatorship of the proletariat, a socialist democracy would not exist.

8.2.1 Inevitable Requirement of a Socialist Society

The dictatorship of the proletariat is inseparable from socialism. The dictatorship of the proletariat cannot do without socialism, and vice versa. The argument that the proletariat, after seizing power, will build a harmonious society and will weaken the dictatorship of the proletariat does not hold water.

As the essence of Marxism, the dictatorship of the proletariat, or the dictatorship of the working class, means that the people exercise state power under the leadership of the proletariat, which does not share political power with any exploiting class. In his *On Marxism,* Lenin said, "Only those who recognize the class struggle and the dictatorship of the proletariat are Marxists.... This is a touchstone to test whether or not they really

understand and recognize Marxism".[342] A Marxist must also realize that the dictatorship of the proletariat is an inevitable consequence of the class struggle between the proletariat and the bourgeoisie, which ensures the transition to a classless society.

Since the development of human society is a natural historical process evolving from lower to higher forms, the replacement of capitalist society by a communist society is an inexorable tendency. Growing out of a class society, the state is the tool of the ruling class by nature, and state power is fundamentally the dictatorship of the ruling class. Seen from the class nature of a society with private ownership, slave society witnessed the dictatorship of the slaveholders, feudal society experienced the dictatorship of the landowners, and capitalist society is the dictatorship of the bourgeoisie. By contrast, a communist society features the elimination of classes, class struggle, the state, state power, class democracy, and dictatorship. Then, how will a capitalist society be transformed into a communist society? Between the two, Marx replied, there must exist a socialist period in which the dictatorship of the proletariat is established.

The "dictatorship of proletariat" is one of the most important Marxist thoughts par excellence on the state issue. In 1846, when Karl Marx and Friedrich Engels were writing *The German Ideology,* a book satirically written against the ideas of some philosophers at that time, this thought was already in embryo. They stated that "every class that is struggling for mastery, even when its domination, as is the case with the proletariat, postulates the abolition of the old form of society in its entirety and of domination itself, must first conquer for itself political power".[343]

In 1848, the thought of "dictatorship of the proletariat" became clearer in *Manifesto of the Communist Party.* After studying the history of the bourgeoisie and the proletariat, they reached the conclusion that, "of all the classes that stand face to face with the bourgeoisie today, the proletariat alone is a truly revolutionary class".[344] With an acute class struggle, "the fall of the bourgeoisie and the victory of the proletariat are equally inevitable".[345] The first step of a revolution started by the working class is to raise the proletariat to the position of a ruling class to win the democracy. It is pointed out that:

> The proletariat will use its political supremacy to wrest, by degree, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the state, i.e.,

342 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 206.

343 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, pp.536-537.

344 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 41.

345 *Ibid.,* p. 43

> of the proletariat organized as the ruling class, and to increase total productive forces as rapidly as possible.[346]

In this way, they pointed out the inevitable consequence of a class struggle between the proletariat and the bourgeoisie, and the path to dictatorship of the proletariat and its functions.

In *The Class Struggles in France 1848-1850,* Marx first used the concept of "dictatorship of the working class"[347] to refer to the political rule of the proletariat to be established after overthrow of the bourgeoisie.

In March 1852, in his letter to Joseph Wedemeyer, a military officer and a Marxist revolutionary, Marx summarized the theory of proletarian dictatorship, "(1) that the existence of classes is only bound up with particular historical phases in the development of production; (2) that class struggle necessarily leads to the dictatorship of the proletariat; (3) that this dictatorship itself only constitutes a transition to abolition of all classes and to a classless society".[348]

In 1871, Marx and Engels summed up the experience and lessons of the Paris Commune, a radical socialist and revolutionary government ruling Paris from March 18 to May 28 that year, and further developed this theory. "One thing especially was proved by the commune, viz., that 'the working class cannot simply lay hold of ready-made state machinery and wield it for its own purposes'".[349]

In 1875, Marx wrote *Critique of the Gotha Program* to oppose the Gotha Program, a Party platform of the German Social Democratic Party, for its opportunism and proposed the theory of a "transition period". In the book, Marx said:

> Between capitalist society and communist society lies the period of the revolutionary transformation of the one into the other. Correspondent with this there will be a period of political transition during which the state can be nothing other than the revolutionary dictatorship of the proletariat.[350]

Through this theory, the dictatorship of the proletariat has become much more closely linked to the socialist society, showing the historical inevitability that a socialist society must uphold the dictatorship of the proletariat.

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346 *Ibid.,* p. 52.

347 *Ibid.,* p. 104.

348 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 106.

349 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 151.

350 *Ibid., p. 445.*

According to Marx, the communist society, in which man can enjoy free and all-around development, follows the principle from each according to his abilities, to each according to his needs, a slogan popularized by Marx in *Critique of the Gotha Program.* After the basic socialist system has been established, the socialist society, making a qualitative leap compared with the capitalist society, can be referred to as "the first phase of a communist society".[351]

Lenin pointed out:

> But the scientific distinction between socialism and communism is clear. What is usually called socialism was termed by Marx the 'first', or lower, phase of a communist society. Insofar as the means of production become common property, the word 'communism' is also applicable here, providing we do not forget that this is not complete communism.[352]

Based on his thought, the scientific distinction between socialism and communism is still clear, even if the proletariat won victory in the revolution in the countries with a full development of capitalism and saw the means of production become common property after the revolutionary transformation. We still must not "forget that this is not complete communism". As in this period, its level of productive forces does not meet the principle of "from each according to his abilities, to each according to his needs", and, as Karl Marx put it in *Critique of the Gotha Program,* "just as it emerges from capitalist society; which is thus in every respect, economically, morally, and intellectually, still stamped with the birthmarks of the old society from whose womb it emerges".[353] For this reason, a socialist society still needs the proletariat to establish and consolidate its ruling status.

Classes have remained, but in the era of the dictatorship of the proletariat every class has undergone change, and the relations between the classes have also changed. Class struggle does not disappear under the dictatorship of the proletariat; it merely assumes different forms. In *The State and Revolution,* Marx said:

> In reality, this period inevitably is a period of an unprecedentedly violent class struggle in unprecedentedly acute forms, and, consequently, during this period the state must inevitably be a state that is democratic in a new way (for the proletariat and the property less in general) and dictatorial in a new way (against the bourgeoisie).[354]

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351 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 435.

352 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 268.

353 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 434.

354 *Collected Works of Lenin: On Marxism.* Beijing: People's Press, 2009, p. 207.

> The essence of Marx's theory of the state has been mastered only by those who realize that the dictatorship of a single class is necessary not only for every class society in general, not only for the proletariat which has overthrown the bourgeoisie, but also for the entire historical period that separates capitalism from a 'classless society' and from communism. Bourgeois states are most varied in form, but their essence is the same: all these states, whatever their forms, in the final analysis, are inevitably the dictatorship of the bourgeoisie. The transition from capitalism to communism is certainly bound to yield a tremendous abundance and variety of political forms, but the essence will inevitably be the same: the dictatorship of the proletariat.[355]

In light of international communist movement practice, the "big transition period" from capitalism to communism actually contains a "small transition period" from capitalism to socialism. In the latter period, the proletariat with state power carries out a socialist transformation, which allows the state power's economic base to transfer from private ownership to public ownership and brings about great changes in social economy, politics, ethics, and culture. In *Talks at the Chengtu. Conference (March 1958),* Mao Zedong said that "capitalism leads to socialism, socialism leads to communism", in which the first half refers to the "small transition period".[356]

Owing to the extreme backwardness and petty-bourgeois character of Russia, in which the basic forces are the bourgeoisie, the petty bourgeoisie (the peasantry in particular), and the proletariat, Lenin mentioned Russia's economic and political features in this period:

> This transition period has to be a period of struggle between dying capitalism and nascent communism—or, in other words, between capitalism that has been defeated but not destroyed and communism that has been born but is still very feeble.[357]

The functions of the dictatorship of the proletariat are reflected in economic, political, cultural and other aspects of social life. Since a socialist society is historically heterogeneous from any society with private ownership, the functions of the proletarian dictatorship have their own distinct characteristics compared with that of the dictatorship of exploiting classes.

In history, all regimes of the exploiting class—slaveholders, landowners, and the bourgeoisie—are based on an economy with private ownership and with intent to

355 *Collected Works of Lenin: The State and Revolution.* Beijing: People's Press, 2009, p. 207.

356 *Complete Works of Mao Zedong* (Volume 7). Beijing: People's Press, 1999, p. 375.

357 *Collected Works of Lenin: On Socialism.* Beijing: People's Press, 2009, p. 154.

strengthen and develop this foundation. On the contrary, a proletarian regime is based on the public economy and aims at consolidating and promoting public ownership.

After seizing political power, the proletariat will transform the economic foundation from private to public ownership, and put down the resistance of the bourgeoisie by using political power. On the other hand, the proletariat needs to develop its productive forces to give full play to all sources of social wealth, and to carry out transformation in the fields of politics and culture, creating conditions for the transition to communism.

The dictatorship of the proletariat is the inevitable conclusion of a Marxist worldview, especially the Marxist concept of history that indicates that a specific mode of production gives rise to specific classes. The slaveholder class and its opposite, the slave class, emerged from the slave mode of production. In the process of a slave revolution, the slave and the slaveholder classes evolve into the peasant class and into the feudal landlord class respectively with the appearance of a feudal mode of production. Then, during a peasant revolution, the two sides transform into the proletariat and then bourgeoisie owing to the capitalist mode of production.

Therefore, all classes before capitalist society have disappeared—on the one hand, due to the change in their class identities; on the other, they have not disappeared because their class status has not fundamentally changed. The reason is that the social productive forces have not entered the stage of mass production, and the social mode of production remains in private ownership. Since modern times, with the emergence of mass production and the revolutionary change of the mode of production, the proletariat, a new class of laborer, came into being.

Socialized mass production provides the proletariat with the material and technological conditions to change its social status, and the scientific theory of Marxism provides the proletariat with an important spiritual weapon. Thanks to material and spiritual conditions, the proletariat will grow into a conscious class for the first time, and people can change their social status.

In the history of class struggle for thousands of years, the laborer will unprecedentedly acquire the conditions and possibilities to abolish private ownership. However, a socialist society, as the lower phase of a communist society, still lacks the competence to destroy the class and the state. For example, long after the seizure of political power and the socialist transformation (1953-1956) in three major fields, the dictatorship of the proletariat had not disappeared, and instead, China will fully exert its political power to consolidate and develop a new socialist system, and create conditions for destroying the class and the state, and to realize communism.

8.2.2 Proletarian Dictatorship and Violence

As a particularly strong organization, the state is used to suppress certain classes with force. What class does the state of the proletariat intend to suppress then? Of course it is the exploiting class and the anti-socialist forces, for the proletariat is the only class that is consistently revolutionary and the only class that can unite all working and exploited people in the struggle against anti-socialist forces and achieve the liberation of mankind. The dictatorship of the proletariat, a new state power, performs both the functions of dictatorship and social management. Like any dictatorship of the exploiting class in history, violence is essential to proletarian dictatorship.

8.2.2.1 A "universal law" of proletarian revolution

According to the basic principles of Marxism, a violent revolution is a "universal law" of proletarian revolution and social reform, and "force is the midwife of every old society pregnant with a new one".[358] The communists "openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions".[359]

When explaining this important principle from Marx and Engels, Lenin pointed out that:

> The theory of Marx and Engels of the inevitability of a violent revolution refers to the bourgeois state. A bourgeois state cannot be superseded by a proletarian state (the dictatorship of the proletariat) through a process of withering away, but, as a general rule, only through a violent revolution. And he emphasized that this view of violent revolution lies at the root of the entire theory of Marx and Engels.[360]

However, the authors of Marxist classics do not uphold the "supremacy of violence". In their works, they repeatedly hope that the proletariat will take state power and transform the old society in a non-violent and peaceful way. But, at least, up to now, this situation has not occurred in the practice of the international communist movement due to existing acute and profound social contradictions.

Throughout the history of human society, any state power representing a new social form was born in blood-soaked and furious fighting. Take China as an example. Its transformation from a slave society into a feudal society experienced the Warring States Period (475-221BC), a great age of change lasting more than 250 years. After years of

358 *Collected Works of Marx and Engels* (Volume 5). Beijing: People's Press, 2009, p. 861.
359 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 66.
360 *Collected Works of Lenin* (Volume 3). Beijing: People's Press, 1995, pp. 127-128.

bloody battles, the Qin State (771-221BC), which first practiced feudalism, eventually unified China and established China's first feudal dynasty, the Qin Dynasty (221-207 BC). In modem China, a rising bourgeoisie with high ideals, represented by Sun Yat-sen (1866-1925), also experienced the process of seizing power through a long and bitter struggle, such as the Guangzhou Uprising in southern China in 1895,1910, and 1911, and the Wuchang Uprising in central China in 1911. During the New Democratic Revolution (1919-1949), the Chinese people led by the CPC and guided by Mao Zedong Thought withstood the painstaking struggle of blood and fire before seizing political power.

The regime change in Western countries was also filled with blood and fire—the English Revolution of 1640, the French Revolution of 1789, and the American Civil War (1861-1865).

So, does the proletariat still need violence after taking state power? Yes, absolutely. Violence is necessary to defend the land against invaders, struggle against the exploiting class, and prevent crimes that endanger the safety of the state, people's lives, and property. Violence, for any country, is a general tool to safeguard national security and consolidate state power. The crux is not whether a country should use violence, but who is entitled to use the violence, against whom, and under what circumstances. In developed capitalist countries that regard themselves as democratic states, violence is also a tool used to protect their bourgeois democracy. On the premise that violence and dictatorship should not be given up, the CPC must use violence moderately and exercise dictatorship within the limits of the constitution so as to maintain China's political and social stability and guarantee the smooth progress of socialist construction.

8.2.2.2 Proletarian violence: the unity of dictatorship with democracy

In spite of the indispensability of violence to all classes, the violence of the proletariat is essentially distinct from that of the bourgeoisie due to different class characters.

First, the force of the proletariat serves to defend the democracy of the working people. Like any class dictatorship, a proletarian dictatorship employs force to suppress the reactionary class and restoration of the old society. Fundamentally different from the dictatorship of the landlord class and bourgeoisie, which uses force to crush the opposition of most laborers, a proletarian dictatorship uses force to break down the resistance of very few exploiters—landowners and capitalists. In a word, the proletarian force is based on the fact that the people enjoy substantive democracy.

Second, the essence of a proletarian dictatorship is not in force alone, or even mainly in force. According to Lenin,

> The dictatorship of the proletariat is inevitable, necessary, and undoubtedly obligatory in order to escape from capitalism. Dictatorship means not only force—though it is impossible without force—but also a higher level of labor organization than before.... The essence of a proletarian dictatorship is not in force alone, or even mainly in force. Its chief feature is the organization and discipline of the advanced contingent of the working people, of their vanguard, of their sole leader.[361]

That is to say, force is indispensable but not a must for the dictatorship of the proletariat, and it is far less important than to practice democracy among the people and exercise functions of the dictatorship.

On the basis of socialist practice in the 20th century, the most critical problem is how to handle the relationship between democracy and dictatorship. The two constitute a dialectical whole and neither can exist without the other. Dictatorship guarantees democracy, and democracy in turn consolidates the dictatorship.

In the socialist era, no democracy is separated from dictatorship and vice versa. Separation or contradiction of the two will definitely damage the cause of socialism. Following the collapse of the socialist system in the Soviet Union in 1991, painful and profound lessons must be learned.

Speaking of the people's democratic dictatorship, Deng Xiaoping, chief architect of China's reform and opening up, takes a clear stand:

> One of the basic concepts of Marxism is that the socialist system must be defended by the dictatorship of the proletariat. Marx once said that the theory of class struggle was not his discovery. His real discovery was the theory of the dictatorship of the proletariat. History has proved that a new, rising class that has just taken power is, generally speaking, weaker than the opposing classes. It must therefore resort to dictatorship to consolidate its power. Democracy is practiced within the ranks of the people and dictatorship over the enemy. This is the people's democratic dictatorship. It is right to consolidate the people's power by employing the force of the people's democratic dictatorship. There is nothing wrong in that.[362]

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361 *Selected Works of Lenin* (Volume 3). Beijing: People's Press, 1995, p. 830.

362 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 379.

8.2.3 Relationship with the CPC

The dictatorship of the proletariat must be realized with the leadership of the Communist Party, which in the socialist stage must be emphasized, recognized, and adhered to; otherwise, the proletarian dictatorship is bound to fail and the proletariat will inevitably lose political power.

First, the dictatorship of the proletariat exists to establish proletarian leadership. In the socialist stage, the class struggle still focuses on seizure of state power, especially on the leadership struggle.

The practice of class struggle inside and outside the socialist country since its establishment, and the collapse of the proletarian state power in some countries show that class struggle is extremely ruthless. Therefore, a proletarian dictatorship is important. Several decades onwards after the proletariat takes state power, leadership remains the core issue. Provided that social productivity is developed into a stage that can abolish classes and states, and that forms of ownership of different natures inevitably exist, classes and class struggle cannot be neglected.

Seen from the perspective of the social mode of production, the peasantry, representing the traditional mode of production (agricultural production and non-mainstream patterns like the handicraft industry), is bound to exist in the form of class before industrialization.

On the one hand, private ownership of land, class exploitation, and oppression have been abolished in agricultural production relations under socialist conditions. Since the ultimate goal of agricultural production is to realize industrialization, socialization, and modernization, the peasant class shares the same goal and interests of social development with the proletariat. Therefore, a worker-peasant alliance becomes necessary for a proletarian dictatorship. On the other hand, the relative backwardness and conservatism of Chinese peasants and their mode of agricultural production determine that the worker-peasant alliance must be under proletarian leadership.

Before socialist society, the peasant class never wielded political power in any historical period, from feudal society to capitalist society. The establishment of a socialist society enables the peasant class for the first time to become masters of the country, which is the basis of a proletarian dictatorship. Any autonomous peasants in grassroots politics and leading social lives must be preconditioned and guaranteed by the proletarian dictatorship, and guided by proletarian theories and thought. Abandoning proletarian leadership by the worker-peasant alliance will lead to fatal mistakes.

Throughout the entire socialist period, especially the primary stage of socialism, it is historically inevitable to let diverse forms of ownership coexist side by side. Correspondingly, different social classes and strata come into being and will put forward demands of sharing political power. Seen from the relationship between economic base and superstructure, their demands are reasonable to a certain degree and must be satisfied to some extent. However, any social class that participates in political power must adhere to proletarian leadership and uphold the orientation of socialism—or else political stability will be in danger and the interests of peasants and other classes and strata will not be guaranteed.

Second, the dictatorship of the proletariat must be realized under the leadership of the Communist Party. Since the birth of class, class dominance and the seizure of political power have not been directly achieved by the class.

Before modern times, exploiting class rule was achieved with a bureaucratic system of administration represented by imperial power and kingship at the helm. Born in the modern era, the political Party gradually became a core tool to protect class rule. Whether in a socialist or a capitalist country, class dictatorship is exercised with a political Party in power. In other words, to take the helm of the state, politics and a class dictatorship always take the form of Party politics and Party administration, which is a historical progression.

The Communist Party is the political organization and the vanguard of the proletariat, and will exercise leadership in the proletarian dictatorship, manifesting as the leadership of the Communist Party in socialist countries. The proletariat must rely on its own political Party to seize and control political power.

The direct ruling of the proletariat will just be the development trend of a proletarian democracy rather than a realistic choice for a long period in the future. The grassroots autonomy of the proletariat and other laborers must also be carried out under the leadership of the proletarian Party.

Without this leadership, the proletariat will fail to be in power and have effective autonomy at the grassroots level. It is unrealistic to directly establish a proletarian dictatorship without the leadership of the Party and the operation of the Party's departments. The leadership of the Communist Party in socialist states determines the nature of political power and the fate of the proletarian dictatorship. To insist on this point of view is of great importance for improving the dictatorship of the proletariat.

It is worth stressing that the Communist Party must address the relationship between the Party and state power. All decisions, orders, and laws must be formulated under

the leadership of the Communist Party. But it is inappropriate to confuse or equate the dictatorship of the proletariat with the Party's leadership. For example, the National People's Congress (NPC)—China's highest organ of state power, legislative body, and organizational form of this proletarian country—makes key decisions and legislations for all state organs to follow. The NPC and the government discuss, examine, amend, and approve the Party's resolutions and decisions, and its legally binding decisions, orders, and laws that are to be promulgated and put into force throughout the country. The Party cannot go beyond the government and exercise a dictatorship that disregards the will and determination of the proletariat and the people. Leading the country, the Party is not an organ of political power and could not perform its functions either.

It is also worth stressing that the Communist Party must maintain close ties with the proletariat since the leadership of the Party aims to organize and develop a proletarian democracy. The proletariat is the sole class basis of the Communist Party. Without this basis, the Communist Party and its leadership is like water without a source or a tree without roots.

Only by maintaining close ties between the proletariat and the Communist Party can the Party understand the needs of the proletariat (and the people), win the support of the proletariat and the majority of people when in difficulty, make fewer mistakes, learn to detect and correct them, and maintain its advanced nature and curb internal corruption. Without the closer ties, the Party and its leaders will place themselves above the society and the proletariat and fail to establish their needed programs, lines, and policies.

In short, the Party and its governance will not advance nor link firmly with the majority of people unless it is in close touch with its class basis. If not, the Party will become a backward interest group that cannot guide the proletariat and the people ahead, and it will lose popular support.

Isolation from the proletariat will inevitably lead to its separation from the majority of people, which heralds the downfall of the Party's leadership. There are many reasons that caused the radical changes in Eastern Europe and the collapse of the former Soviet Union—but the primary reason is that the ruling Party separated itself from the proletariat and the people.

The dictatorship of the proletariat is embodied in the people's democratic dictatorship in China, and the governing position of the Communist Party of China is embodied in governing the country for the people. As the proletariat and the masses share the same interests, the Communist Party of China is the vanguard both of the Chinese working

class and of the Chinese people and the Chinese nation, representing the fundamental interests of the overwhelming majority of the Chinese people. The internal unity of class nature and popularity requires the Communist Party to reinforce its class basis (the working class) and mass base (other social classes).

It should be stressed here that the Communist Party of China is also the vanguard of the Chinese people and the Chinese nation solely because it is the vanguard of the Chinese working class. And other social class might become the mass base of the Party while the working class forms the Party's class basis. The persistence of the Party's class nature and class basis will be the premise of its leadership at all times and under all circumstances. The CPC cannot recognize the people's democratic dictatorship at the cost of the class nature of China's state power, and vice versa. In summary, the Party should take a dialectical attitude to combine the people's democratic dictatorship with the Party's class nature, class basis, and mass base.

8.3 The Dictatorship of the Proletariat with Chinese Characteristics

The Chinese Communists create the concept of a people's democratic dictatorship and establish a socialist system by adapting the Marxist theory of proletarian dictatorship to the actual conditions of China. The people's democratic dictatorship refers to democracy for the people and dictatorship over the enemy. It is the unity of democracy and dictatorship, representing a new kind of dictatorship of the proletariat with Chinese characteristics. To develop a socialist democracy and build socialist politics with Chinese characteristics, Chinese people of all nationalities must adhere to the people's democratic dictatorship and follow the socialist road to turn China into a socialist country with a high level of democracy.

8.3.1 Birth of a People's Democratic Dictatorship

The constitution of the People's Republic of China states that "China is a socialist state under the people's democratic dictatorship led by the working class and based on the alliance of workers and peasants," and that the socialist system is the basic system of the People's Republic of China. The constitution also states that "the people's democratic dictatorship led by the working class and based on the alliance of workers and peasants

is in essence the dictatorship of the proletariat". The people's democratic dictatorship is a perfect unity of democracy for the people and dictatorship over the enemy. It is the combination of the new democracy and the new dictatorship. On the one hand, democracy is practiced within the ranks of the people who become masters of the country, which is the premise of the dictatorship over the enemy. On the other hand, the dictatorship over the enemy is the strong guarantee of democracy for the people.

The literal meaning of the word "dictatorship" refers to exclusively possessed political power; it cannot be shared. The notion of "dictatorship of the proletariat" was put forward by Karl Marx; it means that the proletariat or the working class has control over political power and cannot share political power with the bourgeoisie. The thought is based on another thought of Marx—that is, at the peak hours of capitalism, the relationships of social classes tends to be simpler and simpler, the total society divides into two hostile camps, two directly adversarial classes—the bourgeoisie and the proletariat. Among all classes opposite the bourgeoisie, the proletariat is the only real revolutionary class; others tend to decline and perish with the development of industry. As a result, the proletariat emerged as a revolutionary class. Class struggle in modern times mainly refers to the conflict between the bourgeoisie and the proletariat with a focus on political power. Under this circumstance, the proletariat wages a revolution, especially a violent revolution, to capture political power. Thus it is not possible for the proletariat to share political power with other classes.

However, the Chinese revolution has its distinctive characteristics. The social background of the Chinese revolution is that China was then a semi-feudal and semi-colonial country. China didn't experience the full development of capitalism, the working class was relatively weak, and the peasantry accounted for the overwhelming majority of China's domestic population. Consequently, class relations were very complicated, making it quite different from other countries.

The distinctive social background of the Chinese revolution determines that China must take a distinctive revolutionary road. China's democratic revolution includes two historical stages: the Old Democratic Revolution (1840-1919) and the New Democratic Revolution (1919-1949). The Old Democratic Revolution was led by the bourgeoisie. Because the bourgeoisie didn't wake up the peasants, the largest population in China, to obtain allies on a mass scale, the bourgeois revolution failed without accomplishing the task of anti-imperialism and anti-feudalism, even though the emperor system was abolished and the reactionary dominance of the Qing Dynasty (1616-1911) was overthrown.

Moreover, the limited revolutionary fruit was stolen by big landlords and the ruling bourgeoisie. Hence the Chinese people were under the heavy oppression of “three big mountains"—imperialism, feudalism, and bureaucrat capitalism. The New Democratic Revolution, led by the proletariat (via the Communist Party), guided by Marxism, and based on an alliance of workers and peasants, aimed at overthrowing the three mountains and founding a new China. Thus the concrete road of the Chinese revolution will encircle cities from the countryside and seize political power by armed forces.

For reasons mentioned above, China must take the road that unites several revolutionary classes to achieve its task. Mao Zedong, in his "Analysis of the Classes in Chinese Society", pointed out that classes in Chinese society include the landlord, the comprador, the middle bourgeoisie (mainly refers to the national bourgeoisie), the petty bourgeoisie (mainly includes owner-peasants, handicraftsmen, lower level intellectuals, small tradesmen, etc.), the semi-proletariat, the proletariat, the lumpen-proletariat, and so on. Thus, in accord with the class components of a revolutionary group, the Chinese revolution must not rely on a single class but must have a broad, revolutionary, national United Front led by the proletariat, joined by other revolutionary classes including an alliance between the working class, the peasantry, and the national bourgeoisie.

Mao Zedong once regarded the United Front as one of three "magic weapons" for the success of a revolution. The proletariat is the leadership, the broad mass of people is the main body, the peasantry is the leading force, and the left-wing of the national bourgeoisie—all are active participants. In this case, the new state established after the success of the revolution will inevitably be a people's democratic dictatorship.

8.3.2 An Innovation in Marx's State Theory

The theory of people's democratic dictatorship, which is a significant development for Marx's state theory, is the collective wisdom of the first generation of CPC central leadership led by Mao Zedong. In 1935 in his essay "Strategies against Japanese Imperialism", Mao proposed a "people's republic" and its policies. Compared to the former slogan "the republic of workers and peasants", this change met the requirement for the War of Resistance against Japanese Aggression. In Mao's later essays, "New Democracy" and "On Coalition Government", he made a further study of the future government and came up with the principle of a people's democratic dictatorship. Mao first used the term "people's democracy" in his speech on a May 4th

Movement anniversary in 1939. He said, "Our Chinese revolution does aim at building a 'people's democratic republic'."* [363] The second time the concept was mentioned was in June 1948 in *Notice on Reprinting the Preface of 'Left-Wing, an Infantile Disorder'*. On June 30,1949, Mao Zedong published the essay "On People's Democratic Dictatorship" for the 28th anniversary of the CPC. This essay contained a systematic and scientific discussion about "people's democratic dictatorship" and laid a new foundation for the new government in the near future. In this essay Mao stated that "people's democratic dictatorship" means that the CPC practice democracy for the people and dictatorship over the reactionaries.

With successive victories in the Chinese revolution, the concept of a people's democratic dictatorship saw a transformation from theory to practice. In 1949, the Common Program passed by the Chinese People's Consultative Conference contained a clear definition that the People's Republic of China is a republic of the people's democratic dictatorship. It also pointed out that:

> Chinese people's democratic dictatorship is a United Front of Chinese workers, peasants, petty bourgeoisie, national bourgeoisie, and other democratic patriots. The state is based on the alliance of the working class and the peasantry and led by the working class.

Later on, the new Chinese government was built according to this principle. In 1954, Chinese people formulated the first constitution, socialist in nature, under the leadership of Mao Zedong. The constitution says that China is a people's democratic dictatorship country. Mao Zedong said, "Our democracy doesn't belong to the bourgeoisie but to the people, that is, a people's democratic dictatorship based on the alliance of the working class and the peasantry and led by the working class".[364] Democracy and dictatorship form a unified whole in the socialist system of China. The combination of the two aspects is called the people's democratic dictatorship.

8.3.3 People's Democratic Dictatorship

The people's democratic dictatorship and the dictatorship of the proletariat mean the same thing in content and spirit. The people's democratic dictatorship fits in with China's real conditions, which is in essence is the dictatorship of the proletariat with

363 *Selected Works of Mao Zedong* (Volume 3). Beijing: People's Press, 1991, p. 563.

364 *Selected Works of Mao Zedong* (Volume 5). Beijing: People's Press, 1977, p. 127.

Chinese characteristics. The similarity of the people's democratic dictatorship and the dictatorship of the proletariat are summarized as follows:

First, they are similar in guiding ideology. Both take Marxism as their guiding ideology. Marxism is the world outlook and methodology of the proletariat, as well as the ideological and theoretical weapon of the proletariat and the masses for liberating themselves. The people's democratic dictatorship in China's constitution clearly stipulates that—under the leadership of the Communist Party of China and the guidance of Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, and the Three Represents—the Chinese people of all nationalities will continue to adhere to the people's democratic dictatorship.

Second, they are similar in leadership. The leading force of the people's democratic dictatorship is the working class, the proletariat. Moreover, China's constitution clearly stipulates that the working class holds a leading position. It is a product of modem industrialization, a representative of advanced productive forces, and the most progressive class in Chinese society. In addition, the working class is closely allied with the peasants, the overwhelming majority of China's population. On this basis, a broad revolutionary and patriotic United Front was established.

Third, they are similar in functions of dictatorship. A state, whether it is in the form of the people's democratic dictatorship, or the dictatorship of the proletariat, performs at least three functions: (1) to safeguard the socialist system, national sovereignty, and the rights of people as masters of their own country, and to enforce a dictatorship over hostile classes and persons, including those criminals who destroy the socialist cause; (2) to strengthen and develop a socialist system by promoting its political, economic, cultural, social, and ecological progress in an all-around way; (3) to uphold world peace and promote human progress.

Fourth, they are similar in historical mission. Their ultimate goal and historical mission are to develop socialism, build a classless society, and finally fulfill communism.

Based on the above discussion, the *Constitution of the People's Republic of China* in 1975 and 1978 emphasized that China is "a socialist state with a dictatorship of the proletariat", The fact that the proletariat is the ruling class highlights the class nature of the people's democratic dictatorship. On July 14,1975, at an Enlarged Meeting of the Central Military Commission, Deng Xiaoping said that the "Chinese army is the mainstay of the dictatorship of the proletariat".[365] Moreover, on March 30,1979, at a forum on the principles for

365 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p.15.

the Party's theoretical work, Deng clearly pointed out that "adherence to the dictatorship of the proletariat" is one of "the four fundamental principles". Furthermore, on December 25,1980, at the central working conference, he said, "the people's democratic dictatorship is the dictatorship of the proletariat".* [366] He also said that "the nature of the people's democratic dictatorship is the dictatorship of the proletariat, and the expression of the people's democratic dictatorship is more appropriate to China's conditions".[367]

After that, the term "people's democratic dictatorship" appeared in the 1982 constitution. This change of name, however, is not a negation of the dictatorship of the proletariat. As a matter of fact, the people's democratic dictatorship is in essence the dictatorship of the proletariat. Deng Xiaoping on December 24, 1990, when he spoke with several Chinese chief leaders, said:

> We cannot abandon the people's democratic dictatorship. The proletariat, as a rising class that has just seized power and established a socialist system, will be weaker than capitalism for a long time. To keep to the socialist road, we must uphold the dictatorship of the proletariat, which we call the people's democratic dictatorship.[368]

During his inspection of South China in 1992, Deng said:

> It is a basic idea of Marxism to uphold the dictatorship of the proletariat to keep to the socialist road. Marx once said that the theory of class struggle was not his discovery. His real discovery was the theory of the dictatorship of the proletariat. In addition, history has proved that a new, rising class that has just taken power is in general weaker than the opposing classes. Therefore, it is necessary to resort to dictatorship to consolidate its power. The people's democratic dictatorship is a system that practices democracy within the people and dictatorship over the enemy.[369]

A study of Deng's remarks on several occasions shows that he not only pointed out the class nature and the great historical significance of the dictatorship of the proletariat, but also developed the theory by combining Marxism with the actual situation of China.

8.3.4 Chinese Proletariat in a New Situation

The dictatorship of the proletariat is based on the premise that there exists a proletariat, or a working class. Now there is an idea that the Chinese working class has already

366 *Ibid.,* p. 358.

367 *Ibid.,* p. 372.

368 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, pp. 364-365.

369 Ibid., p. 379.

taken power and possession of China's production materials—so they are therefore a propertied class rather than proletariat. Actually, this is not true. Under socialist conditions, the proletariat still exists, and it continues to grow. Under the new situation, great changes in social status have taken place in the working class, and the CPC must clarify some misunderstandings. The Party must make it clear that in understanding the concept of bourgeoisie and proletariat, the major difference lies in whether they have money rather than wealth. Seen from its connotative meaning, property is much like material wealth; money is something that can bring wealth. That's why we also call the bourgeoisie capitalist. Seen from its denotative meaning, wealth is broader than money. Money is a kind of wealth, while wealth is not always money. If wealthy people can be called capitalist, then the slave-owners and the landlords are all capitalists.

China has established the relations of production under ownership by the whole people in which the working class is in the leading position. However, the CPC still cannot say that the working class is a propertied class or say there is no proletariat in China.

On the one hand, state-owned assets under ownership by the whole people are different from the capital under a capitalist system, and they have totally different attributes. The function of capital is to seek surplus value, thus the working class is enslaved, exploited, and oppressed. But the function of assets under socialist ownership, on the contrary, is to expand production. In so doing, the working class can become the master of the country and society by possessing the means of production, and to free themselves from being enslaved, exploited, and oppressed.

On the other hand, the proletariat still exists even when it possesses some household wealth, but they will never become a propertied class. It has two reasons. First, means of production, whose purpose is to get surplus value, cannot be confused with means of livelihood. The CPC must make it clear whether or not the property possessed by the proletariat can bring in surplus value. Second, what the proletariat lives on is also a key point for the Party to judge this question. When a man mainly lives on his labor, he still belongs to the working class; if the property he possesses has become capital, and he lives by exploiting others' labor rather than his own labor, he becomes part of the capitalist class. In "Analysis of the Classes in Chinese Society", Mao Zedong says:

> In China, though not very numerous, the industrial proletariat represents China's new productive force and is the most progressive class in modem China. One important reason for this is that they have been deprived of all means of production, having nothing left but their hands, having no hope of ever becoming wealthy.[370]

370 *Selected Works of Mao Zedong* (Volume 1). Beijing: People's Press, 1993, p. 8.

Here the standard that Mao established to judge the proletariat is that they have lost means of production, and cannot rely on means of production to become rich. The working class still exists in socialist society. What's more, the historical mission of this class has never changed. This class still manages to create the material conditions to eliminate classes and realize communism by their fight and labor.

8.3.5 Democratic Politics with Chinese Characteristics

The political and democratic system of a country must fit in with its national conditions. The socialist democracy of China, rooted in Chinese history and a culture thousands of years old, originated from the practice of the Chinese Communist Party and Chinese people striving for national independence, people's freedom, and the country's prosperity, conforms to China's national conditions and requirements of social progress. Hu Jintao said:

> The key of judging whether a political system is democratic lies in whether the large majority of the people's will is considered adequately; whether their rights as masters of the country are realized definitely; whether their legitimate rights are ensured effectively.... The political system of a country should conform to its national conditions and the nature of the state.[371]

The main characteristics of China's political system are reflected in China's National People's Congress system, multi-Party cooperation under CPC leadership, the ethnic regional autonomy system, "One Country, Two Systems", a community-level self-government system, and so on. The CPC must take the democratic road of political development with these characteristics to promote reform of the political structure and improve the socialist democracy system. Consequently, the Party must handle several significant relations well.

8.3.5.1 Relationships among the CPC leadership, the people, and the law

The CPC must ensure the unity of the leadership of the Party, the position of the people as masters of the country, and law-based governance to promote socialist modernization and develop the dictatorship of the proletariat.

The CPC's leadership and people being masters are unified. Governance by the Communist Party means that it leads and supports people on a most extensive scale to

371 *Selected Important Documents since the 16th CPC National Congress* (Volume 2). Beijing: Party Literature Press, 2006, pp. 228, 231.

manage state and social affairs as well as economic and cultural undertakings in accord with the law, safeguarding and realizing people's fundamental interests. But without people, the Party's leadership is like a withered tree or a pond of dead water. Therefore, the Party must continuously reform and improve its style of leadership and governance to vigorously promote people's democracy. Party leadership is the fundamental guarantee that the people are the masters of the country. The Party represents the fundamental interests of the overwhelming majority of the Chinese people. People's interests are the Party's utmost interests and the people's cause is the Party's cause. The Party cannot deny CPC leadership because of its class nature. Without its leadership, the status of the proletariat and of people being masters will be lost together.

People being masters and law-based governance are unified. People's democracy is the core of law-based governance and, in turn, law-based governance is the guarantee of people's democracy. Deprived of people's democracy, law-based governance may contribute to a dictatorship; deprived of law-based governance, people's democracy may lead to anarchism. For these, we have already learned great lessons from the Cultural Revolution, the political turmoil in China from 1966 to 1976.

CPC's leadership and law-based governance are unified. Law-based governance is a fundamental principle by which the Party leads the people in running the country and a legal guarantee and basic way to ensure that the people determine their own destiny. The policy of the Party must observe the constitution and the law, and the Party and its members must follow them. Party leadership that does not follow the rule of law is unreliable; law-oriented governance without Party leadership will lose the correct way and is doomed to failure.

The three dialectical relationships come from long-term practice and experience. Their unity calls for scientific leadership and a sound mechanism, which need to be explored and resolved during the process of promoting a political system with Chinese characteristics.

8.3.5.2 Relationship between the state system and the government form

The socialist state system must be realized by its government form. The state system of the people's democratic dictatorship and the government form of the National People's Congress are the fundamental political system of China. It is necessary to correctly understand the relationship between the state system and the government form to develop a socialist democracy and improve the people's democratic dictatorship. A scientific political system is the base from which to realize and guarantee people's democratic dictatorship.

The state system decides the form of government, and the form of government in turn can deconstruct the state system. The state system is built on the basis of its government form. The transformation of social forms is a natural historical process. Human society cannot transcend a certain social form. After a new social system is set up in a country, its form of government must reflect the nature of its state system and satisfy requirements of the system in order to consolidate it. Otherwise, the form of government will collapse the state system. A case in point is Soviet Union and Eastern Europe. Of course, there are many reasons for their disintegration and radical change. However, the most important reason is that the form of government failed to reflect the nature of the state system and satisfy its requirements; people lost confidence in the system and upheaval occurred. It is a historical fact that Eastern Europe once chose a socialist system, but its collapse was inevitable. Nevertheless, a form of government that reflects the nature of its state system and adapts to its requirements of a new social system can gradually mature after exploration and a practice of several decades, perhaps hundreds of years.

After the founding of the People's Republic of China, political centralization was adopted under particular circumstances. But with China's fast economic development, politics, and culture, great changes took place in social life, requiring governmental reform to further develop. The reform the CPC embarked on for three decades is not a fundamental alteration of the existing state system; it is innovation in the economic and political forms incompatible with the basic state system manifested to consolidate fundamental policy. One of the most important reasons for the collapse of Eastern Europe and the former Soviet Union is that these countries had converted "reform" into "transform", which endangered social stability and led to capitalism.

8.3.5.3 Relationship between criticism and inheritance

From slave society to capitalist society, the economic foundation of political civilization is private ownership. The essence of political civilization is dictatorship of exploiting class over the exploited. Slave-holders take possession of slaves' labor by controlling them. Likewise, feudal landlords take possession of peasants' labor by controlling the land, and capitalists take possession of workers' labor by owning the wealth they create. Though different in form, they are the same in nature. The possession, whatever forms it takes, must be strengthened by a corresponding state system in politics, justified by its dominant ideology in theory, and monopolized by ruling classes in action.

Socialist political civilization is based on public ownership of the economy, and its essence is democracy for the working class and dictatorship over the enemy.

Compared with other social systems, the distinctive nature of the economic base and the class nature in a socialist system determine heterogeneity of its political civilization. However, there exists internal homogeneity of political civilization, which serves the exploiting class from feudal society to capitalist society. The so-called internal homogeneity means that the bourgeoisie and the feudal ruling class are compatible under certain conditions for regime replacement. On the contrary, a proletarian revolution has to break down an obsolete state apparatus and establish another one to generate a new political civilization.

Therefore, when promoting socialist political civilization, the CPC must critically absorb the strengths of past political civilizations, especially the capitalist civilization. At the same time, the Party must criticize its weak points and exploitative nature as the ruling class. What must be pointed out is that it is not the view of historical materialism to evaluate socialist political civilization by means of capitalist political civilization standards. If the CPC copies the mode of capitalist political civilization, differences between socialist political civilization and capitalist political civilization will be obliterated and even socialist democracy will be destroyed.

Currently, some people preach the "democracy, republicanism, and constitutionalism" of Western countries, and seek to bring China's political system into a Western framework—which is the concentrated embodiment of the idea and tendency of anti-Marxism. As is stated above, capitalist constitutionalism is the reflection of private ownership of bourgeoisie in politics, serving as a machine to maintain this private ownership. In recent years, some people preach constitutionalism of the Western world in politics, which echoes with preachers of private ownership in the economy. The so-called "universal value" provides theoretical grounds for its existence, which conceals its class nature and deceives the public under the cloak of democracy, human rights, and constitutionalism. The intention and ultimate purpose of preaching Western constitutionalism is to fundamentally deny the state system of socialism, especially the leadership of the Communist Party of China.

With a one-sided view of Chinese politics, the current preachers of Western constitutionalism see only the shortcomings and current problems encountered in practice, and hold that China should be completely westernized by copying a Western-style political system. Specifically, those preachers aim to completely change China's state system and government form, abolish the people's democratic dictatorship and People's Congress system, and practice a presidential system, bicameralism, and separation of powers. In one word, they claim that China should abandon socialism, the system

that the Chinese people have striven for for more than 50 years. For this purpose, they propose to revise the constitution, cancel the leadership of the CPC, reject the mainstay of public ownership regulated by the constitution, and practice wholesale private ownership to clear the way for the establishment of a capitalist system. This was what Mikhail Gorbachev did when evolving the Soviet socialist system. In the face of those major issues concerning China's future, we must definitely criticize them in theory, do our job well in practice, and adhere to the socialist road with Chinese characteristics.

It is the duty of every citizen of the People's Republic of China to respect and uphold the constitution, and to act correctly under the constitution. Ruling by law and establishing socialist democratic politics are the goals of the reform of China's political system. In this respect, there is a lot of difficult work and problems to be solved. However, that is not what those preachers want to do. What they are interested in is to remove CPC leadership from the constitution to lay legal a foundation for a capitalist democracy. When it comes to the legitimacy and correctness of CPC leadership, many books have expounded theoretically on this issue, and here The CPC discusses it from the perspective of practice. The CPC is the choice of Chinese history, and it is only the CPC that can save and develop China; this has been proved by 100 years of Chinese history. It is known to all that the CPC led the people of all ethnic groups to throw the three big mountains over their heads, and found the People's Republic of China. In the past more than 60 years since the founding of New China, the CPC has successfully completed a socialist transformation of the means of production, carried on socialist reform and a socialist modernization with Chinese characteristics. These achievements could not have been made without the leadership of the CPC, which also strongly proves its correctness.

Mistakes are inevitable in the process of accomplishing such an unprecedented great cause. However, the CPC learns from experience, upholds truth, rectifies mistakes, transforms the bad into the good, and leads the Chinese society to move forward.

As a Party always keeping pace with the times and representing the fundamental interests of the overwhelming majority of the Chinese people, the CPC will always be full of vigor and remain invincible. Only by adhering to the leadership of the CPC and realizing socialist democratic politics can the Party safeguard the fundamental socialist political system and push forward the cause of building socialism with Chinese characteristics.

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CHAPTER 9

MARXIST THEORY ON POLITICAL PARTY AND PARTY-BUILDING IN CHINA

The emergence of further theory on Marxist political Party is inevitable. It results from the further development of the capitalist mode of production, the intensification of social conflicts in capitalist countries, and the appearance of the proletariat as an independent political force on the world stage of history. To accomplish its historical mission, the proletariat cannot do without the leadership of its own political Party. The flourishing of workers' movements expedited the theory of a Marxist political Party, and the formation of a Marxist materialist concept of history provided a theoretic foundation for it. The theory of a Marxist political Party was new at that time, and its birth was of great historical significance. In its subsequent development, communists all over the world, especially those in socialist countries, enriched and developed the theory of a Marxist political Party on the basis of their practical experiences, especially with regard to the theory of the ruling Party. Chinese Communists shoulder the historical mission of developing socialism. To accomplish this glorious historical mission, the most fundamental task is to build the Party into a real Marxist Party, strengthen the Party's governance capability, and push ahead the cause of building socialism with Chinese characteristics.

9.1 The General Nature and Characteristics of a Proletarian Party

9.1.1 The Background and Conditions of the Theory of a Marxist Political Party

9.1.1.1 The social background

In the 1760s, the Industrial Revolution first occurred in England then quickly spread to other European countries. The Industrial Revolution itself refers to a change from traditional handicrafts and homemade production to machine and factory, which made a qualitative leap in the productivity of Europe. A revolution in transportation was launched with the invention of the steam engine, the development of a coal industry, and the continuous emergence of new forms of transportation. With the expansion of the capitalist mode of production in Europe, the capitalist system in Europe was finally established.

With the development of capitalism, basic contradictions of capitalist society—the contradiction between the private ownership of means of production and socialized mass production—were intensified to trigger the cyclical outbreak of an economic crisis. The root of an economic crisis lies in surplus production, which leads to a sharp decline in social productivity (mainly industrial) of the whole capitalist society and creates a big increase in unemployment. Meanwhile, a large percentage of their enterprises were half closed and went bankrupt, the productivity and products suffered severe damage and loss, social economy were paralyzed or even reversed, all of which brought about greater trouble to proletariat and all working people, making life unbearable.

Under the impetus of the Industrial Revolution, the capitalist society gradually split up into two classes: the industrial bourgeoisie and the industrial proletariat. These two classes were antagonistic to each other and the contradictions between them became increasingly acute. Exploited cruelly by the capitalists, the proletariat in Europe started to revolt by organizing workers' uprisings, for example, the two Canut revolts in Lyon (1831 and 1834), the Chartist movement in Britain (1838-1842), and the textile worker's uprising in Silesia (1844). With these typical uprisings, the labor movement reached its climax, and the working class, through these movements, clearly demanded their political and economic rights—and fought directly against capitalist exploitation. Though they failed, these movements nonetheless had a huge impact on the basic capitalist system.

** These three uprisings marked that the working class, as an independent political force, finally appeared on the historical stage. The labor movement's development required the leadership of its own Party to complete their historical mission. These are the historical conditions for the formation of a Marxist political Party theory.

*9.*1.1.2 *The theoretical foundation*

The formation and development of basic Marxist theory laid a solid theoretical foundation and provided important guiding ideology for the theory of a Marxist political Party. Marxist theory is mainly composed of three parts: Marxist philosophy, Marxist political economy, and scientific socialism.

German classical philosophy was the main ideological source of Marxist philosophy. After studying it, Marx and Engels absorbed its useful thoughts and solved its unsolved problems. Borrowing ideas from Hegel's dialectics and Feuerbach's materialism, Marx and Engels applied materialism and dialectics to the complicated social and historical phenomenon, and established the theoretical fulcrum of Marxist theory—historical materialism.

Surplus value theory forms the core of a Marxist political economy. It originated from the labor value theory of British classical political economy and represented another theoretical fulcrum for Marxist theory. Marx and Engels explained it from the respect of labor value theory, and on this basis revealed the basic motivation and inherent contradiction within the capitalist economic system.

Utopian socialism was an important ideological source of scientific socialism. Based on people's awareness of capitalist primitive accumulation, it created a wonderful vision of a future non-capitalist society. The highest achievements of Utopian socialism are represented by the Utopian socialists Henri de Saint-Simon, Charles Fourier, and Robert Owen. Guided by historical materialism and surplus value theory, Marx and Engels took in the positive ideals of Utopian socialism, overcame its impracticality, and built socialism over the scientific foundation.

The Communist Manifesto, published in February 1848, gave a relatively complete and systematic presentation of the basic principles of Marxism for the first time. The *Manifesto* also marked the birth of Marxism and the theory of a Marxist political Party. Karl Marx and Friedrich Engels adopted a scientific approach in the *Manifesto* to prove that communism will eventually come into existence as the historical situation requires. They spelled out the basic line and main tasks in the revolutionary struggle of the proletariat.

It was the first time that they briefly expounded the doctrines and strategies of building a genuine proletarian Party, which prepared a theoretical program for its establishment and development. The release of *The Communist Manifesto* marked the first step forward to found the theory of a Marxist political Party.

9.1.1.3 The practice background

The theory of a Marxist political Party gradually entered a well-developed and mature phase when Marx and Engels took part in a movement driven by the working classes and built a proletarian Party, along with intensifying the struggle against all kinds of wrong thinking trends. In 1845, Marx and Engels set up the Communist Group of Brussels in Belgium. In February 1846, they established the Brussels Communist Correspondence Committee with Philippe Gigot (1820-1860), one of the representatives of the labor movement in Belgium. Marx and Engels, with the help of the Communist Correspondence Committee, built a relationship with the League of the Just and brought about its total transformation based on scientific socialism—which helped form the guiding position of Marxism step by step and laid a foundation for a proletarian Party and its theory.

Marx and Engels at first defeated the prevailing "Average Communism" (a community of goods, fellowship, and societal harmony) in the League of the Just, directed by Wilhelm Weitling (1808-1871), a theorist of Utopian socialism, and then the "Real" Socialism, directed by Hermann Kriege (1820-1850). Later, Marx and Engels drew support from the theories to criticize the rise of the thought of petty bourgeois socialism, put forward by Pierre Joseph Proudhon (1809-1865), the 19th century French anarchist and socialist. Their criticism helped the working class uncover the truth of Proudhon's petty bourgeois socialism, which was totally and essentially different from scientific socialism. Owing to Marx and Engels's great efforts, scientific socialism gradually played a dominant and guiding role in the League of the Just.

In January 1847, Marx and Engels joined the League of the Just and helped bring about its total transformation. In June of the same year, its first Congress took place in London and Engels attended. With the help of Engels, the conference set forth the *Draft of the Communist Confession of Faith,* detailing the League's program, after heated discussion, and changed the group's name to the Communist League. In November, the Communist League had a second Congress, also in London, and both Marx and Engels attended. The conference unanimously approved Marx and Engels's the *Rules and Constitution of the Communist League,* the first writing of the proletarian Party, and an important document in the history of Marxist political Party.

The *Rules and Constitution of the Communist League* stated its nature, its basic program and ultimate goal, and also worked out a project for organizational activities and lives in the Party. The document reflected the basic principles that helped the working class build their own Party. Marx and Engels were commissioned to draw up a manifesto summarizing the doctrines of the League for the organization. This turned out to be *The Communist Manifesto,* first published in February 1848 in London. *The Communist Manifesto* is universally acknowledged to be a cornerstone of the theory of a Marxist political Party.

9.1.1.4 Historic significance

First, the birth of the theory of a Marxist political Party is a great revolution in the history of political thought. Different from previous theories of the bourgeois Party, it gives a comprehensive analysis of the class nature of a political Party based on historical materialism, and scientifically expounds the historical process of the development and decline of a political Party. Second, the theory of a Marxist political Party provides the proletarian Party a powerful ideological weapon for Party-building. Under the guidance of scientific socialism, the theory of a Marxist political Party waged a resolute struggle—against various opportunist thoughts to eliminate or weaken the influence of various erroneous ideological trends of the proletariat—to ensure the healthy development of a proletarian Party. Finally, the theory of a Marxist political Party promotes the establishment and development of a proletarian Party, and contributes to the development of international workers' movements. The wide spread of the theory not only promoted the development of the proletarian Party in Europe, but also had a huge influence on the establishment of a proletarian Party in colonized and semi-colonized countries. As a result, proletariat parties were widely founded around the world, which laid a foundation for a global alliance of proletarians. The theory of a Marxist political Party is also the ideological basis for the construction of a ruling Party in today's socialist countries.

9.1.2 Main Content and Features of the Marxist Party Theory

9.2.2.2 *The prominent class character*

According to Marxist Party theory, the theory of any particular Party is expresses its class interests. The nature of a Party depends on the character of its classes. The Marxist Party is the vanguard of the proletariat, serving as an effective tool for the advanced intellectuals

among proletarians to overturn the capitalist system and liberate themselves. In the *Joint Charter of the International Workers' Association,* Karl Marx said:

> In the struggle of the proletariat against the combined forces of the propertied classes, only when the proletariat has constituted itself and created a political Party that is different from and opposite to any other previous bourgeois Party can the proletariat take action as a class.[372]

The proletarian Party was established during the course of proletarian movements with intent to better organize and mobilize its broad masses; hence it must be stamped with the class nature of the proletariat. Lenin also expressed that "a proletarian Party is an advanced class with high political consciousness, the vanguard of classes".[373] As can be seen, class nature is the most fundamental characteristics for a Marxist Party.

However, the bourgeoisie denies the class nature of political parties and describes their nature from their practical function, form, and cause. Some believe that a Party results from the re-formation of the modem parliamentary system and electoral system. Some think that a Party arises from the arguments about the legitimacy, territorial integrity, and political participation during the process of replacing the old system with the new one, as well as in national wars. These opinions are not unreasonable, but they don't reveal the internal relationships of parties, class, and class struggle, and therefore conceal the class nature of the bourgeois Party.

With the development of the times, some political parties, especially left-wing parties in Europe that label themselves the "All People's Party" to enhance their social base and improve their own legitimacy. The so-called All People's Party mainly refers to a Party with a universal nature in contrast to a Party with a class nature. In the 1960s, Khrushchev was eager to declare at the 22nd Congress of the Communist Party of the Soviet Union to change the CPSU into the All People's Party in order to advance toward communism and prove that class distinctions had been eliminated in the Soviet Union. Some proletarian parties in the former Soviet Union and some countries of Eastern Europe also abandoned their class character and highlighted the universality of their parties, which finally transformed them into bourgeois or reformist parties. It can be seen that the so-called All People's Party completely denies the existence of the class stratification of political parties and neglects the fundamental difference between a

372 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 228.
373 *Complete Works of Lenin* (Volume 3). Beijing: People's Press, 1958, p. 38.

proletarian Party and a bourgeois Party under current social and historical conditions. Theoretically speaking, the All People's Party cannot exist at all in the course of social development because any political Party is an organization with a class nature. With the development of social productive forces, various classes in society will gradually die out and political parties will disappear. The time when an All People's Party comes into being is the time for political parties to step off the stage of history.

9.1.2.2 *Clear political objective*

The Marxist Party has a clear political objective, that is, to organize and mobilize the proletariat to overthrow the rule of the bourgeoisie and establish a new state power of the dictatorship of the proletariat. In 1848, Marx and Engels specifically pointed out in *The Communist Manifesto* that the objective of the Communist Party is to:

> Lead the proletariat to overthrow the bourgeois regime and establish a new state power of the dictatorship of the proletariat, to eliminate bourgeois society based on class antagonism and build a new society which has no class distinctions and no private property.[374]

In 1905, Engels published *Two Tactics of Social Democracy in the Democratic Revolution,* in which he stated that only by overthrowing the existing regime and forming a new revolutionary regime can proletarian Party succeed in revolution. The Marxist Party believes it is inevitable to resort to violence in the course of realizing its political objective. In the conclusion of *The Communist Manifesto,* Marx and Engels specifically point out that "the Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions".[375] While emphasizing the importance of violence, Marx and Engels never deny the importance of non-violent and legitimate struggles in specific historical situations. As is well known, Engels speaks highly of the significance of the Social Democratic Party of Germany using universal suffrage and carrying out parliamentary struggles. He said that "they gave the world a new weapon, one of the sharpest, to show them how to make use of universal suffrage".[376]

374 *Complete Works of Marx and Engels* (Volume 4). Beijing: People's Press, 1958, p. 572.
375 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 66.
376 *Collected Works of Marx and Engels* (Volume 4). Beijing: People's Press, 2009, p. 544.

Western capitalist parties were bom of their existing political environments, serving the needs of a bourgeois regime. Bourgeois Party and bourgeois regime, though divided on labor, are interdependent of each other. The ultimate goal and the premise of the existence of Western capitalist parties are to maintain and support the existing social system and social values. Their main roles are to represent the interests of their social classes and groups, propose reform policies, and improve their existing social system.

A Marxist Party can't directly intervene in specific matters of state power when it comes into power, but can participate in macro-leadership of the state and society by organizational forms. Among many ruling parties in some proletarian states, there is no separation between Party and government. In real political life, the Party assumes too many functions of the government, which makes the Party stuck in daily affairs, unable to perform its due leadership function, which is unfavorable to its healthy development.

Moreover, these phenomena will make the administrative department and the highest organ of state power fail to play their roles fully; thus, they will hamper the instruction and development of socialist democracy and undermine long-term social stability. So, in the process of instructing the proletarian Party, the government must correctly balance the relationship between itself and the Party. At the same time, the government must rationally divide power between the government and the Party; it must do its best to make each perform its own respective function better and make them operate harmoniously as one.

9.1.2.3 *Strict organization*

Rigid discipline and a strict form of organization is the most fundamental principle of Marxist parties. Their historical mission is to put an end to the old relationships of production, overthrow the system of exploitation, and establish a communist government. In this process, a Marxist Party will confront the fierce resistance of the exploiting classes. The struggle of the proletarian Party will be full of tribulations.

If the proletarian Party wants to accomplish its historical mission, it must rely on strict organization and rigid discipline. After summing up the experience of the Paris Commune, Marx and Engels said that "the failure of the Paris Commune is due to lack of centralization and authority".[377] Lenin believed that unconditional centralization and rigid discipline is one of the basic conditions to defeat the bourgeoisie. In addition, he

377 *Collected Works of Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 375.

stated that, "in the process of struggling for power, the proletariat has no other weapon except for the Party's organization".[378] Lenin also thought that "the proletarian Party should have iron-like discipline and organization not only in the process of struggling for power but also after it comes into power". He added that, "without iron-like discipline and organization, we can't persist for even two months, let alone two years".[379]

Different from the proletarian Party, the bourgeois Party has no strict discipline and a loose organization. Their organizations at the grassroots level always exist in the form of a club. The main organizing principle of the bourgeois Party is democracy, thus it has a low requirement for its members. The members have considerable autonomy not only in ideology but also in activities, and some parties don't even have fixed members. These organizational characteristics are for the purpose of its participation in elections.

Democratic centralism is the fundamental organizational principle of the Marxist Party. In March 1906, Lenin put forward in *Policies and Program Submitted to the Congress of the Russian Social-Democratic Labor Party* that "currently, the principle of democratic centralism within the Party is unanimously acknowledged".[380] Following Lenin's proposal, the principle of democratic centralism was written into the Party constitution for the first time as the Party's fundamental organizational principle during the Fourth Congress of The Russian Social-Democratic Labor Party held in April 1906.

In the present process of building a proletarian Party, the CPC must correctly handle the relationship between democracy and centralization by combining centralism on the basis of democracy and democracy under centralized guidance on the premise of democratic centralism. First, it is necessary to bring into full play the enthusiasm and initiative of all Party members to participate in Party affairs to promote the vigorous development of inner-Party democracy. Promoting democracy within the Party can contribute not only to the survival and development of the proletarian Party, but also to governance by law and scientific administration. Democracy within the Party can promote the self-improvement of the proletarian Party and advance the orderly development of democracy in socialist countries. Second, in the process of building democracy within the Party, the CPC must uphold the Party's discipline and principle of organization, maintain the Party's solidarity and unity, and resolutely oppose any form of extreme democracy.

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378 *Complete Works of Lenin* (Volume 6). Beijing: People's Press, 1986, p. 415.
379 *Selected Works of Lenin* (Volume 4). Beijing: People's Press, 1995, p. 121.
380 *Complete Works of Lenin* (Volume 12). Beijing: People's Press, 1986, p. 214.

9.1.2.4 *Mass participation*

In addition to an emphasis on its class nature, a Marxist Party attaches great importance to its mass basis, as the Party's political proposals have to win the trust and support of the broad masses of the people. Marx and Engels emphasized in *The Communist Manifesto* that "all previous movements were movements of minorities, or in the interests of minorities. The proletarian movement is an independent movement of the immense majority, in the interests of the immense majority".[381] This elucidates the difference between a Marxist Party and other parties from the perspective of the unity of the Party's class and mass base. Lenin also pointed out that "only when the proletarian Party, the vanguard of the working class, does not isolate itself from the masses and truly leads the masses forward can it fulfill its task".[382] It can be seen that the class and mass base of the proletarian Party are in dialectical unity. Thus it is of great necessity for the proletarian Party to have a broad mass basis. Only in this way can the class nature of the proletarian Party function more efficiently.

Western capitalist parties have an intrinsic class nature as well. In routine political activities, however, each Party tends to publicize merely its mass participation and even claim that it is a "Party of the whole people". As for their class nature, they always deliberately conceal or evade it, the purpose of which is to win the support of voters from every social stratum during the election campaign. This helps them have better control and influence over state power and better serve the interests of the class they represent.

The dialectical unity of the class base and mass base of the Marxist Party requires that it must widely recruit outstanding members of various social strata who acknowledge the Party's program and line with intent to strengthen the Party's mass base. Likewise, whether a Party is a real proletarian Party cannot be evaluated only by noting its proletariat proportion. Lenin pointed out in his *Lecture about Issues of Joining the British Labor Party:*

> When judging whether a Party is a real proletarian Party, it is imperative to see not only whether it is composed of workers— its leadership, action plan, and political strategies must also be taken into consideration. The latter criterion plays a decisive role in determining its nature.[383]

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381 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 42.
382 *Collected Works of Lenin: Dialectical Materialism and Historical Materialism.* Beijing: People's Press, 2009, p. 322.
383 *Complete Works of Lenin* (Volume 39). Beijing: People's Press, 1986, pp. 246-247.

Therefore, class composition can't serve as the criterion to judge whether a Party is advanced or not. What matters is whether the Party's line, policy, and strategies are truly Marxist and truly represent the interests of the proletariat.

9.2 The Marxist Theory of a Proletarian Party in Power

9.2.1 Marx and Engels's Scientific Exposition of a Proletarian Party in Power

Marx and Engels argue that the struggle the proletarians fight against the bourgeoisie will inevitably lead to the dictatorship of the proletariat, an important weapon against the bourgeoisie. *On Critique of the Gotha Program* Marx said:

> Between a capitalist and a communist society is the period of the revolutionary transformation of one into the other. Corresponding to this is a political transition period in which the state can be nothing but the revolutionary dictatorship of the proletariat.[384]

At the same time, Marx and Engels say that the dictatorship of the proletariat is a transition that will eliminate all classes and allow entry into a classless society. Marx also holds that:

> The historical mission of the dictatorship of the proletariat is to eliminate all class distinctions, all production relations produced by class distinctions, all social relationships that adapt to these production relations, and to change all the conceptions arising from the social relationships during this inevitable transition period.[385]

The Paris Commune set up by Paris workers after the revolution on March 18,1871, was the first attempt in the world to overthrow the regime of the bourgeoisie and practice a proletariat dictatorship. Due to various complicated historical reasons, the struggle of the Paris Commune lasted only 72 days. Marx and Engels emphasize one point when summarizing its historical experience: a commune must thoroughly destroy the old bourgeois state machine and set up the new regime of the proletariat. Marx wrote in *The Civil War in France* that "the working class cannot simply lay hold of ready-made state machinery and wield it for its own purpose—because the political tool that enslaved

384 *Collected Works of Marx and Angels* (Volume 3). Beijing: People's Press, 2009, p. 445.
385 *Collected Works of Marx and Angels* (Volume 2). Beijing: People's Press, 2009, p. 166.

them cannot be used as their political tool for liberation".[386] Therefore, to achieve complete liberation, the proletariat must break the existing bourgeois state machinery and establish the new national political power of the dictatorship of the proletariat.

Marx and Engels provide valuable historical experience for the proletarian Party of today by summing up the basic experience of the Paris Commune. The significant experience gained from the Paris Commune reads as follows:

First, people are masters of the state. All posts are elected on the basis of universal suffrage and subjected to people's supervision. The government has the right to recall them at any time. Marx and Engels think that the establishment of a dictatorship of the proletariat must be safeguarded by concrete and effective measures to guard against the transformation of the state and its organs from servants of society into masters of society. The wide use of universal suffrage and a supervision system are the most effective measures to prevent this phenomenon. Second, a proletarian Party must oppose privilege and eliminate the income gap between different classes. A low wage system was adopted after the Paris Commune was founded to eliminate bureaucracy and privileges. The Paris Commune stipulated that the highest salary paid by the Commune to anyone must not exceed 6,000 francs per year. This is equivalent to a skilled worker's pay. Engels believed that a low wage system was an important measure that can prevent government and civil servants becoming masters of society from being its servants. Third, the Paris Commune was not a government run by parliament; it was an organ with legislative and administrative functions. The leaders of the Paris Commune not only exercised the supreme power of the legislature as representatives of the people but also implemented various laws and regulations created by the Commune Committee as executives of specific administrative departments. Fourth, the Commune had to become a countrywide political form and achieve national unity.

Here Marx mainly focuses on the state power of the proletariat, but these principles are also applicable to a socialist Party

9.2.2 Lenin's Contribution to the Theory of a Proletarian Party in Power

A number of important theories of a proletarian ruling Party put forward by Marx and Engels are not based on their personal experience in revolutionary struggles. Lenin, however, living under historical conditions different from Marx and Engels, witnessed

386 *Collected Works of Marx and Angels* (Volume 3). Beijing: People's Press, 2009, p. 218.

the practice of the proletariat Party in power, and presented his theory in this respect by summarizing the experience of the Bolshevik Party. Lenin actually founded the theory of a proletariat Party in power. In 1917, the Russian proletariat under the leadership of the Russian Social Democratic Labor Party (Bolshevik), achieved a great victory of the October Revolution and established the world's first state power of the dictatorship of the proletariat. Unlike what Marx and Engels envisaged, socialism was not first established in the most developed capitalist countries but in Russia, a relatively backward country in politics and economy. How to build and develop socialism in a country relatively backward in politics and economy with peasantry as the immense majority was a severe test for the Bolshevik Party. In the process of exploration and practice, Lenin formed his theory of the proletariat Party in power, scientifically answering questions for the first time of how to achieve success in backward countries in building the proletariat Party in power, and enriching Marxist theory.

9.2.2.1 Adhering to the Party's leadership in state affairs

Lenin showed great concern about the major issues of how to adhere to the leadership of the Russian Communist Party (Bolshevik) in the country's political life, and how to better play the role of the proletarian vanguard in economic and social development. Lenin believed that, under the dictatorship of the proletariat, "all political and economic work should be under the leadership of the Communist Party, the vanguard of the working class".[387] First, the nature of the Party determines the state power leadership, because "only the Communist Party that represents the working class is the vanguard of uniting and organizing all the workers and broad masses of people and leads all joint actions of the proletariat".[388] Second, the historical mission of the proletariat determines the Party's leadership. After the founding of Soviet Russia, the Bolsheviks overthrew the rule of the bourgeoisie and established a proletarian dictatorship. However, the historical mission of the proletariat was far from accomplished. In this case, the leading role of the proletarian vanguard could maintain a strong fighting spirit of the proletariat as a whole. Lenin said:

> In the cause of creating a new socialist system and in the struggle of eliminating the entire class, only by adhering to the leadership of the Russian Communist Party can we lead all the exploited working people.[389]

387 *Collected Works of Lenin: on Socialism.* Beijing: People's Press, 2009, p. 302.
388 *Complete Works of Lenin* (Volume 41). Beijing: People's Press, 1986, p. 85.
389 *Collected Works of Lenin: on Socialism.* Beijing: People's Press, 2009, p. 145.

Third, upholding the Party's leadership is the experience of summarizing the struggle of the Russian Revolution. In 1903, the Second Congress of the Russian Social Democratic Labor Party marked the birth of the first Marxist Party of the proletariat. Since then, the Russian Social Democratic Labor Party (Bolshevik) led the Russian proletariat in undertaking arduous struggles to achieve their own emancipation, and ultimately established their own leadership. Party leadership is an important guarantee for the healthy development of the cause of a proletarian revolution, so "only this Party can lead the working class in profoundly changing society".[390]

Lenin, in his discussion of upholding the Party's leadership, also put forward the idea of correctly handling the relationship between Party and government. He said the Party is the leader of state power, but the Party cannot replace state power:

> There must be a very clear separation of responsibility between the Party (and central) and Soviet power; the task of the Party is to provide overall guidance over the work of all state organs to enhance the sense of responsibility and independent spirit of the Soviet workers and Soviet institutions, rather than make frequent, irregular, often trivial, excessive intervention.[391]

By "overall guidance" here, Lenin refers to the Party's leadership in political, ideological, and organizational fields. Lenin believed that in terms of the issue of the Party's leadership, only by correctly handling the relationship between the Party and government, clarifying the main function of the Party's leadership, implementing the separation between Party and government, can the Party do the good work and achieve the victory of the socialist cause step by step.

9.2.2.2 *Economic development as the top priority*

After the victory of the October Revolution, Lenin stressed the importance of shifting the central task of the Party and the state to economic development, and explored the roads and concrete methods in accord with the real conditions of Russia. After the founding of the Soviet regime, Lenin believed that only by taking economic development as the central task, could they consolidate the new proletariat regime and effectively deal with the revolt of the domestic reactionary class and their joint suppression from imperialist countries. After shattering the combined intervention of domestic and

390 *Complete Works of Lenin* (Volume 37). Beijing: People's Press, 1986, p. 126.
391 *Collected Works of Lenin: on the Proletariat Party.* Beijing: People's Press, 2009, p. 336.

foreign reactionary forces and in the face of war damage and the serious collapse of the national economy, Lenin stressed the importance of consolidating the new state by taking economic development as the central task and comprehensively improving labor productivity. He said:

> In any socialist revolution, after the proletariat seizes power and basically finishes the task of depriving exploiters and suppressing their revolt, it is bound to give priority to the fundamental task of creating a social structure higher than that of the capitalists and improving labor productivity.[392]

In the process of socialist economic development, Lenin combined the basic principles of Marxism with the actual conditions of Russia, explored the roads and concrete methods of socialist economic development in practice, and formed a set of new thoughts different from those of Marx and Engels.

After the establishment of the Soviet regime, the Bolsheviks faced serious situations and were forced to adopt a wartime communist policy to secure a military victory and stabilize the regime. It featured a surplus grain collection system, forced labor, and centralized management. It gathered national strength and guaranteed a military victory. The wartime communism policy played a huge role in defending Soviet power, so some major leaders of the Bolshevik Party think that socialism can make a direct transition to communism through a wartime communist policy. However, peacetime is, after all, different from wartime. Its continual implementation caused multifaceted conflicts, especially a serious rift in the alliance between workers and peasants. After profound reflection, Lenin said that "this outcome proved we had made a mistake when the state gave direct orders to adjust production and distribution according to communist principles in a small agriculture country".[393] To change the conditions and achieve a smooth transition to communism, it is necessary to combine the basic principles of Marxism with the actual conditions of Russia and, as Lenin said:

> Go through the transitional phases of capitalism and socialism. We should not directly rely on enthusiasm, but on the combination of personal interests and economic accounting to build a bridge in the small country first and walk toward socialism through capitalism; otherwise we can't achieve socialism.[394]

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392 *Collected Works of Lenin: on Socialism.* Beijing: People's Press, 2009, p. 96.
393 *Collected Works of Lenin: on Socialism.* Beijing: People's Press, 2009, p. 247.
394 *Ibid.,* p. 247.

Thus, in the Tenth Congress of the Russian Communist Party (Bolshevik) that was held in March 1921, the General Assembly discussed and adopted the historic "New Economic Policy" on Lenin's proposal and once again emphasized the importance of economic development.

9.2.2.3 Close ties with the people

Lenin deemed that the Party held state power after the victory of the revolution and became the ruling Party. During that period, there was always the risk of the Party isolating itself from the people in the Party's ideological style. In October 1921, Lenin regarded illiteracy, arrogance, and corruption as the Party's "three enemies", which emphasized the importance of keeping close to the people and improving the Party's work style. Lenin pointed out:

> The most serious and terrible danger for a small communist Party—for this vanguard of the working class who were leading a major country, for a communist Party going through the transition to socialism temporarily without the direct assistance of more advanced countries—was isolation from people; the vanguard is running too far from its people ... failing to maintain a close tie with the immense majority of workers and peasants.[395]

Lenin often tells communists that:

> Among the masses, we're just a few; only when we correctly express people's ideas can we govern them. Otherwise, the communist Party cannot lead the working class, and the working class cannot lead the people. Consequently, the state machine will fall apart.[396]

In order to keep close contact with people and improve the Party's work style, Lenin put forward the slogan that we should do well to maintain a close relationship with people. He said: "to win the people's absolute trust, leaders of the Party must not be isolated from people, and the vanguard must not be separated from the broad mass." To meet these ends, first of all, a system of complaints and appeals must be established, through which people can express their ideas to the Party and the government timely and effectively. Second, top leaders and high officials of the Party must take the lead in going to the grassroots and the people so as to know their views. Therefore, a resolution

395 *Ibid.,* p. 304.
396 *Collected Works of Lenin: on Socialism.* Beijing: People's Press, 2009, pp. 340-341.

was adopted in the Eighth Congress of the Communist Party of Russia (Bolshevik) that the communists who had been the soviets and in charge of the Party's work for a long time would be sent to work in factories and on farmlands.

In addition, Lenin also held that the personal privileges of Party members and cadres, in performing the Party's day-to-day work, must be firmly opposed so as to keep a positive image of the Party and the government in the people's minds. The first change was made in Party cadres' salaries. In November 1917, the Soviet people's Committee issued a resolution that "the most effective measures will be taken to reduce the salaries of the officials of state-owned and public institutions, as well as the senior staff of private enterprises" under Lenin's initiative and leadership.[397] Second, Lenin deemed that those Party cadres who had made mistakes must not escape punishment or receive mitigated punishment just because they are communists.

To keep close ties with people, the Soviet government strongly opposed bureaucracy, a big problem that had plagued the government. In the late 1920s, the Soviet government was called "a country with a heavy bureaucracy". Lenin was fully aware of the danger of bureaucracy. To get rid of it, Lenin proposed specific and effective measures, including streamlining agencies, selecting more talented people, establishing a system of personal responsibility, a system of inspection, and a system of supervision.

9,2.2.4 Democracy and supervision within the Party

In daily activities of the Party, Lenin not only emphasized the centrality of Party organizations but also stressed democracy within the Party. Lenin stated that "once there are conditions for public events, it is high time to make a transition to a democratic organization of the workers' Party".[398] Lenin believed the Russian Social Democratic Labor Party was a democratic organization, rather than a religious one:

> The Democratic Labor Party is democratically organized. That is to say, everything, without exception, is handled by all members of the Party, either directly or through a representative under equal conditions. Moreover, all leaders and organizations of the Party are openly elected, and they have a responsibility to report to ordinary Party members, and they are subject to the right of recall.[399]

397 *Collected Works of Lenin* (Volume 4). Beijing: People's Press, 1978, pp. 314-315.
398 *Complete Works of Lenin* (Volume 16). Beijing: People's Press, 1988, p. 97.
399 *Complete Works of Lenin* (Volume 13). Beijing: People's Press, 1987, pp. 249-250.

In 1920, the 9th Congress of the Russian Communist Party put forward more than 20 specific measures to promote democracy within the Party. From the "New Economic Policy" onwards, conditions were more favorable for developing democracy within the Party. Lenin was more active in exploring this issue, and he put forward many constructive initiatives to assist the development of democracy within the Party. In March 1921, according to Lenin's proposal, the Tenth Congress of the Russian Communist Party (Bolshevik) decided to replace wartime "extreme centralization" with the system of "workers' democracy". Workers' democracy within the Party is designed to ensure that all members, even the most backward ones, can actively participate in the life of the Party and discuss and solve all the problems faced by the Party.

In the development of democracy within the Party, Lenin also constantly improved the supervision mechanism of the Party. In September 1920, the Ninth Congress of the Russian Communist Party (Bolshevik) decided to establish a Central Supervisory Committee to improve the supervisory functions of the committee—granting it the powers of "inspecting organizations at all levels, supervising the implementation of the orders and resolutions approved by the Central Committee and the Congress, and investigating the work of Party committee at all levels". From 1921 to 1922, Lenin personally hosted the 10th and 11th Congress of the Communist Party of the Soviet Union (CPSU) passed the "Resolution on the Commission" and the "Commission Ordinance." In 1922 after the 11th Congress of the CPSU, Lenin, in his late years, dictated eight articles, known as his "political testament", the central idea of which was to prevent excessive concentration of power, strengthen democratic decision-making, and to maximize the separation of powers, checks, and balances. In 1923, when Lenin was seriously ill, he continued to write for the 12th Party Congress. He authored the article "How to Reform the Supervisory Committee of Workers and Peasants", expounded his scientific thought of inner-Party supervision, and put emphasis on the relative independence and authority of the supervisory committee.

9.2.2.5 Improving the quality of Party members

The Marxist Party is composed of advanced members of the working class, and the quality of its members has a direct bearing on the role and nature of the Party. After the October Revolution, the influence of the Russian Communist Party was on the rise, and the temptation to participate in the Party was great. This situation attracted a large number of non-proletariats to join the Party, including many speculators and dangerous

persons. Thus, Lenin decided to improve the quality of Party members as one of the main tasks of Party-building.

To improve the quality of Party members, Lenin first emphasized the importance of arming the whole Party with Marxist theory and professional knowledge. Under the leadership of Lenin, Party schools and cadre schools at different levels in the country were established to provide systematic theoretical education and training to Party members and cadres. Lenin also pioneered the use of the purge approach to purify Party ranks. With the large number of non-proletarians joining the ranks of the Party, the number of Party members increased substantially, and the Party's social composition became complicated. In early 1921, Party members numbered 700,000, up from 300,000 in early 1919, of which less than half were workers, a quarter were peasants, and the rest were people of other social classes. In this case, the Party clearly revealed a tendency of syndicalism and anarchism. Lenin believed that this situation "worried some people" because "there existed a very real danger". Lenin saw that "the key of resolving the problem was to purge the Party of non-proletariats and make the ruling Party healthy, strong, and advanced".[400] In Lenin's view:

> Party members in name only are good for nothing. No other ruling Party but ours, namely, the revolutionary Party of the working class, aims at increasing the number of Party members and instead focuses on improving their quality and purging the impostors.[401]

Under the correct leadership of Lenin, the Russian Communist Party (Bolshevik) carried out two purges of Party members in 1919 and 1921. In 1921 alone, 170,000 members were expelled, about one quarter of the total number at that time. "The decrease of Party members implied that the strength and role of the Party was greatly increased."[402] The purge consolidated the strength of the Party's organization, improved its social composition, and further enhanced its fighting capacity.

In short, Lenin's exploration together with his valuable experience and ideas under the new historical conditions provided very important references for the ruling parties in socialist countries today.

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400 *Complete Works of Lenin* (Volume 37). Beijing: People's Press, 1986, p. 24.
401 *Collected Works of Lenin: on Proletariat Dictatorship.* Beijing: People's Press, 2009, p. 222.
402 *Complete Works of Lenin* (Volume 37). Beijing: People's Press, 1986, p. 24.

9.2.3 Mao Zedong's Theory of a Proletarian Party

The Chinese communists represented by Mao Zedong enrich and develop the theory of the ruling Party of the proletariat during the process of adopting Marxism to the real conditions of China. The CPC eventually seized power after 28 years of hard struggle. In the long course of the struggle, Mao Zedong made great achievements in advancing the work of Party-building. After the founding of New China, Mao Zedong constantly summed up the experience and lessons of the CPC in practice, and further developed the theory of the ruling Party to meet the needs of building socialism. These theories under the new historical conditions are of great significance to promote the great project of Party-building.

9.2.3.1 Strengthening ruling Party work style

Early in the revolutionary war, Mao Zedong put forward the "three fine work styles of the Party" on the basis of summarizing its practical experience, which provides invaluable experience for the governing Party. On March 5,1949, Mao Zedong at the Second Plenary Session of the Party's 7th Central Committee reminded all Party members of the "two musts": The cadres must remain modest, prudent, and free from arrogance and rashness in their style of work; the cadres must preserve their plain living style and the hard struggle. The "two musts" reflects the requirements of the times, scientifically answering the major historic question of how communists should properly treat the victory of the revolution and meet the test of the ruling Party.

After the founding of New China, some Party cadres displayed an arrogance that was extremely dangerous. Mao sharply criticized the danger of arrogance and warned the Party: "Do not play the braggart. Our cause depends on the many for its success, the few play only a limited role.... All our cadres, and veteran cadres in particular, should guard against conceit and rashness, and always remain modest and keep forging ahead".[403] At the Eighth National Congress of the Party in 1956, Mao warned the Party in an opening speech: "Even if we have made great success in our work, there is no reason to be conceited and arrogant. Modesty helps one make progress whereas conceit makes one lag behind. We must always remember this truth".[404]

Mao Zedong urged the whole Party to maintain the fine style of plain living and the hard struggle formed during the revolutionary years, and regarded it as the code

403 *Selected Works of Mao Zedong* (Volume 6). Beijing: People's Press, 1999, pp. 401-403.
404 *Selected Works of Mao Zedong* (Volume 7). Beijing: People's Press, 1999, p. 117.

of ethics that Party members and cadres must follow. In November 1956, Mao Zedong pointed out at the Second Plenary Session of the Eighth Central Committee meeting that "what is most essential is that we must advocate plain living and hard work, which is our intrinsic political quality".[405] In February 1957, Mao Zedong stressed in "On the Correct Handling of Contradictions among the People" that:

> We must see to it that all our cadres and all our people constantly bear in mind that ours is a large socialist country but an economically backward and poor one, and that this is a very big contradiction. To make China prosperous and strong needs several decades of hard struggle, which means, among other things, pursuing the policy of building up our country through diligence and thrift, that is, practicing strict economy and fighting waste.[406]

In face of corruption within the Party, the Central Committee of the Party represented by Mao Zedong made a resolute struggle. On November 30, 1951, Mao Zedong made important directives on corruption made by Tianjin Party Secretary Liu Qingshan and Commissioner Zhang Zishan:

> Particular attention must be paid to the fact that the corrosion of cadres by the bourgeoisie results in serious cases of corruption. Be sure to detect, expose, and punish those involved and to take this as a major struggle.[407]

To effectively curb the spread of corruption, the CPC Central Committee launched a massive anti-corruption, anti-waste, anti-bureaucratic movement throughout the country in 1952. Hard work, thrift, anti-corruption, honesty, and integrity are Mao's consistent stand, and the important guarantee for the Chinese communists to remain invincible. We must adhere to these important principles and improve the ability of the governing Party by means of building a clean and honesty governance.

9.2.3.2 *Combating bureaucracy*

To consolidate the position of the CPC as the ruling Party, Mao Zedong attached great importance to combat bureaucracy. After the founding of the PRC, bureaucracy within the Party was on the increase. The growth of bureaucracy undermined the ties between the Party and the people and hindered both Party and government from making proper decisions, which produced a tremendous negative impact on the political and social development of

405 *Ibid.,* p. 162.
406 *Ibid.,* p. 240.
407 *Selected Works of Mao Zedong* (Volume 6). Beijing: People's Press, 1999, pp. 190-191.

the country. In January 1953, Mao Zedong profoundly pointed out that "bureaucracy and commandism in our Party and government is a big problem not only in the present time but also for a very long time to come."[408] At the Second Plenary Session of the Eighth Central Committee, Mao Zedong criticized some Party members and cadres who were divorced from the masses and made blind decisions. Mao sternly warned that "the masses will have good reason to remove from office whoever practices bureaucracy, makes no effort to solve their problems, scolds them, tyrannizes over them, and never tries to make amends".

To effectively overcome bureaucracy, Mao Zedong also did extensive research and accumulated a great deal of valuable experience. First, he proposed to streamline the Party and government organs to get rid of bureaucracy. In 1956, Mao Zedong mentioned this strategy in "On the Ten Major Relationships" in which he said:

> The dictatorship of the proletariat cannot but be highly coercive. Still, the CPC must oppose bureaucracy and a cumbersome apparatus. I propose that the Party and government organs be thoroughly streamlined and cut by two-thirds provided that no person dies and no work stops.[409]

The downsizing of the Party and government organs not only saved financial costs, it also improved Party and government efficiency, which effectively inhibited the bureaucracy.

To effectively overcome bureaucracy, Mao Zedong also improved the Party's leadership to strengthen cadres' ideological and political work. In February 1953, Mao commented on a bureaucratic inspection report, emphasizing that:

> The extreme lack of ideological and political leadership in many sectors is totally intolerable, which explains why bureaucracy can exist and grow. Therefore, it is imperative to research how to strengthen the ideological and political leadership in the process of fighting bureaucracy.[410]

9.2.3.3 *Preventing peaceful evolution*

After World War II, two opposing camps were formed, and the imperialist countries gave up the use of force and adopted a "peaceful evolution" strategy to infiltrate and

408 *Selected Works of Mao Zedong* (Volume 6). Beijing: People's Press, 1999, p. 254.
409 *Selected Works of Mao Zedong* (Volume 2). Beijing: People's Press, 1986, p. 734.
410 Liang Zhu. *On Mao Zedong's Thought of Democratic Politics.* Beijing: Peking University Press, 2002, p. 25.

subvert socialist countries. Especially after the mid-1950s, Western countries stepped up this strategy. Its consequences began to appear in some socialist countries, which aroused the attention of Mao Zedong. After a long-term exploration in theory and practice, he put forward a series of important ideas against "peaceful evolution".

In 1956, at the 20th Party Congress, Khrushchev made a secret speech to denounce Stalin, which caused serious ideological confusion in socialist countries. Imperialist countries took this opportunity to accelerate "peaceful evolution" to change the color of socialist countries. John Foster Dulles, then United States Secretary of State, was ecstatic, believing that the time had come for implementation of "peaceful evolution". Mao Zedong was very vigilant about the policy of "peaceful evolution". At a November 1959 meeting in Hangzhou, three speeches about "peaceful evolution" delivered by Dulles were printed for top Party members and officials; Mao Zedong made a profound analysis on them and pointed out the purpose and nature of the policy.

To prevent "peaceful evolution", Mao Zedong pointed out that socialist countries must not only have a clear understanding of the nature and changing policies of imperialism, but also make an objective analysis on their domestic situations and thus be able to work out a correct policy against "peaceful evolution". To this end, the CPC must first of all develop socialist productive forces and promote socioeconomic development. Second, the Party must strengthen education about socialist ideology to prevent the invasion of capitalist ideology. Mao Zedong pointed out that it will take a very long time to resolve the issue of who can win the struggle between socialist and capitalist ideologies ... the class struggle between the proletariat and the bourgeoisie in the ideological field is long, tortuous, and sometimes intense. Mao Zedong's thought of resisting peaceful evolution made an important contribution to the theory and practice of China's proletarian Party.

9.3 The Ruling Party of Contemporary China

9.3.1 Historical Mission of the CPC in the New Era

9.3.*1.1 Challenges facing the World Socialist Movement*

On the evening of December 25, 1991, the national flag of the Soviet Union with the red star, hammer, and sickle, flying over seventy years, was slowly lowered from the Kremlin for the last time, replaced with the new tricolor Russian flag in blue, white, and red. Thus, the Soviet Union, the world's most powerful socialist country, stepped off

the stage of history. Due to the radical change of the Soviet Union and Eastern Europe, the Communist Party of the Soviet Union with its 90-year history of ruling the country for more than 70 years, once with 19 million Party members, collapsed in a flash. Fundamental changes have taken place in the world power structure due to socialism's failure in Eastern Europe and the Soviet Union. The World Socialist Movement (WSM) suffered a heavy blow, marking it a historic low tide.

Currently, the WSM, though still at a low ebb, has entered a steady period of development, shaking off chaos and disorders caused by radical changes in the Soviet Union and Eastern Europe. On the basis of experiencing these radical changes, the WSM develops toward a healthier direction, though still faced with challenges.

First, the challenge of the scientific and technological revolution. Today, human society has entered a new era as the scientific and technological revolution develops in a comprehensive and accelerated way. The new revolution will inevitably bring great development to the productive forces and great changes in social production and human life. To maintain its vitality, the world's socialists must respond positively to this development and the resulting changes in social class and structure; it must, at the height of world's newest form of productivity, explore effective ways to launch a workers' movement and enhance their strength under the new social conditions.

Second, the challenges of globalization. Globalization is one of the most important features of human society in the modem era, providing a valuable historic opportunity for the development of various socialist countries. However, since current globalization is essentially dominated by capitalist countries, it brings into full play their politics, economy, and culture. Thus, as for what measures socialist countries must take to timely seize the opportunities and avoid the negative effects brought by globalization, it is not just a theoretical issue, but a more practical one for the ruling Communist Party.

Third, the challenge of contemporary capitalism. Contemporary capitalist countries take full advantage of the results of new scientific and technological revolution to promote the rapid development of social productive forces. They also use a variety of methods to adjust their productive relationships to overcome the basic contradiction inherent in a capitalist system. The capitalist countries, as they develop, do not spare efforts to slander and repress the WSM. Especially, the remaining five socialist countries are faced with comprehensive penetration and subversion. Socialist movements in many advanced capitalist countries are also difficult, and even the Communist Party in some countries is marginalized.

9.3.1.2 Summary of the Party's ruling practice and experience since 1978

The Third Plenary Session of the 11th CPC Central Committee held in 1978 is of great importance in CPC history as it changed its work focus. The CPC fundamentally removed the severe constraint of its long-term "leftism" and fully restored and established the route of Marxism in thought, politics, and organization. This laid an important ideological and organizational foundation for comprehensively promoting Party-building under the new historical conditions.

After the Third Plenary Session, the Party's second generation of central collective leadership, with Deng Xiaoping as the core, presented clear concepts about the fundamental issue of what socialism is and how to build it, summed up the experience and lessons of building China's socialism and world socialism, and opened up the path of socialism with Chinese characteristics through combining the universal truth of Marxism with China's specific realities, thus bringing historic change to contemporary China. After the Fourth Plenary Session of the 13th CPC Central Committee, the Party's third generation of central collective leadership, with Jiang Zemin as the core, held high the great banner of Deng Xiaoping Theory, adhered to the Party's basic line and guiding principles, and founded the important thought of "Three Represents" based on continuous theoretical and practical innovation to further deepen the understanding of socialism with Chinese characteristics. Since the 16th National Congress of the CPC, the Party Central Committee headed by Hu Jintao as general secretary held high the great banner of Deng Xiaoping Theory and the important thought of Three Represents, comprehensively pushed forward the construction of socialist economy, politics, culture, society, and Party, and at the same time promoted the Party's theoretical innovation—putting forward the Scientific Outlook on Development and a series of other major strategic ideas, powerful ideological weapons for the further development of and new progress in socialism with Chinese characteristics.

Under the efforts of the Party and the Chinese people, reform and opening up have made great achievements—the economy has grown rapidly, the socialist democracy and legal system constantly develop, political system reform has been carried out in an orderly manner, the social security system has begun, and the people's spiritual and cultural life have significantly improved. Since reform and opening up, the CPC has accumulated valuable experience in the process of leading the people in building socialism with Chinese characteristics. Guided by Deng Xiaoping Theory, the Party: (1) constantly promotes theoretical innovation; (2) takes economic development as the central task and

the development of social productivity as a priority; (3) unswervingly pushes forward reform and opening up and treats it as a long-term basic national policy; (4) builds socialist democracy with Chinese characteristics, pushes forward reform of the political system, and builds a socialist country ruled by law based on adhering to the Four Cardinal Principles; (5) improves both material and spiritual civilization and strikes the balance of economic, political, cultural, and societal development; (6) safeguards and maintains the stability and unity of the society and politics, and deals with stable relationships among reform, development, and stability; (7) adheres to the Party's absolute leadership over the army and builds fewer but better troops with Chinese characteristics; (8) unites all forces and constantly expands the patriotic United Front to enhance cohesion of the Chinese nation; (9) pursues the independent foreign policy of peace development, provides a peaceful and stable international environment for China's reform, opening up, and socialist modernization; (10) strengthens and improves CPC leadership and propels the new great project of Party-building.

*9.3.*1.3 *Historical position of the CPC in the new era*

Historical experience proves that it is essential to recognize the Party's historical position. From the New Democratic Revolution to the socialist revolution, socialist construction and to reform, opening up, and socialist modernization construction, the Party's major victories and development are inseparable from the correct understanding of its historical position; all major misunderstandings and failures are closely related to errors and mistakes about its historical position. At present, when the CPC is in a critical period of building socialism with Chinese characteristics, correct understanding of the new changes in global, national, and intra-Party conditions and recognizing the historical position of the Party are of important, practical significance.

Under the current international situation, though peace and development remain the themes of the times, the times are characterized by overall peace and local war, overall relaxation and local tension, overall stability and local turbulence. World multi-polarization and economic globalization are developing in twists and turns. Science and technology progress with each passing day, and the overall national strength competition becomes increasingly fierce. As Jiang Zemin pointed out, "This is a global competition that no country or nation can evade. In this competition, he who doesn't advance loses ground".[411]

411 Jiang Zemin. *Building a Moderately Prosperous Society in All Respects and Breaking New Ground in the Cause of Socialism with Chinese Characteristics.* Beijing: People's Press, 2002, p. 1.

In terms of national conditions, since reform and opening up, great achievements have been made in China's socialist modernization. However, in reality, China's reform has entered a crucial stage and faces prominently emerging deep-seated contradictions and problems of economy, politics, and culture. Thus the task of reform and development and stability remains arduous. China is still in the primary stage of socialism and will long remain so; the overall level of productivity, science and technology, and education are still relatively backward; the contradiction—of people's ever-growing material and cultural needs and China's backward social production—has not changed. All these tell us that there is still a long way to go.

As for Party-building, many changes have taken place: (1) the Party's historical position. The CPC transformed from a Party that led the people in fighting for national independence to a Party that governs the country to lead the people in reform, opening up, and achieving common prosperity. However, some Party members and cadres forget their duties; corruption and other undesirable phenomena appear within the Party; (2) the Party's external governing environment. As reform deepens and the socialist market economy develops, economic sectors, interest groups, social organizations, and social lifestyles are becoming more diverse—and many Party members and cadres waver in their beliefs; (3) a large increase in the number of new Party members. By the end of June 2007, China's Party members reached 73.363 million, increasing by 6.422 million compared with 2002. This large increase makes the Party more difficult to manage. In addition, many new social classes joined the Party, the composition of the Party changed greatly, and many new members nurtured all sorts of non-proletarian ideas. Therefore, it was necessary to strengthen Party-building in the spirit of reform, and to constantly enhance Party leadership and ruling capability.

9.3.2 Contemporary China's Ruling Party

9.3.2.2 *Establishing the goal of the ruling Party*

The CPC is a proletarian Party guided by Marxism, so its ultimate goal is to realize communism. Currently, the goal is to build socialism with Chinese characteristics, laying a solid foundation for achieving the ultimate goal in the future.

Currently, the goal of the CPC is very specific with various focuses in different areas. First of all, the Party must take the Scientific Outlook on Development as the first important task, always take economic development as the central task, and constantly improve the level of China's productivity. Current productivity remains relatively backward with

an underdeveloped commodity economy, and many people have not completely shaken off poverty. Under such historical circumstances, the most essential goal of the Party is to make the country prosperous and powerful.

Second, the Party needs to improve socialist democracy and fully mobilize the enthusiasm and initiative of the people to participate in national management. As the basic characteristic of the socialist society, socialist democracy reflects the superiority of the socialist system. Deng Xiaoping brilliantly pointed out that, without democracy, there would be no socialism and no socialist modernization. This important statement accurately expresses the position of democratic politics in the socialist construction.

Third, the Party must promote a socialist spiritual civilization to provide powerful ideological and intellectual support for building socialism with Chinese characteristics. Socialist spiritual civilization development includes cultural and ideological development. As for cultural development, the Party needs to strive to improve the whole nation's fine cultural traditions and adhere to the policy of letting a hundred flowers blossom and a hundred schools of thought contend to develop a thriving socialist culture. As for ideological development, the CPC must vigorously strengthen the education of patriotism, collectivism, a socialist ideology, citizen morality, professional ethics, and the rule of law and discipline so that Party members and the people can set up a correct outlook on the world, life, and values.

Fourth, the Party must continue to build a harmonious socialist society and to create a harmonious and stable social environment for the development of other undertakings. As the pace of China's industrialization, urbanization, and adjustment of economic structure is quickening, contradictions of unbalanced development become increasingly prominent and social interests tend to be more diverse; hence the contradiction and problems faced by China's economic and social development in the next period may be more complex and more prominent. Faced with this situation, taking building a harmonious socialist society as a goal of the Party is to effectively deal with all kinds of contradictions and to properly coordinate various relationships to promote the continuous development of the cause of socialism with Chinese characteristics.

9.3.2.2 *Consolidating and expanding the Party's ruling foundation*

At present, the diversified social structure becomes obvious, and the new social stratum is emerging, which have a great impact on the ruling foundation of the CPC. The CPC must consolidate its original ruling foundation and expand the Party's influence in the

new social class to enlarge its mass base so as to maintain the ruling position. Jiang Zemin gave his speech during the celebration ceremony of the 80th anniversary of the founding the CPC, "To carry out the demands of 'Three Represents', we must maintain the vanguard of the working class and the Party's progressiveness as well as enhance the class basis and expand the mass foundation and constantly improve the social influence based on the reality of the economic and social development."[412]

As the proletariat ruling Party is the vanguard of the working class, consolidating a class basis is essential to maintain its ruling position. In contemporary China, the connotation of the working class has been deepened and extended. The traditional concept is out of use. It used to mean that the working class consists of industrial workers, even manual workers. As a matter of fact, it is because of these changes that the progressiveness of the working class and the Party's class basis keep growing, creating a very vital condition for maintaining the Party's progressiveness. Consolidating the class basis of the Party actually refers to a working class undergoing change. At the same time, under new historical conditions, in order to stabilize the Party's ruling position, the Party must not only continue to consolidate its class basis and expand its mass foundation, but also give full play to its leadership function of the society and fully mobilize the enthusiasm of the people from all walks of life. This is a scientific choice and strategic decision to consolidate the ruling position of the Party, which fully reflects the development law of a proletarian political Party and the objective requirement of changes in China's social structure.

9.3.2.3 *Reforming and improving the Party's ruling style*

First of all, it should be made it clear that the Party's leadership is a macro or a general one, including political leadership, ideological leadership, organizational leadership, and more. Political leadership is to formulate the correct line, principles, policies, and political direction; ideological leadership is to arm Party members and cadres with Marxism-Leninism, Mao Zedong Thought, and the theoretical system of socialism with Chinese characteristics to guide the work; organizational leadership is to adhere to the policy of placing cadres under the Party's supervision to train Party-recommended candidates to properly wield state power. The Party must bring the three together well to give full play to the Party's leadership role in reform and construction in various fields.

412 Jiang Zemin. *Speech on Celebration Ceremony of 80th Founding Anniversary of the CPC,* Beijing: Central Literature Publishing House, 2001, p. 511.

Then, it is a must to scientifically define and correctly handle the relationships among the Party, the National People's Congress, the government, the Party's Political Consultative Conference, and various people's organizations. The nature and function of the Party is different from that of government and people's organizations, so the CPC must not simply classify the relationships among the Party and the government organs and the people's organizations as leading and being led. Party leadership of government organs and people's organizations is to be done in an indirect way through the Party members' involvement, ideological communication, guidance, policy persuasion, legal support, and more. At present, the Party should further reform its working organs and mechanisms, and standardize the relationships among the Party Committee, the National People's Congress, the government, the Party's Political Consultative Conference, and people's organizations in accord with the principle of the Party exercising overall leadership and coordinating the efforts of all.

The Party must adhere to the rule of law. The rule of law is that the Party leads the country, and it administers and controls state power according to law. The Party must exercise its power within the limits stipulated by the constitution and the law, not as a privileged organization above the law. To govern the country by law, Party committees and cadres at all levels must enhance their legal awareness to be able to combine Party's leadership, people as masters of their country, law-based governance, and constantly improve the ability to rule by law in actual work. The CPC must insist on governing by the law, and Party committees and cadres at all levels must correctly understand and deal with the relationship between the Party's policies and the law, and put the Party's policies, the constitution, and the law as their basis to govern the country. In reality, Party members must correctly understand and solve the problem of the relationship between the law and Party policies.

9.3.2.4 Strengthening anti-corruption and the error-correcting mechanism

The anti-corruption struggle of the Party is of vital importance. To effectively fight corruption, the Party must strengthen its anti-corruption system and set up a punishment and prevention mechanism. Hu Jintao, top leader of China between 2002 and 2012, repeatedly stressed that tackling corruption from both its roots and symptoms is a supplementary and mutually-promoting effort.

To build an efficient anti-corruption mechanism, the Party must first strengthen its supervisory mechanism. Over the years, the Party has formed many good systems

and has had experience in inner-Party supervision. However, the Party's supervisory system needs much improvement and has not formed a sufficiently binding supervisory system. In view of these problems, the Party must strengthen the supervisory mechanism from three aspects: 1) strengthen inner-Party supervision. It is imperative to strengthen the supervision within Party committees and in the Central Commission for Discipline Inspection by improving democratic centralism. In the practical work, the Party must improve the independence and autonomy of the Party's disciplinary bodies; 2) strengthen public surveillance. The Party must protect people's right to supervise according to the law and make Party affairs known to the public, fully mobilizing the enthusiasm of the public to supervise and appraise; 3) strengthen supervision by public opinion. By adhering to the Four Cardinal Principles, the Party must give the news media the right to investigate, comment, and expose—and make it become a sharp weapon against corruption. To build a perfect anti-corruption mechanism, it is necessary to strengthen the ideological development of each Party member. The Party must focus educating the cadres, especially senior cadres, and constantly explore a long-term mechanism that keeps the advanced nature of CPC members.

In addition to establishing a sound anti-corruption mechanism, the Party must also build a sound and effective error-correcting mechanism as it plays a vital role in ensuring fewer mistakes and enhancing the Party's capabilities. Meanwhile, it is of vital significance to improve decision-making ability and leadership. The Party used to attach importance only to establishing the investigative mechanism of decision-making errors, instead of using an early warning and error-correcting mechanism. However, the investigative mechanism is often used after the error occurs, which results in irreversible loss. Therefore, the Fourth Plenary Session of the 16th CPC Central Committee explicitly proposed improving the error-correcting mechanism to correct errors made by the Party's decision-makers to avoid unnecessary losses before they produce negative consequences. It can be said that the error-correcting mechanism is a prevention mechanism, rather than a disciplinary mechanism. "In a sense, it is more urgent and important to improve the correcting mechanism to reduce mistakes and avoid losses than to investigate or punish the decision makers for the errors."[413]

413 Wang Hong. "The Sound Correcting Mechanism Is of Great Significance". *The People's Daily,* Dec. 30, 2004, p. 9.

9.3.3 Strengthening the Party's Ruling Capacity and Promoting the Great New Party-Building Project

On September 19, 2004, the "Decision of the CPC Central Committee on Strengthening the Governance Capacity of the Party" was passed in the Fourth Plenary Session of the 16th CPC Central Committee—the first historical document to strengthen the Party's ruling capacity. The decision clearly pointed out that, under the new circumstances, the CPC as the ruling Party must have five capabilities—to rein the socialist market economy, to develop socialist democratic politics, to build a socialist advanced culture, to construct a harmonious socialist society, and to handle the international situation and affairs.

9.3.3.*1 Improving the Party's capability to control the socialist market economy*

There is no precedent in the world for a socialist country to develop a market economy. This is a great creation, and there are many things we are not familiar with and a lot of unsolved problems. All require the CPC to improve its capability to control the market economy by exploration and practice. In the first 20 years of this century, the Party intends to build a moderately prosperous society in an all-around way to benefit more than one billion people. By mid-century, China will achieve modernization and turn the country into a socialist country that is prosperous, strong, democratic, and culturally advanced. To accomplish this glorious and arduous historical task, the CPC, in the practice of modernization, must grasp well the inherent demands of a market economy and Chinese law, and constantly enhance its ability to control the market economy.

The Party must first learn to follow more closely the law of the market. A market economy has its own inherent characteristics and operating rules, making it necessary for the CPC to require cadres at all levels to deepen their understanding of the laws of a market economy to improve China's socialist market economy. Only in this way can the CPC promote a healthy and rapid development of the socialist market economy, and make right decisions in the practice of a market economy. Second, the CPC must adhere to putting people first and implementing the Scientific Outlook on Development in a comprehensive, coordinated, and sustainable way. As the market economy deepens, there exist different interests and conflicts in which the gap between rich and poor is more and more obvious, polarization is emerging, and unstable societal factors are on the rise. In addition, the blind and disorderly development has resulted in a huge waste

of resources and done serious damage to the natural environment. Faced with these problems, the Party must change the economic development strategy, follow the guidance of the Scientific Outlook on Development, give full play to the advantages of a market economy, and overcome the existing shortcomings and deficiencies to promote the coordinated and orderly development of China's economy, society, and environment. Third, the CPC must solve problems arising during reform and construction practice through development. In the process of establishing and improving the socialist market economic system, there will inevitably be contradictions and problems in economic and social life that are solved only with intent to speed development. Continuously promoting societal development can lay a solid material foundation for the Party and the government to improve its ability to control a market economy. Thus development is an important basis and a fundamental way to solve contradictions and problems arising in economic and social life.

*9.3.*3.2 *Improving the Party's capability to develop socialist democratic politics*

Improving the capability to develop the socialist democratic politics is the essential requirement of socialism. The report of the 17th CPC National Congress clearly pointed out that people's democracy is the lifeblood of socialism, and developing socialist democratic politics is the unswerving goal of the Party. Improving the Party's ability to develop socialist democratic politics is an important part of the socialist modernization drive.

First, Chinese people must adhere to the Party's leadership. In China, CPC leadership is the core of the socialist political system and the fundamental guarantee to realize socialist modernization. The constitution and the law is formulated by the Party and the people, embodying the unity of the Party's views and the people's will; the administrative and judicial organs are under the leadership of the Party, and the broadest masses of the people exercise democratic rights under the Party's leadership and organization. Without the correct leadership of the CPC, socialist democratic politics would not have been established and developed. Second, we must adhere to the essential requirements of the people being the masters of the country. During the process of its political construction, the Party has always led and supported the people to be the masters—the starting point and ultimate goal of the Party. It is the Party that widely organizes the people to manage the country, social affairs, and economic and cultural undertakings all based on law. To ensure that the people are the masters of the country,

the key is to strengthen socialist democratic politics, institutionalize and standardize the socialist democracy, promote its procedures, and ensure that the people fully exercise their democratic rights. Third, we must stick to the basic strategy of ruling the country by law. This means that the broad masses of the people, under the leadership of the Party, in accord with the provisions of the constitution and the law, manage such state affairs as economic and cultural undertakings and social affairs, and gradually realize the institutionalization and legalization of democratic socialism. To implement the basic strategy of ruling the country by law, we must adhere to the rule of law and improve administration according to law. Rule of law is a basic way of the ruling Party under the new historical conditions as well as the objective requirement of developing socialist democratic politics.

9.3.3.3 *Improving the Party's capability to develop an advanced socialist culture*

The socialist advanced culture of contemporary China is modernization-oriented, world-oriented, and future-oriented, as well as being a scientific national culture of the populace. The culture can better hold together the will and strength of the people of all ethnic groups to unite as one to achieve the grand goal of building a moderately prosperous society in all respects and continue to provide a powerful ideological guarantee, spiritual motivation, and intellectual support for reform, opening up, and the modernization drive. Thus, the CPC must work to improve its ability to build a socialist advanced culture.

First, the CPC must adhere to the guiding role of Marxist theory in ideology. Marxist theory is the core of advanced socialist culture, and the basic premise to maintain a socialist advanced culture. Only by sticking to the guiding role of Marxism can the Party ensure that the whole society has a common ideal and belief; Marxism provides the spiritual motivation and ideological guarantee for reform, opening up, and the socialist modernization drive. Second, the CPC must consolidate its cultural leadership. The CPC is the leading core of the cause of socialism with Chinese characteristics. Only under the Party's leadership can the Party ensure that construction of the new culture is in line with the basic principles and objectives of socialism, and serve socialism with Chinese characteristics. When building a socialist advanced culture, the CPC members must emancipate their minds, seek truth from facts, keep pace with the times, and constantly enhance the appealing force and influence of the advanced culture against the background of the socialist modernization construction. Third, The CPC must adhere

to the principle of the Party controlling the media. The CPC must improve its ability to guide public opinion correctly and effectively, and to direct the development of public opinion by the correct ideological theories, action programs, and values. The Party must also supervise public opinion and correctly guide social hot spots. In the end, the CPC must attach great importance to the impact of the Internet and other new media on public opinion and use new channels and new technologies to actively seize the commanding heights of the publicity fronts.

9.3.3.4 Improving the Party's capability to build a harmonious socialist society

Currently, as reform continues, China's social and economic composition, its forms of organization, interests groups, and employment modes are showing a trend of diversification. The social interests structure and ways of finding new interests have also changed. All these have worsened the contradictions and conflicts of the social interests, and have seriously harmed the social stability. Therefore, one of the most important and obvious aspects of the Party's ruling capacity is to coordinate the contradictions and conflicts of the interests and build a harmonious socialist society.

First, the CPC must balance the interests of all parties. That means to distinguish and grasp the people's fundamental interests, interests of different aspects and the most direct interests, put the fundamental interests of the overwhelming majority of the people above anything else when formulating policies and carrying out work, and reflect on and take care of the interests of different levels and groups. On this basis, the CPC must establish communication channels and a coordination mechanism of social interests, improve the working mechanism to deal with the contradictions among the people, and handle in a timely manner the issues of the people according to law. Second, the CPC must promote innovation in the social management system. The Party must pool the resources of social management, establish and enhance a Party-led social management pattern, administered by the government, coordinated by the society, and participated in by the public; the CPC must build community-level organizations, laying a solid organizational foundation to build a harmonious society; the Party must give full play to the role of social organizations such as associations, to work with local authorities in urban and rural areas, and with industry societies in social management. Third, the CPC must build up a sound social crisis-warning system and enhance its ability to protect public safety and handle emergencies. The CPC must establish channels to reflect social conditions and public opinion to handle

people's problems according to the law; set up a sound social warning system to form an emergency response mechanism that has unified command, complete function, quick reaction, and effective operation; further put in place a sound emergency response system, a complete emergency management system, and related laws and regulations.

9.3.3.5 Improving the Party's ability to deal with the international situation and affairs

In today's world, the trend of political multi-polarization and economic globalization is more and more evident, accompanied by breathtaking advancement in science and technology, conflicting thoughts and cultures, and intense comprehensive national strength competition. Therefore, the ability to deal with the international situation and affairs determines whether the Party can achieve the goal of building a relatively prosperous society in all respects and the great rejuvenation of the Chinese nation.

First, the CPC must make a scientific judgment of the international situation. Only through this, can the members recognize the profound changes in the world, size up the situation, avoid disadvantages, grasp the direction, make good use of opportunities, create conditions, and get the whole picture of development. Second, the CPC must stick to the path of peaceful development. Thus, the Party must make full use of the overall trend of the world, which moves toward relaxation, stability, and peace, and seize the opportunities of world multi-polarization and economic globalization together with the progress of science and technology to achieve development. The CPC advocates the peaceful settlement of international disputes, resolutely opposes hegemonism and power politics, and agrees to develop friendly relations with all countries on the basis of the Five Principles of Peaceful Coexistence. In addition, the Party opposes all forms of terrorism, advocates strengthening international cooperation, and works to eliminate the roots of terrorism. Third, the CPC must also continue to improve its ability to maintain national security. Now, traditional and non-traditional security threats are intertwined, and new threats from the international community are emerging. China, as the world's largest socialist country, faces new external pressure—the struggle between penetration and anti-penetration, division and anti-division, subversion and anti-subversion. The CPC must always put national safety in first place and enhance the awareness of risks, improve China's national security strategy, and establish a sound national security mechanism to ensure the security of national politics, economy, culture, and information.

The CPC shoulders the historical task of advancing the cause of socialism. To accomplish this historical mission, the most fundamental task is to build well our Party and improve the Party's governing capacity. The founders of Marxism laid a theoretical foundation for Party-building; leaders of socialist countries have enriched and developed the theory based on their own practice and experience—all of which plays a vital role in Party-building.

CHAPTER 10

THE SITUATION AND STRATEGY FOR SOCIALIST IDEOLOGY

> The present world is undergoing extensive and profound changes and contemporary China is experiencing extensive and profound revolutions. The opportunities are unprecedented, as are the challenges, and the opportunities outweigh the challenges.

That is an overall judgment on the international and domestic development trend by Hu Jintao, general-secretary of the CPC, at the 17th National Congress of the Communist Party of China. The judgment, in line with the general condition of China's socialist ideological construction, is of guiding significance in strengthening and improving socialist ideological construction.

Without doubt, socialist ideology in China has made significant achievements and met unprecedented opportunities. The opportunities must certainly be grasped, but more importantly, the hitherto unknown challenges and problems must be dealt with seriously and resolved. At present, problems that exist in China's socialist ideological construction must be taken seriously and settled with corresponding effective methods and feasible countermeasures. This is an urgent and realistic task for the Party and the country as well as a major issue of Marxist theory study. The Party must attach high importance to ideological work for it determines the success of the socialist cause with Chinese characteristics.

10.1 Reconsidering the Basic Principles of Socialist Ideology

The CPC has always paid higher attention to the basic theoretical issues of socialist ideology—the basic principles, functions, and strategic status—and has accumulated a wealth of experience. However, with new changes taking place in the world, the

country, and the Party, misconceptions emerge among Party and government cadres. Some people one-sidedly emphasize "the central task of economic development", pit ideology and economy against each other, and regard ideology as some kind of undesirable "left" thought. Some think that ideological construction is virtual and unimportant. Some advocate non-ideology and de-ideology. They think little of socialist ideological construction, lay socialist ideology aside, give it a wide berth, or treat it as a dreadful monster, the source of disaster, and even attack it with malicious remarks. These situations are due to many reasons. Today, to strengthen and improve socialist ideological construction, the Party must adhere to the standpoints, views, and methods of Marxism, correctly understand the basic principles, functions, and strategic status of socialist ideology, and deepen the understanding of the significance of socialist ideological construction.

It is basic common sense and a basic principle of historical materialism that men's social existence determines their consciousness, and the mode of production of material life conditions the general process of social, political, and intellectual life.

Ideology a superstructure part determined by its economic foundation, so when discussing ideology, economic foundation must be considered. In January 1859, Karl Marx pointed out in the preface to *A Critique of Political Economy* that:

> With a change in the economic foundation, the entire immense superstructure is more or less rapidly transformed. In considering such transformations, a distinction must always be made between the material transformation of the economic conditions of production, which can be determined with the precision of natural science, and the legal, political, religious, aesthetic, or philosophic transformations—in short, the ideological forms through which men become conscious of this conflict and fight it out.[414]

In the preface, Marx also set forth the fundamental principles of historical materialism:

> In their social existence, men inevitably enter into definite relationships that are independent of their will, namely relations of production appropriate to a given stage in the development of the material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political, and intellectual life. It is not the consciousness of

414 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 592.

> men that determines their existence, but their social existence that determines their consciousness.[415]

In the view of Marx, ideology is the totality of various forms of social consciousness that reflect social existence. These forms of social consciousness with different natures—covering law, politics, religion, art, or philosophy—are regarded as social existence. In a capitalist society, the bourgeoisie must create the ideology of its own class, by all means to spread it widely in society, and to intellectually influence and control the social life and the members of the whole society to safeguard its dominance and social existence. The proletariat, who appears on the historical stage as the gravedigger of capitalism, must criticize the bourgeois ideology. However, the arms of criticism cannot replace the criticism of arms. Only when social existence that ideology depends on is destroyed can ideology be destroyed. "All the forms and products of consciousness cannot be eliminated through intellectual criticism", and only "actually overthrowing all social relationships produced by idealism can wipe them out". According to Marx and Engels, class character is the nature of ideology:

> The ideas of the ruling class are in every epoch the ruling ideas, i.e. the class that is ruling the material forces of society—is at the same time its ruling intellectual force. The class that governs the means of material production at its disposal also has control at the same time over the means of mental production, so that thereby, generally speaking, the ideas of those who lack the means of mental production are subject to it. Ruling ideas are nothing more than the ideal expression of dominant material relationships, dominant material relationships grasped as ideas; hence of the relationships that make the one class the ruling class.[416]

Though determined by social existence, ideology is relatively independent. First, social consciousness reacts with social existence. Advanced social consciousness promotes social development; the backward or reactionary one hinders social development. Second, ideology is out of step with social development. Sometimes it falls behind social existence when huge changes take place both in social existence and economic foundation, and the old ideology fails to immediately give way to the new. Sometimes it pulls ahead when advanced ideology guides society. For example, both the French and German philosophy in the 18th and 19th centuries exerted great influence on the European revolution.

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415 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 592.
416 *Ibid.,* p. 591.

The discovery of the theory of surplus value and historical materialism has made socialism change from utopia to science. Marx and Engels created the ideology of scientific socialism. Under the leadership of Lenin, the Russian working class successfully carried out the October Revolution of 1917, set up the first socialist country in the world, and opened a new era of a worldwide socialist movement. Lenin highlighted the significance of arming the working class with socialist ideology. He believed that a spontaneous labor movement couldn't produce socialist ideology. "History has proved that the working class, when all on its own, could only develop the ideology of trade unionism."[417] Lenin also emphasized the contrariety of proletariat and bourgeois ideologies, and put stress on adhering to the principle of a Party character of Marxist philosophy, pointing out that the Party struggle seen from the perspective of philosophy, "in the final analysis, shows class tendency and ideology of the hostile class in modem society".[418]

The ideological theory of Marxism-Leninism exerted a significant impact on the CPC's historical process of adapting Marxism to China's real conditions. The Communist Party of China attaches much importance to ideological construction no matter whether in the period of the New Democratic Revolution or in the time of socialist revolution, construction, and reform.

In October 1949, New China was founded. Under the leadership of Mao Zedong, New China entered into a transition period from new democracy to socialism. Until August 1956 when the 8th National Congress of the CPC was convened, the task of the transition period was basically completed. During this time, the governing Communist Party of China established socialist ideology predominated by the Marxism-Leninism and Mao Zedong Thought. Mao Zedong highlighted that "our socialist cause is led by the Communist Party of China as the core force and is guided by Marxism-Leninism as its theoretical basis". After the period of socialist construction started, Mao pointed out that the whole Party must strengthen its leadership over the ideological and cultural front, and draw lessons from the Soviet's socialist construction. He laid stress on "learning from the experience of the Soviet Union", put forward the policy of "letting a hundred flowers blossom and a hundred schools of thought contend" to promote progress in the arts and science and to create a flourishing socialist culture in China, and

417 *Collected Works of Lenin: On the Proletarian Party.* Beijing: People's Press, 2009, p. 76.
418 *Collected works of Lenin: On Dialectical Materialism and Historical Materialism.* Beijing: People's Press, 2009, p. 130.

also came up with many correct thoughts in books such as *On the Ten Major Relationships* and *On the Correct Handling of Contradictions Among the People.* In a meeting of Party secretaries of the province, the city, and the municipality held in January 1957, Mao Zedong demanded that the Party must systematically train Marxist theorists and critics, and do this theoretical work well. In the early stage of New China and socialist construction, Mao led the construction of China's socialist economy, politics, and culture in a correct direction, making socialist ideology deeply rooted in the Chinese people and solidifying the leading role of Marxist-Leninist ideology.

In the ten years from the 8th National Congress of the CPC in 1956 to the time of overall socialist construction in 1966, China made remarkable achievements in socialist construction, including that of an ideological field covering law, religion, art, education, philosophy, social science, and more. Through these achievements, the CPC accumulated experience in socialist ideological construction, was enriched by the theory of the Party's socialist ideology, and formed a fine tradition of consciously and actively constructing the ideology. However, the Party also made some serious mistakes in its guidelines for work, for example, the over-expanded Anti-Rightist Campaigns (1957-1958); the Great Leap Forward movement (1958-1960), and the Campaign against Rightist Opportunism in 1959, which caused significant losses to the national economy. From the perspective of ideology, the false and overdone political criticism toward some literature and artwork, academic viewpoints, and representatives of the literature and art circles, and the severe leftist attitude toward the matter of intellectuals and education, science, and culture—it all finally became the blasting fuse of the Cultural Revolution leading to civil strife and the wrong theory of continuing the revolution under the dictatorship of the proletariat. Therefore, it became the mission of the Party to seriously rethink and end these lessons of China's socialist ideological construction. This mission fell on the shoulders of the second generation of the collective leadership of the CPC, with Deng Xiaoping at the core, at the Third Plenary Session of the 11th Central Committee of the Communist Party of China held in December 1978.

From China's reform and opening up, the second generation of the collective leadership with Deng Xiaoping as the core, and the third generation with Jiang Zemin as the core, have always attached importance to ideology, adhered to the ideological guideline of emancipating the mind, seeking truth from facts, and advancing with the times. They repeatedly highlighted the guiding role of Marxist ideology. Since the 16th and 17th CPC National Congresses, the Party Central Committee, with Hu Jintao as the

general secretary, put forward the Scientific Outlook on Development and the idea of building a harmonious socialist society. They delivered many important speeches on the topic of socialist ideology, underlined the significance of socialist ideological construction and the guiding role of Marxism in the ideological sphere.

On the matter of how to correctly comprehend and handle socialist ideology, there is some ambiguous understanding inside the Party. Some blame the Cultural Revolution on Mao's theory of socialist ideology. In fact, Mao always stressed the class nature of ideology, and especially pointed out that "there is a long way to go before the final victory of the battle between the socialist and the capitalist ideology", a correct judgment of truth, which not only accords with China's reality, but also corresponds to the rules of the international socialist movement and reflects the protracted and arduous nature of socialist ideological construction. However, the fact remains that socialist ideological construction is a complicated and systematic project. Problems cannot be fundamentally addressed, and they can even be intensified by simply highlighting "the guiding principle of class struggle" and "continuous revolution under the dictatorship of the proletariat". Since China's reform and opening up, the second generation of the collective leadership of the CPC with Deng Xiaoping at the core has came up with the Party's basic line of "One Central Task, Two Basic Points", radically solving the problems of how to correctly understand and deal with socialist ideology.

Characterized by the class nature, continuity, and relative independence, the ideology has functions of cohesion, guidance, critique, and maintenance. A correct understanding of the nature and functions of ideology based on the Marxist stance, viewpoints, and methods can help to fully comprehend the basic principles of a socialist ideology, give play to its leading role, and expose the hypocrisy and fraudulence of "non-ideology" and "de-ideology"—all of which can further reveal the similarities and differences between socialist and capitalist ideologies.

Socialist ideology and capitalist ideology maintain and serve their own classes. However, there are big differences between the two. First, they are different in class basis, which is determined by the nature of each ideology; second, they are different in intellectual basis, which is determined by class character; third, they are different in the interests each represents, also determined by class character; fourth, they are different in basic content, which either reflects or falls behind, or even acts opposite to the spirit of the times of a nation; fifth, they are different in orientation and goal, which also shows distinct class character. Thus it can be seen that the class character of an ideology is an objective truth. Only with a clear understanding of the similarities and differences

between the two ideologies can the CPC confidently fulfill its function and correctly hold the strategic position of China's socialist ideology.

To understand the basic principles of socialist ideology, we must establish the dominant position of Marxism and lead the social revolution in a correct direction to resist "the peaceful evolution" of capitalism, enhance the comprehensive national strength and soft power of culture to consolidate "the common intellectual basis", and carry forward the national spirit and the spirit of the times to strengthen China's national cohesiveness. All these are determined by the class character of the socialist ideology.

To understand the basic principles of the socialist ideology, we must always insist on the unity of the class character and its scientific nature, theory and practice, criticism and inheritance, inclusiveness and exclusiveness. Therefore, some theoretical issues must be clarified. For example, some people mistakenly think that a socialist ideology cannot boast a scientific nature due to its class nature, that the policy should be to let a hundred flowers blossom and a hundred schools of thought contend, and that Marxism should not occupy a leading position—to name just a few. To solve these problems, the Party needs to reinforce the study of the basic principles of Marxism, and correctly handle those important relationships mentioned above by unifying worldviews, methodology, and the theory of Marxism with Chinese socialist practices.

To understand the basic principles of a socialist ideology, the CPC must correctly guide all kinds of social ethoses. Social ethos refers to the ideological trends formed by social consciousness, thoughts, and ideas that spread widely during a long period and exert a great influence on society, politics, economy, and culture. A different social ethos represents the interests of a different class or stratum, reflecting its ideology. The complex and various reasons for a country's social ethos are fundamentally sourced in and mirrored by its economic base. Just as Marx said:

> In the social production of their existence, men inevitably enter into definite relationships, independent of their will, namely relations of production appropriate to a given stage in the development of their country's material forces of production. The totality of these relationships constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political, and intellectual life. It is not the consciousness of men that determines their existence, but their social existence that determines their consciousness.[419]

419 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 591.

Social ethos is the comprehensive manifestation of social consciousness. It emerges and spreads in theoretical and psychological form. The theoretical form influences society through schools of theories marked by certain ideological systems and its representative figures; the psychological form affects society through its each individual's inner beliefs, faiths, emotions, and aspirations. These two forms are not diametrically opposed to each other but are complementary. Usually, a social ethos appears and spreads rapidly during a period of social transformation and transition when different thoughts collide and impact each other, reflecting the demands of a certain objective reality and people's intellectual needs.

Under the reform and opening up policy, various social ethoses sprang up: bourgeois liberalization, money worship, and egoism overflowed for a time; economic privatization, neoliberalism, conservatism, nationalism, neo-Confucianism, new leftism, and historical nihilism went on the stage successively; democratic socialism, cultural colonialism, superstition, and pseudoscience also appeared. These ethoses had a great influence during the different stages of reform and opening up and left their own marks in history. Among these ideological trends, some are homemade, some are borrowed from foreign countries, others are a combination of the two, to name just a few. It is rather complicated to source their causes. During a certain period, neoliberalism, historical nihilism, democratic socialism, new leftism, neo-Confucianism, and universal values were among the most influential.

Accompanied by various social ethoses, ideological and theoretical circles were very active, and different thoughts came up. Inside theoretical circles, heated disputes in the fields of economics, philosophy, politics, history, literature, and sociology erupted, forming a situation of letting a hundred flowers blossom and a hundred schools of thought contend, which is natural and normal for the ideological and theoretical circles in a transitional period. These disputes directly or indirectly reflected but not represent a certain social ethos. Academic debates cannot be equated with social ethos; they are not the same thing. The debates about academic viewpoints can promote the prosperity of the ideological culture and help the theoretical system of socialism with Chinese characteristics to develop in a healthy manner. Therefore, to understand the basic principles of socialist ideology, the Party is also required to differentiate academic controversies from China's social ethos, and master the scientific methods of ideological construction.

In conclusion, what was mentioned above are the basic stances, viewpoints, and methods of the socialist ideology from the perspective of the basic principles of Marxism.

10.2 Scientific Analysis and Historical Mission of the Socialist Core Values

With the deepening of reform and opening up, the CPC adheres to the basic principles of Marxism, summarizes the positive and negative experience and lessons from previous socialist ideological construction, and deepens the understanding of socialist ideology. To meet the demands of social development, the CPC put forward a proposition: "the socialist core value system construction", first in *Decision of the CPC Central Committee on a Number of Major Issues on Building the Harmonious Socialist Society of the CPC Central Committee* at the Sixth Plenary Session of the 16th Central Committee of the CPC. Later, the report of the 17th National Congress of the CPC made a further exposition about the core value system to strengthen the cohesion of socialist ideology.

The socialist core value system is the embodiment of the nature of socialist ideology. It reflects a new comprehension of Chinese Communists about the nature of socialist ideology. The system is composed of the following aspects: Marxism as the guiding thought, the common ideal of socialism with Chinese characteristics, the national spirit with patriotism as the core and the spirit of the times with reform and innovation as the core, and the socialist concept of honor and disgrace. These aspects constitute an organic whole. They integrate the Party's goals, the state's will with the people's wishes, and combine politics with ethics, ideal with reality—all forming a scientific system with a complete structure and rigorous logic. The system boasts four basic characteristics: scientific, historical, national, and openness, the purpose of which is to unify and mobilize the Party and the Chinese people of all ethnic groups to be devoted to building China into a prosperous, strong, democratic, civilized, and harmonious modem socialist country.

The reason the socialist core value system reveals the nature of socialist ideology is that the four united aspects embody the theoretical basis of socialism with Chinese characteristics, the common ideological basis of the united efforts of the Party and all Chinese people, the intellectual support of the Chinese nation, the intellectual basis of the spirit of advancing with time, and the ethical basis of the standard concept of honor and disgrace in the new era. Therefore, the socialist core value system as the mainstream ideology is bound to gain more and more popularity and play an increasingly important role.

The socialist core value system is an ideological system that provides protection and service for its own class. It clearly reflects the class nature of socialist ideology, shows

the will of the Party as the vanguard of the working class and the Chinese nation, and represents the views of the proletariat and the wishes of the overwhelming majority of the people in China.

The socialist core value system is an important component of the theoretical system of socialism with Chinese characteristics, a scientific theoretical system that includes major strategic thoughts such as Deng Xiaoping Theory, the Three Represents, and the Scientific Outlook on Development. The theoretical system of socialism with Chinese characteristics is an open and constantly developing system that condenses the wisdom and efforts of several generations of Chinese communists. Based on Marxism-Leninism and Mao Zedong Thought, the system is the newest achievement of adapting Marxism to the real conditions in China, the most valuable political and spiritual treasure of the Party, and the shared ideological basis of all nationalities. The socialist core value system is a further development of the theoretical system of socialism with Chinese characteristics, showing that the theory of socialist ideology can keep pace with the times.

The socialist core value system is the banner of socialist ideological construction in the new age and era. "Our cause is led by the CPC as the core force, and our thoughts are guided by Marxism-Leninism as the theoretical basis."[420] The unified thought is the premise of unified action and is an important guarantee for the Party to unite people, pool strength, and mobilize all positive factors to achieve common goals. The current task of CPC socialist ideology must closely concentrate on building a socialist core value system. The Party must take it as a priority and central task, and use the socialist core value system to guide its ideological work.

When the foundation is not solid, the building will be shaky. The socialist core value system, as the common theoretical, ideological, intellectual, and ethical basis of the Party and the people, is not formed spontaneously, but gradually takes shape in the practice of adapting Marxism.to the real conditions in China, and is consolidated and developed in the course of socialist revolution, construction, and reform. It reflects the great power of Marxism, the spirit of the current world and China, and the common will of the overwhelming majority of Chinese people; it will become the backbone of the Party, the country, and people. With this banner, the Party can solve any problem with great confidence; otherwise, the Party and the country will get lost going in the wrong direction, which will cause ideological confusion, disrupt the minds of the people, and

420 Mao Zedong. "Report on the Second Plenary Meeting of the 7th Central Committee of the Communist Party of China", 1949.

shake the political stability and unity of the country. Therefore, the CPC has always given top priority to solidifying the shared ideological basis with concerted efforts of the whole Party and all the people, especially under the current circumstances that various ideological cultures around the world interact with each other and people's ideological activities become more and more independent, selective, changeable, and diverse.

The socialist core value system is the soul of the advanced culture of socialism with Chinese characteristics. With a soul, the socialist ideology can be more attractive and cohesive, displaying its strong sense of the times and the mission. The socialist core value system must be rooted in a socialist advanced culture with Chinese characteristics and must integrate the excellent traditional Chinese culture with the valuable culture of contemporary Western societies. The socialist core value system by way of the CPC has the function of cohesion, guidance, critique, and maintenance to strengthen the guiding position of Marxism, to arm the Party and educate the people with the newest achievements of adapting Marxism to the real conditions in China, and to pool the strength of the Chinese people with the common ideal of socialism with Chinese characteristics, to inspire morale with a national spirit with patriotism as the core and the spirit of the times with reform and innovation as the core, and to lead the society with the concepts of honor and dishonor.

The historical mission of the socialist core value system is determined by the requirements of building a moderately prosperous society in all aspects and continuously deepening reform and opening up, and is defined by the great goal of building China into a socialist modernized country that is prosperous, strong, democratic, civilized, and harmonious. It is neither a rhetorical speech nor an empty slogan; it is a feasible and effective action. At present, the important task of socialist ideological construction is to lead China's social ethos with a socialist core value system.

10.3 Fundamental Measures on How to Strengthen Socialist Ideology

According to Hu Jintao, former president of China, the ideological field has always been an important arena for China to compete with hostile forces. Any problem that occurs in this field would result in social unrest and even loss of political power. Any hostile force that wants to cause social unrest or overthrow a government would first destroy its ideology. The radical changes in Eastern Europe and the disintegration of the Soviet

Union told us that it was ideological pluralism and the glasnost put forward by Mikhail Gorbachev—who claimed to abandon the guidance of Marxism—that led to rampant non-Marxism and anti-Marxism. Hu also pinpointed that, in the modern society, public opinion exerts more and more significant influence on society. Thus, ideology has a close bearing on public opinion, the rise and fall of the socialism, and the Party's governing ability and ruling status.

In the socialist system with Chinese characteristics, socialist ideology must me effectively serve socialist economy, politics, culture, and society. China must strengthen CPC governing ability, improve the Party's leadership, raise problem-solving awareness, and encourage continuous innovation in ideological work.

First, the CPC must establish the guiding position of Marxism in the field of ideology by adhering to the orientation of serving the people and socialism, developing a socialist culture, and strengthening Party leadership in ideological work.

Second, the CPC must construct an innovative system of socialist ideology by advancing with the times, integrate existing research on ideology, and enhance the inclusiveness and appeal of the theory.

Third, the CPC must properly deal with four major relationships in constructing socialist ideology: (1) the relationship between the dominant ideology and cultural diversity; (2) the relationship between ideology and economic development (especially the market economy); (3) the relationship between ideology and opening to the outside world; and (4) the relationship between scientific and non-scientific ideology.

Fourth, the CPC must strengthen the mainstream ideology of socialism, construct a core socialist value system, and explore the basic principles of socialist ideology.

10.3.1 Letting Core Socialist Values Lead the Ideological Trend

At the beginning of reform and opening up in 1978, Deng Xiaoping (1904-1997), stressed that China must uphold Mao Zedong Thought and adhere to the ideological line of emancipating the mind and seeking truth from facts. During the period of "setting things right", which means correcting the ultra-Left trend of thought after the Cultural Revolution, Deng put forward the Four Cardinal Principles in response to the various thoughts occurring in society and within the Party.

At the turn of this century, with deepening reform and opening up, Jiang Zemin stated that the CPC must comply with advanced social ideology and combine the study

of social ideology with China's cultural and ethical progress. In the new era, Hu Jintao emphasized the importance of ideology work and pointed out that problems either in economy or in political thoughts would have serious consequences.

In all, the three generations of central collective leadership of the Party always take Marxism as the guiding ideology of socialism, and develop socialism with Chinese characteristics while fighting against various wrong social ideologies.

As has been noted, the core socialist value system embodies the essence of the socialist ideology—Marxism, the common ideal of socialism with Chinese characteristics, patriotism, reform, innovation, and the socialist outlook on honor and dishonor. As part of the core socialist value system, Marxism is its guiding ideology and soul, socialism with Chinese characteristics is the theme, patriotism is the core of the national spirit, reform and innovation embody the spirit of the times, and the outlook on honor and dishonor is the foundation. In short, the national spirit and the spirit of the times are the essence of the core socialist value system.

The experience of reform and opening up during the past three decades demonstrates that the core socialist value system must take the lead in social ideological trends, which is also a specific requirement to promote Marxism's popularization in contemporary China. The Communist Party of China needs to consolidate the guiding position of Marxism, arm the Party with the latest achievements in adapting Marxism to Chinese conditions, gather strength through achieving the common ideal for socialism with Chinese characteristics, inspire people's morale by the national spirit and the spirit of the times, lead the society by carrying out the socialist outlook on honor and dishonor, and consolidate the common ideological basis of all Party members and the Chinese people.

A review of reform and opening up in the past more than 30 years shows that interference from "Left" and "Right" mistakes has never stopped. As pointed out by a scholar:

> The Third Plenary Session of the 11th Central Committee of the CPC suggested that, in the process of modernization, reform, and opening up, the most important thing was to correct the 'Left' mistakes made during the 'Cultural Revolution'— otherwise China would be unable to give full play to the superiority of socialism and even might undermine it. Deng never ignored the impact of the 'Right' mistakes as he actively guarded against the 'Left' mistakes. He regarded bourgeois liberalization as the most urgent problem to be solved according to the situation at that time. More than 20 years' experience of governing the country told him that as long as China adhered to reform and opening up and the Four Cardinal Principles, opposed 'Left' mistakes as

> well as bourgeois liberalization and westernization both theoretically and practically, socialist reform could succeed.[421]

In the initial stage of reform and opening up, Deng Xiaoping repeatedly emphasized research on social ideology. In March 1979, at a Session for the Party's Theoretical Work, Deng pointed out that although people both inside and outside the Party who spread and supported the two trends of social thoughts unfavorable to the well-being of the CPC were only in a minority, the Party could not ignore their impact on society for they go against the Four Cardinal Principles in essence. Therefore, he insisted that China realize the Four Modernizations under the guidance of the Four Cardinal Principles, and added that this phenomenon was factual and in no way deliberately exaggerated.

In October 1983, when the Second Plenary Session of the 12th Central Committee of the CPC was convened, Deng Xiaoping delivered a speech with the topic "The Party's Urgent Tasks on Organizational and Ideological Fronts". He stressed that people in the ideological field must not spread mental pollution. In essence, mental pollution means the spread of corrupt and decadent ideas of the bourgeoisie and other exploiting classes, and distrust of socialism, communism, and leadership by the Communist Party. Deng Xiaoping said:

> Nowadays, some cadres blindly worship the various thoughts of Western philosophy, economics, social politics, literature, and arts without analysis, identification, and criticism. The introduction to Western academic culture has been so confusing that the Party has witnessed, in recent years, an influx of books, films, music, dances, videos, and audios regarded as pernicious junk even in Western countries. The corruption of youth by the decadent culture of the Western bourgeoisie is no longer tolerable.[422]

In May 1985, when talking with Chen Guying, a professor of the Department of Philosophy from National Taiwan University, Deng said:

> Since the downfall of the Gang of Four, who committed a series of treasonous crimes during the Cultural Revolution, an ideological trend has appeared. We call it bourgeois liberalization. Its exponents worship the 'democracy' and 'freedom' of the Western capitalist countries and reject socialism. This cannot be allowed. China must modernize; it must absolutely not liberalize or take the capitalist road, as countries of

421 Chen Kuiyuan. "Adhering to the Four Cardinal Principles: Great Contribution of Deng Xiaoping to China's Socialist Cause". *The People's Daily,* August 27,2004.
422 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p.44.

> the West have done.... Liberal ideas emerged a few years ago, but now they still exist, not only in society, but also inside the Communist Party. If liberalization develops extensively, the CPC will not accomplish the cause of socialist construction.[423]

Deng Xiaoping took a clear-cut stance against bourgeois liberalization because its rampant spread would destroy socialist modernization and undermine national unity and Party leadership. At the same time, different views within the Party made him worry about the overall interests of China's modernization drive. In December 1986, Deng said to several leading officials of the CPC Central Committee:

> Originally, I had not intended to say anything at the Sixth Plenary Session of the 12th Central Committee. But later, I felt I had to intervene to ask that there be included in the resolution a few words on the necessity of combating bourgeois liberalization. Apparently, my remarks on that occasion had no great effect. I understand they were never disseminated throughout the Party. I still haven't changed my mind about opposing mental pollution. I have agreed to have the full text of my speech at the Second Plenary Session of the 12th Central Committee included in a new collection of my works. The struggle against bourgeois liberalization will last for at least 20 years.[424]

He also explained why he placed such emphasis on the need for "high ideals and strict discipline". Bourgeois liberalization means rejection of the Party's leadership; there would be no center around which to unite our one billion people, and the Party itself would lose all power to fight. A Party like that would be no better than a mass organization; how could it be expected to lead the people in construction? Therefore, Deng laid special stress on education for young people. Under the new circumstances of reform and opening up, he not merely advocated Marxism but mainly adhered to the guiding position of Marxism in the field of ideology, and resisted various false doctrines of the anti-Marxism in Western countries, especially bourgeois liberalization.

Jiang Zemin adheres to the guiding position of Marxism. He said:

> The essence of upholding Marxism-Leninism, Mao Zedong Thought, and Deng Xiaoping Theory is to adhere to the guiding position of Marxism and constantly enrich and develop Marxism in practice. Marxism-Leninism, Mao Zedong Thought, and Deng Xiaoping Theory have been established as the Party's and China's guiding ideology, as a guide for Party actions, as the ideological foundation and spiritual

423 *Ibid.,* p. 123.
424 *Ibid.,* p. 196.

> power for the Chinese people of all ethnic groups to strive for China's revitalization, and as a forceful ideological weapon to know the world, and change the objective and subjective worlds.[425]

Jiang reiterated his view of arming the whole Party with Deng Xiaoping Theory and established it as the guiding ideology of the Party. He clearly pointed out that Marxism-Leninism, Mao Zedong Thought, and Deng Xiaoping Theory form a unified scientific system imbued with the same spirit. Upholding Deng Xiaoping Theory is in nature adhering to Marxism-Leninism and Mao Zedong Thought, while raising high the banner of Deng Xiaoping Theory is raising high the banner of Marxism-Leninism and Mao Zedong Thought.

Jiang Zemin attached great importance to ideology and social thought. He demonstrated that "the capitalist ideology will occupy the field of ideology if socialist ideology will not do that. It is a truth".[426] He added:

> Over these years, the overall situation of China's ideological and political field is good. But the CPC must also note that some thoughts violating the Four Cardinal Principles often appear, and even some cadres inside the Party were influenced to some extent. Some publicly urged for total westernization, to weaken Party leadership, and proposed a multi-Party system and parliamentary democracy; some advocated privatization, abolished the dominant position of public ownership and the principle of distribution according to work; some declared to abandon the guiding position of Marxism culturally while emphasized its pluralism and ultra-individualism; some distorted the struggles of the Party and people, slandered Marxism-Leninism, Mao Zedong Thought, and Deng Xiaoping Theory, and stoked up public discontent with our Party and government; some were in favor of bourgeois liberalization and reversed a verdict for the Tiananmen Square protests of 1989; some published vulgar works disseminating pornography, violence, and superstition; some doubted and denied reform and opening up as well as distorted and strongly criticized our Party's guidelines and policies.[427]

Jiang Zemin repeatedly noted that our Party has, for a long time, been hindered by the spread of bourgeois liberalization, egoism, money worship, national nihilism, and

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425 Jiang Zemin: *On Socialism with Chinese Characteristics.* Beijing: Party Literature Press, 2002, p. 37.
426 Ibid., p. 407.
427 Jiang Zemin: *On Socialism with Chinese Characteristics.* Beijing: Party Literature Press, 2002, pp. 37-38.

historical nihilism. Given that some Party members are not clear about what is right and what is wrong, he vigorously promoted social justice, and in a timely manner exposed and criticized various wrong social thoughts and social evils.

Hu Jintao repeatedly emphasized ideological work and stressed that a slow economy and wrong political thoughts would have serious consequences. In recent years, under the name of "democracy", "freedom", "human rights", and "religion", hostile forces from other countries intentionally smeared China's image through internal and external collusion; the non-Marxist trend in China has been growing to a certain degree, with different views existing now and then in the ideological and theoretical fields. Thus China has to keep an eye on ideological work during the course of socialist construction.

Therefore, the Party must always adhere to the guiding position of socialist ideology, lead various right social thoughts, and expose and criticize wrong social thoughts.

To expose and criticize wrong social thoughts is an important task for insisting on socialist ideology. The CPC takes it for granted that wrong social thoughts must be exposed and criticized because their extensive spread will seriously confuse people's minds and even harm the cause of socialism with Chinese characteristics.

To expose and criticize wrong social thoughts incompatible with and even opposite to the socialist core value system is an important part of the system. So exposing and criticizing them is conducive to carrying forward the theme of a socialist ideology and promoting the healthy development of socialist cultural construction.

To expose and criticize wrong social thoughts will not only raise the citizens' scientific and cultural level but also enhance their political discernment. The CPC must recognize the nature of them, resist the damage caused by them, and increase people's anti-corruption capability.

To expose and criticize wrong social thoughts is able to resolve social conflicts and prevent social unrest. With the function of predicting social unrest, a social ideology can resolve social conflicts and crisis. These tend to awaken those who are confused by wrong social thoughts and crack down on the few troublemakers who take advantage of wrong social thoughts to achieve their political purposes.

In a word, persisting in the guiding position of a socialist ideology requires the Party to study, criticize, and resolutely fight against wrong social thoughts, a work more important in the current society that features economic globalization, world multipolarization, information networks, and conflicting cultures.

10.3.2 Strengthening Party Members' Marxist Education

All Party members need to learn Dialectical Materialism, entrench the concept of Historical Materialism, and have the idea that "people are the basic power to create world history" deeply rooted in their minds. The CPC cannot completely rely on the concept of Marxism and dogmatism, but must study, exercise, develop, and innovate Marxism in combination with people's social practices and constantly test the scientific nature and truth of the localization of Marxism in China.

One of the most urgent tasks facing China is to guide over 73 million Party members, especially millions of leading Party cadres, to effectively study and apply Marxist theory and oppose subjectivism, sectarianism, and bureaucracy. China also needs to educate, persuade and unite the members to help them better play their roles as a core among people. Once trained, they will unite with all forces that can be united with to serve the construction of socialism with Chinese characteristics. Now, the proportion of Communist Party members among Chinese people is 1:18. The degree to which Party members and cadres, especially leading Party cadres, play their central roles determines the Party's governance capability.

After the Cultural Revolution, our Party abandoned the idea of following the crowd. However, it has been found that—for all Party members, leading cadres, the Party, and the government in particular—it is absolutely necessary to reeducate, relearn, and rethink Marxism. There is no shortcut to solve this issue other than proceed step by step. While constantly promoting inner-Party democracy, the CPC must allow some acute and sensitive issues to be discussed and not avoid big problems that challenge the basic theory of Marxism. Under the guidance of Marxism, we can discuss any question without fear of weakening the guiding role of Marxism in the field of ideology. Marxism presents scientific truth, and can stand up to criticism. It is criticism and struggle that produces and develops Marxism and makes it more scientific. "Marxists are to temper and develop themselves as well as win new positions in criticism and struggle. Fighting against wrong thoughts is like being vaccinated—a man develops greater immunity from disease as a result of vaccination." This immunity from ideology is part of our Party's ruling ability. With this immunity from ideology, the whole Party can consciously resist anti-Marxist and non-Marxist thought as well as actively lead all Chinese people to learn, grasp, and apply the basic theory of Marxism to social practice, making it a material force for socialism with Chinese characteristics. With this immunity from

ideology, those who are loyal to Marxism can more actively grasp the right to lead ideology and improve the Party's leadership in other aspects. This enables those loyal to the cause of socialism to serve people with heart and soul instead of seeking personal gains to grasp political power. According to Deng Xiaoping, to guarantee the stability of our country and realize the Four Modernizations, the Party must formulate a correct organizational line, cultivate successors who can truly uphold Marxism-Leninism and Mao Zedong Thought, and serve as qualified educators of Party members and youth. If any problem arises in China, it will arise from the inner Party. Thus, China must be clearly aware of this problem and pay attention to talent cultivation. Here, "education" and "talent cultivation" mainly refer to educating and cultivating the general Party members, the leading cadres, and the government.

10.3.3 Improving the Party's Ability to Lead Ideologically

To improve the Party's ability to lead ideologically, the CPC must:

1. Improve the Party's ability to analyze and solve ideological problems. Only by investigating and analyzing does the CPC have the right to speak and seize the initiative, identify right from wrong, figure out the problems, and truly know the Party and its opponents.

   Whether the Party can control ideological leadership depends on its comprehensive analysis of the current situation of domestic and international ideologies. On the basis of surveys, the CPC must thoroughly analyze the realistic factors that affect socialist ideology, and find out the inherent logic and mechanism of each ideology by exploring its cause-effect relationship and historical development. Through survey and analysis, the Party can understand the spiritual needs, interests, demands, and value orientations of people at different levels, know about the new mechanism, method, and content of socialist ideological construction, and constantly enhance political sensitivity and discernment.

   Only by understanding and analyzing ideological problems in detail can the CPC deal with them more easily. The Party must take the initiative to grasp the long term and overall situation and control its development trends so as to nip conflicts in the bud better and faster. Without this initiative, wrong thoughts will grow and spread widely, which will influence the Party's governance capability.

2. Improve the Party's strategic vision of ideological problems. This vision refers to the ability to thoroughly perceive and understand the essence and development trend of ideology in a complicated social reality. With the guidance of Marxism, the CPC must have deep insight into a variety of social thoughts, such as outdated ideas and practices, wrong and dogmatic understandings of Marxism, subjectivism, and metaphysics; and the Party must have insight into the degenerate ideology and foreign dogmatism that slowly penetrated into China since reform and opening up. Therefore, the CPC must correct people's misunderstanding and guide them in the right direction with the value orientations of patriotism, collectivism, and socialism.

   With this insight, the Party is able to find and solve problems arising from China's market economy; grasp the law of ideology and feel the pulse of global trends to facilitate innovation and keep socialist ideology on the right track. With this vision, the Party is able to seize the initiative, steer the development trend of ideology, explore its internal causes, and forecast possible conflicts to nip the issues in the bud—all to guard against interference with socialist ideology and firmly grasp the theme and mainstream of public opinion. With this insight, the Party is able to adjust its ideological strategy and promote the cause of socialism with Chinese characteristics; inspire a greater sense of responsibility and innovative spirit, and guide people to establish the value orientation of socialism and the goal of realizing communism.
3. Improve the Party's ability to predict ideological problems. A saying goes like this: "preparedness ensures success while unpreparedness spells failure". Prediction is the act of investigating in advance and seizing the future with consciousness, and it serves as a bridge connecting the past, present, and future. Only by predicting the development trend of various forms of ideology can the Party make right polices and control its ideological leadership. Scientific prediction means the CPC is to discern things that go against Marxism in the field of ideology and investigate uncertainties and unknown circumstances existing in non-Marxist thought by means of investigation and analysis so the Party can make reasonable judgments and assumptions that conform to the law of ideology to guide people's thoughts and actions.

The prediction of ideological problems is not simply following mechanical principles; it is being in reality and close to society. Scientific prediction must conform to the development trend of China's advanced productive forces, the correct direction of

China's advanced culture, and serve the fundamental interests of the overwhelming majority of the Chinese people. Under the guidance of these principles, the CPC can predict the future and make more accurate judgments.

To the CPC, prediction of ideological problems means to control ideological work in advance by drawing lessons from the past. It is beneficial to consolidate and strengthen the guiding position of Marxism in the field of ideology; to take the initiative to grasp the ideological leadership; to resist the attack of various wrong thoughts at home and abroad on ideology; to absorb the reasonable aspects of non-Marxist ideology and eliminate unreasonable aspects that impair Marxist ideology to better serve the people and socialism.

10.3.4 Cultivating Social Organizations

Organizations are cells of the society while people are social beings. However, it is difficult for people to satisfy their physical or intellectual needs as individuals, but society can assist. Therefore, with the development of a social division of labor, groups with different interests join together to form different social organizations based on common goals in accord with certain social norms.

The number of social organizations has become an important standard for a nation to measure its degree of socialization. Meanwhile, the degree of social organization is also a yardstick to measure a person's social status in modern society. Currently, China witnesses a rapid development in vertical organizations, but its horizontal organizations are underdeveloped. Sound social organizations rooted in the masses can ensure social harmony and stability because they are the first to detect social contradictions and conflicts. Various social organizations from all walks of life are able to timely capture public opinion arising from reform and opening up and to understand and grasp people's thoughts and psychology. This is not only helpful to express people's different opinions and suggestions toward social development, but helps to guide their actions and resolve their problems in a timely and effective manner. The CPC needs to regulate social organizations and set them on the right track. As an inevitable choice of historical development, social organization and standardization requires us to comply with natural development, making them an important means of promoting socialist ideology.

10.3.5 Developing an Advanced Socialist Culture

Following the basic need of subsistence, people still desire a higher pursuit, that of the spiritual world. It is necessary to promote the prosperity of culture to enrich people's spiritual world. Culture, the carrier of ideology, has gradually become a competing arena of ideological struggle. Compared with economy, culture, especially an advanced culture, has a more far-reaching and everlasting impact on society. Thus, to strengthen the governing ability of the Party, China must give a high priority to developing its advanced culture and enhancing the soft power of culture as a productive force.

1. Improve the honest and clean culture of administration. High salary cannot maintain integrity. To build a clean and honest government, the CPC must develop its own advanced culture that can promote the healthy development of politics, economy, and society in the form of literature and art. Integrated with law and ethics, culture can play a special role in promoting a clean and honest administration. In this sense, a civic culture rather than an official culture. The prosperity of an honest and clean culture requires the Party to not only improve its ideological and moral education, but also to construct a socialist democracy and legal system, strengthen the supervision of public opinion, and establish a mechanism of power restriction. The CPC urgently needs to improve its honest and clean culture, especially given the current anti-corruption campaign. First, it helps to educate numerous Party members and cadres, purify their hearts and minds; second, it helps to establish their Marxist viewpoints and outlook including world view, outlook on life, value, status, benefit, and power, and to enhance their capability of fighting corruption and guarding against degeneration; third, it helps to implement the policy of ruling the country by law and virtue; fourth, it helps to create a good environment of advocating, exercising, and supervising a clean and honest administration in the whole society.
2. Develop a healthy cyber culture. The cyber culture has become a new media with huge potential and is an important field for ideological work. According to statistics, the number of netizens in China exceeds 100 million, 53 million of whom have access to broadband. The Internet has become the first source for students and intellectuals to get information. If the Party doesn't control the Internet and guide public opinion, speeches against Marxism and socialism will occupy it. Therefore, China must grasp the characteristics of the Internet, cultivate IT personnel, and provide healthy content to form positive public opinion online; relevant sectors or departments need to make

clear their responsibility to manage the Internet, establish a long-term management mechanism by combining relevant laws and regulations, administrative supervision, and self-regulation with technical support—to effectively prevent harmful information from spreading and to promote the healthy development of the Internet.

3. Lead the "Industry Culture" to the right track. In a socialist market economy, culture can be classified as cultural undertakings and cultural industries. In terms of China's cultural industry, it aims to pursue both social and economic benefits. Non-profit cultural undertakings, including some presses and news media, tend to ignore political consciousness, the overall situation consciousness, and their social responsibility to some extent when they pursue economic benefits, to say nothing of those cultural industries aiming directly at economic benefits. Given this, the Party must regulate market access and eradicate decadent ideas against socialism and Marxism. The CPC must encourage the cultural industry to show more concern about social benefits and provide guidance and supervision—instead of allowing them to spread decadent thoughts and values, and to weaken socialist ideology in the name of neutral value, anti-tradition, and anti-mainstream.

10.3.6 Improving the Party's Ability to Resolve Contradictions

In the new period of the new century, contradictions among the people are mainly embodied in the interests of various groups. Failing to resolve these contradictions will evolve into psychological and ideological confrontation, and then the socialist ideology will be shaken. To ensure social stability and unity, the CPC must give full play to the social integration function of ideology, which in turn requires the Party to improve its ability to manage social affairs, coordinate interest relationships, resolve contradictions among the people, and maintain social stability. High priority must be given to the Party's ability to resolve contradictions among the people. Only when the leading officials of the Party and government correctly handle contradictions among the people can the mass and class basis of socialist ideology and the unity of society be increasingly strengthened.

First of all, the CPC must properly handle contradictions in the interests of serving the people, which refers to the gradual differentiation of individual interests under the condition of obeying state and collective interests. The market economy stimulates people to pursue interests, resulting in increasingly diversified and complicated relationships among people. According to Marx, "what people fight for is closely related to their interests".

Theories and facts show that interest is the essence of social relationships and contradiction is the impetus of social progress. In a class society, to prevent interest contradictions among the people from being converted to class contradictions, the Party must always represent the fundamental interests of the overwhelming majority of people, safeguard the basic interests of the working class, and also take the interests of other groups into account and coordinate these various relationships. This foundation will improve the governing ability of the Party and play the role of ideology. In addition, the Party needs to develop a scientific and effective mechanism for coordinating diverse interest groups and to formulate reasonable and fair policies to transfer, compensate for, and balance interests gaps. Only in this way can the interest contradictions among the people be resolved effectively.

Next, the CPC must solve ideological contradictions and controversial issues among the people. The ideological contradictions or questions involving the distinction between right and wrong can be completely solved by a democratic method, one repeatedly proved correct by the CPC's historical experience. According to Mao Zedong:

> The only way to settle questions of an ideological nature or controversial issues among the people is by the democratic method, the method of discussion, criticism, persuasion, and education, not by the method of coercion or repression.[428]

The people are the creators of history, so the development of a socialist economy can only rely on the people. Understanding this point, leading officials will give priority to the living conditions of the overwhelming majority of the people, especially peasants, laid-off workers, and migrant workers. In this way, the Party and government need fear no ideological problem or contradiction.

10.4 Strengthening Socialist Ideology in an All-Around Way

While strengthening and improving socialist ideology, the Party must see not only its challenges and problems, but also China's new historical opportunities—and the brilliant achievements during more than 30 years of reform and opening up.

428 *Selected Works of Mao Zedong* (Volume 5). Beijing: People's Press, 1999, p. 325.

China has made remarkable achievements during the more than 30 years of reform and opening up. The Party shifted its work focus from class struggle as the guiding principle to economic development as the central task; the economic development pattern witnessed a change from a highly centralized planned economy into a socialist market economy; the country, no longer closed and self-sufficient, began to go global. The historical breakthroughs brought by reform and opening up have created new prospects for socialist development with Chinese characteristics in the aspects of economy, politics, culture, and social construction. At the same time, the CPC is developing in a sound and comprehensive way.

In terms of economy, the social productive force has achieved rapid development, and China's comprehensive national strength has been significantly enhanced. During the 30-plus years, China's economy showed a rapid average growth rate of 9.75%. In 1978, the first year of reform and opening up, the GDP of China only reached RMB 360 billion yuan, which rose to RMB one trillion yuan just eight years later in 1986, and RMB two trillion yuan in 1991. Since then, the GDP has increased by RMB one trillion yuan per year, and by the year of 2007, it hit RMB 24.66 trillion yuan. The per capita GDP of China has also shown vigorous growth: it stood at less than US$100 in 1978, and below US$300 during 1981-1987, then broke US$300 through seven years of effort from 1988 to 1994, exceeded US$800 in 1998, rose to above US$1,000 in 2001, hit US$2,010 in 2006, and surpassed US$2,200 in 2007. The per capita GDP of China, compared with that of other countries in the world, still holds a lower rank in the World Bank. Nevertheless, for China, the most populous country on the planet, the increasing per capita GDP signified tremendous progress and was a marvelous achievement. For a long time, China has been identified as an agricultural giant. However, through more than 20 years of development from the late 20th century to the early 21st century, China has turned from an agricultural giant to an industrial power.

In terms of politics, the CPC has made vigorous yet steady efforts to promote political restructuring, and socialist democratic politics has demonstrated exuberant vitality. As an important part of China's comprehensive reform, political restructuring is gradually propelled and deepened with the reform of China's economic structure and the development of its society; it all conforms with the rising initiatives of people's political participation, which exactly demonstrates the vitality of democratic politics. During more than 30 years of reform and opening up, the CPC, through repeated explorations, has led the Chinese people to successfully establish a socialist democratic policy corresponding to China's national conditions and societal development, to understand the basic rules of

the democratic and political construction in China's contemporary historical and social conditions, and to take the road of developing socialist politics with Chinese characteristics.

In terms of culture, the socialist culture with Chinese characteristics has taken root, germinated, bloomed, and borne fruit on the land of China. The socialist cultural cause has presented sustainable development and an unprecedented boom: the socialist ideal and belief with Chinese characteristics goes deeper into the heart of the Chinese people; the construction of a socialist core value system makes steady headway; the research and construction project of Marxism achieves remarkable results; ideological and moral construction has spread over a wide area; the cause of education and science shows rapid growth; the civilization of the whole society further improves; reform of the cultural system makes great progress; the overall strength and competitiveness of the cultural cause and of the cultural industry present a significant increase; the spiritual and cultural life of the people becomes more abundant; and the level of socialist intellectual civilization rises.

In terms of society, the social construction has been carried out in full swing according to the deployment of the CPC central committee during the critical period when reform and opening up enters a new phase in the new century, and significant achievement has been made in building a harmonious society. The years from the 16th CPC National Congress in 2002 to the present has seen rapid development of all forms of education at all levels with full coverage of free compulsory education in all rural areas, an increasing scale of employment, further development of social security system construction, signal victories of the combat against SARS (Severe Acute Respiratory Syndromes), the fight against snow and ice disaster and earthquake relief work, and also constant improvement of the public health system, basic medicine service, and people's health. Social management improves gradually, providing a stable society where the Chinese people live and work in peace and happiness. In the report of the 17th CPC National Congress in 2007, Hu Jintao proposed strengthening social construction, with a focus on improving people's livelihoods. The report highlighted the close relationship between social construction and people's happiness, and pointed out that the Party must pay more attention to social construction on the basis of economic growth, work hard to guarantee and improve people's livelihoods, accelerate social system reform, expand public service, improve social management, promote social equity and justice, and make efforts to build a harmonious country in which the young receive education, the adult has work to do and a house to live in, the sick are treated, and the elderly are taken care of.

The new great project of Party-building has made steady headway: the governance capability and advanced nature of the Party has been significantly enhanced; the theoretical innovation and program, and the education campaign to preserve the advanced nature of Party members obtained fruitful results; intra-Party democracy shows greater progress; construction of the Party's leading group and contingent of cadres, especially education and training of the cadres, made significant progress; the talent training program was further enhanced; the cadres' personnel system reform and institutional innovation goes constantly deeper; and the building of the Party's style of work and the anti-corruption campaign have had remarkable effects.

The brilliant achievements mentioned above in economy, politics, culture, society, and the Party provide new historical opportunities for the consolidation and improvement of socialist ideology, making the socialist ideal and belief and the socialist ideology deeply rooted in the hearts of the Chinese people. Therefore, CPC members must firmly grasp the opportunity to promote socialist ideology with their might and main.

At present, the CPC attaches special importance to education and learning of the socialist ideal and belief, and further explores the laws of socialist ideology. For example, over a long period, the Party has accumulated much experience in cultivating and carrying forward the national spirit, which can help to further explore and comprehend socialist ideology. The characteristics of national spirit can be summed up as follows:

1. **Hard times are more likely to demonstrate a national spirit**

   The law "the harder the time is, the more the national spirit can be demonstrated" has been agreed on by people, and proved by the history of the Chinese nation and the CPC. During the First Civil War (1927-1937), the CPC experienced very hard times, especially in the Long March. The Red Arm traversed over 9,000 km in 370 days to find the way out, and the victory of the Long March marked a turning point for the CPC. During the War of Resistance against Japanese Aggression (1937-1945), the Chinese People experienced extremely hard times, but finally defeated the Japanese invaders after eight years' struggle. "Where there is oppression, there is resistance", just as Mao Zedong said. Hardship and oppression don't overwhelm the Chinese nation. On the contrary, it fosters "the long march spirit" and "the anti-war spirit". Therefore, the raging fire of national spirit bums and sweeps the Chinese land with a blazing force.

2. A successful or victorious period is more likely to raise national spirit

China's national spirit is rooted in the hearts of the people during a victorious period because victory brings about peace, security, prosperity, and hope for a better future life, which can raise the national spirit and build up people's beliefs and strength. Therefore, it is the best opportunity for the CPC to carry out re-education of the national spirit during this period.

For instance, by hosting the 2008 Beijing Olympic Games, China showed the world the remarkable achievements of reform and opening up while the world saw a friendly, hardworking, and thriving China. The success of the games also creates opportunities for its economy to develop in a sound and fast way. The 2008 Beijing Olympic Games increased the international influence of China, made the country go global, and also let the world know China better. Successfully hosting the 2008 Beijing Olympic Games earned China the respect and admiration of the whole world and gave China a good reputation.

Another example, the great triumphs of the successful launching of the manned spacecrafts Shenzhou (a poetic name for China) VI, Shenzhou VII, Chang'e (the goodness of the moon in Chinese myth) I, especially the successful astronaut spacewalk of Shenzhou VII, have shown the world the national spirit of China. Under the leadership of the CPC, China spared no efforts in developing its aviation and space industry, and successfully sent manned spacecrafts into outer space, making it the third country, after America and Russia, that mastered manned aerospace technology. China's aerospace field achievements indicate that the spirit of continuous self-improvement, as the backbone of the Chinese national spirit, has been carried forward greatly; in terms of science and technology, the strategy of rejuvenating China through science and education has achieved remarkable results, contributing to a rapid growth of scientific and technological strength; in terms of national defense, in response to world military innovation, China now is on a fast track of growth in its ability to implement the strategy of building a strong military through science and technology and to realize leapfrog development in modernization of the army. The achievements also play a positive role in promoting competition in space exploration among Asian countries, multi-polarization of the global political structure, and peace and development of the world from the perspective of international relations. It further inspires the national self-respect and pride of the Chinese people, boosts the national spirit, and pools the wisdom and strength of the whole nation to work toward the great goal of building China into a moderately prosperous society in an all-around way.

3. **A disastrous period is more likely to summon national spirit**
   No nation and no country can develop all the way without a hitch. It is normal to meet setbacks along the way. Before a setback, the question is whether or not the country can withstand the test; and during the test time, the national spirit plays a significant supporting role. For example, the Chinese national spirit released powerful energy, greatly encouraging the morale of the nation when the SARS virus suddenly swept across China at the end of spring and the beginning of summer in 2003, when the devastating disaster of snow and ice took place in southern China in late January 2008, and when the earthquake, at eight on the Richter scale, happened in Wenchuan County of Sichuan Province on May 12, 2008. With the support of its national spirit, the Chinese nation gets through difficult periods again and again.
4. **Challenging times are more likely to inspire national spirit**
   The development of objective things always faces both challenges and opportunities. National spirit plays an important incentive role in dealing with challenges and opportunities, that is to say, it inspires the Chinese nation to face challenges and take advantage of historical opportunities. After entering the new century, the Chinese nation has been confronted with increasing challenges; China's national spirit has always inspired its people to overcome these challenges. The generation after the 1980s and 1990s, who were cause for worry for the Chinese people, stood the test of the major natural disasters. It is comforting to see them inherit an excellent tradition.

The cultivation and publicity of China's national spirit is a part of socialist ideological work. The national spirit shown in different times has had an enlightening effect on the ideological construction that embodies the basic governing capacity of the Party. It is also very important to make the best use of circumstances when building socialist ideology. The key thing is to strengthen Party leadership over ideology. An object and clear understanding of the achievements and prominent problems in the ideological field of China is of great theoretical significance and practical value for strengthening governing ability and building a harmonious, moderately prosperous socialist society in all aspects in the new century and new stage.

The combination of national spirit and the spirit of the times is important content of the socialist core value system, and an inexhaustible driving force for the Chinese nation to advance with the times and remain invincible.

Whoever—revolutionary or counter-revolutionary—wants to topple one regime and establish another needs to first whip up public opinion and do the ideological work.

Under the modern circumstance of economic globalization dominated by Western countries and the socialist market economy of China, the Party is required to constantly strengthen its governing ability, adhere to and develop its ideology guided by Marxism, and uphold its leading role in the ideological construction during reform and opening up. The continuous consolidation and development of the socialist ideological front provides an ideological guarantee for the enhancement of the Party's governing ability.

The strengthening of the Party's governing position and governing ability requires protection by and service of socialist ideology. Ideology corresponding to the governing ability can point out the direction and provide theoretical support for the construction of the Party's governing ability.

In the new situation of changes in global, national, and intra-Party conditions, the CPC has given high priority to and taken new initiatives in its ideological construction. Therefore, it is a sacred duty and a glorious mission for Marxist theorists to raise socialist ideological construction to a new level by seizing historical opportunities.

CHAPTER 11

THE SCIENTIFIC OUTLOOK ON DEVELOPMENT AND A HARMONIOUS SOCIETY

Scientific development and social harmony are important parts of the theories of Marxism and are essential requirements for smoothly pushing forward the cause of socialism. As China entered a new phase of building a moderately prosperous society in all respects to accelerate socialist modernization, the Central Committee of the Communist Party of China headed by former General Secretary Hu Jintao properly grasped the changing situation of the world and its development trend, deeply analyzed the development features of China at different stages, and put forward the great strategic concepts of the Scientific Outlook on Development and building a harmonious socialist society to better guide the development of the CPC and the whole nation.

At the Third Plenary Session of the 16th CPC Central Committee, the Scientific Outlook on Development, putting people first and aiming at comprehensive, coordinated, and sustainable development in a bid to promote the overall development of people, economy, and society, was established. At the Sixth Plenary Session of the 16th CPC Central Committee, several important decisions on building a harmonious socialist society were made. At the 17th National Congress of the CPC, the background, content, essence, and requirements of the Scientific Outlook on Development were fully explicated, and much emphasis was placed on applying the Outlook to every aspect of economic and social development to enhance the construction of a harmonious socialist society. In every way, the Scientific Outlook on Development is the soul and principal line of the Report of the 17th National Congress of the CPC. The two historic decisions made at the 17th National Congress are: (1) making the Scientific Outlook on Development an important guide to China's economic and social development, and is also a great strategic concept

that must be adhered to and applied in the process of developing socialism with Chinese characteristics; (2) regarding the concept of building a harmonious socialist society as a great strategic measure to carry out the Scientific Outlook on Development and to map out overall plans to promote social construction with the aim of improving people's livelihood. It is of great significance to deeply study the origins, basis, content, and essence of the Scientific Outlook on Development.

11.1 Historical Background and Practical Basis

The Scientific Outlook on Development and building a harmonious socialist society arise at a historical moment when China, with its backward economy and culture, strives to realize a sound and rapid development of its economy and society in a socialist market economy system and under the policy of opening to the outside world, both of which are a crystallization and distillation of hands-on experience of the nation's socialist modernization. Like any other theoretical system, they are formulated in response to the country's overall development in modem times, and particularly, China's vigorous and large-scale reform and opening up practice as well as its modernization construction since the Third Plenary Session of the 11th Central Committee of the CPC laid out a realistic foundation for these two strategies. Only by knowing this can it be possible to correctly grasp the historical inevitability of the Scientific Outlook on Development and building of a harmonious socialist society or understand their content and significance.

11.1.1 Historical Experience and Scientific Summary

In modern times, oppressed by the three great mountains of imperialism, feudalism, and bureaucratic capitalism, China was in an extremely poor and weak condition where its people had no means of livelihood. After the founding of People's Republic in 1949, members of the CPC headed by Mao Zedong led Chinese people in carrying out a socialist transformation and establishing a socialist system, saving a country hit by years of war from desperate poverty, and starting China's socialist industrialization. Meanwhile, Mao Zedong put forward the idea of "taking the Soviet model as a mirror" on the way to China's socialist construction. Early in April 1956, Mao Zedong stated clearly in "On the Ten Major Relationships":

> Of particular note, some drawbacks the Soviet Union had and mistakes it made in its process of socialist construction were laid bare recently. We cannot take the same

> disastrous road as this country did. Just because we drew experience from their lessons, we didn't make too many mistakes in the past. And now, we must definitely learn more from their experience.

He also emphasized that the ten major relationships—those (1) among heavy industry, light industry, and agriculture, (2) between coastal and inland industry, (3) between economic and national defense construction, (4) between production units and single producers, (5) between central and local authorities, (6) between Han nationality and ethic nationalities, (7) between Party members and non-Party members, (8) between revolution and counterrevolution, (9) between right and wrong, and (10) between China and foreign countries—were within the basic principle that all positive factors at home and abroad must be deployed to serve the cause of socialist construction.[429] In the spring of 1957, Mao Zedong stressed that two fundamentally different types of contradictions—those between the enemy and the people and those among the people in the socialist society—must be correctly differentiated and handled and that correctly dealing with contradictions among the people needs to be regarded as the theme of the nation's political life. Through decades of construction work, the CPC succeeded in leading its people to set up a basic socialist system, a relatively complete industrial system, and national economic system; to improve agricultural productive conditions and capacity; to increase the scale of urban and rural businesses and foreign trade; and to enhance development in the fields of education, science, culture, health, and sports. However, due to insufficient experience in socialist construction and incorrect judgment regarding situations at home and abroad and on major social contradictions, some problems occurred in the pursuit of high-speed, high-accumulation, and high-investment development—especially such grave mistakes as the Great Leap Forward (1958-1960), the Great Cultural Revolution (1966-1976), and the Foreign Leap Forward.

Since the Third Plenary Session of the 11th Central Committee of the CPC, the Party has shifted its focus of work, formulated the basic line of "one central task and two basic points", and carried on the "three-step development strategy" in the nation's modernization construction, thus generating the rapid growth of China's economic and social development. Along with the implementation of the reform and opening-up policy as well as modernization construction in an all-around way, the Party formally put forward the concept of "building socialism with Chinese characteristics" in a bid to more consciously help China succeed in building and developing its socialism. Deng

429 *Collected Works of Mao Zedong* (Volume 7). Beijing: People's Press, 1999, p. 23.

Xiaoping emphasized repeatedly that development was the top priority and China must seize the historical opportunity to develop itself as soon as possible; that science and technology were primary productive forces, so knowledge and talented people must be respected in this country; that China needs to let some regions and people get rich first, then help other regions and people do the same; that instead of developing itself in isolation from the rest of the world, China must open itself to the outside world and expand external exchanges on the basis of equality and mutual benefit; and that China must respect the law of economic development, properly deal with all kinds of economic relations, and develop its economy in a well-grounded, effective, stable, and coordinated way. All Deng Xiaoping's creative ideas and strategies helped sweep away obstacles for China's development and opened its journey to reform, opening up, and modernization.

After the Fourth Plenary Session of the 13th Central Committee of the CPC, Jiang Zemin summed up the practical experience of the socialist market economy and looked anew at socialist modernization construction. In 1995, he made a keynote speech at the Fifth Plenary Session of the 14th Central Committee of the CPC and emphasized that the "twelve major relationships" in the socialist modernization program—including relationships among reform, development, and stability; between speed and effectiveness; among economic development, population, resources, and environment; among primary, secondary, and tertiary industries; between eastern regions and central and western regions; between market mechanisms and macro-controls; between public ownership economies and other types of economy; among the nation, enterprises, and individuals in income distribution; between the expansion of opening up to the outside world and insistence on self-reliance; between central and local authorities; between national defense construction and economic development; and between the construction of material civilization and spiritual civilization—all must be properly coped with. Meanwhile, he said:

> We need to stick to a whole idea when coping with these major relationships, that is, we must be certain of what principles to follow when handling new contradictions and problems that arise in the process of this country's modernization construction and touch its overall development.

He stressed that by summing up historical experience, it was possible to know objective laws well, reach a common understanding among Party members, unify people of all nationalities, and deploy every positive factor to speed China's socialist modernization

construction.[430] On the whole, Jiang Zemin's address carried on and developed Mao Zedong's and Deng Xiaoping's thoughts on socialist construction and reflected that China's communists became more and more conscientious in understanding and using the laws of socialist modernization construction.

Up to the late 20th and early 21st century, China's economic power, overall national strength, and international status improved remarkably. Chinese people experienced a historic leap forward from having adequate food and clothing to a life of moderate prosperity in general, and the nation ushered in a new phase of building a moderately prosperous society in all respects. In 2003, China's per capita GDP reached 1,000 U.S. dollars. According to international experience, when per capita GDP increases from 1,000 to 3,000 U.S. dollars, "a golden period of development" and "a period for contradictions to emerge" will ensue. It will produce two opposing results, that is, the nation will either embrace a fast-growing economy and a steadily developing society through proper policy measures, or be faced with economic recession and unrest due to incorrect policy measures. In light of China's reality, the CPC Central Committee pinpointed that China was exactly in such a critical period. In May 2004, Hu Jintao focused on this point during his inspection tour of East China's Jiangsu Province and stressed that the characteristics of this period must always be taken into consideration when handling problems. As China just entered the 21st century, contradictions and problems that accumulated for years in the process of its reform, opening up, and modernization gradually became visible. The main ones were imbalanced and uncoordinated development, rising social contradictions, and a surge in inharmonious factors. For instance, there was a great imbalance among urban-rural, regional, social, and economic development, along with increased population pressure, and problems with resources and the environment. Problems closely linked with public interests like those in employment, social insurance, income distribution, education, medical treatment, housing, production safety, and public security became prominent. And there was still an unsound democratic legal system where a lack of credibility, immoral behavior, and corruption remained rampant. Even worse, hostile forces penetrated this nation and threatened its safety and social stability. Especially during the outbreak of SARS in early 2003, some serious problems, including the imbalance between economic and social development and that between urban and rural development, were fully laid bare. This could be easily understood as the backwardness of social development was reflected in people's

430 *Selected Works of Jiang Zemin* (Volume 1). Beijing: People's Press, 2006, p. 460.

vulnerable health status, most apparent in rural areas where it was most difficult to prevent and control SARS. In July 2003, Hu Jintao said, at a national working conference on the issue of SARS prevention and control:

> Through the fight against SARS, we know much more deeply about the lack of coordination between the country's economic and social development and between urban and rural development ... we must attach great importance to such problems, take practical measures to solve them, and let the campaign be an important opportunity to improve the work of our government and to push the development of our country.[431] ... We should better adhere to the outlook on overall, coordinated, and sustainable development, push forward coordinated development among socialist material, political, and spiritual civilization, enhance individuals' all-around development, and promote harmony between man and Nature.[432]

To solve problems in imbalanced and uncoordinated development, the Party put forward the Scientific Outlook on Development with the Five Overall Arrangements as its main tasks and achieving sound and rapid economic and social development as its ultimate goal. To handle rising social contradictions and surging inharmonious factors, the Party came up with the strategic thought of building a harmonious socialist society aiming to create harmony between individuals and between man and Nature.

Great practice produces scientific theories, and scientific theories guide great causes. The strategic concepts in the Scientific Outlook on Development and building of a harmonious socialist society were put forward to deal with new problems and situations appearing in China's socialist construction in the new phase of the new century. They were established through summing up two decades of practical experience, both positive and negative, in the country's reform, opening up, and modernization program. During the two decades since China inaugurated its policy of reform and opening up, its GDP increased remarkably with an average annual rate of more than 9%, its comprehensive national strength progressed extraordinarily, and people's living standards rose markedly. On the one hand, China's reform, opening up, and modernization program produced fruitful results and valuable experience. On the other hand, they

431 *Selected Documents Since the 16th CPC National Congress* (Volume 1). Beijing: Central Party Literature Press, 2005, p. 395.

432 *Selected Documents Since the 16th CPC National Congress* (Volume 1). Beijing: Central Party Literature Press, 2005, pp. 396-397.

exposed many grave problems—a widening gap between rich and poor, environmental deterioration, undeveloped social undertakings, frequent safety incidents, and low economic benefits—from which lessons must be learnt. The practices of reform and opening up showed that to promote socialist modernization construction, China must take economic development as its central task and solve problems appearing in its construction process with development and reform; put people first, truly safeguard and expand the fundamental interests of the overwhelming majority of the Chinese people, and ensure that everyone shares in the fruits of reform and development; elevate material and spiritual civilization at the same time, value political and social construction and drive all-around social progress and human development; balance urban and rural development, development among regions, economic and social development, relationships between man, Nature, and domestic development; open to the outside world and coordinate and harmonize all links and aspects of economic, political, cultural, and social construction; save energy and resources, protect ecological environment, stick to the path of civilized development featuring the growth of production, an affluent life, and a sound ecosystem; promote the sustainable development of human society in every era; improve social equality and justice; complete management systems of the society; and motivate its creative vitality and make society more harmonious. Standing at a new historical starting point, China is facing new opportunities and challenges as it takes part in economic globalization. China must take on the new tasks of speeding up industrialization, urbanization, marketization, and internationalization, and take on the new problems of unbalanced development and rising social contradictions where social vitality is ignited but the economic and social structure is radically changed. At this moment, China must hold high the great banner of socialism with Chinese characteristics, adhere to the guidance of Deng Xiaoping's Theory and the important thought of the Three Represents, implement both to the letter and in spirit, and adhere to the guidance of the Scientific Outlook on Development and quicken its pace of building a harmonious socialist society, opening up a broad path and create a bright future for the development of socialism. In some way, the Scientific Outlook on Development and building of a harmonious socialist society are theoretical and practical fruits of the Party's arduous exploration of socialist construction, a crystallization of wisdom and painstaking labor of generations of China's communists and its people in pursuit of socialism, and are theoretical summaries of experience and lessons drawn in the nation's reform, opening up, and modernization program.

11.1.2 Changes in the Global Situation and Experience of Foreign Countries

Nowadays, the world is in a situation featuring increasing openness and dramatic changes, where competition is becoming more fierce day by day between countries aiming to show their comprehensive national strength and in which different thoughts and culture interact with each other. Certainly, China is beginning to enhance its communication and cooperation with other countries, and its future and destiny are more closely linked with those of the whole world. Undoubtedly, drastic changes in the global situation and setup of the world bring unprecedented opportunities and challenges for China's reform and opening up as well as its steady development. On the one hand, peace and development still lead this era, in which the pace of scientific revolution quickens, economic globalization deepens, global and regional cooperation gradually expands, developing countries play more and more important roles on the world stage, and comparisons of comprehensive national strength between different nations contribute to world peace. On the other hand, unstable and uncertain factors in the international environment increase, external conditions for China's reform and development remain complicated and changeful.

To be specific, huge imbalances in world economies and politics exist, gaps between the earth's southern and northern regions widen, trade and investment protectionism arise, pressure on energy and resources increases, and climate change, natural disasters, the spread of diseases, and international crime cause more damage to the world. Moreover, hegemonism and power politics still prevail, monopole and multipole struggles get more and more fierce, regional conflicts and hotspot issues crop up one after another, and both traditional and nontraditional security threats are intertwined. Now, the entire world shares a common goal: advance economic globalization in the direction of balanced development, shared benefits, and win-win progress, promote the democratization of international relations, safeguard world peace and stability, and protect the only earth man can live on. As China promotes its reform, opening up, and modernization program, its economic power and comprehensive national strength have improved surprisingly, and its status and influence on the world stage have been boosted. Moreover, other nations express more willingness to cooperate with China, and they can influence China in a more direct and extensive way than they did in any other period. All of these will help China expand its communication and cooperation with other nations and thus accelerate its development.

However, there are still problems that cannot be ignored. For instance, China is still under great pressure from the economic, scientific, technological, and military dominance of developed Western countries and is always under the threat of being westernized and polarized by foreign hostile forces. Meanwhile, international trade frictions sometimes occur, environmental and resource-related problems become prominent, and different ideologies fight with each other, making it more difficult to safeguard state sovereignty and security. Therefore, China must seize opportunities to regroup international productive factors; accelerate the transformation and upgrade of industrial structures; properly cope with challenges of all kinds of "China Threat" theories, trade protectionism, international terrorism, and those forces in China's energy, resource, and environment; take better advantage of various kinds of international cooperative mechanisms; widely carry out international communication and cooperation; and expand China's development space and maintain its development interests. It is an inevitable choice for China to properly understand new changes in the international situation and setup of the world, meet new requirements for development in this new era, increase its capacity for considering overall situations both at home and abroad, and stick to the path of scientific, harmonious, and peaceful development—all to develop socialism with Chinese characteristics. It proves again that the Scientific Outlook on Development and building of a harmonious socialist society were put forward based on analysis of the new changes in the international situation and setup of the world as well as the relationship between China and other countries in the world.

In addition, the Scientific Outlook on Development and building of a harmonious socialist society were advanced through taking lessons from the development practices of other nations and drawing upon their outstanding achievements of concepts and ideas on development. After World War II, driven by an urgent need to secure the recovery of national economies and improving people's living standards, international communities, developing countries especially, generally came up with an outlook on development that put one-sided emphasis on economic growth, that is, aimed at improving GDP and per-capita national income without valuing social progress and environmental protection. This outlook indeed generated positive influence on promoting economic growth and accumulating material wealth.

However, it caused many dire problems like unbalanced economic structures, tight energy and resources, a worsening ecological environment, political corruption and turmoil, and intense social conflicts. After 1970s, facing increasingly prominent economic

and social problems and global environmental pollution, far-sighted personages in the world began to reflect on and criticize this outlook with the material as its kernel and economic growth as its yardstick. They raised successively the concepts of comprehensive development, sustainable development, and human-centered development. Specifically, in 1983, French scholar Francois Perroux, under United Nations authorization, wrote *A New Concept on Development.* In this book, he raised an integral, comprehensive, and endogenic concept of development that said each nation needs to take into consideration such factors as its nationalities, history, environment, and resources while developing itself. To be specific, it should value economic growth, political civilization, scientific and technological progress, social transformation, ecological balance, and the like in its process of development, and should pursue coordinated development between economy and society, materials and spirit, the part and the whole, and reality and the future. In 1987, the World Commission on Environment and Development delivered a report, "Our Common Future". It introduced the concept of sustainable development that sought to meet the needs and aspirations of the present without compromising the ability to meet those of the future. In 1992, the United Nations Conference on Environment and Development (UNCED) was held in Rio de Janeiro, Brazil, welcoming 102 heads of state and many a representative from 183 countries and regions. At this Earth Summit, the Declaration of Rio de Janeiro and Agenda 21 were passed, showing that the concept of sustainable development was generally accepted and approved by international communities. In 1994, American development economist Striton introduced the concept of human-centered development. He held that the ultimate goal of developing an economy was to put people first, improve their living standards, and expand their choices in life.[433] In 2002, the first World Summit on Sustainable Development in the 21st century was held in Johannesburg, South Africa, at which the concept of human-centered development, putting people in the first place in the process of development, was raised again. These new concepts of development retained the reasonable factors of the traditional ones, and more importantly, stressed the integrality and sustainability of development and that people should always be put first. They offered China salutary experience and helped it establish and implement the Scientific Outlook on Development and building of a harmonious socialist society. China, the world's largest developing country sticking to the path of socialism, is confronted with challenges of accomplishing the dual tasks of industrialization and

433 Debraj Ray. *Development Economics.* Beijing: Peking University Press, 2006, p. 5.

informatization—and to handle the pressure to promote economic development and meanwhile save energy and protect the environment. Hence, it must explore a new path of scientific, harmonious, and peaceful development instead of repeating the old paths of Western countries. In light of the basic reality that China is in the primary stage of socialism, the Scientific Outlook on Development and the building of a harmonious socialist society were created to meet new requirements of development by analyzing China's own practice and drawing on the experience of other countries.[434]

11.2 The Creative Application and Development of Marxist Theories

The Report of the 17th National Congress of the CPC says:

> The Scientific Outlook on Development is a continuation and development of the important concepts on development advanced by the previous three generations of central collective leadership of the CPC and a concentrated expression of the Marxist world outlook and methodology with regard to development. It is a scientific theory in the same line as Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, the important thought of Three Represents, and keeps up with the times.[435]

The Scientific Outlook on Development has deeply revealed the objective laws of China's economic and social development, deepened people's understanding of the laws of the socialist construction and social development, and reflected new requirements for the work of the Party and country in light of changes both at home and abroad. Moreover, it has enriched and developed the Marxist theoretical system, including dialectical materialism, historical materialism, political economy, and scientific socialism.

11.2.1 Developing and Innovating Classic Marxist Thought

Marxism focuses on the concept of development. The theories of development have their important place in the Marxist theoretical system. In a way, Marxism is a theory on the general laws of development of the whole world, Nature, human society, and human thought, and of the transformation of capitalism to socialism, and the development of

434 *Selected Important Documents of the 17th National Congress of the CPC.* Beijing: People's Press, 2007, p. 13.
435 *Selected Documents of the 17th National Congress of the CPC.* Beijing: People's Press, 2007, p. 12.

socialism and communism. The dialectical materialism and historical materialism of the Marxists present development from world and historical points of views respectively.

Karl Marx and Friedrich Engels broke the shackles of ideas and ways of thinking of idealism and metaphysics, made radical changes in the intellectual history of human beings, and introduced a scientific worldview and methodology for development that holds that (1) All things of the world are connected with each other. They change and develop all the time. Engels said:

> When we ponder deeply over Nature, human history, or our spiritual activities, what comes first to us is a picture where things connect with and influence each other without stop.[436] ... The world is not to be comprehended as a complex of readymade things, but as a complex of processes, in which the things are no less unstable than the mental images of them formed in our heads; the concepts go through an uninterrupted change of coming into being and passing away, in which, in spite of all seeming accidental and all of a temporary retrogression, a progressive development asserts itself in the end.[437]

(2) The human society is an organism featuring constant change and development. The evolution of the economic formation of society is viewed as a process of natural history. "The present society is no solid crystal, but an organism capable of change, and is constantly changing,[438] said Marx,

> Even when a society is on the right track for the discovery of its natural laws of movement, it can neither clear by bold leaps nor remove by legal enactments obstacles offered by the successive phases of its normal development. But it can shorten and lessen the birth pangs.[439]

(3) The material mode of production is the foundation of social development, and contradictions between productive forces and relations of production are the fundamental impetus for it. According to Marx, the mode of production of material life conditions the general process of social, political, and intellectual life. At a certain stage of development, the material productive forces of society come into conflict with the existing relations of production. From forms of development of the productive forces, these relationships turn into their fetters. Then begins an era of social revolution. The changes

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436 *SelectedWorks of Marx andEngels* (Volume 3). Beijing: People's Press,1995, p.359.
437 *SelectedWorks of Marx andEngels* (Volume 4), Beijing: People's Press,1995, p.244.
438 *SelectedWorks of Marx andEngels* (Volume 2), Beijing: People's Press,1995, p.102.
439 *Ibid.,* p. 101.

in the economic foundation lead sooner or later to transformation of the whole immense superstructure.[440] (4) The masses of the people are the creators of history. According to Marx and Engels, historical activity gives rise to the action of the masses, and with the deepening of historical events, the team will be expanded.[441] The proletariat can and must liberate themselves on their own and fulfill their historic mission of eliminating private ownership and bringing about liberation for mankind. (5) People must respect objective laws and pursue harmony between man and Nature. Engels warned:

> Let us not, however, flatter ourselves overmuch on account of our human conquest over Nature. For each such conquest takes its revenge on us.[442] Thus, at every step we are reminded that we by no means rule over Nature like a conqueror over a foreign people, like someone standing outside Nature—but that we, with flesh, blood, and brain, belong to Nature, and exist in its midst, and that all our mastery of it consists in the fact that we have the advantage over all other beings of being able to know and correctly apply its laws.[443]

(6) Achieving an individual's free and all-around development is the basic principle for a new society. Marx stated that "in place of the old bourgeois society, with its classes and class antagonisms, we will have an association in which the free development of each is the condition for the free development of all".[444] In a new society, the full and free development of every individual is the ruling principle.[445] And, in the process of Russia's socialist construction, Vladimir Ilyich Lenin stressed that the main and fundamental task for a socialist country is to lift its productivity greatly, to raise its labor productivity to a new level, and meanwhile, to intensify its democratic supervision and cultural construction, to coexist with capitalist countries peacefully, and to take advantage of capitalism to develop its own socialism. These classic Marxist ideas of development provided the scientific basis for the Scientific Outlook on Development. They also enlightened and influenced China to better understand and solve problems rising in its socialist development. In brief, the Scientific Outlook on Development has carried on and further developed those classic Marxist ideas of development, and embodied a concentrated reflection of the Marxist worldview on and methodology for development.

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440 *Ibid.,* pp. 32-33.
441 *Complete Works of Marx and Engels* (Volume 2). Beijing: People's Press, 1957, p. 104.
442 *Selected Works of Marx and Engels* (Volume 4). Beijing: People's Press, 1995, p. 383.
443 *Complete Works of Marx and Engels* (Volume 20). Beijing: People's Press, 1971, p. 519.
444 *Selected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1995, p. 294.
445 Karl Marx. *Capital: A Critique of Political Economy.* Beijing: People's Press, 2004, p. 683.

11.2.2 Innovating a Development Theory Advanced by CPC Leaders

By drawing on the former Soviet Union's development model, Mao Zedong suggested that China choose a way that conforms with its national conditions, mobilizes all positive factors up to the hilt, handles contradictions among its people properly, and balances interests of all groups. These important ideas and valuable experience gained by first-generation CPC leaders when exploring China's own path toward socialism laid the theoretical foundation for the Scientific Outlook on Development.

On the whole, the Scientific Outlook on Development has mainly carried on the theoretical ideas of development contained in Deng Xiaoping Theory and the important thought of Three Represents. This can be shown by its basic concepts and wording, and more importantly, its fundamental views and methods reflecting historical continuity and consistency in logic. For instance, Deng Xiaoping repeatedly mentioned such ideas as "comprehensive development", "coordinated development" and "sustainable development". As far as "sustainable development" is concerned, it was used 17 times by Deng according to the book *Chronicle of Deng Xiaoping's Life.* Jiang Zemin put great emphasis on the concept of comprehensive and coordinated development. He believes that a socialist society is one seeking development of and progress in all aspects and that China should keep the sustainable, rapid, and healthy development of its national economy. Thus, he raised a series of great strategies, such as the strategy of sustainable development in 1994, the strategy of rejuvenating the country through science and education in 1995, and the develop-the-west strategy in 1999.[446] Last but not least, the Scientific Outlook on Development along with Deng Xiaoping Theory and the important thought of Three Represents, takes the construction of socialism with Chinese characteristics as its central theme, adheres to the Marxist viewpoint that the fundamental interests of people should always be put in the first place, and captures the soul of the Marxism represented by the ideological line of emancipating the mind, seeking truth from facts, and advancing with the times.

The Scientific Outlook on Development has innovated theories on development established by the CPC, produced a leap forward in the history of human thought on development, and developed a systematic Marxist theory on development. First of all, the Scientific Outlook on Development takes development as its essence. The Party

446 Leng Rong. "Establishment of the Scientific Outlook on Development and its Significance". *Research on Marxism,* 2006, p. 8.

must regard development as its top priority in governing and rejuvenating the country. It must firmly commit itself to the central task of economic development, concentrate on construction and development, and keep releasing and developing China's productive forces. It must better implement the strategy of rejuvenating the country through science and education, the strategy of strengthening the nation with trained personnel, and the strategy of sustainable development. It must grasp the law of development, make innovation in its thinking, transform the mode of development, crack hard issues, and raise quality and efficiency to achieve sound and rapid development—all to lay a solid foundation for developing socialism with Chinese characteristics. It must strive for scientific development by putting people first and making it comprehensive, balanced, and sustainable; it must strive for harmonious development by integrating all undertakings and promoting unity and amity among all members of society; and it must strive for peaceful development in the course of which China develops itself by safeguarding world peace and contributes to world peace by developing itself.

Meanwhile, the scientific outlook on development takes putting people first as its core. It stresses that the fundamental purpose of the Party is to serve the people wholeheartedly. The Party must always make sure that the aim and outcome of all its work and that of the state is to realize, safeguard, and expand the fundamental interests of the overwhelming majority of the people. It must respect the principal position of the people in the country's political life, give play to their creativity, protect their rights and interests, take the path of prosperity for all and promote their all-around development—to ensure that development is for the people, by the people, and with the people sharing in its fruits. The Scientific Outlook on Development takes comprehensive, balanced, and sustainable development as its basic requirement, and the Party must manifest this. In accord with the overall arrangements for the cause of socialism with Chinese characteristics, it will promote all-around economic, political, cultural, and social development and coordinate all links and aspects of its modernization drive. It must adopt an enlightened approach to development that results in expanded production, a better life, and sound ecological and environmental conditions. It must build a resource-conserving and environment-friendly society that coordinates growth rate with the economic structure, quality, and efficiency. It must harmonize economic growth with the population, resources, and the environment. All this is so that Chinese people will live and work under sound ecological and environmental conditions and so China's economy and society will develop in a sustainable way. Concurrently, the Scientific Outlook on Development takes overall consideration as its fundamental approach. The Party needs

to correctly understand and handle major relationships in the cause of socialism with Chinese characteristics and balance urban and rural development, development among regions, economic and social development, relations between man and Nature, and domestic development and opening to the outside world. It must take into overall consideration the relationships between central and local authorities, between personal and collective interests, between interests of the part and those of the whole, and between immediate and long-term interests—so as to fully arouse the initiative of all sides. It must take both domestic and international situations into consideration and be good at seizing opportunities for development and coping with risks and challenges in a changing world, and it must work for a favorable international environment. Of particular note, classic Marxists, Mao Zedong, Deng Xiaoping, and Jiang Zemin expounded on some principal concepts and basic ideas contained in the Scientific Outlook on Development. However, it is the Scientific Outlook on Development that has for the first time put forward, organically, the concepts of "putting people first" and "persisting in overall consideration", and combined them with the idea of "comprehensive, coordinated, and sustainable development". In the end, a complete and compact theoretical system on development was set up in the history of the development of Marxism.

11.2.3 Theoretical Contributions and Practical Significance

The Scientific Outlook on Development adheres to the idea of putting people first while respecting objective laws, takes economic development as the central task while seeking the overall development of the society, promotes the rapid development of the society in all aspects while achieving the balanced development of the whole, and pursues the development of mankind while protecting the natural ecological environment. It has offered new ideas for the development of socialism and Marxist theories, endowed the Marxist theories of development with new content and forms of the day, and made innovation in the theories of development advanced by the Party. Quoting Stalin's exposition of Leninism:

> Lenin was a Marxist, and Marxism is, of course, the basis of his world outlook. But from this it does not at all follow that an exposition of Leninism ought to begin with an exposition of the foundations of Marxism. To expound Leninism means to expound the distinctive and new in the works of Lenin that Lenin contributed to the general treasury of Marxism and that is naturally connected with his name. Only in this sense will I speak in my lectures of the foundations of Leninism.[447]

447 *Selected Works* of *Stalin* (Volume 1). Beijing: People's Press, 1979, p. 184.

So it is appropriate to say that expounding the Scientific Outlook on Development means to expound the distinctive and new in the works of the Chinese communists represented by Hu Jintao that contributed to the general treasury of Marxism.

The Scientific Outlook on Development covers a wide range of fields: from natural and social sciences to the humanities; touches every aspect of reform, development, and stability; the running of the Party, state, and army; domestic and foreign affairs; national defense; and runs through the whole process of building the Party and socialism with Chinese characteristics. As the guiding principle for development, it has contributed to building a complete and open theoretical system featuring rich content and a strict logical structure. The Scientific Outlook on Development is a concentrated expression of the Marxist world outlook on and methodology for development, and it has creatively applied and developed Marxist materialism, dialectics, epistemology, conception of history, and other principles. Adhering to the ideas of putting people first, improving the level of an open economy, accelerating transforming the mode of economic development, and forming a system of macroeconomic regulation conducive to development, it has helped CPC members deepen their understanding of the laws of a socialist market economy and provided new theoretical bases and content relevant to the times. Based on the practice of socialist construction, the Scientific Outlook on Development pays attention to sound, fast, economic and social development and aims to reveal the essential laws governing socialist development, deepening the CPC's understanding of the laws of socialist construction and its own governance, and advancing the development of theories of scientific socialism. As the latest achievement of the localization of Marxism in China, the Scientific Outlook on Development has enriched and developed the theoretical treasury of Marxism and become the most important part of the theoretical system of socialism with Chinese characteristics. Nowadays, thoroughly applying the Scientific Outlook on Development is a must for China when holding high the great banner of socialism with Chinese characteristics and adhering to the path and theoretical system of socialism with Chinese characteristics.

The Scientific Outlook on Development has occupied a central place in the Party's theoretical innovation since the 16th National Congress of the CPC. With its ability of commanding the overall situation, it has become a major strategic thought that must be adhered to for promoting the development of socialist economics, politics, culture, and society. At present, China's socialist market economy is basically in place, but it is not yet perfect, and further reform remains difficult. China's economic strength has increased markedly, but the longstanding structural problems and the extensive mode

of growth are yet to be fundamentally addressed, and pressure on energy, resources, and the environment continues to grow. A relatively comfortable standard of living has been achieved for the people as a whole, but the trend of a growing gap in income distribution has not been thoroughly reversed, and there are still a considerable number of impoverished and low-income people in both urban and rural areas. Socialist democracy has continued to develop and China has made steady progress in implementing the rule of law as a fundamental principle. Socialist culture is thriving as never before, and people's enthusiasm to participate in politics is growing. The people have become more independent, selective, changeable, and diverse in thinking, setting higher requirements for the development of an advanced socialist democracy and culture. The society has evidently become more dynamic, but profound changes have taken place in the structure of society, making it more difficult to accommodate the interests of all sides and handle social conflicts and the new issues that constantly emerge in social development and management. China is opening wider to the outside world, but with closer international cooperation, international competition is becoming increasingly acute, pressure in the form of the economic and scientific dominance of developed countries will continue for a long time, both predictable and unpredictable risks are increasing, and the need to balance domestic development and opening to the outside world is greater than ever. The Scientific Outlook on Development not only adheres to the basic principle of scientific socialism but also operates on the basis of specific conditions and realities in China's current stage of development. As the Marxist outlook on development of contemporary China, it aims to resolve new contradictions and problems that emerge in the course of the country's economic and social development. With its truthfulness and reality, the Outlook has played an extensive and far-reaching role in guiding China to continue developing socialism with Chinese characteristics.

For the past few years, the whole Party and the people of all ethnic groups have set up and carried forward the Scientific Outlook on Development, achieving significant new results in reform and socialist modernization. It should be particularly noted that the Party Central Committee adhered to the principle of putting people first and took measures to fight against the SARS epidemic and meanwhile developed the country's economy, gaining great success in both aspects. It has strengthened and improved macro-control measures to curb the unhealthy and unstable factors in China's economic operation, maintaining a good momentum in economic development. Meanwhile, faced with unjust and uncoordinated factors in social development, it has deepened

structural reform and strengthened social construction and management to build a harmonious socialist society. The Scientific Outlook on Development has persisted in overall consideration and successfully mobilized the whole nation to join in combatting the Western financial crisis and grave natural disasters, such as heavy snow, sleet storms, and earthquakes. In 2008, the country's GDP topped RMB 30 trillion yuan, an increase of 9% over the previous year, far higher than the world average growth rate of about 5%. Grain output rose for the fifth consecutive year and totaled 528.5 million tons, a record high. Urban per capita annual disposable income reached RMB 15,781 yuan, an increase of 8.4% in real terms, and rural per capita net income reached RMB 4,761 yuan, up by 8% in real terms. The central government invested RMB 116.3 billion yuan in science and technology, an increase of 16.4%. It also launched 16 major national science and technology projects and successfully developed a number of key technologies and major equipment in the areas of automobiles powered by new energy sources and high-speed railways. The central government allocated RMB 42.3 billion yuan to support the development of ten key energy conservation projects and environmental protection facilities. As a result, energy consumption per unit of GDP fell by 4.59% from the previous year; chemical oxygen demand fell by 4.42%; and sulfur dioxide emissions fell by 5.95%.[448] According to the current practice of the time, the Scientific Outlook on Development is an important guiding principle that China must adhere to for building a moderately prosperous society in all respects and promoting the sound and rapid development of its economy and society, and is also a powerful theoretical weapon for resolving complicated contradictions at home and abroad and coping with various risks and challenges.

11.3 Developing Scientific Socialism by Building a Harmonious Socialist Society

A must for scientific socialism, an important part of socialist modernization is social development. Social harmony is a goal that the Communist Party of China has been struggling for and a common ideal that all Chinese people share. Since the establishment of the People's Republic of China, the CPC and the Chinese nation have carried

448 *Documents of the Second Session of the 11th National Congress of People's Republic of China.* Beijing: People's Press, 2009, pp. 2-5.

out a painstaking exploration for promoting social harmony, thus advancing economic development and social progress. Since the 16th CPC National Congress in November 2002, with a deepening understanding of social harmony, the Party has made clear the status of building a harmonious socialist society in the overall arrangements for the cause of socialism with Chinese characteristics, and made decisions and deployments to build such a society. At the Fourth Plenary Session of the 16th CPC Central Committee in November 2004, the Party set forth the task of building a harmonious socialist society and identified that constantly improving its ability to build this harmonious socialist society composed an important part of strengthening the Party's governance capacity. At a seminar held by the CPC Central Committee in February 2005 for provincial leaders to improve the ability of building a harmonious socialist society, Hu Jintao, president of the PRC from 2003 to 2013, addressed the leaders and shared the importance of building a harmonious socialist society with the general requirements for democracy and the rule of law, equity and justice, honesty and fraternity, vigor and vitality, stability and order, and harmony between man and Nature. At the Fifth Plenary Session of the 16th Central Committee in October 2005, the Party designated the building of a harmonious socialist society as a significant task to thoroughly apply the Scientific Outlook on Development, and proposed a series of policies and measures accordingly. The Sixth Plenary Session of the 16th CPC Central committee in October 2006, approved the *Decision of the CPC Central Committee on the Major Issues of Building a Harmonious Socialist Society (Decisions),* a programmatic document at the new phrase of the new century to build a harmonious socialist society, which comprehensively elaborated the strategic significance, the guiding ideology, the target, the working principles, and the major arrangements. In October 2007, at the 17th CPC National Congress, leaders stressed that "more importance must therefore be attached to social development on the basis of economic growth", and "we must do our best to ensure that all our people enjoy their rights to education, employment, medical and old-age care, and housing to build a harmonious society." In addition, an overall arrangement for social development with afocus on improving people's livelihood was carried out. Under the new historical conditions, in order to implement the spirit of the Sixth Plenary Session of the 16th CPC Central Committee and the 17th CPC National Congress, the construction of a harmonious socialist society must be seen as a long-term historical mission throughout the cause of socialism with Chinese characteristics and as an important and realistic issue for building a moderately prosperous society in all aspects.

11.3.1 Essential Characteristics and Theoretical Origins

The term harmonious society depicts an ideal state human society will develop into. Generally, it visualizes a society that is harmonious and coordinated between people and people, man and society, human and Nature, that is, a society that has balanced relations of production with the productive forces, and the superstructure with the economic base. Distinguished from the "Datong World" ("Great Unity") or "Xiaokang Society" ("Moderately Prosperous Society") longed for by some Chinese ideologists in history and "Utopia" or the "Millennial Kingdom" described by the Utopian Socialists, the harmonious socialist society the CPC is building comes from a combination of Marxist Thought on social harmony with the reality of contemporary China. As we all know, Marxist classic writers expounded ideas on social harmony:

1. Social harmony is the goal of a future society. Marx and Engels hold that "promoting social harmony" is a "positive idea about the Future Society"; it is the free individual combo that will replace the bourgeois society that features class antagonism and class exploitation, and it will eliminate the opposition between human and Nature, people and people, individual and society, thus fulfilling everyone's free and overall development.
2. To realize social harmony, the material wealth of society must be especially abundant and people's spiritual realm will be great improved, and the oppositions and differences—between classes, urban and rural areas, manual and intellectual labor—must be eliminated on the basis of breaking up the old state apparatus and eliminating private ownership.
3. Under socialism, confrontation will disappear yet contrast will still exist.[449]
4. To correctly handle the relationships between state, collective, and individual, the CPC must build all major departments of the national economy on its concern for the interests of individuals and the Party must promote democracy, combat bureaucracy, and consolidate links between the Party and the masses.

Social harmony is a goal the CPC has been struggling for. Mao Zedong put forward ideas of social harmony during his leadership in the course of socialist construction. In his article "On the Correct Handling of Contradictions among the People", Mao

449 *Collected Works of Lenin* (Volume 60). Beijing: People's Press, 1990, p. 282.

proposed to resolve contradictions among people by a democratic approach and to resolve the contradictions that existed among different classes and among the state, the collectives, and individuals in accord with the principle of overall consideration and proper arrangement. He explained that:

> Our aim is to create a political situation in which we have both centralism and democracy, both discipline and freedom, both unity of will and personal ease of mind and liveliness, and thus to promote our socialist revolution and socialist construction, make it easier to overcome difficulties, build a modern industry and modern agriculture more rapidly, and to make our Party and state more secure and better able to weather storms and stress.[450]

Deng Xiaoping also expounded his thought on social harmony during his leadership for the opening up and modernization drive. He repeatedly emphasized the CPC's responsibility to mobilize all positive forces, strive to transform all negative forces into positive ones, and unite with all forces that can be united with so that a modern and powerful socialist country can be set up. He said the CPC must adjust the relationships among these various types of interests in accord with the principle of taking them all into proper consideration with intent to arouse the enthusiasm of the people. He said the CPC must maintain political stability and unity for nothing can be accomplished without good public order, political stability, and unity.

Thoughts on social harmony above provide us with a scientific theoretical basis and practical guide for building a harmonious society that is shared by all people under the leadership of the CPC on the path of socialism with Chinese characteristics. It is a step toward the communist society in the future. The CPC must scientifically understand and stick to the fundamental characteristics and historical orientation of a harmonious socialist society. Only in this way can the Party successfully promote China's social development in a correct direction. The socialism with Chinese characteristics the CPC is building is socialism in the primary stage—in which there are considerable gaps with the mature form of socialism conceived by the founders of Marxism, and in which differences in different classes and factors detrimental to harmony in the economic and social life still exist.

Can a harmonious society be built under socialism? The answer is positive. First, as a socialist state of the people's democratic dictatorship under the leadership of the CPC

450 *Mao Zedong's Manuscripts since the Founding of PRC* (Volume 6). Beijing: Central Literature Press, 1987-1998, pp. 543-544.

with an economy dominated by public ownership, China has the political prerequisite and institutional guarantee to build a harmonious socialist society. Second, with the rapid development after the establishment of New China, especially after opening up, China's productive forces have improved, as has the people's livelihood—which makes a historical leap into having adequate food and clothing to live a fairly comfortable life; that is to say, China can provide a relatively solid material foundation for narrowing social gaps, developing social programs, strengthening social development, and improving social security. Third, all classes, strata, ethnic groups, political parties, and organizations in China enjoy an equal position in politics, thus sharing the same fundamental interests. Fourth, the guiding position of Marxism has been established in ideology; the ideology of patriotism, collectivism, and socialism has been deeply rooted among the people; cultural and educational undertakings with ideological and ethical standards continue to develop; the scientific and cultural qualities of the people are being upgraded; and national cohesion has been significantly enhanced. All these factors constitute favorable conditions for building a harmonious socialist society.

11.3.2 Ideal Goal and Practical Ways of Building a Harmonious Society

Based on the goals set at the 16th National Congress of building a moderately prosperous society in all aspects and on the general requirements of creating a harmonious society, the Party, on the basis of current situations while keeping an eye on the future, put forward six main objectives and tasks of building a moderately prosperous society by 2020 at the Sixth Plenary Session of the 16th CPC Central Committee: (1) In accord with the requirements for democracy and the rule of law, the socialist democratic and legal system will be further improved; the fundamental principle of administering the country according to law will be implemented in an all-around way; people will enjoy the fact that their rights and interests are respected and guaranteed. (2) In accord with the requirements for equity and justice, the widening gap in development between urban and rural areas and between different regions will be gradually reversed; a reasonable and orderly income distribution pattern will take shape; the wealth of households will increase universally and people will lead more affluent lives; the employment rate will be relatively high and a social security system covering both urban and rural residents will be established; a basic public service system will be further improved and the government will achieve relatively big improvements in administrative and service levels.

(3) In accord with the requirements for honesty and fraternity, the quality of people's ideological, moral, scientific, cultural, and health will improve markedly and further progress will be made to foster a sound moral atmosphere and harmonious interpersonal relationships. (4) In accord with the requirements for vigor and vitality, creativity of the whole society will be markedly enhanced and an innovation-based country will be established. (5) In accord with the requirements for stability and order, the public administration system will further improved and social order will be in good condition. (6) In accord with the requirements for harmony between man and Nature, efficiency of resource use will be enhanced markedly and visible improvement in China's ecological environment will be achieved.

On the whole, the objectives are to comprehensively build a high level moderately prosperous society that can benefit the millions of Chinese people, and to attain a situation in which all people are well positioned to do their best and live in harmony.

Building a harmonious socialist society is a complex systematic project and will run through all the aspects and the whole process of the development of socialism with Chinese characteristics. From the point of view of "big society", a macroscopic view, the building of a harmonious socialist society will cover all the work of the Party and country, which involves economic, political, cultural, social development, and Party-building; from the point of view of "small society", a microscopic view, it will focus on the most specific problems of the utmost and immediate concern to the people, strive to develop social programs, promote social equity and justice, foster a harmonious culture, improve social management, and enhance social creativity—all on the path of realizing common prosperity, thus balancing social development with economic, political, and cultural development. Since the 16th National Congress, the Party and government at different levels have given priority to building a harmonious socialist society so that social reform and development that was neglected or partially understood will be upgraded as a strategic deployment, and the focus point of institutions, policies, and wealth distribution will turn to aspects that people are in urgent need of, such as compulsory education, health care, social security, public facilities, and environmental protection. With social restructuring being carried out and social programs developing rapidly, a new situation of social management and social development has taken shape. As of 2008, free compulsory education has become available to all students, urban or rural, throughout the country, and all rural students receiving compulsory education have obtained free textbooks; grants of 1,500 yuan (roughly $240) per student per annum

were given to secondary vocational school students from rural areas or needy urban families, benefiting 90% of the current student population in these vocational schools—which shows fair education has made great progress in China. A total of 814 million people, accounting for 91.5% of the rural population, benefited from the new type of rural cooperative medical care system; the number of urban residents receiving medical insurance increased by 73.9 million to 117 million. Construction for a system of cost of living allowances for both urban and rural residents has been improved comprehensively; a total of 66.19 million residents received the allowance.[451] A total of 11.13 million more urban residents entered the workforce; the urban employment rate was 4.2% at the end of 2008. Coverage of all social security programs continued to expand, with 17.53 million more urban workers subscribing to basic old-age insurance, 7.55 million more subscribing to unemployment, 16.37 million more subscribing to workers' compensation, and 14.06 million more subscribing to maternity insurance.[452] It makes sure every student can enjoy education; every patient can receive treatment; every worker can find a job; every family is free from survival pressure. People had access to and admired these policies, which aimed at improving their lives.

Practice proves that building a harmonious socialist society serves as a significant strategic action for promoting sound and rapid economic and social development, and it plays a vital role in speeding socialist modernization and building a moderately prosperous society in all aspects.

11.3.3 Theoretical Contributionsand Practical Significance

Expressing the CPC's further understanding of the law of human society, building a harmonious socialist society enriches the theory of socialist society construction. The dialectical and historical materialism created by Marx and Engels investigates the dialectical relationships between people and people, human and Nature, individual and society; it reveals the objective laws that state that elements of the social system are relevant to and influenced by each other, and that expose the intrinsic nature, historical process, and development trend of human society, laying a scientific theoretical

451 *Documents Delivered at the Second Session of the 11th National People's Congress.* Beijing: People's Press, 2009, pp. 5-6.
452 *Ibid.,* p. 45

foundation for the social harmony people long for. Marx argues that the ideal future society is one in which productive forces are highly developed and people's spiritual realm is greatly improved; it is such a harmonious society that everyone embraces free and overall development. Based on China's reality of being in the primary stage of socialism and under the Marxist theory of social construction, the CPC proposed to build a harmonious socialist society, thus gradually making social harmony a goal and guideline for China's development. It is conducive to insisting on and developing the socialist system and basic theory of scientific socialism in China and to creating a new road and new realm of human civilization.

A further understanding of the law of building socialism, building a harmonious socialist society enriches socialist theory with Chinese characteristics—a society with comprehensive and balanced development. The 12th National Congress in 1982 put forward the "three-step" strategy of China's modernization and formulated the overall layout of the modernization drive, which included economic prosperity, political democracy, and spiritual civilization. Stepping into the new century, the Party chose to build a harmonious socialist society that emphasized that "social harmony is the essential property of a socialist society with Chinese characteristics", and expanded the overall layout of the modernization drive to economic prosperity, political democracy, spiritual civilization, and social harmony. It not only deepens the understanding of the essence of socialism, enriches and develops the theoretical system of socialism with Chinese characteristics, but broadens the path of socialism with Chinese characteristics, thus creating a new thought and new situation for China's socialist modernization drive.

A further understanding of the governing law of the Communist Party, building a harmonious socialist society enriches the Marxist building and governing theory. The CPC is the core of leadership for building socialism with Chinese characteristics. Only by correctly understanding and using the governing law as well as improving its governance ability can the CPC promote the great cause of socialism with Chinese characteristics. The goal of the Party's governance capacity construction at the Fourth Plenary Session of the 16th CPC Central Committee was "making sure the CPC, the ruling Party of China, is built for the public and exercises state power in the interest of the people". The Party must persist in exercising power for the people, showing concern for them and working for their interests, and ensuring that the masses share in the fruits of reform and development. Building a harmonious socialist society is the inherent requirement of "building the Party for the public and exercising state power in

the interest of people" and reflects the Party's new view to the governance essence and method. It is the creative application and development of Marxism's building and governing theory. Vigorously promoting a harmonious socialist society and safeguarding social fairness and justice are conducive to mobilizing the enthusiasm of the people, consolidating the Party's leadership and ruling position, giving play to the Party's political superiority and advantages of the socialist system, thus providing a strong organizational and political guarantee for successfully building a moderately prosperous society in an all-around way.

Harmony rallies strength and leads to great successes. The building of a harmonious socialist society is a long-term historical process that requires unremitting efforts from the Party and all Chinese people. The CPC must recognize that China is and will be in the primary stage of socialism, and that China is confronted with westernization and differentiation by hostile international powers; therefore, China still has a long way to go to build a harmonious socialist society. The CPC must actively promote construction on the basis of reality and current conditions; meanwhile, the Party must, based on the future, prepare for a long period of hard work. The CPC must be aware that a harmonious society is not one without conflict, but is one in which new conflicts will arise as the old ones resolve. The building of a harmonious socialist society cannot eliminate all contradictions at once: instead, it will resolve them in a consistent process, during which a mechanism for mediating and settling social conflicts in line with China's reality and contemporary development must accordingly be established and improved. Standing at a new historical starting point, as long as we implement the social harmony, intrinsic nature of the socialism with Chinese characteristics, to the economic, political, cultural and social development and the whole process of modernization, and build the harmonious socialist society step by step, the CPC, together with the Chinese people will make new and greater contributions to the world peace and human civilization.

11.4 Dialectical Relationship between the Scientific Outlook on Development and a Harmonious Socialist Society

The two major strategic thoughts of Scientific Outlook on Development and the harmonious socialist society hold different connotations yet link with each other closely. Comparatively speaking, the Scientific Outlook on Development, a concentrated

expression of the Marxist world outlook and methodology with regard to development, answers the general and fundamental questions like "why and how to develop" while the building of a harmonious socialist society, an objective or a task of the socialist society building, answers such limited and specific questions like "what a harmonious society is" and "how to build the harmonious society". *Decision of the CPC Central Committee on the Major Issues of Building a Harmonious Socialist Society* approved at the Sixth Plenary Session of the 16th CPC Central Committee points out building the harmonious socialist society must follow the principles: "adhering to direct the economic and social development with the scientific outlook on development, adhering to put people first and adhering to development in a scientific way". The 17th CPC National Congress further points out that "scientific development and social harmony are integral to each other and neither is possible without the other."[453]

To learn and apply the guiding principles of the congresses mentioned above, we must correctly understand and grasp the dialectical relations between applying the Scientific Outlook on Development and building the harmonious socialist society, and insist on promoting the harmonious socialist society under the direction of the Outlook.

11.4.1 Guideline for Building a Harmonious Socialist Society

In the new historical conditions of socialist market economy, the unbalanced and inconsistent problems accumulated during China's reform and opening up and modernization construction are the origins of other social conflicts and inharmonious factors, whose increase expresses the development in an unbalanced and uncoordinated way. Therefore, applying the Scientific Outlook on Development to fundamentally solve those problems is an objective requirement and the only way for building the harmonious socialist society. Scientific Outlook on Development is the guiding ideology for China's economic and social development, so it is also a guiding principle for building the harmonious socialist society.

First, it is the fundamental premise and foundation of building the harmonious socialist society to grasp the theme of development and vigorously liberate and develop social productive forces. The Scientific Outlook on Development is used for guiding the development. It stresses development is the Party's top priority in governing and rejuvenating the country and we must take economic development as the central task

453 *Selected Important Documents of the 17th CPC National Congress.* Beijing: People's Press, 2007, p. 17

and adhere to solving problems on the road ahead through promoting development. Through the ages, poverty is always the root cause of the social disharmony and development is the way to get rid of it. Marx has said, "the highly developed productive forces are actual premises a new society requires for absolutely; without an adequate development of the productive forces, the extreme poverty will be generalized, in which a struggle for the necessities will restart and at the same time all the old and decayed things will be revived like dying embers that flare."[454] Development is the prerequisite and the theme of the Outlook, which is of decisive significance in regard to building a moderately prosperous society in all respects and building the harmonious socialist society. Only by firmly focusing on development, the top priority of the Party in governing and rejuvenating the country, adhering to taking economic development as the central task, emancipating and developing social productive forces, and constantly enhancing the comprehensive national strength, can we create a basic premise and a solid foundation for building the harmonious socialist society.

Second, it is the starting and ending point of building the harmonious socialist society to adhere to putting people first and realize the fundamental interests of the overwhelming majority of the people. The core of Scientific Outlook on Development is to put people first. It stresses that we must regard the all-around personal development as the goal, seek and promote development from the fundamental interest of the overwhelming majority of the people, meet the people's growing material and cultural needs and effectively protect the people's economic, political, cultural and social interests so that the fruits of development can benefit all the people. Therefore, it defines the objective of development as benefiting all people and the subject of development as the masses, which fundamentally answers the principle questions: "for whom to develop?" and "by whom to develop". The development concepts calling for "development for all people and the whole man", such as "overall development", "comprehensive development", and "endogenous development", proposed by some Western scholars are of some enlightened significance. Under the capitalism system, however, whatever development concepts are proposed, the interest pattern dominated by the bourgeois and capital cannot be changed. The development fruits, therefore, cannot be shared by all people but are grabbed by the bourgeoisie and its interest groups and the society cannot realize true harmony. The Scientific Outlook on Development adheres to putting people first in which "people" refers to all of the society members, especially the

454 *Selected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1995, p. 86.

overwhelming majority of the people and the "first" means the fundamental objective of the development and the main subject it depends on. Putting people first is the value orientation of the Outlook, but also the value goal of building the harmonious society. To ensure the harmonious socialist society in the right direction and path, meanwhile, with the right nature, we must adhere to putting people first and realize, safeguard and develop the fundamental interests of the overwhelming majority of the people.

Third, it is a fundamental approach and basic requirement of building the harmonious socialist society to give overall consideration to all aspects and thus to promote comprehensive, balanced and sustainable development in economic and social society. The fundamental approach of the Scientific Outlook on Development is overall consideration. It stresses that we should, in accord with China's overall development and the fundamental interest of the overwhelming majority of people, correctly handle the contradictions among the people and other social conflicts in the new period as well as the interest relation between different aspects, different districts and different groups, minimize the factors detrimental to harmony and stability and maximize those conducive to it so as to secure China's lasting stability and prosperity. Only when we plan our work from an overall perspective to accommodate the interests of all sides while solving major problems that affect public interests to develop social programs, promote social equity and justice and improve social management system, can we effectively promote the process of building a socialist harmonious society. The basic requirement of the Outlook is to develop in a comprehensive, balanced and sustainable way. It stresses that we need, based on the overall arrangement for socialism with Chinese characteristics, to coordinate all links and aspects of our modernization drive and balance the relations of production with the productive forces and the superstructure with the economic base as well as the relations between economy development and population, resource and environment. Only by pursuing the comprehensive, balanced and sustainable development can we truly realize the harmony between people and people, individual and society, as well as human and Nature.

11.4.2 Significant Strategy to Apply the Scientific Outlook on Development

At the Fourth Plenary Session of the 16th CPC Central Committee, the Party put forward the intent "to constantly improve the capability of building a harmonious socialist society" from the point of view of establishing the Scientific Outlook on Development

and strengthening the governance capability of the Party. At the Fifth Plenary Session of the 16th CPC Central Committee, the Party further designated the building of a harmonious socialist society as a significant task to thoroughly apply the Scientific Outlook on Development and proposed policies and measures accordingly. From an epochal and overall strategic perspective, the Party expounded the vital role of building a harmonious socialist society in the cause of socialism with Chinese characteristics, and the significant meaning of applying the Outlook and building a moderately prosperous society in all respects at the Sixth Plenary Session of the 16th CPC Central Committee. And at the 17th National Congress, the Party stressed that:

> To thoroughly apply the Scientific Outlook on Development, we must work energetically to build a harmonious socialist society. It is through development that we will increase the material wealth of society and constantly improve people's lives, and it is again through development that we will guarantee social equality and justice and constantly promote social harmony.[455]

It not only scientifically concludes the experience of China's reform, opening up, and socialist modernization drive, but also makes strategic measures to apply the Scientific Outlook on Development and promote a sound and rapid development of China's economy and society under the new situation at home and abroad.

First, building a harmonious socialist society is a significant strategy proposed by the Party on the basis of the current stage of development in China and the fundamental requirements of the Scientific Outlook on Development. In the year 2003, the per capita gross domestic product of China passed $1,000; China has stepped into a crucial period of "important strategic opportunities" and of "increasing problems" in economic and social development. That the economic system undergoes serious reform with profound changes in social structure, patterns of interest, and people's ideology brings China not only tremendous vitality to promote development but also complicated contradictions in social life. Especially because of the growing diversification of economic sectors, organizational form, employment mode, interest relations, and distribution method, people have become more independent, selective, changeable, and diverse in thinking. New contradictions among people and other social conflicts have emerged, making social development and management face new challenges. So building a harmonious socialist society is an inevitable requirement and a must for applying

455 *Documents of the 17th CPC National Congress.* Beijing: People's Press, 2007, pp. 16-17.

the Outlook and promoting a sound and rapid development in economy and society. Only by scientifically analyzing the contradictions and problems that affect social harmony, more proactively envisaging and resolving the contradictions, and maximizing the factors conducive to harmony and minimizing those detrimental to it to constantly promote social harmony, can we conscientiously apply the Outlook into social development, and make economic and social development embark on a track that puts people first and is comprehensive, coordinated, and sustainable.

Then, building a harmonious socialist society is also an important task and objective of implementation of the Scientific Outlook on Development. The *Decisions* approved at the Sixth Plenary Session of the 16th CPC Central Committee pointed out that:

> Social harmony is an essential attribute of socialism with Chinese characteristics and an important guarantee of the country's prosperity, strength, national rejuvenation, and people's well-being. The building of a harmonious socialist society is a major strategic task proposed by the Party under the guidance of Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, the important thought of Three Represents, and the Scientific Outlook on Development. It is based on the overall arrangement of the cause of socialism with Chinese characteristics and the building of a moderately prosperous society in all respects, reflecting the internal requirement of making China a prosperous, strong, democratic, culturally advanced, and harmonious modem socialist country that expresses the common aspiration of the whole Party and people of all ethnic groups.[456]

Social development will undoubtedly be involved when the Scientific Outlook on Development is established and implemented. Unbalanced and uncoordinated problems, for example, between urban and rural areas, among different regions, between economic growth and social development, between man and Nature, as well as domestic development and opening to the outside world are all closely linked with contradictions or inharmonious factors emerging during social development and management. To give overall consideration to all aspects of China's economy and society, and to correctly handle the contradictions throughout the process of socialist development with Chinese characteristics, we will inevitably come up with the issue of building a harmonious society. Moreover, building a harmonious socialist society is a logical explanation and a creative application of the Scientific Outlook on Development. It enriches the connotation of the Outlook and deepens the understanding of the law on the development

456 *Selected Important Documents since the 16th CPC National Congress.* Beijing: Central Party Literature Press, 2008, p. 648.

of socialism with Chinese characteristics, expanding the overall layout of the socialist modernization drive from economic, political, and cultural progress to economic, political, cultural, and social development.

11.4.3Effective Implementation of the Scientific Outlook on Development

The relationship between applying the Scientific Outlook on Development and building a harmonious socialist society is united in a meaningful way. The Outlook fosters social development and governance in light of the CPC's development concept and strategy, that is, pursuing harmony from a development perspective; building a harmonious socialist society reflects and implements the Outlook in the aspects of social relations and conditions, that is to say, boosting development from the perspective of harmony. From both worldview and methodology, the Outlook answers the question of why and how to build a harmonious society, serving as a scientific guide; building a harmonious socialist society answers why to develop and how to realize a scientific development in terms of practical requirements and specific objectives, reflects and accesses the achievements of the Outlook from the aspects of social relations and conditions. The two are united in the great practice of building socialism with Chinese characteristics, and in building a moderately prosperous society in an all-around way to accelerate the socialist modernization drive.

Lenin said that "living, creative socialism is the product of the masses themselves".[457] Every man is not only the beneficiary but also the builder of a harmonious society. The ultimate objective of a harmonious society is to liberate and develop productive forces, eliminate exploitation and polarization, and gradually achieve prosperity—to ensure that all people enjoy their rights and dignity and realize their own values, thus promoting the all-around development of human beings and social progress. The CPC must mobilize all people to consciously participate in construction, give full play to their enthusiasm, initiative, and creativity, and solve the most specific problems of the utmost and immediate concern to the people so that the harmonious socialist society can get the most popular support and gain access to an inexhaustible source of strength. To apply the Scientific Outlook on Development and build a harmonious society, the Party

457 *Collected Works of Lenin* (Volume 33). Beijing: People Press, 1985, p. 53.

must put people first and incorporate the mass viewpoint and mass line into all links and aspects of social development.

It is no doubt an unprecedented and arduous undertaking as well as a complicated engineering system to build a harmonious society in such a socialist country with 56 nationalities and a population of over 1.3 billion. The Scientific Outlook on Development embodies the materialist dialectics of Marx and implies that the CPC must recognize and handle problems during economic and social development in terms of interconnectedness, development, and transformation. To build a harmonious society under the guide of the Outlook, the Party needs to take all aspects into consideration by consciously applying a dialectical approach, to link and coordinate all the elements within the social development and out of it (e.g., economic, political, and cultural development), in accord with the general requirements of democracy and the rule of law, equity and justice, honesty and fraternity, vigor and vitality, stability and order, and harmony between man and Nature, and to attain a situation in which all people are well positioned, do their best, and live in harmony. The CPC especially needs to study the laws of social management and consolidate resources; the Party also needs to improve the structure of social management composed of Party committee leadership, government responsibility, nongovernmental support, and public participation; improve the social management mechanism for coordinating benefits, ensuring expression, mediating conflicts and safeguarding the rights and interests; and form an emergency management mechanism that features unified command, sensitive reflection, and coordinated and efficient operation. Then a social system compatible with the socialist economic system, political system, and cultural system can be established as soon as possible, and the level of social management will be improved.

To build a harmonious society under the guide of the Scientific Outlook on Development, we must proceed from reality and promote truth-seeking and a pragmatic spirit. Staying realistic and pragmatic is a basic viewpoint of dialectical and historical materialism, as well as an important part of the Outlook. To build a harmonious socialist society, we must promote and carry out its spirit. The CPC must be in line with the principle of proceeding from reality in everything the Party does, correctly understand and consciously follow the objective law of a socialist society so that a harmonious society can be developed in a realistic and pragmatic way. The Party must be soberly aware of the most significant reality—that China has been in the primary stage of socialism for a long time, facing great pressure from Western developed countries that

are dominant in economy, science and technology, and military strength, and staying in unfavorable conditions that the external hostile forces try to use to westernize and divide our country. The CPC still has a long way to go to build a harmonious socialist society under such circumstance. The Party must adhere to guiding the work with the Scientific Outlook on Development and apply it to economic, political, cultural, and social development. Only by persisting in long-term planning for development, balancing development from an overall perspective, and boosting development with a scientific attitude can the CPC promote the building of a harmonious socialist society in a stable and positive way.

The cause of socialism with Chinese characteristics pioneered by the Chinese people is unprecedented, and it requires our constant innovation in theory and practice. At present, reform and opening up in China has entered into a crucial period, one that must be promoted comprehensively and deeply in difficult areas. While scoring great achievements in economic and social development, China still faces various difficulties and challenges. Given China's historical background, it is of vital significance to thoroughly apply the Scientific Outlook on Development and accelerate the building of a harmonious socialist society in order to solve the complicated contradictions and problems during the reform, opening up, and modernization drive; and to unswervingly adhere to the orientation of reform, and to have more scientific decision-making and better coordinated measures for reform—all to advance the great cause of socialism with Chinese characteristics with making progress in the great new undertaking to build the Party. The CPC must be more conscious and determined when applying the Scientific Outlook on Development, change notions that are not in line with it, work hard to solve major problems that affect or constrain scientific development, make our systems and mechanisms full of vigor, highly efficient, more open, and conducive to scientific development to ensure sound and rapid economic growth and to succeed in building a moderately prosperous society in an all-around manner—as well as realizing the great rejuvenation of the Chinese nation in a timely manner.

CHAPTER 12

HUMAN EMANCIPATION, FREEDOM, AND ALL-AROUND DEVELOPMENT

Human emancipation, freedom, and all-around development, an ideal that mankind has pursued for thousands of years, is also a core idea and fundamental principle of Marxism. Based on theories of dialectical materialism and scientific socialism, classic writers of Marxism not only inherited the outstanding research on human emancipation, freedom, and all-around development passed down from history, but also explicated the scientific meaning, realistic conditions, and right approach, which provides a powerful theoretical weapon for proletarian revolution and socialist construction. Since its founding, the Communist Party of China has established the target of realizing people's liberation and the free and comprehensive development of man. In the new century and new stage, the CPC strives to promote the all-around development of the people by adhering to a people-oriented principle, respecting their principal positions as masters of the country, giving full play to their creativity, and by safeguarding and developing the interests of the overwhelming majority of the people. In essence, Marxism is a scientific theory that shows real concern about people, and socialism and communism are the ideal societies that can best achieve the rights and well-being of most people and promote the free and all-around development of people. Socialism is incompatible with despotism and totalitarianism. An in-depth study of the scientific connotation, essential requirement, and practical means of human freedom, emancipation, and all-around development, as well as their status and role in the system of Marxist theory, are of important significance to theory and practice.

Free and all-around development of man is a dynamic process that will evolve with social productive forces and social relations. In different historical periods, the degree of

freedom of the people varies. The ultimate goal of China is to achieve free and all-around development of all people, but at the primary stage of socialism, how to achieve this by means of creative effort is an issue worthy of further investigation.

12.1 Marxist Doctrine of the Proletariat and Man's Liberation

As a scientific system of proletarian ideology, Marxism covers the economy, politics, culture, and historical development of human society and the relationship between man and Nature, along with many other areas. The theoretical system of Marxism that involves many disciplines is regarded by many scholars as profound and far-reaching, whether in the times of the founders of Marxism or in the present time of accelerated development. In terms of its research objective and main content, Marxism reveals the universal law of Nature, society, and thinking, is a theory of how capitalism turns into socialism, and is a doctrine about the universal law of socialism and communism for development. In terms of its class character and spiritual essence, Marxism is a scientific theory by which the proletariat fights for its emancipation and the liberation of all mankind, and is a doctrine about the nature and purpose of the proletarian struggle and the conditions of how the proletariat liberates itself. The liberation of the proletariat and all of mankind constitutes the theme and purpose of Marxism.

12.1.1 Historical Mission and the Role of the Proletariat in World History

In 1844, Marx published "Introduction to a Critique of Hegel's *Philosophy of Right"* in the *German-French Yearbook,* describing accessible paths of total liberation from all forms of oppression and demonstrating the inevitability of communist revolution. In his view, the proletariat—the major force of this social revolution—must overthrow the basis of all exploiting systems to liberate itself from oppression and finally achieve human emancipation. Marx proposed that:

> A real possibility of liberation in Germany lies in a class yet to be be formed that has radical chains, belongs to a class in civil society that is not a class of civil society, a class that is the dissolution of all classes ... a sphere, finally, that cannot emancipate

> itself without emancipating itself from all the other spheres of society, and without emancipating all these other spheres, which is, in short, a total loss of humanity and which can only redeem itself by a total redemption of humanity. This dissolution of society, as a particular class, is the proletariat.[458]

This statement implies a brilliant idea—the proletariat cannot liberate itself completely without liberating all mankind.

In *The Holy Family,* Marx and Engels further demonstrated that only through labor and political struggles can people really push forward the development of human society. With regard to the concept of young Hegelians that history is decided by heroes, Marx and Engels explicated their view on historical materialism:

> Since the conditions of the life of the proletariat sum up all the conditions of the life of society today in their most inhuman form; since man has lost himself in the proletariat, yet at the same time has not only gained theoretical consciousness of that loss, but through urgent, no longer removable, no longer disguisable, absolutely imperative *need*—the practical expression of *necessity*—is driven directly to revolt against this inhumanity, it follows that the proletariat can and must emancipate itself. But it cannot emancipate itself without abolishing the conditions of its own life ... It is not a question of what this or that proletarian, or even the whole proletariat, at the moment *regards* as its aim. It is a question of *what the proletariat is,* and what, in accord with this *being,* it will historically be compelled to do. Its aim and historical action is visibly and irrevocably foreshadowed in its own life situation as well as in the whole organization of bourgeois society today.[459]

For this view, Lenin made a brilliant comment in March 1913 in the article "The Historical Fate of Marxism" that one major point about Marxism is to clarify the role the proletariat plays in world history as a creator of socialism.[460]

The reason the proletariat is able to emancipate itself and all of mankind is determined by its economic and social status and class character. As the product of big industry, the proletariat is the only class that continues to grow, whose power is much greater than its proportion of the total population. The proletariat is characterized by unselfishness, self-esteem, courage, political vision, and a strong sense of organization and discipline. Therefore, it is the most revolutionary and advanced class in modern society.

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458 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, pp. 16-17.
459 Ibid., p. 262.
460 *Selected Works of Lenin* (Volume 2). Beijing: People's Press, 1995, p. 305.

Only the proletariat can lead oppressed peoples and nations to accomplish the historical mission of overthrowing the capitalist system and abolishing classes. Marx and Engels pointed out in the *Manifesto of the Communist Party:*

> The advance of industry, whose involuntary promoter is the bourgeoisie, replaces the isolation of the laborers, due to competition, by a revolutionary combination, due to association. The development of Modem Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie therefore produces, above all, is its own gravediggers. Its fall and the victory of the proletariat are equally inevitable.[461]

Scientific socialism founded by Marx and Engels is a theory stating that only the proletariat—rather than slaves, serfs, or artisans—can possibly achieve the emancipation of mankind. It is pointed out that:

> To accomplish this act of universal emancipation is the historical mission of the modern proletariat. To thoroughly comprehend the historical conditions, the very nature of this act—to impart to the now oppressed proletarian class a full knowledge of the conditions and of the meaning of the momentous act it is called upon to accomplish—this is the task of the theoretical expression of the proletarian movement, scientific Socialism.[462]

12.1.2Relations between Emancipation of the Proletariat and All Mankind

On the question of human emancipation, bourgeois enlightenment thinkers claimed that the emancipation of the bourgeoisie was the emancipation of the whole human race, but the feudal nobility and the clergy would not see it. The abstract truth that seemed irrefutable to feudalism for the time being soon became a mere sentimentalism, and disappeared from view altogether in the fire of revolutionary struggle. According to Marx and Engels:

> British and French utopian socialists didn't appear, representing the interests of the proletariat that was already historically produced. Like those enlightened scholars, they didn't want to liberate a certain class, but to liberate all mankind.[463]

461 *Collected Works of Marx and Engels* (Volume 2). Beijing: People's Press, 2009, p. 43.
462 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 566-567.
463 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 526-527.

However, they not only failed to liberate a certain class but also could not even liberate themselves. In the opinion of Marx and Engels:

> And today, the very people who, from the 'impartiality' of their superior standpoint, preach to the workers a socialism soaring high above their class interests and class struggles, and tending to reconcile in a higher humanity the interests of both the contending classes—these people are either neophytes, who have still to learn a great deal, or they are the worst enemies of the workers—wolves in sheep's clothing.[464]

In contrast with the "political emancipation" completed by the bourgeois revolution, only the proletarian revolution can complete "human emancipation". Marx pointed out in "On the Jewish Question" that the bourgeois revolution had achieved a separation of state from religion in politics so that people could have freedom of religion, abolished the hierarchical order of the feudal society, and announced that birth, class, education, and occupation were non-political distinctions, and that all citizens could equally enjoy legal and political rights. People can obtain a sense of "political emancipation", which is undoubtedly a major step forward in human history and a social achievement of bourgeois civilization. However, political emancipation has its own insurmountable historical limitations because it eliminates political privileges and rapidly expands real differences in society. For example, the state canceled the property qualification for suffrage, but gave recognition to private property; the state abolished national differences in birth, social rank, religion, and occupation politically, but expanded inequality in actual property ownership. The freedom, equality, and human rights achieved by political emancipation can only be formal, rather than substantive; and this emancipation is only emancipation of the propertied class rather than emancipation of all human beings. Marx explicitly said:

> To be politically emancipated from religion is not to be finally and completely emancipated from religion, because political emancipation is not a final and absolute form of human emancipation.[465] Human emancipation will be complete only when the real, individual man has absorbed into himself the abstract citizen; when as an individual man, in his everyday life, in his work, and in his relationships, he has become a species-being; and only when he has recognized and organized his own powers as social powers so that he no longer separates this social power from himself as political power.[466]

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464 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 371.
465 *Ibid.,* p. 38.
466 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 46.

To achieve this end, the most important thing is not to overcome God in concept, but to destroy God in secular life, eliminate private property that leads to widespread alienation and materialized relations between man and man, and end relationships dominated by money.

The liberation of the working class is a matter of the working class and should not be entrusted to enemies and exploiters nor to petty bourgeoisie and peasants. If the proletariat cannot make the whole society get rid of class division and class struggle, it cannot liberate itself. In the preface of "The Condition of the Working Class in England" (the second German edition in 1892), Engels said:

> Communism is not a mere Party doctrine of the working class, but a theory compassing the emancipation of society at large, including the capitalist class, from its present narrow conditions. This is true enough in the abstract, but absolutely useless, and sometimes worse, in practice.

This thought is like the human embryo, in its early stages, that still reproduces the gill-arches of our fish ancestors, and exhibits everywhere the traces of the descent of Modern Socialism from one of its ancestors, German philosophy. "So long as the wealthy classes not only do not feel the want of any emancipation but also strenuously oppose the self-emancipation of the working class, the social revolution will have to be prepared and fought out by the working class alone."[467]

12.1.3Nature and Conditions of Emancipation of the Proletariat

Different from all the previous revolutionary movements, the liberation of the proletariat is not intended for the interests of the minority but for the vast majority of people, not the replacement of one private owner with another, nor the replacement of one exploiting system with another, but the complete elimination of private ownership and the exploiting system. Marx and Engels said in *Manifesto of the Communist Party:*

> All preceding classes that got the upper hand sought to fortify their acquired status by subjecting society at large to their conditions of appropriation. The proletarians cannot become masters of the productive forces of society except by abolishing their own previous mode of appropriation and thereby also every other previous mode of appropriation. They have nothing of their own to secure and to fortify; their mission is to destroy all previous securities for, and insurances of, individual property.[468]

467 *Ibid.,* p. 370.
468 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 42.

Unlike other classes that launched revolutions, the liberation of the proletariat has a unique nature of its own, which means that:

> The communist revolution is the most radical rupture with traditional relations; no wonder that its development involved the most radical rupture with traditional ideas ... once it sweeps away by force the old relations of production, then it will, along with these relations, have swept away the conditions for the existence of class antagonisms and of classes generally, and will thereby have abolished its own supremacy as a class.[469]

In 1871, Marx in the revised "Joint Charter of the International Workingmen's Association" further pointed out that "the liberation struggle of the working class is not to fight for class privileges and monopolies, but to fight for equal rights and duties, and the abolition of ruling classes".[470]

The history of human society must go through a natural process of development, following the objective law of positive and negative unity. Although the emancipation of the proletariat means a radical rupture with traditional property relations and traditional ideas, that does not mean society can cut off its historical connection and discard capitalist society civilization. Marx made it clear that:

> The emancipation of the proletariat is not an imaginary illusion as it is true emancipation realized in the real world and by realistic means; this emancipation is a historical, rather than a mental event, one facilitated by its historical relationship as well as its industrial, commercial, agricultural, and communicative conditions.[471]

Moreover, the CPC must also recognize that the material conditions necessary for proletarian emancipation are spontaneously generated in the process of developing the capitalist form of production, because one facet of capitalist civilization is that the ways and conditions of extracting surplus labor are more conducive to the development of productive forces, social relations, and the creation of various new elements for more advanced social forms compared with previous social forms such as slavery and serfdom. According to Marx and Engels:

> Thus, it gives rise to a stage, on the one hand, in which coercion and monopolization of social development (including its material and intellectual advantages) by

469 *Ibid.,* pp. 52-53.
470 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 927-928.
471 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 527.

> one portion of society at the expense of the other is eliminated; on the other hand, it creates the material means and the embryonic conditions that make it possible in a higher form of society to combine surplus labor with a greater reduction of time devoted to material labor in general.[472]

Without these technical bases and economic and social conditions created by capitalist society, the liberation of the proletariat would fall into unrealistic fantasy.

In theory, the proletariat cannot completely negate capitalism and build castles of socialism and communism in the air. It must dialectically negate it, which, in the concept of philosophy, it is called "sublation"—to eliminate decadent things and preserve new elements in line with the development trend of human society. In 1871 Marx highly praised the heroic spirit in struggle and scientific attitude of the Paris Commune in *Civil War in France,* in which he wrote:

> The working class did not expect miracles from the commune. They have no intention to establish ready-made utopias merely by decrees of people. They know that in order to work out their own emancipation, and along with it that higher form to which present society is irresistibly tending by its own economical agencies, they will have to pass through long struggles, through a series of historic processes, transforming circumstances and men. They have no ideals to realize, but to set free the elements of the new society with which old collapsing bourgeois society itself is pregnant.[473]

Lenin further elaborated on the idea that the elements of the new society are inevitably conceived and created during the process of abandoning capitalism. He stated that the "dialectical process of development within the scope of capitalism indeed contains the elements of a new society, including its material and intellectual factors".[474] These brilliant expositions of Marxist classic writers are imbued with the wisdom of historical materialism and historical dialectics. They provide a scientific viewpoint and method for us to correctly understand historical conditions and realistic approaches to the emancipation of the proletariat.

Of course, the affirmation that capitalist development has prepared the necessary material conditions and new social factors for the emancipation of the proletariat does not mean that the proletariat can rely on these factors to smoothly enter into socialism. The new

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472 *Collected Works of Marx and Engels* (Volume 7). Beijing: People's Press, 2009, p. 527.
473 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 159.
474 *Complete Works of Lenin* (Volume 11). Beijing: People's Press, 1987, p. 371.

social factors of capitalist countries—like cooperatives, welfare, workers' participation in management, and so forth—are shrouded by the "universal light" and "specialized ether" of capitalist private ownership, which cannot exist when isolated from this connection. While the new social factors shake the foundation of capitalist relations of production and its social system, they also inevitably reproduce all the defects of the existing system. Therefore, the CPC cannot expect these material conditions and the new social factors of capitalism to integrate automatically and peacefully into socialism. Lenin said: "Capitalism has created its own gravediggers and new social factors, but at the same time, if there is no leap, these individual factors cannot change the overall situation nor shake the domination of capital".[475] The reliable improvement in social status and ultimate emancipation of the proletariat can only be realized by a social revolution, the seizure of power, the elimination of private ownership, and the transformation of capitalist production into socialist production. As for the form of social revolution and the path of transformation from capitalism to socialism, that will depend on the actual situation of the development of capitalism and the working class along with the strength of the two opposing parties.

Since the bourgeoisie always strove to maintain the exploitation and enslavement of the working class by making use of the material and spiritual strength and political power at their disposal, the working class cannot but found an independent revolutionary Party to lead the majority of the oppressed masses to wage an arduous struggle against the bourgeoisie before they can win a final victory. Engels in the document "To the Spanish Federal Council of the International Workingmen's Association" pointed out that:

> The socialists had to, and still have to, combat the influence and the action of old political parties, whether aristocratic or bourgeois, monarchist or even republican. The best means of freeing the workers from this domination of old parties is to found a proletariat Party in each country with a political program of its own, one clearly distinguished from those of the other parties since it must express the conditions for the liberation of the working class.[476]

In a revised "The Joint Charter of the International Workingmen's Association", Marx also stressed that:

> The proletariat, in its joint struggle against the propertied classes, has to organize itself and found an opposing Party quite different from all the old political parties in

475 *Selected Works of Lenin* (Volume 3). Beijing: People's Press, 1995, p. 274.
476 *Collected Works of Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 92.

> order to act as an independent class. It is necessary to do so to ensure the victory of a social revolution and achieve the highest goal of the revolution—the abolition of classes.[477]

The history of the international communist movement of the past 160 years has repeatedly proved that a proletarian Party that represents the fundamental interests of the proletariat and the liberation of all mankind is the leading core of socialist revolution and construction. Only this vanguard can resist the vacillation of the petty bourgeoisie, including farmers and small proprietors, overcome the prejudices, traditions, and bad habits of the workers in various industries or sectors, and lead all the working people to overthrow exploitation and domination. In a sense, the founding of a new proletarian Party and its corresponding program and strategy are an indispensable guarantee to overthrow the old bourgeois society and achieve emancipation of the proletariat.

Without revolutionary theory, there could be no revolutionary movement. Only a political Party guided by scientific theory can effectively play a leading role and eventually establish its dominance. The proletariat is able to emancipate itself and all mankind, partly because it is in the social status of being exploited and enslaved in a capitalist society, and partly because it is armed with the powerful weapon of Marxism. This ideology is scientific, practical, and revolutionary, the three characters of which are highly unified. This theory always represents the fundamental interests of the proletariat and the working people, openly declaring that it serves the proletariat and the masses to smash the old world and create a new world for the cause of human emancipation; it holds that people are the creators of history, and it takes the complete emancipation of the proletariat and mankind as its theme and purpose. The emergence and development of Marxism has brought about the greatest, epoch-making change in the history of human thought—the sharpest tool to understand and transform the world. With this theory, the working class completes its transformation from an unconscious class into a conscious class, and is able to recognize and assume its own historical mission of emancipating the whole mankind. Marx pointed out that philosophy regards the proletariat as its material weapon, and similarly, the proletariat regards philosophy as its

477 *Ibid.,* p. 228.

spiritual weapon; "the mind of human emancipation is philosophy, and its heart is the proletariat."[478] Mao Zedong also said:

> The universal truth of Marxism-Leninism, which reflects the practice of the global proletarian struggle, becomes an invincible weapon for the Chinese people when it is integrated with the concrete practice of the revolutionary struggle of the Chinese proletariat and people. This the Communist Party of China has achieved. Our Party has grown and advanced through staunch struggle against every manifestation of dogmatism and empiricism that runs counter to this principle.[479]

The great practice of the international communist movement and especially the revolutionary struggle of the world proletariat since the publication of the *Manifesto of the Communist Party* have irrefutably proved that Marxism correctly reflects the interests and opinions of the proletariat and guides the correct way of getting rid of the physical and mental slavery of the oppressed classes. Therefore, scientific Marxism is the guiding theory of socialist revolution and construction, and it has the ideological conditions of liberating all mankind.

12.2 The Basic Principle of Communism

Man is the creator of social history, the main protagonist on the world stage. Man's development is the result of social and historical activities, and in turn a measure of social and historical progress. However, in class society where private ownership plays the predominant role, man's development is not on a par with social progress because only few who control the survival and development conditions can develop freely and comprehensively, while the vast majority cannot access development in a free and all-around way. Since the birth of scientific socialism, Marx and Engels have regarded every person's free and all-around development as its ideal objective and the obligatory basic principle of the future new society. Essentially, man's free and all-around development is both the inevitable requirement for the existence and development of the socialist society and the lofty and final ideal of a communist society.

478 *Collected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 17.
479 *Selected Works of Mao Zedong* (Volume 3). Beijing: People's Press, 1991, p. 1,094.

12.2.1 Formation and Status of the Concept of All-Around Development

Realizing man's free and all-around development is, in all ages, the glorious ideal pursued by far-sighted ideologists, politicians, and people with lofty ideals. As early as in ancient Greece, the thought of the "perfect individual" and "humanitarian spirit" was formed. In the Middle Ages, human nature was abstracted as Almighty God, which was a distorted reflection of man's comprehensive development. After the Renaissance, humanists gradually removed the constraint of human nature by religious theology and affirmed man's comprehensive development. As American socialist philosopher Corliss Lamont said: "For the Renaissance, the ideal human being was no longer the ascetic monk but a new type—the universal man—with a many-sided personality, delighting in every kind of earthly achievement".[480] Later, utopian socialists criticized that capitalism turned men into slaves of machines, which undermined their integrity. In the new society they envisioned, people all receive a good education in terms of morals, intelligence, physical fitness, and behavior, thus developing in a comprehensive way.

Marxism inherits the thought of man's free and all-around development in history, and makes a scientific analysis and transformation of its content and form. Marx and Engels believe that man's free and all-around development is neither, as bourgeois ideologists say, the demand of the individual's inherent nature nor the result of the return of human nature, but the product of the development of human social history. Only by understanding objective laws and transforming Nature, the social and natural environment, and man itself, and, especially, after eliminating the exploiting system and the narrow division of labor, can man realize free and all-around development. Marx and Engels also criticize the misconception of individual and one-sided development upheld by bourgeois ideologists. They elucidate the scientific thought of collectivism focusing on the realization of every person's free and all-around development. In their view, bourgeois ideologists set individual and social interests and individual and collective interests in complete opposition, took individual rights and freedom as a starting point and final objective, regarded others as the means to achieve individual purposes, and even considered other people and society as an obstacle to realizing their individual

480 Corliss Lamont. *The Philosophy of Humanism.* Beijing: Commercial Press, 1963, p. 32.

rights and freedom—all of which exposes the effrontery of the bourgeoisie. According to Marx and Engels:

> The real point is not that each individual's pursuit of his private interest promotes the totality of private interests, the general interest. One could just as well deduce from this abstract phrase that each individual reciprocally blocks the assertion of the other's interests, so that, instead of a general affirmation, this war of all against all produces a general negation.[481]

They think that in the limited communities of the past, like the state, individual freedom exists only within the ruling class, while, for the ruled class, the so-called communities are not only entirely illusionary but put new shackles on them. "In a real community, individuals obtain their freedom in and through their association. Only in community with others can each individual have the means of cultivating his gifts in all directions."[482]

The thought of man's free and all-around development occupies a crucial position in the theoretical system of Marxism and has played the guiding role in communist movements. As early as in the 1840s, the founder of Marxism pointed out in *The German Ideology* that "the all-around development of the individual will only cease to be conceived as an ideal, as a vocation, etc., when the impact of the world that stimulates the real development of individual abilities is under the control of the individuals themselves, as the communists desire".[483] In *Das Kapital,* Marx further surmises that "each person's full and free development" as the "basic principle"[484] of social form is more advanced than that of capitalism. In a letter from Marx to the editor of *Otecestvenniye Zapisky* in 1877, communism was summed up as "the form of economy that will ensure, together with the greatest expansion of the productive powers of social labor, the most complete development of man".[485] In January 1894, Italian Giuseppe Canepa asked Engels to present an epigraph to the weekly *L'Era nuova* to explain the essential features of the new socialist era, in contrast with the old era where "some people rule, while the others suffer" described by Dante Alighieri (1265-1321). Engels wrote back:

> I have tried to find a short epigraph of the kind you wish from the works of Marx, whom alone of the modern socialists, it would seem, is able to stand on a par with the

481 *Complete Works of Marx and Engels* (Volume 46) (Part I). Beijing: People's Press, 1979, p. 102.
482 *Collected Works* of *Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 571.
483 *Complete Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, 1960, p. 330.
484 *Complete Works* of *Marx and Engels* (Volume 23). Beijing: People's Press, 1972, p. 649.
485 *Complete Works of Marx and Engels* (Volume 19). Beijing: People's Press, 1963, p. 130.

> great Florentine. However, I have found nothing except the following passage taken from the Communist Manifesto: In place of the old bourgeois society, with its classes and class antagonisms, we will have an association in which the free development of each is the condition for the free development of all.[486]

The brilliant thought of man's free and all-around development put forward by the founders of Marxism points the right direction for socialist theory and practice. As early as in the 1870s, Engels clarified the relationship between man's free and all-around development and the production mode of the future society in the *Anti-Diihring,* the encyclopedia of Marxism. He explicitly writes: "When society, by taking possession of all means of production and using them on a planned basis, has freed itself and all its members from the bondage in which they are now held by these means of production which they themselves have produced"; "The old mode of production must therefore be revolutionized from top to bottom, and in particular the former division of labor must disappear. Its place must be taken by an organization of production in which, on the one hand, no individual can throw on the shoulders of others his share in productive labor, this natural condition of human existence; and in which, on the other hand, productive labor, instead of being a means of subjugating men, will become a means of their emancipation, by offering each individual the opportunity to develop all his faculties, physical and mental, in all directions and exercise them to the full."[487] Later, in *Socialism: Utopian and Scientific* which is known as the introductory book of scientific socialism, he further points out that "socialism, with the aid of socialized production, not only secures every member of society an existence, materially sufficient and richer from day to day, but also guarantees to him the free development and activity of his physical and intellectual gifts"[488]. By the beginning of the 20th century, Vladimir Lenin (1870-1924) insisted on putting the following idea into the *Program of the Russian Social Democratic Labor Party:* "not only merely satisfy the needs of its members, but fully ensure well-being and free, all-around development for all the members of society"[489]. As early as in the New Democratic Revolution (1919-1949), Mao Zedong, the chairman and founder of the People's Republic of China, clarified the significance of the emancipation and development of personality for establishing the socialist society. He profoundly pointed out that "without the emancipation and

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486 *Collected Works* of *Marx and Engels* (Volume 10). Beijing: People's Press, 2009, p. 666.
487 *Collected Works of Marx and Engels* (Volume 9). Beijing: People's Press, 2009, pp. 310-311.
488 *Collected Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 563-564.
489 *Complete Works* of *Lenin* (Volume 6). Beijing: People's Press, 1986, p. 218.

development of the personality of hundreds of millions of people or a new and thorough bourgeois-democratic revolution led by the Communist Party, it's entirely a fantasy to establish a socialist society on the semi-colonial and semi-feudal ruins"[490]. He also warns people that "the emancipation of personality is necessarily included in democracy compared with feudal revolution. Some people say that we ignore or suppress personality, which is not correct. If we don't emancipate the imprisoned personality, there will be no democracy or socialism"[491]. For more than 100 years, the Communist Party around the world have made great advance in improving the status of the exploited and oppressed proletariat and working people and struggling for man's freedom and comprehensive development to open up a new era of the development of human history.

12.2.2 Scientific Connotation of Man's Free, All-Around Development

As a term used to define the essential state of people's survival and development in a future society, man's free and all-around development mainly refers to the process and state of coordinated development in relationships, qualities, abilities, activities, personality, and more when a person gets rid of various external and internal limitations and constraints. For a long time, Chinese scholars in the theoretical circle ignored research on man's free development proposed by the founders of Marxism. They thought this topic was politically sensitive, afraid of being labeled "bourgeois liberalists". At present, academia has attached importance to research on the close relationship between man's comprehensive development and the construction of socialism, but few touch on the significance of man's free development for the smooth development of a socialist society. In fact, Marx and Engels expounded on the scientific connotation and basic features of man's free development and highlighted them in their classic documents, including *The German Ideology, Manifesto of the Communist Party, Das Kapital,* and *Anti-Diihring*—in which Marx and Engels stressed that man's free and all-around development was a distinctive feature of the old bourgeois society, and it was an essential requirement of a future society. A systematic study shows that the free development and all-around development of man are related to each other, integrated into the historical process of man's development and social progress.

490 *Selected Works of Mao Zedong* (Volume 3). Beijing: People's Press, 1991, p. 1,060.
491 *Selected Works of Mao Zedong's Letters.* Beijing: People's Press, 1983, p. 239.

First, there is the free and all-around development of individual activities. In view of the situation where the old division of labor limits individuals to a certain occupation or type of work, which resulted in their one-sided development, Marx and Engels propose that only by having individuals meet different social needs and regard different occupations as interchangeable survival modes can they achieve free and all-around development. They believe that "individuals are subjected to the division of labor, which makes them one-sided, distorted, and constrained".[492] Therefore, to realize man's free and all-around development, the old division of labor must be eliminated and people must be allowed to freely select fields of activities and create according to the needs of society, and to freely do their own hobbies and specialties. The fully developed individual can "handle a variety of work and be ready to face any change of production, and for whom the different social functions he performs are but so many modes of giving free scope to his own natural and acquired powers".[493]

Second, there is the free and all-around development of individual abilities, which include innate and acquired aptitudes, physical strength, intelligence, and the ability to pursue truth and goodness and to appreciate aesthetics. Marx and Engels think that:

> Anyone's responsibility and mission is to fully develop all his abilities, including the thinking ability[494]; Communist society will, in this way, make it possible for its members to put their comprehensively developed faculties to full use.[495]

They also object to treating man simply as a labor force, and advocate developing man's various talents, including sports, arts, and other creative abilities. In view of the practical experiences of the socialist construction of Soviet Russia, Lenin further expounds that man's free and all-around development is not only achieved by education or training, but also is inseparable from production practice and other social activities. He pointed out that:

> Capitalism inevitably leaves socialism a legacy, on the one hand, of the old trade and craft distinctions among the workers, distinctions evolved in the course of centuries; and on the other hand, trade unions, which only very slowly, in the course of many years, can and will develop into broader industrial unions with less of the craft union

492 *Complete Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, I960, p. 514.
493 Karl Marx. *Das Kapital* (Volume 1). Beijing: China Social Sciences Press, 1983, p. 500.
494 *Complete Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, 1960, p. 330.
495 *Selected Works of Marx and Engels* (Volume 1). Beijing: People's Press, 1995, p. 243.

> about them (embracing entire industries, not only crafts, trades, and occupations), and later proceed, through these industrial unions, to eliminate the division of labor among people, to educate and school people, give them all-around development and all-around training so they are able to do everything.[496]

Lenin also claims that socialist countries must carry out education combined with technology, with intent to make people become generalists with diversified skills and abundant knowledge.

Third, there is the free and all-around formation and extension of social relationships among people. Man does not live in a vacuum; man lives among people. A man's development depends on the others who directly or indirectly communicate with him. Only by overcoming such limitations as division of labor, regions, classes, nationalities, and countries—eliminating the restriction of man's freedom from unreasonable social relations, making united individuals realize all-around possession and joint control of their social relations and expanding their social communication—can people achieve abundant and universal social relations and thus really become "individuals in society". In a private ownership society, individuals in a certain class form common relationships, and belong to a type of community that is constrained by common interests against another class; and they belong to the community when they are under the survival condition of their class; they exist in their common relationships as members of a class rather than as individuals. However, according to Marx and Engels:

> [In the] community of revolutionary proletarians who control the living conditions of their own and all members of society, it is just the reverse; it is as individuals that individuals participate in it. It is just this combination of individuals (assuming an advanced stage of modern productive forces, of course) that puts the conditions of free development and movement of individuals under each individual's control.[497]

The combination of man's ideal and goal with the realistic conditions of man's existence reveals that people need to participate in more social communication in various fields and at diverse levels of society and make universal exchanges with other individuals and further with the material production and spiritual production of the whole world to get rid of the narrow-mindedness of individuals, regions, and nationalities and fully develop their abilities, personalities, and freedom in all respects.

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496 *Complete Works* of *Lenin* (Volume 39). Beijing: People's Press, 1986, p. 29.
497 *Collected Works* of *Marx and Engels* (Volume 1). Beijing: People's Press, 2009, p. 573.

Fourth, there is the free and all-around development of each person rather than a few minority people. In contrast with man's free and all-around development, the division of labor and the system of private ownership resulted in man's alienation and enslavement, which is restrained, unbalanced, and deformed development. To put it more specifically, development in their relationships, qualities, abilities, and their individual personalities is restrained and unbalanced; the development of a few comes at the expense of opportunities for the many. In capitalist society, the workers or even the bourgeoisie who directly or indirectly exploit workers are enslaved by the tools they use to do activities due to the division of labor. Even if the bourgeoisie, who monopolize the means of production and deprive the proletarians of their right to develop, can't really achieve free and all-around development. They have at most a superficial, deformed, and unbalanced development because, in the opinion of Marx and Engels:

> The empty-minded bourgeoisie is wedded to his own capital and his own insane craving for profits; the lawyer to the fossilized legal conceptions that dominate him as an independent power; the "educated classes" in general to their manifold species of local narrow-mindedness and one-sidedness, to their own physical and mental short-sightedness, to their stunted growth due to their narrow specialized education and their being chained for life to this specialized activity—even when this specialized activity is merely to do nothing.[498]

The founders of Marxism advocate that the free development of individuals is the condition for the development of society or community and in turn the latter is the premise for the former. The free and all-around development of the "individual person" is applicable for all members of the society and the Party must object to the one-sidedness of allowing a few people to develop regardless of the development of the others. Man's free and all-around development cannot be realized in the conflict between person and person, and in the separation of individuals from society, but in the harmony between person and person, and the unity of the people.

12.2.3 Essential Conditionsand Historical Process

Apart from the scientific meaning of man's comprehensive development, Marxism also links it to the evolution of social forms and the transformation of social systems,

498 *Collected Works* of *Marx and Engels* (Volume 9). Beijing: People's Press, 2009, p. 309.

revealing the objective laws of social development and a realistic path for man's comprehensive development. In Marx's opinion, abolishing the old division of labor and private ownership, and eliminating classes are the preconditions for fully realizing the free and all-around development of man; the highly developed productive forces, the universal development of communications, and the individual associations in a real collectivity are the foundations of realizing man's free and all-around development; education and its integration with social practices, such as production and art activities, are ways to realize man's free and all-around development.

The theory about social forms of historical materialism reveals that man's development is a process of integrating with social progress, which goes through three stages on the whole.

In the pre-capitalistic period, "person-dependent relationships" were the original social form. The level of productive forces remained low, with a self-sufficient natural economy in a dominant position, and the internal relationships of people's material life and production process, namely relationships among and between people and Nature, was extremely narrow, which limits the development of man's abilities to a narrow realm and isolated places. "Neither individuals nor society could imagine achieving free and full development because development conflicted with the original relationships between individuals and society."[499] Individual rights and freedom existed only for those within the ruling class. At that time, most ruling ideologies and concepts emphasized that individual desires and actions were subject to overall interests and rank order. This suppresses an individual's independence and freedom, which when expressed would generate shock and destruction of the existing social order and the common interests of the ruling class. Thus man's free and all-around development could hardly be achieved in that historical condition.

In a capitalist society, human's independence based on dependence on material is the second form. A commodity economy featuring free competition plays the dominant role, person-dependent relationships and hierarchy have been broken, and what starts to form is "the universal material exchange of society, comprehensive relationships, various demands, and a system of all-around abilities". This kind of economic form, on the one hand, makes man's development enslaved by objects and constrained by

499 *Complete Works* of *Marx and Engels.* (Volume 46) (Part I). Beijing: People's Press, 1979, p. 485.

the occupation relationship vis-a-vis capital; on the other hand, it creates conditions for man's free personality and comprehensive development. As Marx said:

> Universally developed individuals, whose social relationships, as their own communal relationships, hence also subordinated to their own communal control, are no product of Nature but of history. The degree and universality of the development of wealth where this individuality becomes possible supposes production on the basis of exchange values as a prior condition, whose universality produces not only the alienation of the individual from himself and from others, but also the universality and the comprehensiveness of his relationships and capacities.[500]

In a communist society, a free personality based on individuals' comprehensive development and the condition that their common production capacity turns into society wealth, is the third stage of human development. At this stage, private ownership and the old division of labor have been eliminated, the exploitation and oppression upon man by man as well as the rule over producers by products have been overcome, and thus man's free and all-around development comes true. As Engels said in *Socialism: Utopian and Scientific:*

> With the seizing of the means of production by society, production of commodities is done away with, and, simultaneously, mastery of the product over the producer. Anarchy in social production is replaced by systematic, definite organization. The struggle for individual existence disappears. The whole sphere of the conditions of life that surround man, and which have hitherto ruled man, now comes under the dominion and control of man, who for the first time becomes the real, conscious lord of Nature, because he has now become master of his own social organization. The laws of his own social action, hitherto standing face-to-face with man as laws of Nature foreign to and dominating him, will then be used and mastered with full understanding. Man's own social organization, hitherto confronting him as a necessity imposed by Nature and history, now becomes the result of his own free action. Only from that time will man himself, more and more consciously, make his own history. It is the ascent of man from the kingdom of necessity to the kingdom of freedom.[501]

Man's development is limited by the economic, political, and cultural development of the society, and its realization inevitably goes through a long historical process. In a capitalist society, capital turns all activities of people and the products of the activities into exchange value, which brings about the appreciation of objects and the depreciation

500 *Ibid.,* pp. 104,108-109.

501 *Collected Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, 2009, pp. 104,564-565.

of man. The production system of capitalism uses human beings as the tool to create wealth, simply aiming at squeezing more surplus value from them. The production facilities, organizations, and management systems of capitalism do not follow the principles of "man is the subject" and "man is the goal", but are subjected to the pursuit of surplus value and the need for monopoly profits. Therefore, although capitalism, to some extent, promotes the development of science and technology as well as productivity and gives people access to some independence and individual emancipation, it can't consciously apply spiritual and material productivity to the comprehensive development of man himself. Marxism reveals that the future communist society "will enable the aptitudes of all members to achieve comprehensive development"[502] and finally realize the ideal realm of free and all-around development of both society and people, will clarify the differences from the perspective of the essential characteristics between the new communist society and the old capitalist society, the historical inevitability and superiority of socialism, and will show the deep concern of scientific socialism for human's future and destiny.

12.3 Socialism with Chinese Characteristics and Man's Free and All-Around Development

In the new stage of the new century, the CPC, based on the Marxist theory of man's free and all-around development, further reveals the significance of the theory for building a moderately prosperous society in all respects and promoting the development of the socialist cause. The CPC clarifies a series of such essential issues as implementing the important thought of Three Represents (represents advanced social productive forces, the progressive course of China's advanced culture, and the fundamental interests of the majority) and the Scientific Outlook on Development, promoting man's free and all-around development on the path of Socialism with Chinese Characteristics, and bringing about the great rejuvenation of the Chinese nation.

12.3.1 Essential Requirement for Socialism with Chinese Characteristics

Man's free and all-around development is not only a historical process that embraces different phases, but is also a goal that the CPC must struggle for in China's socialist

502 *Complete Works* of *Marx and Engels* (Volume 4). Beijing: People's Press, 1958, p. 371.

society and will eventually be achieved by China's communist society. The supreme ideal of the CPC is to build a communist society where people can work according to their abilities, and resources are distributed according to people's needs. In the past, present, and future, the supreme ideal is always a source of strength and a spiritual pillar for communists, and the stage of building Socialism with Chinese Characteristics is essential to realize the ideal. As early as in 1978, Deng Xiaoping explicitly claimed that:

> Our schools are the places for talent training for socialist construction. The standard for talent cultivation should be, in Chairman Mao's words, 'We should enable education receivers to develop morally, intellectually, and physically and to become workers with both a socialist consciousness and culture'.[503]

In 1985, he further stated that:

> While building Socialism with Chinese Characteristics, we must insist on the development of material and spiritual civilizations, stick to "Five Stresses, Four Beauties, and Three Loves" (stress on decorum, manners, hygiene, discipline, and morals; beauty of mind, language, behavior and the environment; love of the motherland, socialism, and the Chinese Communist Party), and cultivate socialist citizens who possess lofty ideals, moral integrity, a good education, and a strong sense of discipline ... The ultimate goal is to realize communism. This point, I hope, will not at any time be ignored in publicity.[504]

Therefore, the "Four Possessions" becomes the basic standard for strengthening the construction of socialist spiritual civilization and for cultivating free and fully developed "new persons". In a speech on his 1992 Southern Tour, Deng proposed that "the nature of socialism is to liberate and develop productive forces, abolish exploitation and polarization, and finally attain common prosperity". When judging the reform and opening up, we "should mainly focus on whether it is conducive to developing socialist productive forces, enhancing the comprehensive national strength of socialist countries, and improving people's living standard"[505]. The theory, from the perspectives of the integration of socialist productive forces and productive relations and the integration of basic tasks and long-term goals, clarifies the material basis, political guarantee, and other social conditions for promoting man's free and all-around development at the present stage of China.

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503 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 103.
504 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 110.
505 *Ibid.,* pp. 372-373.

On the threshold of the 21st century, Jiang Zemin announced to the world at the 80th anniversary of the founding of the CPC that:

> We firmly believe the basic principle of Marxism that human society will inevitably move toward communism. Communism can be realized only when a socialist society is fully developed and highly advanced. In a communist society, there will be abundant material wealth, and people will have a very high realm of thought and be able to develop themselves freely and in an all-around way. All undertakings to build socialism with Chinese characteristics, and in fact, everything that we do must aim not just at meeting people's immediate material and cultural needs but also at improving the qualities of the people or achieving their all-around development. This is the essential requirement of Marxism regarding the building of a new socialist society. We will constantly advance the all-around development of human beings based on a higher level of the material and spiritual civilization of China's socialist society.[506]

As is known to all, humans are the decisive factor in productive forces. Therefore, constantly improving people's qualities and abilities in every aspect and promoting people's free and all-around development must be a significant part of the emancipation and development of productive forces. Moreover, abolishing exploitation and polarization, attaining common prosperity, and emancipating people from various social constraints can create the necessary social conditions for man's free and all-around development. In December 1982, the Fifth Session of the 5th National People's Congress passed, on the basis of the 1954 constitution, the present Constitution of the People's Republic of China, which clearly defines people's freedom of expression, press, assembly, association, religious belief, personal freedom, and correspondence, and for scientific research, literary and artistic creation, and other cultural activities as well as the right to work, rest, receive education, and more. In March 2004, the Second Session of the 10th National People's Congress passed Amendments to the Constitution of the People's Republic of China. "The state respects and guarantees human rights" was included in the constitution, and "the lawful private properties of citizens shall not be encroached upon" and "the state shall establish and improve a social security system corresponding to the level of economic development[507]" were stipulated. Based on the original comprehensive stipulation of civil rights and freedom, the constitution also includes the regulations for safeguarding citizens' freedom

506 Jiang Zemin. *On Three Represents.* Beijing: Central Party Literature Press, 2001, pp.177,179.

507 *Selected Important Documents since the 16th National Congress* (Part 1). Beijing: Central Party Literature Press, 2005, p. 890.

and equal rights. It is the enrichment and development of essential socialist theories by the CPC to solemnly write man's free and all-around development into the guiding principal documents of the Party and China.

On the issue of man's free and all-around development, the CPC must insist on the dialectical unity of the ideal and reality as well as the CPC's maximum and minimum programs. In other words, the CPC cannot propose, in the primary stage of socialism, the goal of each person's free and all-around development that can only be realized in the advanced stage of communism, nor spread the "slim hope" theory of communism on the pretext that China will remain in the primary stage of socialism, and neglect the practical request for this ideal goal and essential principle—man's free and all-around development. Poverty is not socialism; without democracy there will be no socialism. Likewise, if man's free and all-around development is not promoted, there will be no real socialism. On the basis that the economic, political, cultural and ecological civilization constructions of socialism develop coordinately, constantly boosting man's free and all-around development is the high reflection of the progressiveness of the CPC as well as the superiority of the socialist system. The failure of socialism in countries around the world is mainly due to rigid ideologies and systems, unreasonable economic structures, the unimproved life of people, and the slow process of democracy and the rule of law that would seriously impede man's free and all-around development. Only by taking man's free and all-around development as the essential requirement plus the work objective of Socialism with Chinese Characteristics can we truly uphold and develop Marxism and truly consolidate and develop socialism.

12.3.2 Essential Means of Realizing Man's Free and All-Around Development

The founders of Marxism, on the one hand, affirm the historical role of capitalism for promoting the development of productivity and human lives, and believe that capitalism "itself created the elements of a new economic order by giving the greatest impulse at once to the productive forces of social labor and to the integral development of every individual producer"[508]; on the other hand, they profoundly criticize the unbalanced development caused by capitalism, and think, in capitalist society, that labor is not free and man's development is not comprehensive but unbalanced.

508 *Complete Works of Marx and Engels* (Volume 19). Beijing: People's Press, 1963, p. 130.

Only a socialist revolution and construction can ultimately eliminate the obstacles for man's free and all-around development, because the primary reasons for it are the low productivity and the spontaneous division of labor, private ownership, class antagonism, class exploitation and class rule that resulted from low productivity. And only when the great socialist revolution dominates the achievements of the epoch of the bourgeoisie, the world market, and modern productivity that are subject to the common supervision of the most advanced nation will there no longer exist such situations as terrible pagan gods drinking sweet wine from a glass made from a man's head.

Man's free and all-around development, the smooth implementation of socialist modernization, and the rapid improvement of people's lives are mutually interrelated and promoted by each other. Deng Xiaoping explicitly said that:

> A socialist economy is based on public ownership. Production is aimed at maximally satisfying people's material and cultural needs, not for exploitation. The characteristics of a socialist system make it possible for Chinese people to share the common ideal of politics, economy, society, and common moral standards.[509] If China abandoned the road of socialism, it would return to a semi-colonial and semi-feudal status, and the Chinese people would not have enough food and clothing, let alone become prosperous.[510]

China is a developing country with a large population, a backward economic basis, and a low per capita reserve of resources. Taking the capitalist road would undoubtedly enable very few people to suddenly become rich, which would lead the vast majority of people into poverty and turmoil. It is impossible to pursue man's free and all-around development under the conditions of not solving the vast majority of people's problems of food and clothing, sharp social contradictions, and social turmoil. The basic reason for the CPC unswervingly adhering to the road of Socialism with Chinese Characteristics is the superiority of the socialist system, which can provide a guarantee for national prosperity, social progress, and each person's free and all-around development.

In the new stage of the new century, the Central Committee of the CPC proposes to firmly establish and implement a people-oriented, comprehensive, coordinated, and sustainable Scientific Outlook on Development and to formulate an array of guidelines and policies aimed at building a moderately prosperous society in all aspects and

509 *Selected Works of Deng Xiaoping* (Volume 2). Beijing: People's Press, 1994, p. 103.
510 *Selected Works of Deng Xiaoping* (Volume 3). Beijing: People's Press, 1993, p. 206.

promoting man's free and all-around development. In march 2004, Hu Jintao clarified at a forum on the work of population, resources, and environment:

> To persist in placing people first, the CPC must take realizing man's all-around development as the target, promote development from people's fundamental interests to constantly satisfy people's increasing needs of material and culture, protect people's economic, political, and cultural rights—so that the benefits of development can be shared by all. To establish and implement the Scientific Outlook on Development, we must, on the basis of economic development, promote comprehensive social progress and man's comprehensive development as well as the coordinated development of a socialist material civilization, political civilization, and spiritual civilization.

He further pointed out in the Report of the 17th National Congress of the CPC:

> We must always put people first. Serving the people wholeheartedly is the fundamental purpose of the Party, and its every endeavor is for the well-being of the people. We must always make sure that the aim and outcome of all Party and state work is to realize, safeguard, and expand the fundamental interests of the overwhelming majority of the people. We must respect the principal position of the people in the country's political life, give play to their creativity, protect their rights and interests, take the path of prosperity for all, and promote their all-around development—to ensure that development is for the people, by the people and with the people sharing in its fruits.[511]

This is the Party's lesson learned from the historical experience of China's reform, opening up, and modernization drive as well as the development of other countries in the world. It is a new achievement based on a deeper understanding of the CPC's ruling law—the law of socialist construction and the law of human society development—which is far-reaching and very significant.

As to economic development, the CPC must adhere to and perfect a basic economic system of public ownership as the main body with multi-ownership developing side by side, a diversified distribution system with distribution according to work as the main form, and a system of socialist market economy. The CPC must also vigorously develop social productivity, thus laying a solid material and technological foundation for man's free and all-around development. In particular, the Party must stick to and implement its policy of enriching people, make efforts to increase the income of urban and rural residents, and constantly improve people's livelihoods with clothing, food, accommodation, transportation, and necessaries. The CPC must, as soon as possible,

511 *Documents of the 17th National Congress of the CPC.* Beijing: People's Press, 2007, p. 15.

enable people nationwide to live a moderately prosperous life, strenuously advance to a higher level of prosperity, and gradually realize the common prosperity of all China. Only in this way can we ensure that the national economy will maintain sustained, rapid, and sound development, and that all Chinese people will share the achievements of economic growth and prosperity.

As to political construction, we must: uphold and improve a people's democratic dictatorship that is led by the working class and based on an alliance of workers and peasants; the system of the People's Congress; multi-Party cooperation and political consultation under the leadership of the Communist Party of China; regional national autonomy; self-management at the grassroots level; develop socialist democracy; and perfect a socialist legal system—all to build a socialist country under the rule of law, thus providing a strong political guarantee for man's free and all-around development. In particular, the CPC must actively and steadily advance reform of the political system, faithfully safeguard people's rights of being masters of the country, manage state affairs according to law, and fully mobilize the initiative and creativity of the people. Only in this way can we create a political situation in which China and Chinese people have both centralism and democracy, discipline and freedom, unity of will, and personal ease of mind and liveliness.

As to cultural construction, the CPC must adhere to taking Marxism as guideline, develop a national, scientific, and public socialist culture that is modernization-oriented and faces the world and the future, and strive to improve the moral, scientific, and cultural quality of the whole nation, with a view to creating favorable cultural conditions for man's free and all-around development. Especially, the CPC must stick to implementing a strategy of rejuvenating the country through science and education, develop education and science, and give all people access to education and cultural achievements; and the CPC must strengthen construction of a socialist spiritual civilization, insist on the socialist core value system to lead the diverse ideological trends of society, promote a socialist humanitarianism spirit, advocate the morality of solidarity and cooperation, and cultivate new generations with lofty ideals, moral integrity, better education, and good sense of discipline—thus to better guarantee people's basic cultural rights and interests, to enrich their cultural life and their spiritual world, and assist them to be more high-spirited and mentally healthy.

As to social construction, the CPC must, in accord with the overall requirements of democracy and the rule of law, fairness, and justice, honesty and friendship, full of vigor and vitality, stability and order, harmony between human and natural society, as well as

the principles of constructing together and sharing together, accelerate the development of the social security system that covers both urban and rural residents, establish the basic medical and health system, improve social management, make efforts to solve the most practical problems of the greatest and most direct concern to the people, speed up the construction of the harmonious society and promote social equity and justice, thus creating good social conditions for man's free and all-around development. Especially, the CPC must advance the social system reform, attach priority to developing education, expand employment, adjust the distribution pattern of national income, strengthen public service functions, enable every child to study in school, everyone to have work and a roof over their head, every sick person to be treated, and to enable the elderly to be taken care of—thus to gradually create a situation where all people work according to their abilities, play their proper roles, and live in harmony.

As to ecological construction, we must stick to the strategy of sustainable development, rationally develop and use natural resources, protect production and living conditions, keep ecological balance, and promote harmony between man and Nature—thus to create a favorable natural environment for man's free and all-around development. Nature, man's home, provides indispensable material resources and a living environment for human survival and development. In view of the narrow and short-term benefits of individuals or groups, people excessively exploit nature, which generates environmental pollution and ecological destruction and will eventually undermine the material basis for man's free and all-around development. Hu stressed at a CPC Central Committee seminar on population, resources, and the environment that:

> To establish and implement the Scientific Outlook on Development, the CPC must strive to improve the quality and efficiency of economic growth, make efforts to achieve the unification of speed, structure, quality, and efficiency of China's economy, coordinate economic development with the population, resources, and the environment, and constantly protect and enhance the sustainability of development.

It requests the CPC, in the process of promoting economic and social development, to give full consideration to the bearing capacity of China's resources and environment, and correctly handle the relationship between economic development and population, resources and environment; and to prevent and control environmental pollution and the wasting of resources, take overall consideration of the needs of current and future development, and leave future generations with abundant conditions and space for development. Only in this way can the Party realize the virtuous cycle of a natural ecosystem

and socioeconomic system, develop production, and carve a civilized development road featuring a thriving economy, affluent life, and a sound ecosystem.

During the harmonious coexistence of man and Nature and the common progress of man and society, gradually achieving each person's free and all-around development is the only way to build the new civilization of socialism. Marx once pointed out that the development of human capabilities "would sacrifice most individuals, even a whole class at the beginning, it would finally overcome the antagonism to keep consistent with the development of each individual."[512] The fundamental objective for a socialist revolution and construction is to overcome antagonism and realize the free and all-around development of man and society. In September 2008, in a mobilization meeting of the whole Party further studying and implementing the Scientific Outlook on Development plus a seminar of provincial leading cadres, Hu said that:

> Every endeavor of our Party is for the well-being of people. The fundamental purpose of promoting scientific development is to insist on the consistency of respecting the laws of social development and respecting people's dominant position in history, the consistency of struggling for lofty ideals and working for the benefits of the broadest masses of people, the consistency of completing the work of the Chinese Communist Party and realizing the interests of people, and the consistency of safeguarding people's rights and interests as well as promoting people's comprehensive development[513].

Only economy, politics, culture, and society developing in a coordinated manner, and material civilization, political civilization, spiritual civilization, and ecological civilization promoting mutually can create Socialism with Chinese Characteristics. The Party must comprehensively promote economic development, political construction, cultural construction, social construction, and ecological construction, speed up people-oriented, comprehensive, balanced, and sustainable scientific development, and unceasingly create a new situation of man's free and all-around development as well as Socialism with Chinese Characteristics.

Certainly man's free and all-around development is always closely related to material production and social progress. The development of social productive forces, the economy, and culture is a historical process of gradual and endless progress, as is man's

512 *Complete Works of Marx and Engels* (Volume 26) (Part 2). Beijing: People's Press, 1973, pp. 124-125.
513 *Selected Documents of the 30-year CPC's Classic Literature since Reform and Opening up* (Part 2). Beijing: Central Party Literature Press, 2008, pp.1,820-1,821.

free and all-around development. Marxist classical writers profoundly pointed out that "people won freedom for themselves each time to the extent that was dictated and permitted not by their ideal of man, but by the existing productive forces"[514]; the rights enjoyed by people "must not transcend the economic structure and the cultural development of a society restricted by its economic structure".[515] The free and all-around development actually reached by all the ethnic groups of China must adapt to the existing productivity level and the present situation of economic and social development, but must not transcend China's national conditions in its current primary stage of socialism. The Party must proceed from China's reality of the primary stage of socialism, adapt to the new changes in domestic and international situations, satisfy new expectations for a better life for the people of all ethnic groups, steadily implement reform and opening up, advance the modernization drive, and strive for the social ideal of realizing socialism and communism and the ambitious objective of achieving man's free and all-around development.

514 *Complete Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, I960, p. 507.
515 *Collected Works* of *Marx and Engels* (Volume 3). Beijing: People's Press, 2009, p. 435.

POSTSCRIPT

The book *Marxism and Socialism with Chinese Characteristics* grows out of a national research project sponsored by the National Social Science Fund. It focuses on the creation and development of Marxism in contemporary China, and explores and elucidates the basic tenets of Marxism and the theory and practice of socialism with Chinese characteristics. The 12 chapters and 12 concepts are related to each other in a relatively complete logical structure.

This book is the outcome of collective labor, and members of the research project contributed different chapters. Jin Huiming, the principal member, contributed the Preface and Chapter 1, and is responsible for formatting the entire manuscript; Lv Weizhou, secretary of the research project, did a great deal of organizational work and wrote Chapter 3 and Chapter 7; Yuan Xiuli contributed Chapter 2; Chen Yalan wrote Chapter 4; Luo Wendong contributed Chapter 5, Chapter 11, and Chapter 12; Wu Bo, Xu Wenhua, Wu Min, and Zhao Zhikui contributed Chapter 6, Chapter 8, Chapter 9, and Chapter 10, respectively.

This book covers a wide range of research topics, some difficult to deal with. Therefore, this tentative research is open for further discussion. It is highly expected that readers will exchange views on these major issues facing contemporary China.

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STUDIES ON THE THEORY OF SOCIALISM WITH CHINESE CHARACTERISTICS

JIN HUIMING

MARXISM AND SOCIALISM WITH CHINESE CHARACTERISTICS

The adaptation of Marxism to actual Chinese conditions resulted in the creation of a theoretical system of building socialism with Chinese characteristics. This system, formulated by the Communist Party of China (CPC), is the theoretical summary of the essence and general laws of China's socialist reform and economic development since the founding of the People's Republic in 1949, especially during the decades of Reform and Opening up that started from 1978. Being an innovative application and development of Marxism in the historical context of contemporary China, it not only follows the general principles of Marxism and scientific socialism, but also exhibits features that are unique to the Chinese nation.

Basing on official materials and drawing on existing academic achievements in CPC theoretical studies, *Marxism and Socialism with Chinese Characteristics focuses* on the interpretation of the basic tenets, theoretical value, and contemporary significance of traditional Marxism, the exploration of the features of the theoretical system of Chinese socialism from various perspectives, and in particular the study of the relationship between these two important theories, shedding light on the historical process of the sinicization of Marxism. The chapters in the book are arranged topically and interrelated.Topics covered include the origin and development of socialist ideology; the sinicization of Marxism and the creation of the theory of building socialism with Chinese characteristics; the development law of the socialist market economy; socialist democracy and the dictatorship of the proletariat; the Marxist theory on political party and party-building in China; and the scientific outlook on development, all of which arc aimed at illuminating the significance and relevance of Marxism in contemporary times, especially in the context of China.

JIN Huiming is a member of the academic committee of the Chinese Academy of Social Sciences, and a professor and doctoral supervisor of the Academy of Marxism, as well as the director of the Institute of Marxism and Leninism under the Academy. He is also the former director of the Publicity Department of the CPC Central Committee and the Institute of the History of Marxism at the Renmin University of China. Having attained high achievements in studies related to the historical development of Marxism, Marxist philosophy, scientific socialism, and other relevant fields, Jin has made great contributions to research on the theory of Marxism and in developing the discipline of Marxism in China. His major works include *Research on Karl Marx's Early Thought, The History of Marxist Philosophy* (Volume 1), *Research on the Theoretical System of Socialism with Chinese Characteristics,* and *Research on Some Major Issues of Marxism.*

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