

# *Perspectives on Socialist Economy with Chinese Characteristics in the New Era: Innovations and Social Contributions*

**Liang Wu**

*Marxist Institute, Xi'an Aeronautical University, Xi'an, 710077, China*

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**Abstract:** Perspectives on Socialist Economy with Chinese Characteristics for a New Era is an extension and development of Marxist political economics, which is a driving factor behind remarkable economic achievement in China. As the most recent theoretical breakthrough in the development of a socialist economy tailored to Chinese circumstances, it promotes the process of adapting Marxism to the Chinese environment and opens up new areas for Marxist theoretical research, which is essential.

Along with the continuous development of economic, and the continuous efforts of Chinese people in the past 40 years, socialism with Chinese characteristics has entered a new era. With the continuous integration of Marxism and Chinese reality, Marxist political economics has given birth to new economic theories and developed continuously since the early twenty-first century, resulting in the scientific Thought on Socialist Economy with Chinese Characteristics for a New Era.

## **1. Origin of socialist political economy with Chinese characteristics**

Marxist political economics should be better linked with the actual situation in China in the current era to fulfill the special needs of social and economic progress. According to the current conditions, at the Central Economic Work Conference in 2015, General Secretary presented socialist political economics with Chinese elements for the first time, and highlighted that CPC members should rigorously study Party theory, especially political economy. Subsequently, he further proposed to "elevate practical experience into a systematic economic doctrine, and continuously develop a new realm of Marxist political economics in contemporary China". To some degree, it embodies the path of contemporary Chinese political economy growth, pushing it to continually establish a new theoretical domain to better drive China's economic development. During the development of Marxist economics, General Secretary Xi proposed that "we ought to adhere to the main principles of socialist economics with Chinese characteristics," requiring that future economic development focus more on economic construction as the fundamental starting point, and constantly advance reform and opening up.35/5000 Marx in the "Communist Manifesto" clearly put forward: "as soon as possible to increase the total number of productive forces". [1]

## **2. The New Era's Transformation of Social Development in China**

Since the early twenty-first century, China's socialist modernization has entered a critical period, and General Secretary scientific assertion of Chinese socialism in the current era and the new normal of China's economy is the direction in line with historical development trend to solve the new problems of China's economic development, and to forge a new path out of the economic development dilemma.

### **2.1 The scientific proclamation of a new normal in China's economic development**

As a specific time, we must find out what hurdles China's economy confronts in the new century. Only by truly understanding the essence of the problem can we better find and fix it. Developing countries have been plagued by the push forward in science and technology, the confrontation between major powers, military competition, and the space race since the turn of the century. After a long time of observation and advanced knowledge of China's economy, as well as an analysis and comprehension of the phases of China's economy, the scientific claim and essential necessities of the new economic normal were advanced. The new normal refers to a new development trend that has arisen at a predetermined moment in China's economic advancement, and we must adapt to the new normal, embrace the new normal, and lead the new normal. Such a new normal is reasonable based on the underlying facts of China's economic growth and scientific theoretical analysis.

### **2.2 New changes urged in the key contradictions of Chinese society**

The main contradiction in Chinese society is based on the backwardness of the Chinese economy after the establishment of the People's Republic of China, as well as the need for rapid economic recovery, which is consistent with the basic national conditions of social and economic development at the time. It is a realistic theory based on scientific and accurate analysis of China's national conditions, and it has offered tremendous impetus to China's economic progress. China's economic development and foreign environment have undergone great changes during the previous four decades of reform and opening up, as have the key contradictions in society. The major dilemma, according to the Communist Party of China's 19th National Congress, was "the contradiction between uneven and insufficient growth and the people's ever-growing yearning for a better living." As the Chinese economy grows, numerous new items join the global market and take crucial positions. People's requirements in the new age have gone from meeting their own demands to growing into extra levels, fields, and locations, and the breadth of their needs has progressively increased from economic life to political, spiritual, cultural, and other sectors. However, in the contemporary era, Chinese economic development is unbalanced and insufficient. The economic development of some western interior areas lags behind due to transportation, resources, and other impediments, and people's living standards need to be addressed. People in diverse groups and locations are not totally evolved, and the major social conflict has shifted, which must be addressed in line with the conditions. As a consequence, responding to reality is a key choice.

## **3. Socialist economic advances with Chinese features in the current era**

In the new era of socialist modernization, the basic system and program of social economy in China should be locally adjusted to adapt to the development of the times. It is a choice that is in line with the trend of historical development and reflects the contemporary nature of our social system, and is an important manifestation of keeping up with the times.

### 3.1 Adherence to the core economic system

China has built a series of basic economic systems through long-term practical development since the establishment of the People's Republic of China. We must unwaveringly create and expand the socialist economic theory framework in the new century. Furthermore, in the new age, we must endeavor relentlessly to strengthen and enhance the public sector while simultaneously promoting, supporting, and directing the growth of the non-public sector. It is the basis for establishing socialism in China to unwaveringly bolster and strengthen the public sector, which is also a vital cornerstone for safeguarding socialism's course. Only by growing and solidifying the socialist public ownership system will the socialist system be as robust as a rock. Simultaneously, it is a key component of China's social prosperity to continuously promote, support, and lead the growth of non-public organizations, which is also a critical alternative for China's social development. The non-public sector may capitalize on the momentum and investigate opportunities. They may optimize the reform and advance their personal transformation by taking advantage of the advantageous external conditions. To better depict the main economic standing of the public sector, we must begin with the fundamental direction of the Chinese economic system, guaranteeing that the public sector's primary position remains stable, and promote quick growth in the non-public sector." Sharing is the value of implementing the Thought on Socialism with Chinese Characteristics for a New Era." [2]

### 3.2 Improving the socialist distribution system

The core socialist distribution system of China was formed on the basis of the basic national conditions present at the time of Chinese independence, in which labor distribution dominated, backed by factor distribution. Since reform and opening up, the socialist distribution system has necessitated continual modification as times change. In the early days of socialism, he deepened the distribution system. We should deepen the distribution, strengthen the mechanism, and boost people's sense of access; narrow the gap between affluent and poor through the national economy; and develop an acceptable income pattern. We will continue to foster the economic development of undeveloped regions, boost the income of urban and rural inhabitants, enhance the social security system, and gradually reach the ideal of shared prosperity. General Secretary Xi has often said that the core of socialism with Chinese characteristics is common prosperity, and he advocated the notion of shared development on this premise. He emphasized: "Socialism essentially requires that we eliminate poverty, improve people's livelihood and gradually achieve common prosperity, which is a primary mission of the Communist Party of China." [3]

### 3.3 Socialist market economy theory innovation

From the upgrading of the socialist system to the development of public ownership to reform and opening up, the interaction between government and market has become a vital problem of state management and has long had an influence on us. He has advocated a new socialist market economy perspective as General Secretary, which would further support the establishment of social economy. We ought to strengthen the role of market allocation of resources and widen our knowledge of market economy in the context of a system dominated by state ownership. Specifically, we should neither over-rely on it or relax our links with it, but rather increase the government's role in the evolution of the market economy and effectively regulate the interplay between the government and markets. Only through the organic combination of the two, which are complementary to each other, can we better stimulate the expansion of social economy in the current era of economic expansion. To further boost the quality of economic development, General

Secretary he advocated a highlight of economic transformation, namely supply-side structural reform. Furthermore, he made clear that "the fundamental purpose of supply-side structural reform is to make China's, supply capacity better meet the growing, escalating and personalized material, cultural and ecological needs of the general public." [4]

### **3.4 Innovative development for socialist development concept and theory**

The 40-year reform and opening up experience indicates that development is an unshakable cornerstone, and only by centering on economic development, can we keep marching unswervingly along the path of socialism with Chinese characteristics, continuously promote the rapid development of China's economy, and constantly improve the quality of Chinese people's life. Although China's economic development has greatly improved to a certain level, there are still great differences compared with developed countries. We still have a long way to go. In recent years, the world economic development has been sluggish. The spread of various viruses and the difficulties caused by wars and regional instability have made economic recovery the key direction for national development. Taking into account the long-term economic development, China has put forward the five major development concepts including "innovation, coordination, green, opening up and sharing" [5]. In the new situation, innovative development is the key to the economic development of China, which will determine the development prospects of the nation and the country and have impact on the important task of national rejuvenation. "Striving for innovation is to strive for development, and seeking innovation is to seek the future" [6]. These development concepts are an organic combination of the problems existing in China's development and the new requirements proposed in the new era. These concepts conform to the essential requirements of socialism, which helps to emancipate and develop the productive forces, and highlight the requirements for the direction of socialist development. They are concrete manifestations of China's strength and goals for development in recent years. Such kind of concept is an organic combination of China's experience in economic development in recent years and Chinese traditional culture, which is rooted in China as the main line to guide China's economy, and providing new ideas and development directions for China's economic development. It is also a general orientation of China's economic development in the new era.

### **3.5 Run the Party strictly and ensure the direction of development**

Peace and development have become two major topics in the world today. Although there won't be massive war on a large scale, armed conflicts occur successively in some areas. At this stage, the competition between countries becomes more and more fierce, and insecurity factors still exist. The trend of world multi-polarization and economic globalization is further evident, and shows some dynamic characteristics as follows: the world economy is facing great challenges, the European debt crisis and the slow economic recovery of the United States have also brought a certain impact on the recovery and development of the world economy. In the face of the situation, some developing countries still stay at the margins under the globalization wave, and their development in the new era is not optimistic; Major adjustments have been made in foreign strategies, and the game between major powers on competition and cooperation has made the trend of world multi-polarization more obvious; At present, there is a trend of changing the world pattern system, and a new round of competition has started among all countries based on own interests; Cultural soft power has become an important part of the comprehensive national strength of all countries, and a new round of competition is also gradually intensifying on cultural aspects. With the global problems, global financial economic crises occur more frequently, and the environmental pollution also becomes more serious, which makes it more challenging for us. Under the new situation,

China's comprehensive national strength is gradually promoted, and the cultural soft power is gradually strengthened as well, with influence on more countries. However, the surrounding environment presents a complex situation. Under the international environment with both opportunities and challenges, the development of China is also deeply affected by the changes in the world situation, which will also affect the governance of the CPC to a certain extent. To better adapt to the complex and changing new international situation, we must improve the governance level of the Party, implement the requirements of running the Party strictly, and strengthen the CPC's ability in adapting to the complex and changing world environment.

#### 4. Conclusion

General Secretary he has also guided the route for our next step to expand China's economy in the new age of economic growth. We should draw on the principles and methods of Marxist political economics in order to thoroughly analyze the laws of China's socioeconomic development, and closely integrate the two, in order to improve our ability to lead economic development and thus promote socioeconomic development based on the laws of economic growth.

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