

# Debunking the “Reading List on Socialism with Chinese Characteristics” of /r/swcc:

## Exposing the Revisionist Deception Part 1



*This document exists as a guide to show the real story of China, not that which the revisionists tell. Any further updates on revisionist China will be posted [on the /r/rwcc wiki](#). Compiled by Leftist Critic in April 2018, finished on April 15, 2018 as part of the first issue of Collective Mind-Meld.*

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## Preamble

In assembling this document, I attempt to show the reality of China and counter revisionist deception. I would not give myself a label other than saying that I am an “independent radical.” In that sense, I have not relied on one ideological leaning or another to assemble this publication. In part, I also wrote this after realizing how I had personally contributed to the revisionist deceit. For one, I posted articles on /r/communism which cast China in a positive light, which led me to be picked as a moderator of /r/swcc, the subreddit on “Socialism with Chinese Characteristics” or swcc, which has a “Reading List on Socialism with Chinese Characteristics and the Nature of China Today” on the sidebar and nothing else. As I write this, the subreddit has over 50 readers, and 11 moderators, some of which hold the modding rights of some of the most important subreddits on Reddit which pertain to socialism, communism, and radicalism as a whole.<sup>1</sup> It is for this reason that this publication is vital. In order to throw off an easy revisionist counterpoint, this guide uses no Trotskyist sources, which include marxist.com, socialistworker.org or wsws.org, to name a few. I do use, from time to time, a publication titled *Worker’s World*, which some have called neo-Trotskyist. However, the publication is extremely partial to China, relatively favorable to its existing government, much more so than the Trotskyists of wsws.org or socialistworker.org, and could be called distorted Marxist-Leninists. As such, I have no problem citing them as a source, especially since they are broadly accepted as legitimate in forums such as /r/communism. There is a similar reasoning for using sources from the bourgeois media. Since revisionists often use these sources to buttress their own arguments, it is justified to use them to discern

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1 They include: /u/xplkqlkcassia (also a moderator of r/communism, r/communism101, r/DebateCommunism, and 95 other smaller ones), /u/TacoOfTheTuesday (also moderator of dead subreddit r/fullswcc), /u/Capsule- (also moderator of r/DebateCommunism, r/bansex, r/DebateSemantics, r/khrushchevites, r/debatetotalitarianism, r/khrushchev, and r/soviet-socialism), /u/Nudelburk (a retired account, but still listed as a moderator of r/LateStageCapitalism, r/socialism, r/Socialism\_101, r/ginandjuce, r/shitfirstworldistsay, r/Bordigaism, r/t\_34, and r/fullswcc), /u/zombiesingularity (moderator of r/FULLCOMMUNISM, r/Marxism, r/leftvexillology, r/AmericanSocialists, r/ShitUltraLeftistsSay, r/The\_Comintern, r/mspaintedreams, r/SocialistHeraldry, and r/TankieTown), /u/FreakingTea (moderator of r/communism, r/communism101, r/DebateCommunism, r/Marxism, and 30 others), /u/villacardo (only moderator of /r/swcc), /u/AlienatedLabor (moderator of /r/communism, /r/communism101, /r/CapitalismFacts, /r/WehraboosInAction), /u/Blackbelt54 (moderator of r/communism, r/communism101, and r/leninism), /u/Raestagg (only moderator of /r/swcc), and /u/China\_comrade (only moderator of /r/swcc).

what is going on in China, while being critical especially since Orientalist fantasies are spread throughout the bourgeois media on China and many other countries without question. Furthermore, this publication uses sources which I assembled for the /r/rwcc wiki, which consist of many articles from *MR Online* or *Monthly Review*, socialist publications, along with others who are favorable to Chinese revisionism. It is with great honor that I put this publication together, in hopes of promoting more informed discourse about China, while recognizing that the bourgeois media can (and does) distort reality. As I put on the finishing touches to this publication, I am glad to report that I will not appeal [my removal as a moderator of /r/swcc](#) and will continue to be a moderator of different forms.

It is worth making one final comment here. For some time I have been critical of Chinese policies, although I accepted the logic that there was some “progressivism” in China’s domestic and foreign policy. I never was totally on board of the “China is socialist” train, but I put off a full analysis as it seemed to be not as important. I put in caveats in articles as to not scare off revisionists. But, with this publication, it is time to take off the kid gloves. Its time to show the reality of China. It is not a country that is socialist by any stretch. Recalling the words of the UN Declaration of Human Rights, Article 1 says that “all human beings...should act toward one another in the spirit of brotherhood.” This should be manifested in radical analysis, using words to portray the acts of other comrades, across the world, here, there, and everywhere, accurately, in the spirit of socialist solidarity. This will allow individuals working to determine the reality of the world capitalist system, to not fall into cookie cutter revisionist traps, which are hard to escape from when many around you are revisionists (like on /r/communism). As such, this publication is vital without question as it breaks down revisionist deception and makes the reality clear to all. This is important as one cannot adequately stand in solidarity with the Chinese proletariat unless one knows the circumstances under which they toil, with a Chinese bourgeoisie towering over them, supported by a state which is socialist only in name, but not in action. It is with these words that the first chapter of this publication begins with gusto.

## The Nature of China: Debunking Sherman's Narrative

On May 20, 2011, Vince Sherman, a revisionist writer published a post titled “China & Market Socialism: A Question of State & Revolution.”<sup>2</sup> He is a horrid revisionist who writes in return2source, who wrote a hideous piece on Vietnam, which I’ve thoroughly countered.<sup>3</sup> He begins by claiming that “five countries—the Republic of Cuba, the Socialist Republic of Vietnam, the Lao People’s Democratic Republic, the Democratic People’s Republic of Korea, and the People’s Republic of China—stand as a challenge to the goliath of Western imperialist hegemony.” Yet, this is overarching, as Laos, Vietnam, and China have gone down the capitalist road, becoming fully revisionist, while Juche Korea and Cuba have adopted market measures but to a much more limited extent. He then claims that

*...China stands unique as a socialist country whose economic growth continues to supersede even the most powerful imperialist countries. Though an embarrassing number of Western “left” groups challenge the designation of any of these five countries as socialist, no country raises greater opposition than China. Many Western “left” groups claim that modern China is a full-fledged capitalist country. Owing their ideological heritage to bogus theoreticians like Leon Trotsky, Tony Cliffe, and Hal Draper, some groups argue that China was never a socialist country, claiming instead that the Chinese state is and has been state capitalist.*

This reasoning assumes that all critics of revisionist China are using Trotskyist ideals or information from those such as Leon Trotsky, Tony Cliffe, and Hal Draper. This is utterly false. Of those works which are included in the “on the capitalist road since 1976” of /r/rwcc, few, if any of them, use Trotskyist sources.<sup>4</sup> In fact, some of the best works I’ve seen use the Chinese government’s own statistics combined with economic analysis from capitalist mainstays (the IMF and World Bank).

One example was published in the *Monthly Review* in 2010, to give just one example.<sup>5</sup>

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2 If you want to read such a horrid analysis, it can be read [here](#).

3 See “[Claim of “actually existing socialism”](#)” on the /r/RevisionistVietnam wiki.

4 “[On the capitalist road since 1976](#)” section of /r/rwcc wiki.

5 “[The U.S. Economy and China: Capitalism, Class, and Crisis](#)” article reprinted on /r/rwcc.

Of course, Sherman claims that anyone who would call China revisionist and not socialist, like him, engages in “outrageous reactionary assertions.” From this, he concludes that the market approach in China, which advocates like him falsely call “market socialism,” resolves

*...the primary contradiction facing socialist construction in China: backwards productive forces...[it] is a Marxist-Leninist tool that is important to [so-called] socialist construction....the Chinese Communist Party’s continued leadership and control of China’s market economy is central to [so-called] Chinese socialism...[so-called] Chinese socialism has catapulted a workers state to previously unknown economic heights....successful elevation of China as a modern industrial economy has laid the basis for ‘higher’ forms of socialist economic organization...China applies [so-called] market socialism to its relations with the Third World and plays a major role in the fight against imperialism.*

These theses he says, “prove” that “Marxist-Leninists in the 21st century should rigorously study the successes of Chinese socialism” and that “if China is a socialist country, its ascension as the premiere world economic power demands the attention of every serious revolutionary, especially insofar as the daunting task of socialist construction in the Third World is concerned.” While I agree that “Marxist-Leninists in the 21st century should rigorously study the successes of Chinese socialism,” this should only apply to Chinese socialism from 1949 to 1976, not anything afterwards, as the Dengist period, starting with economic “reforms” in 1978, was what some call a “Great Reversal,”<sup>6</sup> rejected the previous process of the Maoist period (1949-1976), if you want to call it that, leading to embrace of the market and the country moving ever closer to the West. His theses embrace the idea of the market. I’d argue that such market socialism directly contradicts the democratic nature inherent to capitalism. To be frank, socialism and full-throated markets do not mix, they inherently contradict each other. As such, the “previously unknown economic heights” are those which created a Chinese bourgeoisie, laying the

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6 I’m specifically referencing William Hinton’s [“The Great Reversal: The Privatization of China 1978-1989”](#) here.

basis for “higher forms” of capitalist organization. Don’t forget, China is on the capitalist road. With this, it would mean that China would apply these market measures to its foreign relations, tainting them with bourgeois, capitalist thinking. But, that is the name of the game in order to supposedly “get ahead” in the Dengist era. In terms of playing a “major role in the fight against imperialism” this is somewhat debated. Sure, they give aid to countries in the Third World, but they vote for sanctions on Juche Korea, abstain on sanctions on Eritrea (which will be talked about later), and have their economy interdependent (and intertwined) with the murderous empire (the US) itself! This puts doubt on how much they are fighting “against imperialism.”

Sherman writes about the accomplishments of the Chinese Revolution, saying that “the Chinese revolution in 1949 was a tremendous achievement for the international communist movement. Led by Mao Zedong, the Chinese Communist Party (CCP) immediately charted a course of socialist reconstruction in an economy ravaged by centuries of dynastic feudalism and imperial subjugation from both Europe and Japan. The CCP launched incredible campaigns designed at engaging the masses in constructing socialism and building an economy that could meet the needs of China’s giant population. One can never overstate the incredible achievements of the Chinese masses during this period, in which the average life expectancy in China rose from 35 years in 1949 to 63 years by Mao’s death in 1976.” However, he says this was not totally a success, but the “productive forces” remained “grossly underdeveloped,” leaving the country vulnerable, with “uneven development persisted between the countryside and the cities” and the Sino-Soviet split, he claims, “cut China off from the rest of the socialist bloc.” It is here he forgets that China had connections with countries in the Third World and a relatively positive relationship with Albania. So, they weren’t completely isolated. But, the Sino-Soviet split was destructive, without doubt. Some who are more favorable to the Maoist period of China have also said that during that time “...the revolutionary state was estranged from its social basis even at its early beginning, when there existed much closer ties between the popular classes and the



governing stratum, when the sacred events of revolution were still fresh, and the tradition of mass struggle was presumably quite robust.”<sup>7</sup> Sherman then declares that “serious obstacles” led the CCP, led by Deng Xiaoping after Mao’s death in 1976, identified “China’s underdeveloped productive forces as the primary contradiction facing socialist construction,” quoting Deng as saying that “...we are starting from a weak base. The damage inflicted over a long period by the forces of imperialism, feudalism and bureaucrat-capitalism reduced China to a state of poverty and backwardness” even as he acknowledges that “since the founding of the People’s Republic we have achieved signal successes in economic construction, established a fairly comprehensive industrial system” but still calls China “one of the world’s poor countries.” Deng adds that “we must greatly increase our efforts in family planning; but even if the population does not grow for a number of years, we will still have a population problem for a certain period. Our vast territory and rich natural resources are big assets. But many of these resources have not yet been surveyed and exploited.” This shows Deng’s troubled nature.

At this juncture, it is worth recalling what the editors of the *Monthly Review* wrote:<sup>8</sup>

*By the end of the 1970s (covering roughly the first three decades after the revolutionists came to power), China had become a highly egalitarian society, arguably the most egalitarian on earth in terms of the distribution of income and in meeting basic needs. Since then, however, a striking turnaround has taken place—in fact as in theory. The heads of the party and the government encouraged a blossoming of private industry via domestic and foreign investment.*

Sherman continues by writing that at the time Deng came to power, “...the primary contradiction facing China was not between the proletariat and the bourgeoisie...but rather between China’s enormous population and its underdeveloped productive forces,” further declaring that “campaigns like the Great Leap Forward would continue to fall short of raising the Chinese masses out

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7 Article by Yiching Wu, titled “[Rethinking Capitalist restoration in China](#)” reprinted in /r/rwcc wiki. Despite the title, the article is actually critical of current-day revisionist China.

8 “[Monthly Review editors say China is on the capitalist road](#),” reprinting article in *Monthly Review* in /r/rwcc wiki.

of poverty without revolutionizing the country's productive forces." It is again, here, that there is deception. For one, while in 1976, "the Chinese people remained far from achieving the promises of socialism," the triumph of the revolution under the Chinese Communist Party in 1949 was a profound victory.<sup>9</sup> Secondly, as Ming Li, who notes that China still remained a "part of the capitalist world system" and believes that there were "bureaucratic-technocratic elites," and seems to think that "workers and peasants were not yet ready" to exercise their power against capitalist rulers because they were "inexperienced and confused," in their words, acknowledges that

*The Chinese Revolution of 1949 was based on the broad mobilization of the overwhelming majority of the Chinese population against exploitation by the domestic feudal landlords, capitalists, and foreign imperialists. With all of its historical limitations, China in the Maoist period deserved to be characterized as "socialist" in the sense that the internal class relations within China were far more favorable for the proletarianized and non-proletarianized working classes than those that typically prevail in a capitalist state, especially in the context of the periphery and semi-periphery.*<sup>10</sup>

Even with this, Sherman claims there was still a "contradiction," saying that Deng declared that this was the case, proposing a "policy of "socialism with Chinese characteristics," or market socialism," further claiming that

*After Mao's death in 1976 and the end of the Cultural Revolution a year later, the CCP, under...Deng...launched an aggressive campaign of modernizing the underdeveloped productive forces in China. Known as the four modernizations—economic, agricultural, scientific & technological, and defensive—the CCP began experimenting with models for achieving these*

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9 ["An Introduction: China and Socialism,"](#) an article in the *Monthly Review* by Martin Hart-Landsberg and Paul Burkett reprinted in /r/rwcc wiki. This is a selection from Hart-Landsberg and Burkett's book.

10 ["The Rise of the Working Class and the Future of the Chinese Revolution,"](#) article by Ming Li in the *Monthly Review* reprinted in /r/rwcc wiki.

*revolutionary changes...the CCP understood that building lasting socialism required a modernized industrial base.*

Like the rest of this article, which is revisionist garbage, this obscures and distorts the reality. As Martin Hart-Landsberg and Paul Burkett note, the “market-based reform process that, while allegedly designed to reinvigorate the effort to build socialism,” which began in 1978, “has actually led in the opposite direction and at great cost to the Chinese people.”<sup>11</sup> They further argued that

*China’s market reforms have led not to socialist renewal but rather to full-fledged capitalist restoration, including growing foreign economic domination....this outcome was driven by more than simple greed and class interest. Once the path of pro-market reforms was embarked upon, each subsequent step in the reform process was largely driven by tensions and contradictions generated by the reforms themselves. The weakening of central planning led to ever more reliance on market and profit incentives, which in turn encouraged the privileging of private enterprises over state enterprises and, increasingly, of foreign enterprises and markets over domestic ones...an examination of the effects of China’s economic transformation on the region’s other economies makes clear that the country’s growth is intensifying competitive pressures and crisis tendencies to the detriment of workers throughout the region*

Sherman then quotes Deng as telling the Ninth National Congress of Chinese Trade Unions in October 1978 that “...China’s economic and technological backwardness will be overcome and the dictatorship of the proletariat further consolidated” and that “China’s method of economic organization” needs to be changed, remarking that the path forward

*...inevitably entails many changes in the relations of production, the superstructure and the forms of management in industrial and agricultural enterprises, as well as changes in the state administration over these enterprises so as to meet the needs of modern large-scale production.*

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<sup>11</sup> “[An Introduction: China and Socialism](#),” an article in the *Monthly Review* by Martin Hart-Landsberg and Paul Burkett reprinted in /r/rwcc wiki. This is a selection from Hart-Landsberg and Burkett’s book.

*To accelerate economic growth it is essential to increase the degree of specialization of enterprises, to raise the technical level of all personnel significantly and train and evaluate them carefully, to greatly improve economic accounting in the enterprises, and to raise labour productivity and rates of profit to much higher levels. Therefore, it is essential to carry out major reforms in the various branches of the economy with respect to their structure and organization as well as to their technology. The long-term interests of the whole nation hinge on these reforms, without which we cannot overcome the present backwardness of our production technology and management.*

It was such reforms, Sherman triumphantly declares, “launched market socialism in China,” with begun with the “division of the Great Leap Forward-era People’s Communes into smaller private plots of land, market socialism was first applied to China’s agricultural sector to boost food production” and then from the 1980s to 1992, the Chinese state “delegated greater authority to local governments and converted some small and medium sized industries into businesses, who were subject to regulations and direction from the CCP” in his words. He then declares, like all revisionists, that

*Since the implementation of market socialism, China has experienced unprecedented economic expansion, growing faster than every other economy in the world. Deng’s market socialism decisively lifted the Chinese masses out of systemic poverty and established the country as an economic giant whose power arguably exceeds the largest imperialist economies of the West.*

First of all, it is worth pointing out that the decollectivization of China, which Sherman alludes to by talking about the “division of the Great Leap Forward-era People’s Communes into smaller private plots of land” and that the new policies were “first applied to China’s agricultural sector” was not accepted by the proletariat as some happy affair. Zuan Xu wrote about this in 2013, noting that

*Decollectivization of China’s rural economy in the early 1980s was one of the most significant aspects of the country’s transition to a capitalist economy. Deng Xiaoping praised it as an*

*“innovation,” and its significance to the overall capitalist-oriented “reform” process surely cannot be overstated...The economic benefits of decollectivization, it now appears, were actually not that large. This suggests that there were perhaps more important factors beyond the efficiency and incentive aspects offered by conventional wisdom...In what follows it will be argued that decollectivization served as the political basis of the capitalist transitions in China. It not only disempowered the peasantry, but broke the peasant-worker alliance, and greatly reduced the potential resistance to reform. The political significance for the CCP of the rural reform to capitalist transition cannot be overstated, and this was exactly why the CCP officially interpreted decollectivization as spontaneous and purely economic.<sup>12</sup>*

Xu goes on to write that decollectivization was opposed by the peasants, specifically noting that it was resisted in regions such as Zhejiang Province, Fujian Province, Anhui Province, Jilin Province, Yunnan Province, Shanghai, Hunan Province, and Beijing into the early 1980s. He says that

*All the anecdotes of peasants dismantling their own collectives seem to be in conflict with the basic logic of decollectivization. The mainstream explanation was that peasants did not agree with collective production...The CCP’s own report in the early days proudly claimed that decollectivization was carried out by local authorities following instructions from above. Solid evidence of the coercive nature of the agrarian reform can be found in the official provincial records...Du Runsheng, the architect of nationwide decollectivization, revealed more inside information in his recent memoirs. Du claims that some provinces accepted household agriculture only after replacing their leadership; this included Fujian, Jilin, Hunan, Guangxi, and Heilongjiang provinces. Moreover, Du also documented how the central leaders pushed the decollectivization campaign using their authority...Pressures from above were also well documented in the literature. Even one of the leading defenders of decollectivization admitted*

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<sup>12</sup> [“The Political Economy of Decollectivization in China,”](#) 2013 article by Zuan Xu printed in *Monthly Review* and reprinted on the /r/rwcc wiki.

that, “although family farming began as a peasant innovation that did not mean all peasant communities wanted it”...It is difficult to say how many peasants actually favored family farming, but according to a national survey by He Xuefeng, an expert on rural issues in China, at least one-third had considerable reservations about decollectivization. The CCP clearly played a crucial role in the early 1980s as the whole reform was rapidly implemented nationwide...several provincial records mention large-scale work teams...work teams were not necessary when the existing political machine was capable...even researchers who were not necessarily supportive of the collectives also claim that the decollectivization campaign was far from spontaneous...Thomas Bernstein admits that by 1982 the adoption of the household model became a matter of compliance with the current party line and was pushed through regardless of local preferences...This evidence challenged the view that the decollectivization was a spontaneous collective action and showed that agrarian reform was highly political and led by the CCP from the beginning...Some cadre might not have wanted decollectivization because “management would become difficult,” but it is hard to believe that a majority of cadre would simply oppose the policy from the central leaders because of fear of “losing control.” As the last section showed, opposing decollectivization was close to committing political suicide, while following the central policy could be quite rewarding...Provincial-level cadre resisted decollectivization for a short time, but as soon as they realized the intention of the central leaders, their attitudes “swung full circle” to secure their political positions. There were still some pro-collective provincial leaders who were able to resist, but they could not continue supporting the collectives for very long...many local cadre were enthusiastically promoting decollectivization because they could then take over the collective enterprises and make profits. The experience and connections they gained as leaders of the collectives would allow them to run these firms as their own. Huang suggests that ordinary peasants and workers in the

*collectives were very worried about their future and protested vigorously, and Han describes similar political changes...Decollectivization disempowered peasants. The loss of collective economic interests fragmented their political power. Village leaders, in contrast, were able to concentrate political power in their own hands and hence gained the most from decollectivization...Huang documents a story in southeast China where the higher authorities and some villagers pressured the local leader to dismantle the collective, but the leader was able to resist until 1984. He did not resist because he was afraid of losing control, since he would remain in a position of unchallenged power even after decollectivization; he simply felt that a system that was working well should not be destroyed...Therefore, the overall change to decollectivization was potentially beneficial for the cadre, but not so much for ordinary peasants. An award-winning pro-reform novel in 1981 showed different attitudes on the reform in a very subtle way. In it a young and educated cadre member started decollectivization reform; other "leaders" opposed him while the "peasants" welcomed it, and some anti-decollectivization women first opposed him but later agreed to his reform ideas...The interpretation that depicts agrarian reform as a bottom-up movement originating with the peasants and opposed by local cadre is fatally flawed. The cadre and a small part of peasants implemented and benefited from reform. The average peasant was not enthusiastic, and was even opposed to, decollectivization in some cases.*

Sherman goes on to declare that "Deng's concept and implementation of market socialism is a significant contribution to Marxism-Leninism," had a precedent in the "New Economic Policy (NEP) of the Bolsheviks." He writes that that the "Bolsheviks implemented the NEP, which allowed small business owners and peasants to sell commodities on a limited market. Designed and implemented by Lenin in 1921, the NEP was the successor to Trotsky's policy of war communism, which prioritized militarizing agricultural and industrial production to combat the reactionary White forces...Lenin

crafted the NEP as a means of modernizing Russia's rural countryside through market mechanisms" and then he claims that Lenin's words are echoed by Deng himself. If that isn't enough, Sherman claims that Marx's words about socialist construction in the *Critique of the Gotha Programme* are echoed by Deng! This is absurd without question. As Fred Goldstein wrote, in an article which is, I would argue, overly charitable to China,

*There are historical circumstances of extreme underdevelopment which compel a socialist government to employ both private and state capitalist methods to promote development of the productive forces and the creation of the working class from the rural population. It is one thing, however, to use these methods as a temporary expedient, to make a retreat from socialism in order to make socialism triumphant in the struggle against capitalist methods. That was Lenin's idea behind the New Economic Policy...But Lenin always regarded this as a retreat and a crucial struggle. The question, as Lenin put it, was "Who will win?" China long ago developed economically after the capitalist reforms instituted by Deng Xiaoping. But what should have been a temporary retreat has become an enshrined policy of treating capitalism as a partner with socialism. Private capital grows automatically and with it the economic strength and political influence of the capitalist class, its petty bourgeois hangers-on, as well as the petty bourgeois intelligentsia. This carries great long-term dangers for China.*<sup>13</sup>

Lest us also remember that the NEP was only seven years long (1921-1928), while period since 1978 has been 40 years, which is going on being six times longer than the time period of the NEP in early Soviet Russia! So, this comparison between what is happened in China since 1978 and the NEP is such a weak argument that it is about as easy to knock it down as lightly touching a row of dominoes.

Sherman then declares what he thinks, in his distorted viewpoint, to be "facts." His claim that "market socialism is in accordance with Marxism-Leninism" and that "the principle that informs

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<sup>13</sup> Fred Goldstein, "[Marxism and the social character of China](#)," *Worker's World*, Jun 13, 2013. This is cited as one of the links in the /r/swcc document, but it is not worth refuting in a chapter as it can be used to combat revisionist ideas.



Deng's market socialism—"to each according to his work"—comes directly from Marx" are not "facts."

As the Fourth Edition of the *Webster's New World College Dictionary*, defines the word, "fact" as

*a thing that has actually happened or that is really true; thing that has been or is...the state of things as they are; [a] reality; actuality, truth...[or is] something said to have occurred or supposed to be true.*

As has been shown so far, the market measures put in place by China are not inherently socialist, and hence the concept of "market socialism" is a contradiction, meaning it is not socialist. Additionally, the claim that Deng's ideas derive from Marx, seems a bit of a stretch. At the same time, these are more of conclusions from his distorted reasoning, not facts, as it cannot be proved they are "true." He then says that "Lenin's view is that markets and some capitalist relations of production do not fundamentally alter the proletarian class character of a socialist state...Lenin believed that countries could build socialism through the use of markets" are facts. However, this must be qualified. Lenin saw this is fundamentally transitional, like the NEP which lasted for 7 years, not something that would go on for 30 years. Lenin, if he were alive today and looked at revisionist China would likely be shocked that these revisionists use his name in vain to promote their hideous policies!

The rest of Sherman's article doesn't get any better. He seems to be angry that "Western commentators have predicted that China's market reforms would lead to the downfall of the CCP," declaring that "market reforms have not altered the fundamental socialist underpinnings of Chinese society because the masses and their party continue to rule China." However, this is wrong without question! As Zuan Xu wrote in 2013,

*Mao's death in 1976 marked a new era in China. It was not long before Deng Xiaoping became the most powerful person in the CCP central committee. Although he and his allies were longtime supporters of household production, it was not clear at the beginning that he wanted to dismantle the collective economy so rapidly...[however] it was clear that he did not*

*appreciate the Maoist collectives with egalitarian income distribution...[even though] his critique of collective agriculture [at the time] was very general...[in the 1970s] the CCP also passed a new resolution on agricultural development, which encouraged collectives to rely on economic incentives and raised procurement prices to increase peasants' income...In an extremely important political resolution in 1981 the CCP cadre finally reached a general consensus on its own history...This report basically settled the debates within the party and provided a formal evaluation of Mao and his policies. It is interesting to note that although the report criticized many aspects of the Cultural Revolution and claimed it caused huge waste and unnecessary cost to the economy, it praised agriculture, with its increased grain production, as one of very few fields that had made "steady growth."...[However] after the decollectivization reform was rapidly carried out, the collective economy began to be seen as "stagnant."<sup>14</sup>*

Sherman would likely acknowledge himself that Deng signaled a new era in China, although he would say it positively. There is no doubt that China from 1978 onward, when the economic "reforms" began, has become worse and moved away from its socialist roots, which is equivalent of putting the hard work of the Chinese revolution in a trash compactor, and squeezing it of all its life.

Sherman then declares that

*The so-called 'privatization' of small and medium-sized state industries in the mid-1990s and early 2000's provoked an outcry from Western 'leftists', claiming that this represented the final victory of capitalism in China.*

Without any citations of "leftists," it is hard to know who he is referring to specifically. Yet, there was undoubtedly a change. As Yiching Wu wrote in 2005,

*Chinese reforms have produced such consequences as income polarization, increased poverty, and intensified exploitation, which are integral to processes of capitalist marketization. The*

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<sup>14</sup> ["The Political Economy of Decollectivization in China,"](#) 2013 article by Zuan Xu printed in *Monthly Review* and reprinted on the /r/rwcc wiki.

*vital issue of class antagonism is thus not to be glossed over by the neoliberal myth of “transition.”...The idea of market socialism has become a major field of interest among political theorists, sociologists, and economists on the left. Even as proponents have devised many ways in which socialist values may be combined with market mechanisms, critics have expressed doubts whether such models can be coherent, or whether they are desirable or even feasible after all...Even for those who might sympathize with the promise of market socialism, the market is often viewed with ambivalence as at best a necessary evil, only to be tolerated if accompanied by very vigilant regulation. Market relations are viewed as contradicting and undermining the ideal of socialism. Once embraced, the Fall may be initially gradual, but the slippery slope will eventually lead all the way down...The new market society was not some historical clay that either Beijing’s grand architect or Washington’s neoliberal designers could mold at will. Rather, market reforms are necessarily mediated by existing social-class relations. As a result we must keep in mind the historical conditions under which market measures are being employed, and try to grasp the full political import of such conditions. Granted capitalist market relations conflict with socialist values, but they must also pass through the Chinese polity and its underlying class structure. In doing so, marketization tends to extend or amplify deeply entrenched class privileges and inequalities...Indeed, what we have witnessed in China during the past decade or so is precisely the blossoming—the phase of acceleration and differentiation—of the continuous and yet uneven process of ruling-class formation. A cadre-capitalist class has been in the construction with astonishingly swift speed, striving to expropriate public assets by any means possible. “Gangster capitalism,” indeed...What is happening in China is nothing short of a societal great transformation—the brutal processes of primitive capital accumulation. But it is occurring with a twist; and this is what is most important for us to keep in mind. Specifically, privatization and capital accumulation have been*

*spearheaded often by a specific class of agents—the bureaucratic power-holders and their networks of well-placed cronies...The issue here is not how this might account for the apparent primitiveness of capitalism with Chinese characteristics. Rather, what I am trying to get at is a sense of the pivotal role played by the bureaucratic class in China’s march toward capitalism. A bureaucratically-dominated socialist society cannot be revitalized simply by embellishing or mixing it with the market...Relying largely on market discipline, profit incentive, and private consumption, a market-based reform program has a discernible political logic: first, it poses much less of a threat to the ruling class; second, it preempts popular upheavals that threaten from below.*<sup>15</sup>

After setting up a sort of strawman by talking about “Western ‘leftists’” without citing any, he sidesteps any criticism to argue that since they are “subject to bickering over obscure definitions and irrelevant...debates about distant historical questions,” they are not worth addressing. Instead he cites what capitalists have to say about privatization in China, specifically citing an article in May 2009 by “Derrick Scissors of the Heritage Foundation...called “Liberalization in Reverse.”” Rather than using his quote, it is worth quoting from Scissors original article.<sup>16</sup>

*The year 2008 marked the 30th anniversary of the beginning of market reforms in China -- and perhaps the third anniversary of their ending. Since the present Chinese leadership took power, market-oriented liberalization has been minor. And as such policies have wound down, they have been supplanted by renewed state intervention: price controls, the reversal of privatization, the rollback of measures encouraging competition, and new barriers to investment...This growth today is explicitly led by the state, fueled by investment by state-owned entities, and accompanied by powerful regulatory steps meant to ensure the state's dominance*

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15 Article by Yiching Wu, titled “[Rethinking Capitalist restoration in China](#)” reprinted in /r/rwcc wiki. Despite the title, the article is actually critical of current-day revisionist China.

16 Derek Scissors, “[Liberalization in Reverse](#),” *Heritage Foundation*, May 4, 2009.

*of the economy...The Chinese Communist Party no longer sees the pursuit of further genuine market-oriented reform as being in its interest...Beijing is worried about maintaining its exports, growth, and, ultimately, high employment, and the U.S. market is crucial to that. The financial crisis has only raised the stakes of getting the U.S.-Chinese economic relationship right...Free trade offers opportunities and choices to businesses and consumers; Protectionism limits both...Energy, the environment, and bilateral investment are fine topics for bilateral negotiations, but the agenda should be restructured to emphasize a series of meaningful reforms designed to, for example, liberalize prices, curb state dominance in corporations, shield U.S. companies from mercantilist measures, and allow money to move freely in and out of China...State involvement in the Chinese economy is nothing new -- it was a feature even during the reforms under Deng Xiaoping. In 1998, in the wake of the Asian financial crisis and while China was making a bid to join the World Trade Organization, President Jiang Zemin and Premier Zhu Rongji understandably sought to boost investment by Chinese state entities...But with the concessions needed to accede to the WTO -- for instance, lower tariffs -- largely implemented by 2005, the state's more recent advance has effectively forced the market's retreat. It might seem natural under the present crisis for the Chinese state to extend its reach into the economy, but it has been doing so for years...Price liberalization, the core of market reform, has been partly undone. privatization was stalled at first and then explicitly reversed. Initiatives to increase corporate competition are also being rolled back. The Chinese state is increasingly encroaching on even the relatively open external sector by restricting incoming investments and imposing taxes on exports...The market in China has never really determined the sale prices of many ordinary goods by itself, and the tendency over the past few years has been to further extend price controls for goods...Likewise, although some Chinese state assets were privatized during the reform era, especially during the mid-1990s, liberalization has never*

*been extensive, and in the third decade of reform, it faded...In China, 100 percent state ownership is often diluted by the division of ownership into shares, some of which are made available to nonstate actors, such as foreign companies or other private investors. Nearly two-thirds of the state-owned enterprises and subsidiaries in China have undertaken such changes, leading some foreign observers to relabel these firms as "nonstate" or even "private." But this reclassification is incorrect. The sale of stock does nothing by itself to alter state control: dozens of enterprises are no less state controlled simply because they are listed on foreign stock exchanges. As a practical matter, three-quarters of the roughly 1,500 companies listed as domestic stocks are still state owned...The Chinese state owns all the large financial institutions, the People's Bank of China assigns them loan quotas every year, and lending is directed according to the state's priorities...One reason the rollback of reform has been overlooked by Washington is that China is officially engaged in a process of restructuring its economy. But this effort has none of the characteristics of market reform. It is aimed at shrinking the number of participants in many industries and expanding the size of the remaining enterprises; through both measures, it will reduce competition. This is not a strategy unique to China: Japan and South Korea have also created so-called national champions, supporting large corporate groups with the idea that their size will make them competitive on the global market...Economic freedom has also been curtailed by mounting barriers to foreign direct investment (FDI), which began to be erected in late 2005...This lack of genuine FDI is no accident: Beijing deliberately decided to restrict market access. Its mercantilist tendencies intensified sharply in the fall of 2005...Prior to the March 2007 meeting of the National People's Congress, the Ministry of Commerce formalized the requirements for foreign acquisitions, which allowed the ministry to ban any proposed purchase that allegedly harmed either China's economic security or its state assets...Two recent laws that have been touted as*

*market reforms will in fact place yet more limitations on the activities of foreign companies in China...If China's export trade remains largely open and competitive, its import trade still faces some nontariff barriers intended to protect state prerogatives or shelter vital industries, such as energy and agriculture...Market reform has died out in China in part because the country's leaders have pursued GDP growth at the expense of all else...Of course, there were some drawbacks to six years of furious expansion. Most visible were food and energy inflation...In 2007, inflation-adjusted "real" interest rates began to turn negative -- the ultimate sign of a perverse monetary policy -- and then became more starkly negative during the first quarter of 2008...true market-oriented reform in China must remain the United States' ultimate goal*

I can see why revisionists like Sherman would like this article, on the face, it seems to “prove” that the state has a large role in the economy. However, to quote from Sherman himself, “modern China has an expansive market system,” even though he declares that “...the state maintains a vibrant system of socialist public ownership that prevents the rise of an independent bourgeoisie.” To address the above quote specifically, Scissors notes that the market measures have only temporarily died down, not that they have disappeared and it does not say that market reform will be wholly eliminated (note his words “further genuine market-oriented reform”). Also, again, state ownership in the economy does not automatically equal socialism as those such as Stephen Gowans have said in the past in regard to Syria. Add to this what Yiching Wu wrote in 2013, written four years after the article on the Heritage Foundation website, about socialism and democracy:

*Setting aside the theoretical question whether socialism without market mechanisms is viable or desirable, at least one lesson seems particularly compelling: socialism without meaningful democracy is unfeasible. The problem of socialism and democracy is not at all merely a philosophical task of defining utopia, but pertains more fundamentally to the ineluctable logic of history and politics. A genuine democracy is not just what defines the ethical telos of*

*socialism, it also serves as its effective safeguard...Nationalized means of production and distribution without the concurrent socialization of political power only creates a legal fiction. For Marx, the abolition of private property was not the end in itself, but only a means toward the ultimate abolition of relations of alienated labor.*<sup>17</sup>

As one would expect, Sherman is like Gowans: he thinks that state ownership means socialism, in this case specifically relating to China. He cites more “Western analysts” saying that the country has a “state-dominated system,” which notes that the CCP is “building institutions and supporters that seem to be entrenching the Party’s monopoly on power....reforms and the country’s economic growth have actually enhanced the CCP’s ability to remain in power. Rather than being swept away by change, the CCP is in many ways its agent and beneficiary.” Again, this, even if you “read between the lines” this does not mean, as Sherman declares, that “China isn’t capitalist, the CCP isn’t pursuing capitalist development, and market socialism has succeeded in laying the material foundation for ‘higher socialism’.” Rather, it means that the market continues to flourish. Just consider an article by John Bellamy Foster and Robert W. McChesney, in 2012, which notes that

*For many the idea that the Chinese economy is rife with contradictions may come as something as a surprise since the hype on Chinese growth has expanded more rapidly than the Chinese economy itself...There are clearly some who fantasize, in today’s desperate conditions, that China can carry the world economy on its back and keep the developed nations from what appears to be a generation of stagnation and intense political struggles over austerity politics.<sup>8</sup> The hope here undoubtedly is that China could provide capitalism with a few decades of adequate growth and buy time for the system, similar to what the U.S.-led debt and financial expansion did over the past thirty years. But such an “alignment of the stars” for today’s world capitalist economy, based on the continuation of China’s meteoric growth, is highly unlikely...As*

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<sup>17</sup> Article by Yiching Wu, titled “[Rethinking Capitalist restoration in China](#)” reprinted in /r/rwcc wiki. Despite the title, the article is actually critical of current-day revisionist China.



*the structural crisis within the center of the capitalist world economy has deepened, the hope has been raised by some that China will serve to counterbalance the tendency toward stagnation at the global level. However, even as this hope has been raised it has been quickly dashed—as it has become increasingly apparent that cumulative contradictions are closing in on China’s current model, producing growing panic within world business...Ironically, today’s fears regarding the Chinese economy stem in part from the way China engineered its way out of the global slump brought on by the Great Financial Crisis—a feat that was regarded initially by some as conclusive proof that China had “decoupled” itself from the West’s fate and represented an unstoppable growth machine [even though this was not the case]...Over investment has been accompanied by increasing financial frailty raising the question of a “China Bubble.” The government’s fixed investment stimulus worked in part through encouragement of massive state bank lending and a local borrowing binge, resulting in further speculative boom centered primarily on urban real estate. China’s urban expansion currently consumes half of the world’s steel and concrete production as well as much of its heavy construction equipment...This notion of a visionary and wise Chinese state that can demolish any obstacles put before the economy on its current path, is the corollary of the notion that the Chinese economy as it now exists will grow at double-digit annual rates far into the future. It is an illusion—or delusion. The Chinese model of integration into global capitalism contains contradictions that will obstruct its extension...China’s extraordinary growth is thus a product of a global system of exploitation and accumulation, the chief rewards of which have been reaped by firms located in the center of the world economy...Although Western scholars have often treated migrant workers in China in terms of the standard model of surplus labor attracted to the cities (based on the development model associated with the work of W. Arthur Lewis and ultimately derived from Marx’s reserve army analysis) the conditions of the labor*

*surplus in China are in many ways unique. China's floating population can be seen as constituting a reserve army of labor in Marx's terms but with a distinct difference. Its distinctiveness lies in the temporary and partial nature of proletarianization and in the permanent connection of migrants to the land...Although Marx's expectations were disappointed, his notion that the fates of China and the West were tied together was in many ways prophetic. China's deepening contradictions will undoubtedly have an effect on the Triad and on the world as a whole, in what now appears to be the descending phase of capitalism.*<sup>18</sup>

This brings us to Sherman's next point: that "the Great Leap Forward was an ambitious attempt at laying the industrial foundation necessary to build socialism," but that "the modern Chinese economy is about 73 times the size of its economy following the Great Leap Forward, which was previously the largest socialist economic overhaul in Chinese history." He adds that the "cruel irony of Chinese socialism is that the bulk of its international admirers are not 'leftists', but rather capitalists....these capitalists are in awe of China's manipulation of markets to build a thriving modern society without resorting to free markets. They hate China's accomplishments and its socialist path, but they cannot deny its thriving success." I would not say this is a "cruel irony" but shows who the system really serves: the global capitalist class. If such capitalists like something so much, it is worrisome. After all, as Ming Li wrote in the *Monthly Review* in 2008,

*...The legitimacy of this new capitalist class was recognized by the Communist Party leadership. At the Sixteenth Party Congress (in 2002), the Party Charter was revised. Under the old Charter, the Communist Party considered itself to be the vanguard of the working class, representing the interests of the proletariat. Under the new Charter, the Communist Party declared itself a representative of the interests of both the "broadest masses of people" and the*

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18 John Bellamy Foster and Robert W. McChesney, "[The Global Stagnation and China](#)," *Monthly Review*, Feb 1, 2012.

“most advanced productive forces.” The term “most advanced productive forces” is widely viewed as a euphemism for the new capitalist class.<sup>19</sup>

This casts doubt on the idea that the “manipulation of markets” or the “economic overhaul” serves socialist aims. Without a doubt, it did not do this at all. He then claims that “China can essentially guarantee full employment for workers” and has achieved “de facto full employment.” However, as John Bellamy Foster and Robert W. McChesney noted in 2012, “although China has minimum-wage legislation and various labor regulations, more and more workers (primarily migrants) toil in an unregulated, informal sector within industry in which minimum wages do not apply and a portion of workers’ wages are withheld.”<sup>20</sup> Of course, Sherman does not mention this, as it would be “inconvenient.” It is then that Sherman declares that the “Chinese masses are consistently more satisfied with and favorable to their own nation’s economy,” citing a “July 2008 study conducted by the Pew Global Attitudes Project polled a diverse cross section of people in 24 developed countries, including China prior to the Beijing Olympics.” He claims that these results “show” that “Chinese masses celebrate the recent dramatic increase in the nation’s standard of living” but says that “universality of concerns about income inequality, concerning even wealthier citizens, demonstrates the continued supremacy of socialist values in China,” claiming that “if China was a capitalist country, the widespread prevalence of socialist values—cutting across income levels—would not exist. To contend otherwise is to abandon a materialist analysis of culture.” Again, he is extrapolating from one poll by a bourgeois polling agency all of these conclusions, which is a big stretch.<sup>21</sup> Yes, they are satisfied, but this does not mean that the country is socialist or is wholly benefiting the populace, after all, Pew Research Center, which conducted the poll, writes that

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19 “[The Rise of the Working Class and the Future of the Chinese Revolution](#),” article by Ming Li in the *Monthly Review* reprinted in /r/rwcc wiki.

20 John Bellamy Foster and Robert W. McChesney, “[The Global Stagnation and China](#),” *Monthly Review*, Feb 1, 2012.

21 More about polling in China will be discussed later on in this publication. The poll he cites is [here](#).

*...The new data suggest the Chinese people may be struggling with the consequences of economic growth. Notably, concerns about inflation and environmental degradation are widespread. And while most Chinese embrace the free market, there is considerable concern about rising economic inequality in China today...Almost universally, the Chinese respondents surveyed complain about rising prices – 96% describe rising prices as a big problem for the country, and 72% say they are a very big problem. And nearly half (48%) of those polled say health care is difficult for their family to afford...Worries about inequality are common...despite economic growth, concerns about unemployment and conditions for workers are extensive...most Chinese (65%) believe the government is doing a good job on issues that are most important to them. However, poorer Chinese and residents of the western and central provinces covered in the survey give the government somewhat lower grades...many worry about vanishing tradition...those who tend to be on the cutting edge of China’s rapidly modernizing society...are the most likely to see traditional ways disappearing.*

As it should be clear, admitting that there is “concern” about income inequality does not mean that the country is effectively tackling it. In fact the so-called “market socialism” has undeniably led to income inequality as the revisionists will even admit, without question. *Worker’s World*, a publication of the Workers World Party, which broadly favors revisionist China admitted this in 2015, writing that “in order to modernize, the CPC has allowed many features of capitalism to exist there...the growth of millionaires and even billionaires has fueled corruption of government officials and antagonized the workers,” even as they claim that there is an “increasingly powerful and modern state-owned infrastructure, through which long-term socialist planning is carried out” and talk about state development, a typical method of revisionist reasoning.<sup>22</sup>

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22 Deirdre Griswold, “[China, rising wages and worker militancy](#),” *Worker’s World*, Jul 21, 2015.

Sherman's article gets worse. He declares that "the market is not a mode of production; rather, the market is a form of economic organization," using Deng to "explain" the reality. He further declares the following, which is pretty ridiculous, while claiming that market measures will be replaced even though there is no indication from the Chinese leaders that this will happen:

*Markets are neither capitalist nor socialist, just as economic planning is neither capitalist nor socialist. Both of these forms of economic organization are just tools in the toolbox, and in some situations, markets are a useful tool for socialist construction. For 30 years, the CCP has successfully used markets as a tool for revolutionizing the country's productive forces...Market socialism was first implemented in the agricultural industry with the same aim as Lenin's NEP...the CCP introduced markets as a tool to build socialism, rather than as a permanent functioning mode of economic organization.*

This is quite absurd. To recall what Fred Goldstein said earlier: "it is one thing, however, to use these methods as a temporary expedient, to make a retreat from socialism in order to make socialism triumphant in the struggle against capitalist methods. That was Lenin's idea behind the New Economic Policy...But Lenin always regarded this as a retreat and a crucial struggle. The question, as Lenin put it, was "Who will win?"" Hence, you could say, I would say with accuracy, that Lenin recognized that markets are inherently capitalist. Undoubtedly, the Chinese, Vietnamese, Laotians, Koreans, and Cubans, all of whom have introduced market measures recognize this, that markets are capitalistic. Yet, Sherman seems to be magical land, not seeming to recognize this simplistic reality.

Sherman of course uses the "distinction" that markets are not "capitalist or socialist" to note that "Deng and the CCP viewed market reforms as a transient form of 'lower socialism', to borrow a term from Marx, that they would replace with collectivized agriculture after the material conditions changed," quoting from a speech Deng made in 1980 about the "contemporary market reforms to the agricultural sector." He further claims that "Deng understood that building a socialist agricultural

economy capable of meeting the needs of China's enormous population required developing the productive forces in the countryside, which markets could accomplish. Only after revolutionizing the productive forces of the entire country could the material basis for a full-scale collective economy—'higher socialism'—exist." Once again, it is worth recalling about the decollectivization efforts in China as Zuan Xu wrote:

*In a political report to the CCP 12th National Congress in 1982, Hu Yaobang claimed that as "the previous 'left' error in the direction" had been corrected, "agricultural performance was immediately changed significantly, from stagnant to prosperous."...However, the evaluation of decollectivization was also subject to change. After 1984, grain production stagnated for quite a while. The CCP leaders changed their tune on this issue. Zhao Ziyang claimed agriculture needed policy support beyond decollectivization if it were to move forward...Interestingly, collective agriculture was not always demonized; in fact, the evaluation varied according to the political atmosphere. For example, after the events in Tiananmen Square in 1989, political figures had to pretend to be a bit more "left" than they were in the 1980s...It was also after the political unrest in 1989 that the new CCP leader Jiang Zemin deliberately changed the name of the "household responsibility system" (the standard decollectivization policy) to the "responsibility system" in his speech for the 40th National Day in 1989. This change, though subtle, implicitly understated the substance of decollectivization in the reform. However, as the political pressure was relieved in the early 1990s, the name "household responsibility system" was restored and has remained since. This was further confirmed by the report of the CCP's 15th Central Committee 3rd Plenary, in which the decollectivization of the rural economy was considered to have led, and greatly contributed to, the whole market reform...The party line on agriculture has constantly changed over the last thirty years. The mainstream media mostly followed the changes in the party lines. At first, collective agriculture was good, but soon the*

household model was applauded. Later, the CCP and the mainstream media began to claim that in fact households were not productive enough, and advocated land consolidation. The scale of agricultural units changed cyclically, from large farms to small, then back to large. The ownership structure, in contrast, changed monotonically, with a continuous erosion of collective ownership...underperformance of collective farming in many places made it an easier case for the central authority to stress the inefficiency of the collective regime and enforce the decollectivization reform. Peasants' political power was never as strong as that of industrial workers who had been through decades of experience with industrialization and political organizing...The strong resistance was largely due to the benefits the peasants received from the collectives and long-time emphasis on collective farming during Mao's time. But it turned out that the CCP indeed convinced many peasants that decollectivization would be both efficient and socialist. A strange blend of bourgeois propaganda and the old revolutionary slogans, the campaign was so successful that it deserves a separate discussion...while the cadre failed to buy workers' support for the reform, they succeeded with peasants...[as a result of decollectivization] the peasants ceased to be an important political force in China. The decollectivization which transformed the organized and collective peasantry into independent and competing petty producers greatly disempowered the peasantry as a whole...The leaders in the early 1990s knew that if the farms were re-collectivized, it would inevitably lead to a severe deterioration in the relations between the peasantry and the party and government. The fear of peasant power also partly explained the leaders' unwillingness to set up a farmers' association, despite numerous proposals...Decollectivization has largely achieved the aim of disempowering peasants and the CCP successfully eliminated one big threat to the further transition to capitalism...the traditional peasant-worker alliance was broken. The temporary income increase in the countryside persuaded most peasants to support further reforms. There was also

*the long-run outcome of providing an almost infinite labor supply to private industries in the urban areas, since after agrarian reform the CCP encouraged individual peasants to sell their labor power in the city...The peasants were not any better off than urban workers as their own political position declined and the need for the CCP to appease them decreased...the politics of decollectivization were made clear by Mao as early as 1962: “Do we want socialism or capitalism? Do we want collectivization or decollectivization?” ...Although not many peasants and workers understood Mao’s reminders at the time, they definitely understand them now.<sup>23</sup>*

Sherman then tries to act like the path of China from Mao to Deng, and onward, has been one happy family. This is absurd. He notes that in “2006, the CCP announced a revolutionary overhaul of the Chinese countryside and pledged to use China’s newly acquired wealth to transform rural areas into what President Hu Jintao calls a “new socialist countryside”” and declares that “...the application of modern farming techniques and mechanized agricultural practices have generated a net surplus of grain production in China,” adding that there is, through his distorted view:

*Massive state investment in agricultural infrastructure...success of modernization...CCP has harnessed the market as a means to generating an industrial base sufficient to build ‘higher socialism’. China’s extraordinary GDP growth and technological development...rather than a reversal of the Deng-era reforms, China’s move back towards public health care is the logical progression of the more modernized and expansive health care system achieved through 30 years of market socialism. As foreign capital entered China, the corporations of imperialist countries—attracted by China’s vast labor pool—exploited some Chinese workers through capitalist relations of production. The exploitative behavior of foreign corporations constitutes a major contradiction in the Chinese economy that the CCP has taken concerted steps towards resolving...Far from abandoning Chinese workers in the pursuit of modernization, the CCP*

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<sup>23</sup>[“The Political Economy of Decollectivization in China,”](#) 2013 article by Zuan Xu printed in *Monthly Review* and reprinted on the /r/rwcc wiki.



*announced the Draft Labor Contract Law in 2006...The recent series of labor disputes between Chinese workers and foreign corporations testify to the working class orientation of the Chinese state...Dramatic increases in wages and benefits for Chinese workers...is a serious blow to foreign corporations and makes China a decisively less attractive hub of cheap labor... the CCP is breaking ground on the contradiction between foreign capital and labor...China's application of market socialism has led to serious disparities in income...[the] Chinese state takes this contradiction very seriously.*

Once again, we have to ask, as Lenin did, "Who will win?" from such market policies. The fact is that a bourgeoisie will benefit. Just because there are labor strikes and the state seems to engage in some "socially democratic" policies, this does not mean the state is socialist. As John Bellamy Foster and Robert W. McChesney noted, the massive inequality means concentration of wealth in the Chinese capitalist class, the Chinese bourgeoisie:

*The core contradiction thus lies in the extreme form of exploitation that characterizes China's current model of class-based production, and the enormous growth of inequality in what was during the Mao period one of the most egalitarian societies. Officially the top 10 percent of urban Chinese today receive about twenty-three times as much as the bottom 10 percent. But if undisclosed income is included (which may be as much as \$1.4 trillion dollars annually), the top 10 percent of income recipients may be receiving sixty-five times as much as the bottom 10 percent...The market reforms associated with the Great Reversal were aimed at eliminating or expropriating collective agriculture and state enterprises, while proletarianizing the population by weakening both the iron rice bowl and the clay rice bowl, i.e., the economic gains made by peasants and workers in the revolution. In the countryside, collective farms were broken up and replaced with a family contract system...Although some left analysts of China's development, such as world-system theorist Giovanni Arrighi, have called China a case of "accumulation*

*without dispossession,” the market reform period was in fact characterized from the start by massive accumulation by dispossession (primitive accumulation), and hundreds of millions of people were proletarianized...In the complex global supply lines of multinational corporations, China primarily occupies the role of final assembler of manufactured goods to be sold in the rich economies. Export manufacturing is directed not at the actual production of goods, but at commodity assembly using parts and components produced elsewhere and then imported to China. The final commodity is then shipped from China to the developed economies...The Chinese economy today is thus structured around the offshoring needs of multinational corporations geared to obtaining low unit labor costs by taking advantage of cheap, disciplined labor in the global South, a process known as “global labor arbitrage.” In this global supply-chain system, China is more the world-assembly hub than the world factory...What drives the global labor arbitrage and the superexploitation of Chinese labor of course is the search for higher profits, most of which accrue to multinational corporations.<sup>24</sup>*

The “reforms” Sherman references does not change this reality. It does not recognize that for one, since the 1990s, the “working class was left without political leadership” and that the “Chinese model of capital accumulation has relied on...ruthless exploitation of a large cheap labor force; the massive exploitation of natural resources and its consequent degradation of the environment; and a growth model that depends on expanding exports to the markets of core capitalist countries,” all of which are unsustainable without question.<sup>25</sup>

Sherman then writes that

*A correct position on China requires above all else a holistic examination of the country’s economy placed within the context of the CCP’s path towards modernization. Focusing too*

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24 John Bellamy Foster and Robert W. McChesney, “[The Global Stagnation and China](#),” *Monthly Review*, Feb 1, 2012.

25 “[The Rise of the Working Class and the Future of the Chinese Revolution](#),” article by Ming Li in the *Monthly Review* reprinted in /r/rwcc wiki.

*narrowly on China's market economy and its defects clouds the most important facts, which is that the working class and peasantry still rule China through the CCP and the success of modernization via the market economy has paved the way for 'higher socialism'.*

This so-called “reality” is a distortion. This is because the country fundamentally moved away from socialism after Mao's death. Zuan Xu pointed this out in 2013:

*A short time after Mao's death, everything that sustained the Maoist society seemed to be changed. Indeed, the now endless condemnation of the Cultural Revolution activists, the restoration of the old cadre who lost power during the Cultural Revolution and the previous political campaigns, and the emerging scar literature (which described the destructive impacts of the previous era) all marked the political failure of Mao and his allies....bureaucrats reached out to form alliances with upper-level intellectuals who lost their privileges during Mao's time. The new intellectual policies such as reestablishing the national college entrance exam were ways of gaining support from them...although they may differ from the past and will differ in the future, at the end of the 1970s these political forces united under Deng on the common ground that the stable bureaucratic order shall be maintained, and that Maoist mass movements like the Cultural Revolution shall not be repeated. This change, in the elites' interests, was expressed in the CCP's political and economic policies. A resolution in the CCP's 11th Central Committee 3rd Plenary changed the central principle of the CCP from “class struggle” to “modernization.” The resolution also claimed that since the errors of the Cultural Revolution had been corrected, the major political enemy of workers and peasants was gone.<sup>26</sup>*

Adding to this, I would not say that focusing on the “market economy” is narrow. You can take into account state involvement in the economy, and even broader, and still realize the country is revisionist. The “most important facts” are ones clouded by him, not by those who criticize revisionist

<sup>26</sup> [“The Political Economy of Decollectivization in China,”](#) 2013 article by Zuan Xu printed in *Monthly Review* and reprinted on the /r/rwcc wiki.

China and its declared “success of modernization via the market economy,” which has strengthened the Chinese bourgeoisie undoubtedly.

Sherman then goes on a shorter section claiming that China is anti-imperialist, saying that *Understanding that markets are a neutral tool—non-intrinsic to capitalism and usable by both capitalist and socialist states—is paramount to correctly analyzing China’s international position...China’s market socialism fosters cooperation, collective advancement, independence, and social development...Though bourgeois news sources decry China’s economic relationship with Africa as ‘imperialist’, this is a reflection of the Western trade mentality that cannot understand any economic relations in terms other than ruthless exploitation*

To buttress this, he uses the Chinese state declarations that they are non-interventionist unlike Western countries which “pursue their own interests in other nations,” saying that China uses “trade as a means of developing African social infrastructure...and functions chiefly on a policy of non-intervention,” claiming this reflects “CCP’s commitment to the Marxist-Leninist understanding of national self-determination.” However, this doesn’t recognize that by trading with African countries, in the ways they do, it is fundamentally interventionist, although in a different way than the murderous empire. Sherman then talks about Chinese loans, and claims that “China offers an entirely separate international camp for nations at odds with US imperialism,” citing an example of Pakistan after the raid on Osama Bin Laden, saying that their views are “virtually identical to the minority of left academics in the US, like Noam Chomsky [who is a reactionary leftist]<sup>27</sup>, and contrast sharply with any mainstream account of US military involvement in Pakistan.” He also declares that “China has continually acted as a bulwark against US aggression towards other socialist countries, like the DPRK and Cuba,” claims that “China has provided geopolitical support for the two communist insurgencies

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27 Chomsky has used words like “totalitarian” non-ironically, and used all sorts of other anti-communist call words, as indicated in the book *Understanding Power: The Indispensable Chomsky*. He has his positives, but it is telling that Sherman cites him as an example.

during their respective periods of people's war," which is disputed, as such accounts are based on anonymous sources as they have not publicly given aid, showing they are not engaging in proletarian internationalism. Sherman then says that "after the Nepalese Maoists overwhelmingly won the country's parliamentary elections, Chairman Prachanda visited China...after he was sworn in as Prime Minister." OK, but such a visit doesn't mean that Nepal is socialist. As Banned Thought noted,

*Nepal has been in a state of political crisis for many decades, but this crisis has reached a new level of intensity recently. It seemed to many that with the ending of the People's War in 2006 that the resolution of the long-running crisis might come peacefully. The Unified Communist Party of Nepal (Maoist) won by far the largest number of votes for any party in the Constituent Elections, and briefly led a government. But they were prevented by the Nepal Army and reactionary ruling classes from actually taking full control of the government and society. Since then there have been ineffective governments led by other parties, and now once again by the UCPN(M). But this unstable situation which has characterized Nepal since 2006 has gradually grown more and more severe. It seems the ruling bourgeois and feudal classes, and the serious problems in the UCPN(M) itself, have blocked all hopes for revolutionaries to come to real power through peaceful means.<sup>28</sup>*

As for the DPRK, the Chinese revisionists, have, without question, supported murderous sanctions against the country, leading the Koreans to become even more self-reliant than they were in the past.<sup>29</sup> As for Cuba, the same applies, as they have friendly relations, but the Cubans are not dictated by the Chinese but pursue their own path, without a doubt. Sure they give aid to Cuba, but so do the Russians, and they are not socialist whatsoever, but are rather capitalist and nationalist. Sherman ends this section by declaring that

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28 BannedThought.Net, "[The Current Crisis Situation in Nepal](#)," accessed Apr 5, 2018.

29 See "[The story of Chinese revisionists and UN sanctions](#)" and "[Juche Korea is not dictated by the Chinese revisionists](#)" on the /r/rwcc wiki.

*...in Latin America, China forged deep economic and military ties with Venezuelan President Hugo Chavez, as the country continues to move forward in resisting US imperialism and advancing towards socialism. While China has its shortcomings in terms of foreign relations, particularly its refusal to veto the UN Security Council resolution against Libya, it pursues a qualitatively different foreign policy from any capitalist countries. In terms of trade, China promotes independence and self-determination, where the West promotes dependence, exploitation, and subjugation. Geopolitically, it supports genuine people's movements against imperialism and provides support to the other existing socialist countries. This is a foreign policy of cooperation deeply influenced by Marxism-Leninism.*

Starting with Venezuela, there is no doubt there is a Bolivarian Revolution occurring. However, they are socially democratic, with left-leaning forces trying to push them further Left as there is a bourgeoisie present which is hostile but has not been eliminated yet.<sup>30</sup> As the Communist Party of Venezuela wrote in October 2017:

*...we recognize that the working class, its Communist Party and in general the class forces of the labor and union movement, together with the revolutionary popular movement, have not managed to assume the vanguard of the broad class alliance that has led the process of changes occurring from 1999 to the present moment. Therefore, the depth and direction of the changes have been determined by the weight and influence of other classes, fractions of classes and social strata that are not really interested and committed to the goal of annihilating the old liberal bourgeois state and dismantling the capitalist relations of production. Consequently, economic, social and political changes do not have the character of a socialist revolution, but of a process of progressive reforms that demand...the defense of national sovereignty in the face*

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30 Jim McIlroy, "[Activist: 'Venezuela is a revolution, not a dictatorship'](#)," *Green Left Weekly*, Apr 5, 2018; Luciah de Clases, "[Escalation of imperialist aggression against Venezuela: respond with revolutionary measures](#)," *Venezuela Analysis*, Feb 18, 2018.

*of neo-colonialist ambitions of US and European imperialism...However, the broad anti-imperialist alliance does not really work. There is no discussion or collective elaboration of the policies of the process...The representation of the Political Bureau of the PCV expressed its concern about the general situation that affects wide sectors of workers and their families as a result of the worsening of the crisis of dependent and rentier capitalism, to the extent that the liberal bourgeois State and the capitalist relations of production are preserved with the tendency of the private and public employers to violate labor rights and to destroy or force to yield the defensive instruments of the working class...In short, abandon the paths of class collaboration and, on the contrary, produce a revolutionary solution to the crisis with a leading role of the working class and the working people of the cities and the countryside.<sup>31</sup>*

So, its not as cut and dry as Sherman is saying. His mention of the “refusal to veto the UN Security Council resolution against Libya” is almost said in passing. But it is worth going into further. As I noted on the wiki of /r/rwcc,

*If the Chinese and Russians were that committed [to protecting Libya], both could have vetoed the resolution, UN Security Council Resolution 1973. Apparently the Chinese abstained "considering the concern and stance of Arab countries and the Africa Union as well as the special situation in Libya." Why they didn't veto the hideous resolution? The same goes for Russia, while the head of the AU supported Libya, angering some comprador African states. Without a veto, he no fly zone was implemented, and the hideous, illegal (and imperialist) war against Libya began on March 19, 2011, ending 7 months, 1 week, and 5 days later on October 31. With NATO leading the charge, the Turks, the Sudanese, Jordanians, Qataris, Swedes, and UAE all participated in the war as well.<sup>32</sup>*

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31 Communist Party of Venezuela, “[CP of Venezuela, An Open Letter to Nicolas Maduro from the Communist Party of Venezuela \[En\]](#),” Oct 23, 2017.

32 “[China Expresses Regret For Military Strike against Libya](#),” /r/rwcc wiki post.

Sherman seems to only say his comment with sadness, but nothing more, instead of it fundamentally showing the nature of the Chinese revisionists. Should we forget the Chinese compromise with the imperialists over Iran, which resulted in it agreeing to harsh, murderous sanctions on Iran, which will hurt the Iranian people?<sup>33</sup> No, we should not. Additionally, should we forget that when Eritrea was sanctioned by the UN Security Council, again a set of murderous sanctions (and an arms embargo), the Chinese only abstained? This was the case in 2009 with Resolution 1907, with Libya only voting against it.<sup>34</sup> It was also the case in 2000, with an ineffective arms embargo, when China didn't even abstain, in 2010 with Resolution 1916 to which China didn't abstain, and in 2011 with Resolution 2002 which tightened sanctions further while spreading lies about "child soldiers" in Eritrea (of which there are none). Sherman then says that

*in terms of trade, China promotes independence and self-determination, where the West promotes dependence, exploitation, and subjugation. Geopolitically, it supports genuine people's movements against imperialism and provides support to the other existing socialist countries. This is a foreign policy of cooperation deeply influenced by Marxism-Leninism.*

With this, it seems to put into question if China genuinely "promotes independence and self-determination...[and that] it supports genuine people's movements against imperialism and provides support to the other existing socialist countries." If that latter was true, then the Chinese would break

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33 For more about this, please see [Chinese compromise with imperialists](#) (2011), [Iran Vote Shows China's Western Drift](#) (2010), [Shanghai Power Politics: China Shuts Out Iran from SCO](#) (2010), [China's Evolving Calculus on Iran Sanctions](#) (2010), and [China, Currency and Iran](#) (2010), all posted on the /r/rwcc wiki.

34 "[What is Eritrea anyway?](#)," page on /r/yellowstarofafrica wiki; United Nations, "[Security Council Imposes Sanctions on Eritrea over Its Role in Somalia, Refusal to Withdraw Troops Following Conflict with Djibouti](#)," Dec 23, 2009, says "Adopting resolution 1907 (2009) by a vote of 13 in favour to 1 against (Libya), with 1 abstention (China) under Chapter VII of the United Nations Charter...China's representative said he had abstained from the vote because the Council should always act prudently in imposing sanctions. The priorities in the region were dialogue between countries and restraint from violence. China supported international efforts to encourage reconciliation in Somalia, but the resolution of that country's problems required the cooperation of all countries in the region"; "Ethiopia gains upper hand in war with Eritrea," *The Guardian*, May 18, 2000; United Nations, "[COUNCIL CALLS ON STATES TO PREVENT SALE, DELIVERY OF ARMS TO ETHIOPIA, ERITREA; DEMANDS IMMEDIATE CESSATION OF HOSTILITIES](#)," May 17, 2000; UN Security Council, "[Security Council Extends Mandate of Group Monitoring Weapons Bans in Somalia, Eritrea, Unanimously Adopting Resolution 1916 \(2010\)](#)," Mar 19, 2010; United Nations, "[Security Council Tightens Sanctions Regime on Somalia, Eritrea, Extending Mandate of Monitoring Group for 12 Months](#)," Jul 29, 2011.



off all relations with the Philippines and fully support the Maoist movement fighting against the horrid Duterte regime. Instead, they are fine with meeting, talking, and engaging in economic relations! The same goes for their recent meeting with the new government in Zimbabwe, led by military-installed Emmerson Mnangagwa, which has engaged in a counter-revolution of sorts to invalidate all the progress made by Mugabe's nationalist government in terms of land reform and opportunities (and rights) available to the black masses. A recent article in *Xinhua* expressed this, by saying that disturbingly, Mnangagwa, who Xi called an "old friend of the Chinese people" (implies China's involvement in coup?) who came to power in what can be described in nothing but a coup, was inspired by revisionist China's recent moves forward!

*Speaking highly of Xi's vision and foresight on state governance, Mnangagwa said Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era greatly inspired Zimbabwe to take a development path with its own characteristics. He said he remembered clearly his study in China in the 1960s, expressing admiration for the achievements the Communist Party of China (CPC) and the country have scored in past decades. Noting that Zimbabwe-China friendship has endured the tests of time and change, Mnangagwa said his country and people will never forget China's long-term assistance and support for improving people's livelihood. Zimbabwe will adhere to the one-China policy and promote the comprehensive strategic partnership of cooperation with China, enhance exchanges of views on state governance and expand cooperation in areas including trade, investment, technology, telecommunication, infrastructure and people-to-people exchanges, said Mnangagwa.<sup>35</sup>*

Saying all of this, and recognizing that China isn't socialist, it is clear that they do not have a "foreign policy of cooperation deeply influenced by Marxism-Leninism." Their foreign policy involves cooperation but it is not influenced by Marxism-Leninism.

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<sup>35</sup> ["China, Zimbabwe agree to establish comprehensive strategic partnership of cooperation,"](#) *Xinhua*, Apr 3, 2018.

Sherman ends his article by declaring that China has enjoyed the “greatest success” of the “socialist countries,” the others which he thinks include Laos, Vietnam, Juche Korea, and Cuba. He goes on to declare that

*Rather than echoing the counterrevolutionary lies of Trotskyite and left-communist groups about China’s lack of commitment to their abstract and utopian definitions of ‘socialism’, Marxist-Leninists should embrace China as a model of successful socialism whose economic power outstrips that of the greatest imperialist countries. At the core of these Trotskyite/left-communist falsehoods is a chronic pessimism about socialism that reflects the capitalistic cynicism towards proletarian revolution. China’s socialist economy is thriving and more than 1/5 of the worlds population were lifted out of poverty, and their silly irrelevant faction isn’t in power yet! According to them, China must be doing something wrong!*

Again, he is mischaracterizing those who criticize China. Sure, there are Trotskyists and left-communists who dislike China. But there are also stout Maoists and other dedicated comrades who criticize China, who are not Trotskyist or left-communist. I would not say I have “chronic pessimism about socialism” but rather am concerned about the path that China has chosen going forward. If anything, China is a “model” of revisionism, not “successful socialism.” For the most part, successful socialism is in the past, in the history of the Maoist period of China, in the Soviet Union before Stalin’s death, or a myriad of other instances, but not in the countries of Vietnam, Laos, or China. Not at all. Just because the economy is thriving, this does not mean the country is socialist. China is doing something wrong: it is embracing the market. This should end immediately before the Chinese proletariat are exploited even more not only by the Chinese bourgeoisie but by the Western bourgeoisie which the revisionist leadership of China has welcomed into the country to “develop” themselves, even though this puts the country on the capitalist road. The “fact” of people being lifted out of poverty would mean they join the middle class, if I remember correctly, which means that this strengthens a

burgeoning bourgeoisie in the country, which is not positive. Of course, Sherman cites nothing to prove this claim that “more than 1/5 of the worlds population were lifted out of poverty” which I believe, if I remember correctly, comes from a bourgeois economic analysis.

Sherman then declares that

*China is a socialist country and is arguably the most economically successful in history. That realization carries tremendous magnitude and should push Marxist-Leninists to seriously study the model and the works of Deng Xiaoping. Even today, other socialist countries are experimenting with variations of China’s model and see similar successes. If Deng’s concept of market socialism is a correct policy for proletarian states facing severely underdeveloped productive forces, then revolutionaries must recognize him as a significant contributor to Marxism-Leninism...revolutionaries across the world should look East for inspiration as they struggle to throw off the chains of imperialism and actualize people’s democracy.*

This is so distorted that its absurd. As noted earlier, China is not a socialist country. The “success” is something which has benefited the bourgeoisie. If other “socialist countries” (by which he likely means Laos and Vietnam) are experimenting with the what was done in China, this is worrisome. It shows that they are not dedicated revolutionaries, not by a long shot. Revolutionaries should not recognize Deng as a “significant contributor to Marxism-Leninism” but rather as a capitalist reformer who screwed over the Chinese proletariat and spawned a new Chinese bourgeoisie! For inspiration, there is a wealth of traditions which should be looked at for inspiration and that does not necessitate using market-driven states like China, Vietnam, or Laos as an example as part of the “struggle to throw off the chains of imperialism and actualize people’s democracy.” Let us recall here, the words of Zuan Xu in 2013, who wrote about how workers and peasants opposed such capitalist reforms:

*...the workers and peasants were yet to be tamed and remained the potential enemies of the bureaucrats. The strong push for modernization, plus the admiration of advanced capitalist*

*countries' wealth, created an ideology that China must catch up with advanced capitalism using their "scientific and advanced" technology and management. But exactly what was "scientific and advanced"? Deng had already given the answer in 1978: the responsibility system. This vague term included more power to management, more power to technicians and intellectuals, and stricter labor discipline with bonuses and punishment. ...capitalist-oriented reform was already being implemented in the urban industries since the late 1970s. In the minds of the CCP leaders, modernization was clearly different from socialism...it was not likely to be welcomed by workers...[while] it would be fair to say that at the end of the 1970s workers' power was still considerable in most cases, and even many workers who supported reform did not accept capitalism...strong opposition in the 1980s to urban reform posed great problems for the CCP.<sup>36</sup>*

In the last ending lines of Sherman's article, he uses slogans that almost seem like they would be declared at a rally of the revisionist Chinese Communist Party:

*Long live the universal contributions of Deng Xiaoping to Marxism-Leninism!*

*Stand with the Chinese masses, and their party, in the exciting process of socialist construction!*

*Swift victory to the international proletarian revolution!*

Of the three, the only one which has any relevance to the reality of the situation in the world is the last one. But, it would require a major change in China, a complete reversal and elimination of all market measures, kicking out all foreign capitalists from the country, and fully expropriating the Chinese bourgeoisie. Sadly, without a revolutionary action by the Chinese proletariat, this does seem to be on the table any time soon. In the meantime, we should support the actions of the Chinese proletariat to regain control from the Chinese revisionists.

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<sup>36</sup> "[The Political Economy of Decollectivization in China](#)," 2013 article by Zuan Xu printed in *Monthly Review* and reprinted on the /r/rwcc wiki.

## Jeff J. Brown goes to town: a splash of revisionism

Jeff J. Brown wrote in October 2016, yet another revisionist narrative, published in the *Greenville Post*, a common anti-imperialist, alternative news outlet.<sup>37</sup> Brown starts out with some history, or so he thinks, setting the stage for the rest of his article:

*In the mid-1930s, China was being rent asunder by four competing sides. One was the communist Red Army, headed by Mao Zedong. Another group was the Japanese fascists and their Imperial Army. A third was the Guomindang Nationalists, abbreviated “KMT” in English and ruled by Chiang Kai-Shek. The last group was all of the Western colonialists – imperialists of course, who flattered themselves with the lofty label, “Great Powers”. Things were not going as planned for the Western empire...news from China’s communist strongholds was getting too much to ignore. For months, Zhou Enlai, who was post-liberation, the Communist Party of China’s (CPC) Premier and foreign policy maven, had been telling the Americans that the Red Army would fight under their generalship, alongside the KMT, to defeat the Japanese. Generalissimo adamantly refused to cooperate with any communists...the Reds were winning the war against both the Japanese and Chiang’s listless gang, while reports of happy, healthy, productive and motivated communist citizens were turning into a barrage...US President Franklin D. Roosevelt and Co. finally relented in 1937, so a small contingent of officers and journalists were sent to see for itself...the communists took control, opium addiction, gambling, organised crime, prostitution, feet binding, child slavery, homelessness, illiteracy and starvation were eradicated...The West was caught in a philosophical, transitive loop...Joseph Stalin helped shape this legerdemain of the tongue, by telling wartime British Prime Minister Winston Churchill and Roosevelt that the Chinese were “radishes”, red on the outside, but white below the surface – not real communists.*

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<sup>37</sup> If you want to read this revisionist garbage, you can do so [here](#).

This summarizing of the Chinese liberation struggle is too brief. Yes, the Chinese were accused of drug trafficking as noted in Douglas Valentine's strange, but still interesting, book, *The Strength of the Wolf: The Secret History of America's War on Drugs*. And yes, I have also read that Stalin encouraged the Chinese nationalists and communists to come together, later regretting that the Soviets did not effectively help the Chinese revolutionaries, something which likely contributed, in a small way, to the Sino-Soviet split. And yes, the capitalists allied themselves with the KMT, and arguably continue to do so by supporting Taiwan, where the Chinese nationalists fled. Social historian Howard Zinn, who seems to favor Trotskyists like Chris Harman and is strongly anti-communist even though he is not a Trotskyist himself, wrote that Chinese liberation was a "local formation," not something formed by the Soviets, adding that

*In China, a revolution was already under way when World War II ended, led by a Communist movement with enormous mass support. A Red Army, which had fought against the Japanese, now fought to oust the corrupt dictatorship of Chiang Kai-shek, which was supported by the United States. The United States, by 1949, had given \$2 billion in aid to Chiang Kai-shek's forces, but, according to the State Department's own White Paper on China, Chiang Kai-shek's government had lost the confidence of its own troops and its own people. In January 1949, Chinese Communist forces moved into Peking, the civil war was over, and China was in the hands of a revolutionary movement, the closest thing, in the long history of that ancient country, to a people's government, independent of outside control.<sup>38</sup>*

That is, frankly, the most favorable thing he would say about communist movements since, through the rest of the book, he disdains them, even declaring on the same page that Juche Korea was a "socialist dictatorship" even though it was anything but this, rather being something formed from liberation struggle of the Koreans against Japanese imperialists.

<sup>38</sup> Howard Zinn, *A People's History of the United States: 1492-Present* (New York: HarperPerennial, 2003), pp 427-431. The text quoted here specifically comes from page 429. The chapter this comes from can be read online [here](#).

Brown goes on to say that the “same kind of rigid, anticommunist ideology” that was present in the 1930s is “still going strong in the West, as it tries, mostly badly and incorrectly, to understand the Chinese people’s sociocultural evolution and Baba Beijing’s (the leadership) politico-economic management of the country,” saying that “today’s Eurangeloland and much of the rest of the world are still brainwashed” see China “wrong”? How should we see China, Mr. Brown, the revisionist? Well, apparently, we shouldn’t see Deng Xiaoping as a “some kind of crusading capitalist guru” but as a person who “presided over the most recent rewriting of the national constitution, in 1982” which he claims stands as a “powerful rebuke of capitalism and everything the West stands for.” How does he prove this? By counting the number of times “revolutionary” words are used:

*The Chinese constitution proudly splashes the term “communism” or “communist” fifteen times, “socialism” and “socialist” a whopping 123 times. Dialectical terms like “class”, “struggle”, “mass”, “independence”, “labour”, “worker/working”, “peasant”, “exploitation”, “capitalism”, “ownership”, “proletariat”, “collective”, “cooperate”, “private”, “fight”, “struggle”, (democratic) “dictatorship”, “power” and “feudal” are spelled out a total of 265 times. “Marxism-Leninism and Mao Zedong Thought” are cited ten times and “revolution” twelve times. Big government, central planning vocabulary, such as “safeguard”, “protect”, “lead”, “reform”, “rural”, “urban”, “production”, “plan”, “economy”, “system”, “administration”, “rules”, “regulations”, “institution”, “enterprise”, “science”, “technology”, “modern”, “organisation”, “manage”, “progress”, “agriculture”, “farm”, “land”, “industry”, “resources”, “education”, “central” and “develop” get cited a mind boggling 703 times. The importance of the central government guiding the people to what is now being dubbed the Chinese Dream, is expressed by the words “state” and “government” being used 292 times. Defiant words aimed at standing up to and defeating the West, like “hegemony”, “imperialism”, “colonialism”, “combat”, “defend”, “army”, “military”,*

*“security”, “aggression”, “fight”, “sabotage” and “provocation” are flung like weapons a total of 85 times. Any doubts about who is the beneficiary of China’s constitution are dispelled by “public” being used 143 times and “people”, a mind blowing 392 times*

This is such a weak form of argument. He further claims China is “socialist” by citing the preamble of the 1982 Constitution which “encompasses China’s 5,000-year civilisation and then highlights its century of humiliation,” claiming it “closes with this giant martial art kick to the West’s collective face.” He antagonizes the reader, by stoutly declaring with a sneer:

*Hasn’t sunk in yet? Care to read the CPC’s Constitution? Together, it and the People’s Constitution are the backbone, the bedrock of Chinese governance and society, and Baba Beijing’s ceaseless pursuit to maintain the Heavenly Mandate.*

Before getting to an analysis of the Constitution, I’d like to dissect his further analysis: he notes that there is private property, but claims that “there is not one square metre of private land in the People’s Republic,” adding that “private enterprise” is “thriving” but is “heavily concentrated in small and medium sized enterprises (SMEs), that complement and do not seriously compete with the state sectors of the economy,” further saying that the “private sector is especially the many millions of mom and pop and solo businesses that blanket the country.” He goes on to say that, again with a sneer, “there is not one private bank in China. They are all people powered” citing that state-owned banks are in the global top banks, along with “insurance companies, the Shanghai and Shenzhen stock and precious metals markets. Same goes for all major media outlets.” He further declares that “almost all major economic sectors in China are dominated by state-owned enterprises (SOEs)...the aforementioned state banks, very profitable and well-run,” adding that “Baba Beijing caps the sale of SOE stock to the public, at 30%...there are strict controls on making sure someone doesn’t try to control what’s offered.” He ends by declaring that “Baba Beijing will never sell off the people’s SOEs” and then uses the revisionist call-word: “socialism with Chinese characteristics”:



*The CPC will continue to create wealth, under the rubric of socialism with Chinese characteristics, by borrowing some capitalist trappings. But it is only transitional....You can see what you want to see in the Middle Kingdom...but it's still not "so-called communism". It's communism period. Shhh...Listen carefully and you can hear the spirit of Deng Xiaoping whispering it in your ear.*

This has to be one of the worst revisionist pieces of garbage I have read yet. Not only is it lacking in materialist analysis of the class situation in China but it assumes that what is said in the constitution must be true. This is weak reasoning. Additionally, China is not in the "communism period" not only because it has followed market prescriptions and embraced neoliberal dogma but because communism is, in short, moneyless, classless, and stateless. China's current structure does not follow this, and neither do the structures of Laos, Vietnam, Cuba, or Juche Korea. With Laos and Vietnam, they would fall into the revisionist realm, while Cuba and Juche Korea could be seen as arguably socialist (more than Vietnam, Laos or China to be sure), although this can be debated.

Let's look at this constitution that Brown celebrates. It has rhetoric which seems revolutionary, if you look at once, but in actuality the market (and evidence the state is on the capitalist road) is everywhere throughout the document<sup>39</sup>:

*"Rural people's communes, agricultural producers cooperatives and other forms of cooperative economy, such as producers', supply and marketing, credit and consumers cooperatives, belong to the sector of socialist economy under collective ownership by the working people. Working people who are members of rural economic collectives have the right, within the limits prescribed by law, **to farm plots of cropland and hilly land allotted for their private use, engage in household sideline production and raise privately owned livestock.** The various*

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39 The quotes below come from: "[Chapter I: General Principles](#)," Constitution of the People's Republic of China, adopted Dec 4, 1982; "[Chapter II: The Fundamental Rights and Duties of Citizens](#)," Constitution of the People's Republic of China, adopted Dec 4, 1982. The full constitution can be read [here](#).

*forms of cooperative economy in cities and towns, such as those in the handicraft, industrial, building, transport, commercial and service trades, all belong to the sector of socialist economy under collective ownership by the working people.”- Article 8*

...

*“Land in the rural and suburban areas is owned by collectives except for those portions which belong to the State as prescribed by law; house sites and **privately farmed plots of cropland** and hilly land are also owned by collectives.”- Article 10*

...

*“The individual economy of urban and rural working people, operating within the limits prescribed by law, is a complement to the socialist public economy. The State protects the **lawful rights and interests of the individual economy.**”- Article 11*

...

*“The State protects the right of citizens to own lawfully earned income, savings, houses and other lawful property. **The State protects according to law the right of citizens to inherit private property.**”- Article 13*

...

*“The People's Republic of China **permits foreign enterprises, other foreign economic organizations and individual foreigners to invest in China** and to enter into various forms of economic cooperation with Chinese enterprises and other Chinese economic organizations in accordance with the provisions of the laws of the People's Republic of China. All foreign enterprises, other foreign economic organizations as well as Chinese-foreign joint ventures within Chinese territory shall abide by the laws of the People's Republic of China. **Their lawful rights and interests are protected by the laws of the People's Republic of China.**”- Article 18*

...

*“The People’s Republic of China **protects the lawful rights and interests of foreigners within Chinese territory**; foreigners on Chinese territory must abide by the laws of the People’s Republic of China.”- Article 32*

...

*“Work is a matter of honour for every citizen who is able to work. All working people in State enterprises and in urban and rural economic collectives should approach their work as the masters of the country that they are. The State promotes socialist labour emulation, and commends and rewards model and advanced workers. **The State encourages citizens to take part in voluntary labour.**”- Article 42*

...

*“The People’s Republic of China protects the legitimate rights and interests of Chinese nationals residing abroad and **protects the lawful rights and interests** of returned overseas Chinese and of the family members of Chinese nationals residing abroad.”- Article 50*

What Brown didn’t talk about is that the preamble implied criticism of the Cultural Revolution and Mao’s policies even as it uses flowery rhetoric which he was impressed by:

*The victory in China’s New-Democratic Revolution and the successes in its socialist cause have been achieved by the Chinese people of all nationalities, under the leadership of the Communist Party of China and the guidance of Marxism-Leninism and Mao Zedong Thought, by upholding truth, **correcting errors and surmounting numerous difficulties and hardships**. The basic task of the nation in the years to come is to concentrate its effort on socialist modernization<sup>40</sup>*

Remember that this constitution was formulated four years after the Dengist reforms had begun. So, some of the previous elements were still retained. What Brown didn’t mention, as this would

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40 [“Preamble,”](#) Constitution of the People’s Republic of China, adopted Dec 4, 1982.

undermine his horrid argument, that the country embraced the market even more than it had before.

This was evident in two important changes in China’s constitution in 1988:

*Article 1* In Article 11 of the Constitution is added a new paragraph, which reads, "The State permits the private sector of the economy to exist and develop within the limits prescribed by law. The private sector of the economy is a complement to the socialist public economy. The State protects the lawful rights and interests of the private sector of the economy, and exercises guidance, supervision and control over the private sector of the economy."

*Article 2* The fourth paragraph of Article 10 of the Constitution, which reads, "No organization or individual may appropriate, buy, sell or lease land or otherwise engage in the transfer of land by unlawful means", is revised to read, "No organization or individual may appropriate, buy, sell or otherwise engage in the transfer of land by unlawful means. The right to the use of land may be transferred according to law."<sup>41</sup>

What did that mean in reality? Well, the chart below shows the change:

1982 Constitution	1988 Revision (Bolding is new)	Change or addition?
<p>Article 10:                      “Land in the cities is owned by the State. Land in the rural and suburban areas is owned by collectives except for those portions which belong to the State as prescribed by law; house sites and privately farmed plots of cropland and hilly land are also owned by collectives. The State may, in the public interest, requisition land for its use in accordance with law. No organization or individual may appropriate, buy, sell or lease land or otherwise engage in the transfer of land by unlawful means. All organizations and</p>	<p>Article 10:                      “Land in the cities is owned by the State. Land in the rural and suburban areas is owned by collectives except for those portions which belong to the State as prescribed by law; house sites and privately farmed plots of cropland and hilly land are also owned by collectives. The State may, in the public interest, requisition land for its use in accordance with law. <b>No organization or individual may appropriate, buy, sell or otherwise engage in the transfer of land by unlawful means. The right to the use of</b></p>	<p>Both. The text removed is as follows: <i>No organization or individual may appropriate, buy, sell or lease land or otherwise engage in the transfer of land by unlawful means.</i></p> <p>The text bolded in the text to the left is the newly added text in 1988.</p>

41 [“Amendment to the Constitution of the People’s Republic of China,”](#) adopted April 12, 1988.

<p>individuals using land must ensure its rational use.</p>	<p><b>land may be transferred according to law.</b> All organizations and individuals using land must ensure its rational use.</p>	
<p>Article 11: “The individual economy of urban and rural working people, operating within the limits prescribed by law, is a complement to the socialist public economy. The State protects the lawful rights and interests of the individual economy. The State guides, assists and supervises the individual economy by administrative control.”</p>	<p>Article 11: “The individual economy of urban and rural working people, operating within the limits prescribed by law, is a complement to the socialist public economy. The State protects the lawful rights and interests of the individual economy. The State guides, assists and supervises the individual economy by administrative control. <b>The State permits the private sector of the economy to exist and develop within the limits prescribed by law. The private sector of the economy is a complement to the socialist public economy. The State protects the lawful rights and interests of the private sector of the economy, and exercises guidance, supervision and control over the private sector of the economy.</b>”</p>	<p>Addition. The text bolded in the text to the left is the newly added text in 1988.</p>

What this meant, is the “right to the use of land” could be transferred to an organization of individual by means of buying, selling or another form of land transfer. Additionally it also meant that the private, non-state sector, was given sanction to flourish in China, with the state honchos holding the reins, while they are obligated to protect the “lawful rights and interests of the private sector of the economy,” giving sanction for further capitalism! So these changes did not benefit the Chinese proletariat at all, without question. Again, Brown would prefer you not know about this development, instead wanting you to buy the revisionist delusion of distorted argument land.

In 1993 there were major changes to the fabric of the constitution, all showing the degrading nature of the state.<sup>42</sup> Some changes were cosmetic, like adding a phrase to Article 42 which includes State-owned enterprises, or adding in the preamble that “system of the multi-party cooperation and political consultation led by the Communist Party of China will exist and develop for a long time to come.” However, the changes to bourgeois legal stricture, which expanded the term of office for “municipal districts” to five years and limited the amount of officials who serve for three years, would seem cosmetic, but undoubtedly had the effect of weakening any existing democratic processes in China which had not been ravaged by the revisionists. More significant were the changes to the preamble, articles 7, 8, 15, 16, and 17 of the Constitution. Let’s start with the change to the preamble:

1988 Constitution	1993 revision	Change or addition
<p>Preamble:  “...The basic task of the nation in the years to come is to concentrate its effort on socialist modernization. Under the leadership of the Communist Party of China and the guidance of Marxism-Leninism and Mao Zedong Thought, the Chinese people of all nationalities will continue to adhere to the people's democratic dictatorship and the socialist road, steadily improve socialist institutions, develop socialist democracy, improve the socialist legal system, and work hard and self-reliantly to modernize the country's industry, agriculture, national defence and science and technology step by step to turn China into a socialist country with a high level of culture and democracy”</p>	<p>Preamble:  <b>“China is at the primary stage of socialism. The basic task of the nation is to concentrate its effort on socialist modernization in line with the theory of building socialism with Chinese characteristics. Under the leadership of the Communist Party of China and the guidance of Marxism-Leninism and Mao Zedong Thought, the Chinese people of all nationalities will continue to adhere to the people's democratic dictatorship and the socialist road, persevere in reform and opening to the outside world, steadily improve socialist institutions, develop socialist democracy, improve the socialist legal system, and work hard and self-reliantly to modernize the country's industry, agriculture, national defence and science and</b></p>	<p>Both. Removed text from 1988 preamble is as follows:  <i>“...The basic task of the nation in the years to come is to concentrate its effort on socialist modernization. Under the leadership of the Communist Party of China and the guidance of Marxism-Leninism and Mao Zedong Thought, the Chinese people of all nationalities will continue to adhere to the people's democratic dictatorship and the socialist road, steadily improve socialist institutions, develop socialist democracy, improve the socialist legal system, and work hard and self-reliantly to modernize the country's industry, agriculture, national defence and science and technology step by step to turn China into a socialist country with a high level of culture and democracy”</i></p>

42 [“Amendment to the Constitution of the People’s Republic of China,”](#) adopted March 29, 1993

	<b>technology step by step to turn China into a socialist country that is prosperous, powerful, democratic and culturally advanced."</b>	Bolded text on the left is the new text added in 1993.
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On the surface, some may scoff and say the change was not significant. The words “a high level of culture and democracy” were eliminated, which is worrisome. The words which were added, declare that China is in a “primary stage of socialism,” that there should be modernization “in line with the theory of building socialism with Chinese characteristics,” that the country should “persevere in reform and opening to the outside world,” and that China should be turned into a country “that is prosperous, powerful, democratic and culturally advanced.” While revisionists may be cheering, those who are rightly more critical should not. Even though the Constitution declares the country is in the “primary stage of socialism,” it is more accurate to say it is in the primary stage of capitalism! This is indicated by saying that modernization should occur based on the reformist, market-based “socialism with Chinese characteristics,” which should accurately called revisionism with Chinese characteristics or capitalism with Chinese characteristics. The same goes for their claims that the country should “persevere in reform and opening to the outside world” or that the country should be “prosperous, powerful, democratic and culturally advanced,” results which would, under the Chinese leadership, lead to more benefits for the growing Chinese bourgeoisie and benefit the Western bourgeoisie which are profiting from the sweat and tears of the suffering Chinese proletariat.

We then move onto another major change, in Article 7 of the Constitution. The 1988 version declared that “the State economy is the sector of socialist economy under ownership by the whole people; it is the leading force in the national economy. The State ensures the consolidation and growth of the State economy.” The 1993 revision changed this to say “the State-owned economy, namely, the socialist economy under ownership by the whole people, is the leading force in the national economy.

The State ensures the consolidation and growth of the State-owned economy.” This seems to imply that there has been a crisis since 1988 of public support, as they have to add “namely, the socialist economy under ownership by the whole people.”

Even more important was the change to Article 8 of the Constitution, fitting with the decollectivization of China as discussed earlier in this publication.

1988 Constitution	1993 revision	Change or addition
<p>Article 8: Rural people's communes, agricultural producers' cooperatives and other forms of cooperative economy, such as producers', supply and marketing, credit and consumers' cooperatives, belong to the sector of socialist economy under collective ownership by the working people. Working people who are members of rural economic collectives have the right, within the limits prescribed by law, to farm plots of cropland and hilly land allotted for their private use, engage in household sideline production and raise privately owned livestock”</p>	<p>Article 8: <b>“In rural areas the responsibility system, the main form of which is household contract that links remuneration to output,</b> and other forms of cooperative economy, such as producers', supply and marketing, credit and consumers' cooperatives, belong to the sector of socialist economy under collective ownership by the working people. Working people who are members of rural economic collectives have the right, within the limits prescribed by law, to farm plots of cropland and hilly land allotted for their private use, engage in household sideline production and raise privately owned livestock”</p>	<p>Removed is the following text: <i>Rural people's communes, agricultural producers' cooperatives.</i></p> <p>Added is the bolded text.</p>

This, again, is another cutting down of existing systems created during the Maoist period which amplified the control of the Chinese proletariat. While the words “the responsibility system, the main form of which is household contract that links remuneration to output” as applying to rural areas may be scoffed at by revisionists, this is very important. Zuan Xu pointed this out, in his article, noting that the “responsibility system” was a term uttered by Deng in 1978, meaning “more power to management, more power to technicians and intellectuals, and stricter labor discipline with bonuses and



punishment,” horrifying for the Chinese proletariat.<sup>43</sup> He elaborated that in 1989 “new CCP leader Jiang Zemin deliberately changed the name of the “household responsibility system” (the standard decollectivization policy) to the “responsibility system”” with this subtle change implicitly understating “the substance of decollectivization in the reform.” This changed in the early 1990s when the name “household responsibility system” was “restored and has remained since,” which was “further confirmed by the report of the CCP’s 15th Central Committee 3rd Plenary, in which the decollectivization of the rural economy was considered to have led, and greatly contributed to, the whole market reform.” At this point, however, the term was kept and when this “reform” was put in place, the term “responsibility system” was clear to the Chinese leadership and Chinese bourgeoisie.

Article 15 of the Constitution also experienced another change. The words in the 1988 constitution declaring that “the State practises planned economy on the basis of socialist public ownership. It ensures the proportionate and coordinated growth of the national economy through overall balancing by economic planning and the supplementary role of regulation by the market. Disturbance of the socio-economic order or disruption of the State economic plan by any organization or individual is prohibited” was completely eliminated. It was replaced with:

*The State practises socialist market economy. The State strengthens economic legislation, improves macro-regulation and control, and prohibits in accordance with law any organization or individual from disturbing the socio-economic order.*

This was not a surprising statement. As capitalist economists remarked in their analysis of China, it “basically became a market economy by the end of the 90s before it joined the World Trade Organization in 2001.”<sup>44</sup>

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43“[The Political Economy of Decollectivization in China](#),” 2013 article by Zuan Xu printed in *Monthly Review* and reprinted on the /r/rwcc wiki.

44 Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013. These capitalist economists are used since revisionists would cite the same people and they should not have a monopoly on such sources.

Article 16 of the Constitution also had a major change. The words which said that state enterprises have decision-making power in regard to “management” were eliminated, as were the words that they have such decision-making power “on condition that they submit to unified leadership by the State and fulfill all their obligations under the State plan.” This could make such enterprises more independent, actually lessening state control over the economy. It would go farther than the capitalist approaches of the Chinese state, acknowledged by one revisionist, Bob Treasure, even as he still continues to cite state control (with state companies investing overseas) as “evidence” the state is socialist, which he claims “realizes” the problems with markets being fostered in the country:

*...in the 1970s, China under Maoist leadership continued to keep capitalist influence at arm's length, and intensified its hostility towards the Soviet Union. But the dominance of Deng Xiaoping's ideas by 1979 saw immediate revisionist changes: peasants who achieved a surplus could exchange this on open markets (higher production was urged on by State supplied price incentives), and western capitalists were invited to invest/set up industries in Special Economic Zones in four select coastal regions. Over time, restrictions on western capitalist investment in the interior were relaxed, and ambitious Chinese, encouraged with the slogan “To get rich is glorious”, began to start their own capitalist enterprises and parade all the trappings of a home-grown bourgeoisie. By the early 2000s there were more Chinese millionaires than people in Australia. At the same time, rural collectives and communes had been gradually dismantled, creating a widening gap between an expanding gentry and small land-leasing peasants (leasing from the State)...There are aspects to this economic roller-coaster ride that would make a socialist weep. Class society has returned with all its consequences, and is plain for all to see: rising crime, corruption, periodic and regional unemployment (although there is a desperate shortage of skilled labour), sweatshop conditions (mainly among the fully private industries so fulsomely supported by Western experts), and a growing stress upon individual appearances. It*

*is simply tragic to see Chinese kids aping their American counterparts in their cynicism and slavish adoption of 'hood habits, their once honest and unselfish innocence lost forever. The rapid trend toward urbanisation has left many agrarian areas behind and created the same traffic and pollution/greenhouse problems suffered by the West – cities seem to create an alienation and social psychosis that have universal characteristics...it is clear that the Peoples Republic of China possesses a “mixed” political economy, both capitalist and socialist, not hugely dissimilar to those that existed in many Western countries during times of crisis (eg Australia during WW2) or enlightened social democracy (Scandinavia during the 50s and 60s), when the State held power that matched the capitalist ruling class.<sup>45</sup>*

Finally there were the changes to article 17 of the constitution. The major changes are that “collective economic organizations” have decision-making power to conduct “independent economic activities” but only on the “condition that they accept the guidance of the State plan and abide by the relevant laws.” The words about the “entire body of their workers” electing or removing managerial personal has been removed, only saying that “Collective economic organizations...elect or remove their managerial personnel and decide on major issues concerning operation and management” but not mentioning the “entire body of workers.” This is another slam at the Chinese proletariat.

In 1999, the situation did not improve.<sup>46</sup> The preamble to the Constitution was changed to declare that “China will be in the primary stage of socialism for a long time to come,” that revisionism with Chinese characteristics was now a “road” and saying the Chinese state will now be guided by “Deng Xiaoping Theory.” These are all worrying developments, to say the least. For one, it means that so-called “market socialism” which all about the market and not about socialism will be here to stay, and that the country will continue to move down the capitalist road, using Dengist ideas as a guide!

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45 Bob Treasure, “China: Capitalist or Socialist?,” *The Guardian* (Australia) which was reprinted in *Marxism-Leninism Today*, Oct 6, 2010. He makes a typical revisionist argument. This was mentioned in the /t/swcc document to “prove” that China was socialist, but it can actually be used to counter revisionism!

46 [“Amendment to the Constitution of the People’s Republic of China,”](#) adopted March 15, 1999.

Also, the state seems to be more about law and order with a new paragraph added in Article 5 declaring that “the People's Republic of China governs the country according to law and makes it a socialist country under rule of law” and changing the words “other counter-revolutionary activities” in Article 28 to “other criminal activities that endanger State security” which is much broader and all-encompassing. Other changes accommodated the market. Article 6 had the following phrase added:

*In the primary stage of socialism, the State upholds the basic economic system in which the public ownership is dominant and diverse forms of ownership develop side by side and keeps to the distribution system in which distribution according to work is dominant and diverse modes of distribution coexist.*

This means that capitalism is given a further in-road into China, the country moving farther away from its socialist roads, showing it is fine with capitalist experimentation even though this leads to horrific conditions (and further loss of power) for the proletariat!

The same was the case in Article 8 where the word “responsibility system” was removed and read as the following, with bolding referring to new content:

***The rural collective economic organizations apply the dual operation system characterized by the combination of centralized operation with decentralized operation on the basis of operation by households under a contract.*** *In rural areas, all forms of cooperative economy, such as producers', supply and marketing, credit and consumers' cooperatives, belong to the sector of socialist economy under collective ownership by the working people. Working people who are members of rural economic collectives have the right, within the limits prescribed by law, to farm plots of cropland and hilly land allotted for their private use, engage in household sideline production and raise privately owned livestock.*

This gave such “rural collective economic organizations” a level of autonomy, but also tied them into the market system, talking about a “dual operation system characterized by the combination

of centralized operation with decentralized operation on the basis of operation by households under a contract.” This doesn’t sound socialist one bit. In fact, it fits right with market proscriptions.

Finally, there was article 11 of the constitution. A whole paragraph about state control in the economy was totally eliminated<sup>47</sup> and replaced with the following

*The non-public sectors of the economy such as the individual and private sectors of the economy, operating within the limits prescribed by law, constitute an important component of the socialist market economy. The State protects the lawful rights and interests of the individual and private sectors of the economy, and exercises guidance, supervision and control over the individual and the private sectors of the economy.*

Sure, guidance of the state is still noted, but the definition of market elements is expanded from talking about the “individual economy” and private sector to “non-public sectors of the economy”! This is worrisome, but it shows the orientation of the state without question.

Last but not least is the 2004 revision, the last one listed on the page of the “National People’s Congress of the People’s Republic of China,” an official page of the revisionist government.<sup>48</sup> Since a new Constitution was issued, there were more changes than ever before. Some changes were minor, like changing the “title of the fourth chapter of the Constitution” from “the National Flag, the National Emblem and the Capital” to “The National Flag, the National Anthem, the National Emblem and the Capital,” even as it added that “the national anthem of the People’s Republic of China is the March of the Volunteers” was not previously mentioned. Additionally, words about more local control are

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47 The paragraph is: “The individual economy of urban and rural working people, operating within the limits prescribed by law, is a complement to the socialist public economy. The State protects the lawful rights and interests of the individual economy. The State guides, assists and supervises the individual economy by administrative control. The State permits the private sector of the economy to exist and develop within the limits prescribed by law. The private sector of the economy is a complement to the socialist public sector of the economy. The State protects the lawful rights and interests of the private sector of the economy, and exercises guidance, supervision and control over the private sector of the economy.” The last sentence is the only one which was partially maintained, in a changed form.

48 “[Constitution](#)” page, accessed April 6, 2018; “[Amendment to the Constitution of the People’s Republic of China](#),” adopted March 14, 2004. For the new constitution that was issued, the country’s current constitution, please see the full text of the “[Constitution of the People’s Republic of China](#),” adopted March 14, 2004.

eliminated in favor of government streamlining, only reading that “The term of office of the local people's congresses at various levels is five years” rather than something more comprehensive.<sup>49</sup> In an interesting move, Article 10 is changed to say that the state may “expropriate or requisition land for its use and make compensation for the land expropriated or requisitioned,” with the added phrase specifically about expropriate or requisitioning land for state use with compensation, a concession to the Western capitalist class, as they always clamor for compensation.

Importantly, the preamble is changed significantly with additions of the “important thought of Three Represents” as part of the Chinese state ideology, elimination of talk about “socialism with Chinese characteristics” to the words of “Chinese-style socialism” and adding that the state will apparently “promote the coordinated development of the material, political and spiritual civilizations.” Additionally a phrase about “builders of socialism” is added to the preamble. All this indicates that this major constitutional change was when Chinese nationalism was stronger than previously.

Beyond the preamble, Article 11 is revised yet again, to eliminate the words about the state exercising “guidance, supervision and control over the individual and the private sectors of the economy,” replaced with the following words which may seem like a semantic change, but shows that the power of the market is still a strong driving force in China:

*“The State encourages, supports and guides the development of the non-public sectors of the economy and, in accordance with law, exercises supervision and control over the non-public sectors of the economy.”*

Article 13 was also revised, which is important considering that this provision gives citizens the legal right to own property. It is completely revamped from its previous wording.<sup>50</sup> Under the new

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49 The text eliminated was: “The term of office of the people's congresses of provinces, municipalities directly under the Central Government, counties, cities and municipal districts is five years. The term of office of the people's congresses of townships, nationality townships and towns is three years.”

50 The previous wording was: “The State protects the right of citizens to own lawfully earned income, savings, houses and other lawful property. The State protects according to law the right of citizens to inherit private property.”

wording, it declares that “citizens' lawful private property is inviolable,” says that the state will protect “the rights of citizens to private property and to its inheritance” but also says that “the State may, in the public interest and in accordance with law, expropriate or requisition private property for its use and make compensation for the private property expropriated or requisitioned.” While some revisionists would say this shows the “socialist” nature of the state, such expropriation or requisition is written in such a way that it follows Western bourgeois legal strictures. It has an echo of the Fifth Amendment of the US Constitution which declares that “...nor shall private property be taken for public use without just compensation,” the foundation of eminent domain measures across the US.

More social democratic crumbs were thrown to the Chinese proletariat, with a phrase added Article 14 saying that “the State establishes a social security system compatible with the level of economic development” and Article 33 saying that “the State respects and preserves human rights.” The latter is also meant to blunt criticism from the West from human rights imperialist organizations like Human Rights Watch and Amnesty International, along with from capitalist governments.

Other articles had some significant changes. Article 59 was changed to say that “special administrative regions” (i.e. Macau and Hong Kong) can elect deputies which serve in the National People's Congress, again another crumb thrown to the proletariat, while also trying to counter the bourgeois democracy organizing in Hong Kong backed by the West. Article 67 also was changed from the Congress having the right to impose martial law to the right to enter “into the state of emergency.” Another change was made in Article 80: it gave the President of China power to proclaim the “entering of the state of emergency; proclaims a state of war.” Article 81 was also changed, giving the President of China even more diplomatic power:

*The President of the People's Republic of China, on behalf of the People's Republic of China, engages in activities involving State affairs and receives foreign diplomatic representatives and, in pursuance of the decisions of the Standing Committee of the National People's Congress,*

*appoints or recalls plenipotentiary representatives abroad, and ratifies or abrogates treaties and important agreements concluded with foreign states.*

Like the other articles, article 89 was changed from saying the State Council had the power to “decide on entering into the state of emergency in parts of provinces, autonomous regions, and municipalities directly under the Central Government” rather than the “imposition of martial law” showing that the state of emergency is basically the same as martial law.

To get back to Brown’s sneer, in which he said that the “CPC’s Constitution...and the People’s Constitution are the backbone, the bedrock of Chinese governance and society, and Baba Beijing’s ceaseless pursuit to maintain the Heavenly Mandate,” it is clear, from the analysis in this chapter that this constitution moves the country further down the capitalist road and way from its socialist roots. I understand that there is a difference between the “CPC’s Constitution...and the People’s Constitution.” It is worth, in the last part of this chapter to address this, as it should have been addressed earlier but I was focused on pointing out the reality of the constitution of revisionist China, the “People’s Constitution.” The CPC’s Constitution he cites, last updated in November 2012, tries to make the party look Communist, of course.<sup>51</sup> It clearly embraced the capitalist path forward by praising “Deng Xiaoping Theory” and talking about “advancing the modernization drive.” Later sections of this constitution also invoke this, declaring that “China is in the primary stage of socialism and will remain so for a long time to come,” code for the continuing of horrid revisionism, talk about the “socialist market economy,” “development of the non-public sector,” “market forces,” “a spirit of reform and innovation” and many other buzz words. So this constitution does not bode well for China moving forward, as it requires that the “Party must meet the requirements of reform, opening up and socialist modernization,” to give an example. In the end, there is no doubt in my mind that Brown’s poorly argued argument was wrong in so many ways that I can’t even count.

<sup>51</sup> [“Full text of Constitution of Communist Party of China,”](#) November 14, 2012. See pages [2](#), [3](#), [4](#), [5](#), [6](#), [7](#), [8](#), [9](#), [10](#), [11](#), [12](#), [13](#), and [14](#). I would analyze this more, but from the analysis posed in this paragraph, it is clearly problematic.



## The 'Boer War': Countering a revisionist analysis of China

This article is from an often-cited Australian left-wing writer, Roland Boer, who runs the *Stalin's Moustache* blog.<sup>52</sup> Through that, I have become familiar with his work and know he strongly defends revisionist China. The article countered in this chapter is just one example of this tendency. As such, this chapter is called "Boer War" to play off the historical Boer War and to highlight that the analysis in this chapter is at "war" with the words that Boer poses.

In starting his article, he says he is often asked in China "do you think China is communist?" with many not hesitating to say no, and he makes three brief points from here. He says that the Communist Party of China has an official ideology of "socialism with Chinese characteristics," declares that there is "no private ownership of land in China, for it is commonly 'owned'," along with related points, and that "we come to the question of communism itself." He then states that on a simple level communism is, for purists, "common ownership of the means of production; abolition of private property; eventual withering away of the state" adding that these statements are "rather vague and far from any detailed outline of a communist system," further saying that "Marxism remains a form of rationality." From here he adds that:

*...denigration of actual socialist revolutions in the name of the perfect revolution yet to come gives voice to resentment at the fact that no successful revolution has yet occurred in Western Europe or North America...the negative dimension of the ideal of communism leads one to dismiss all the revolutions that have taken place...communism as an ideal does have a beneficial dimension. In this case, the ideal functions not so much as a goal to be achieved, but as a reminder that no form of communism can say 'this is it, we have achieved real communism'. Here we need to shift focus, for the emphasis is not on some perfect and*

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52 Roland Boer, "[Is China communist?](#)," *Philosophers for Change*, May 15, 2014. There's [another post](#), he published, which is similar, it has a section on "Chinese 'capitalism.'" I would write a chapter countering it, but it seems wrong to give him three chapters in this publication, where other writers can be countered effectively.

*romanticist ideal...one of the more pernicious forms of dismissals of Chinese socialism, let alone the many others of Eastern Europe or of Vietnam, Laos, North Korea, Cuba or even Venezuela, is the notion that communism is a singular goal. The blueprint of which I spoke earlier has a tendency to be seen as one rather than multiple. Thus it becomes all too easy to define communism in a certain way...and thereby dismiss anything that does not measure up to the standard. Instead, I would like to take up Deng Xiaoping's phrase 'socialism with Chinese characteristics'. The slogan has implications greater than he may have imagined, although it is consistent in some ways with Mao's own idea of the 'sinification' of Marxism...If there is a socialism with Chinese characteristics, then there is also – to name but a few – socialisms with Russian, Romanian, Yugoslavian, Vietnamese, and even North Korean characteristics...multiple possibilities for socialism have opened up with the rich history of socialist revolutions...Practice rather than some form of rationalism that must be actualised, becoming rather than being, multiple truths rather than a singular truth – these are the features of communism I prefer to emphasise.*

And the article ends there, citing varied sources, including the Chinese revisionists like Deng, revisionists like Alan R. Kluver, anti-communists like Hannah Arendt, supposed communist Slavoj Žižek (as editor of a book), and others like Domenico Losurdo, Yermakov, and Marxist-Leninist theorists like Mao Zedong, Karl Marx, and Friedrich Engels. He adds in footnotes citing articles from *The Economist*, his own work, and Lukács. Also included is a quote from Deng saying that their “modernization programme...must proceed from Chinese realities....we should also learn from foreign countries and draw on their experience” and Mao, saying that “China must assimilate on a large scale the progressive culture of foreign countries, as an ingredient for enriching its own culture...So-called wholesale Westernization is wrong.”

Saying all of this, it is worth addressing Boer's claims. He first says that the Communist Party of China has an official ideology of "socialism with Chinese characteristics." Now, this is a phrase which makes revisionists jump in their little booties with joy. However, it is also a phrase which was used in state media denouncing of Bo Xilai in 2012, whose model the Chinese leadership seemed to fear, whom had engaged in a "crackdown on corrupt party and government officials and business people in league with criminal elements" as the Chinese leadership tried to "put up a smokescreen concealing a right-left political struggle over the deepening economic and political penetration of capitalism at the summits of Chinese society."<sup>53</sup> Furthermore, as the Chinese leadership is "pushing for a form of bourgeois democracy, and allowing bourgeois elements greater authority within the state," aligning with global bourgeoisie "working overtime to deepen the transformation of China into a capitalist state," Bo, "scheduled to become a member of the Standing Committee of the Politburo, stood in their way," since he, as an analysis in *Worker's World* (which was too charitable to China by a long shot) remarked, opposed a "deepening the role of the capitalist market at the commanding heights of the Chinese economy...[and] fought to alleviate the harsh conditions that had been imposed on the workers and peasants by economic growth linked to the development of the capitalist market" while expanding the "economic and social benefits of the workers and peasants" even as he was "not opposed to capitalist relations in principle; he has been a follower of the so-called "market socialism" model."

There is more to "socialism with Chinese characteristics" than Bo Xilai. For one, as Mark Beeson wrote in 2012, not a socialist by any means, he wrote that

*...A key rationale for abandoning central planning was the recognition that capitalism was clearly capable of underpinning more rapid economic development and lifting living standards. Uncomfortably for China's elites, this possibility was demonstrated in the remarkable success of Japan and Taiwan...there are growing levels of inequality between those fortunate enough to*

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53 Fred Goldstein, "[Right-wing goes on the offensive](#)," *Worker's World*, Apr 19, 2012.

*be members of China's growing capitalist class – or connected to those that are – and the rest. Inequality – and the closely associated problem of corruption among the rich and powerful – induces feelings of indignation and outrage among China's masses...it has proved difficult for the central government to silence an increasingly vociferous online community from drawing attention to corruption and the gulf between insiders and outsiders that demarcates the real beneficiaries of China's development from some of the also-rans. It is possible to argue that millions have undoubtedly benefited from the transformation of the Chinese economy in general. But this may not be enough to overcome a sense of unhappiness about the way some aspects of the capitalist game appear to have been rigged in favour of well-connected elites. Ironically, corruption may thrive when there is more wealth to distribute....China's leaders have already demonstrated that they have a remarkable capacity to manage rapid capitalist development without major political or social upheaval. It would be unwise to bet against them successfully managing capitalist crises, too. As the dramatic end of the resource boom reminds us, it is not just the Chinese who have a stake in the outcome.<sup>54</sup>*

With this, you could add that just because they may have “managed rapid capitalist development” effectively and can manage through “capitalist crises,” this does not mean that they are socialist. In fact, they are strongly revisionist, without question. Add to this what Peter Dolack wrote in October 2017, that “integration into the world capitalist system on the basis of low-paid sweatshop labor allowing massive profits for foreign multi-national corporations is not socialism, whether or not with “Chinese characteristics.””<sup>55</sup> Any reasoned person would agree with this assessment.

Boer's second claim is that there is “no private ownership of land in China, for it is commonly ‘owned’.” Henry S. Stout in the introduction to *American Aristocrats: A Family, a Fortune, and the Making of American Capitalism*, asserts something similar, writing that “in contemporary China there

54 Mark Beeson, “Capitalism with Chinese characteristics,” *The Conversation*, Jan 4, 2016.

55 Pete Dolack, “[China Maintains its Capitalist Course](#),” *CounterPunch*, Oct 27, 2017.

is no such thing as private property” with no further explanation.<sup>56</sup> As noted in a once-again too charitable article in *Worker’s World*, in 2013, “private capital grows automatically and with it the economic strength and political influence of the capitalist class, its petty bourgeois hangers-on, as well as the petty bourgeois intelligentsia. This carries great long-term dangers for China,” adding that “the new leadership of Xi Jinping and Li Kequang have sent signals that they want to move to the right in the economy. Expanding the opportunities for imperialist investment and moving more and more in the direction of bourgeois economic reforms is playing with fire.”<sup>57</sup> That’s not all. There is no doubt that “private profit, and all the problems that revolve around that, has become the driving force of the Chinese economy” without question.<sup>58</sup>

On the question of property, it is owned by the state, not by the Chinese proletariat. The Constitution of China says this, while it claims that that the people own the property through it, which is ridiculous considering China’s distorted nature, with capital outflows from the Chinese bourgeoisie “into real estate investments in markets like Australia and the U.S.”<sup>59</sup> Additionally, the 2007 Property Law, addressed in a later chapter, says that the state will protect capitalist property rights!

He then says that communism is defined by purists as “common ownership of the means of production; abolition of private property; eventual withering away of the state,” saying this is vague that Marxism serves as a form of rationality. I would say that all of these characteristics apply to socialism, not to “communism,” as has been practiced in the Soviet Union before Stalin’s death and China before Mao’s death, to give just two examples. What I mean is that these characteristics describe socialism rather than communism, with socialism being a stage of communism, but is not one that has an “eventual withering away of the state.” In China today, there is clearly not a “common ownership of

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56 The same is also asserted in “China’s Communist-Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015, a clearly anti-communist narrative.

57 Fred Goldstein, “[Marxism and the social character of China](#),” *Worker’s World*, Jun 13, 2013.

58 Peter Dollack, “[China Can’t Save Capitalism from Environmental Destruction](#),” *CounterPunch*, Feb 23, 2018.

59 “Chinese capital outflows and property,” *CNBC*, Jun 7, 2017.

the means of production” or an “abolition of private property” with markets the dominant name of the game in China as a whole, embodied by falsely deemed “market socialism.”

Boer’s further writings about some radicals being perfectionist and that it leaves the door open too far to anti-communist bourgeois analysts, is a good point. It is also valid to say that it should be recognized that communism comes in many forms, forms of socialism. However, his broad brush stroke of saying there has been socialism in China, Eastern Europe, Vietnam, Cuba, Juche Korea, and Laos is too wide. It does not recognize that revisionism hit all of these countries, although some like Cuba and Juche Korea have limited it. With this, it is no surprise that he seems enamored with the false phrase of “socialism with Chinese characteristics” coined by Deng in 1978, almost endorsing the continued socialisms “with Russian, Romanian, Yugoslavian, Vietnamese, and even North Korean characteristics” without recognizing that all of these socialisms, have been affected by revisionism, with more encompassing embrace of markets by the Russians, Romanians, Yugoslavians, and Vietnamese than the Koreans. He ends by saying that there are “multiple possibilities for socialism have opened up with the rich history of socialist revolutions” and that “practice rather than some form of rationalism that must be actualised, becoming rather than being, multiple truths rather than a singular truth.” While this is very philosophical, it does not take into account that there have been some corrupted socialisms, as you could call them, socialisms which have been corrupted by revisionism, especially since the death of Josef Stalin in 1953 or Mao Zedong in 1976. So it isn’t valid to just embrace all socialisms. Instead they should be examined but not embraced wholesale as some went strongly down the revisionist road, which should be condemned. In addition, we should adopt the idea of self-criticism posed by Mao and others during the Maoist period in China. At the same time, criticism by us radicals should not fall into bourgeois traps, calling non-Western leaders like Xi, Assad, Mugabe, or anyone else, dictators. We can criticize them, for sure, but calling them dictators just gives the bourgeoisie another leg up in the battle of propaganda!

## A “serious effort”: Indian Marxists defend Chinese revisionism

Here is yet another defense of Chinese revisionism. It is a document by a member of the Communist Party of India (Marxist) named Sitaram Yechury.<sup>60</sup> He begins, writing that

*...When China embarked on its reform process in 1978 many had quipped that socialist China requires capitalism to develop. Today in the wake of probably the worst capitalist global recession, the general feeling is that world capitalism requires China to bail it out of this crisis...Right wing intellectuals pursuing their theories of ‘end of ideology’ hastily attribute China's successes as having nothing to do with Marxism or socialism.*

This is a whitewashing of the reality. As a generally partial analysis (to China) in *Worker’s World* pointed out, since the victory of Deng Xiaoping and the related “capitalist road” faction in 1978, “planning has been increasingly based on the central government fostering and attempting to manage capitalism and the capitalist market as the means for national development.” They added that while under a “genuinely socialist government, workers would have their fundamental economic rights guaranteed as political rights,” this is not the case in China as these “rights were largely overturned by the reforms that developed in China after 1978” with “the welfare of the workers and peasants has to be built up slowly and painfully through an uphill battle” with the existing capitalist market in China, a horrible circumstance for the Chinese proletariat without question.<sup>61</sup>

After extensively using Lenin to give rhetorical “support” to Chinese revisionism (which is disgusting), specifically in reference to the New Economic Policy (NEP), Yechury declares that

*...to a certain extent, what we find in the post-reform...China is, a reflection of the theoretical positions Lenin had taken regarding state capitalism during the NEP period...In China today, what is being sought is to attain the conformity between the levels of productive forces and the*

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60 Sitram Yechury, “[Chinese Revolution: Evaluating The 60 Years](#),” *People's Democracy*, Oct 4, 2009.

61 Fred Goldstein, “[The struggle in China: Capitalist crisis versus planning](#),” *Worker’s World*, Mar 27, 2012.

*relations of production...Following the political turmoil that took place during the cultural revolution and after the dethroning of the 'Gang of Four a serious introspection was begun by the CPC on political and economic issues. In 1978, clearing confusion and incorrect understanding on many political issues and practices, the CPC adopted a comprehensive ideological line...[including] implementation of reforms and open door policy*

Like his previous point, this is again a situation of distortion. Basically, he is trying to say that China after the reform was better! This is manifestly absurd! As Fred Goldstein wrote in *Worker's World*, again in a piece which is too charitable to China, there can be "historical circumstances of extreme underdevelopment which compel a socialist government to employ both private and state capitalist methods to promote development of the productive forces and the creation of the working class from the rural population" and that it was one thing to use these methods "as a temporary expedient, to make a retreat from socialism in order to make socialism triumphant in the struggle against capitalist methods," which was "Lenin's idea behind the New Economic Policy."<sup>62</sup> However, as Goldstein continues, "Lenin always regarded this as a retreat and a crucial struggle," adding that "China long ago developed economically after the capitalist reforms instituted by Deng Xiaoping. But what should have been a temporary retreat has become an enshrined policy of treating capitalism as a partner with socialism." I would revise his last words to say that China has a policy of treating capitalism as a partner with revisionism, as there is no socialism in China, rather what is called "socialism" is really just revisionism and the Communist Party of China attempting to hold onto power. Such revisionism in 1978 when Chen Yun came to power with Deng, with Chen handed the job of "designing an economic reform program" which would end the focus on heavy industry, impose "structural adjustment...across the economy," allocate more money to agriculture, and take steps "to decentralize foreign trade and gave more fiscal autonomy to provincial governments" while devolving

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62 Fred Goldstein, "[Marxism and the social character of China](#)," *Worker's World*, Jun 13, 2013.



some rights to state-owned enterprises (SOEs), including measures to allow them to “keep some profits”!<sup>63</sup> Clen was the “architect of China’s first Five Year Plan in 1953 and a strong believer in central planning” but also saw a “limited but critical role for the private sector and market under socialism.” After opposing the Great Leap Forward, he was ousted from the Chinese governing structure by Mao Zedong, for good reason based on what transpired under Deng!

Afterwards Yechury quotes Deng talking with Kim Jong Il. In this conversation, Deng claims that China was a “transitional stage,” that “socialism with Chinese characteristics” and “a socialist market economy” is being built, with a strong focus on “market indicators” in the days to come, of his magical and falsely named “market socialism.” This is yet another embrace of the horrors of the market. Lest us forget that Deng was the one who brought in foreign investors, introduced “market incentives, set up export bases” and turned China into the “light-industrial workshop of the world” while renovating China's SOEs, moving the country further down the capitalist road.<sup>64</sup> It further cemented the “defeat of Mao and the left” crystallized by Deng and his advisers.

The article does on to declare that the Communist Party of China (hereafter called CPC) seeks to create a “commodity market economy under the control of the socialist state where public ownership of the means of production will remain the mainstay,” claiming that “they seek to prevent the economic polarisation and growing inequalities created by private market economy and ensure the common prosperity of the working people.” He adds, to supposedly buttress his argument, that “China over these decades has achieved tremendous successes. Material standards of living have grown by leaps and bounds...[China] developed on the solid foundations laid by the People's Republic of China during the

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63 Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013. This is an anti-communist narrative, like some of the other sources cited in this publication, but it is clear.

64 Deirdre Griswold, “[China, rising wages and worker militancy](#),” *Worker’s World*, Jul 21, 2015; Fred Goldstein, “[The Chongqing vs. Guangdong models](#),” *Worker’s World*, Apr 12, 2012; Fred Goldstein, “[U.S. remains hostile to China](#),” *Worker’s World*, May 28, 2012; Pete Dolack, “[China Maintains its Capitalist Course](#),” *CounterPunch*, Oct 27, 2017; Richard Smith, “China's Communist-Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015. Smith’s article is a confused anti-communist analysis, using phrases like “Stalinist bureaucratic collectivism” but it still has some validity.

first three decades of centralised planning,” supported by what he declares is a “serious effort of building socialism with Chinese characteristics...endeavouring to rapidly expand the productive forces and, thus, consolidate and strengthen socialism in China,” saying that “imperialist finance capital” is against such developments. Once again, this obscures the reality. For one, the current Chinese leadership has made concessions the global capitalist class while they have been suffering from “internal capitalist contradictions” since they have partially integrated with world capitalism, and are endeavoring to further that development, using more capitalist methods than “planning,” encouraging more capitalism and foreign investment to the detriment of the proletariat.<sup>65</sup> As one bourgeois analysis remarked, the Chinese government helps the bourgeoisie, but only so long as these interests do not run contrary to the objectives of the state, leading SOEs to “raise private capital on the stock-exchange,” with such organizations existing “within fully privately-owned companies,” following more of the precepts of Adam Smith than those of Karl Marx. While his narrative could easily be seized by revisionists to talk of state control, the fact is it shows that the state has accepted the market as a guide moving forward, rather than benefiting the Chinese proletariat as whole. As such, “workers in Chinese private industry are subjected to capitalist exploitation and the workers in the state industries have lost much of the economic support” while “horrendous industrial accidents take place and environmental problems are severe,” to say the least about what is happening in China. This is even acknowledged by those who are partial to China like *Worker’s World’s* Fred Goldstein. Having said all this, it is ridiculous to claim that the Chinese government is socialist or moving in a socialist direction, when they are directly courting capitalists, whether they are domestic or foreign! As a result, Yechury is wrong in his approach and should be countered.

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65 Fred Goldstein, “[Imperialism hails Chen, attacks Bo as Wall Street gains in China-U.S. talks](#),” *Worker’s World*, May 12, 2012; Fred Goldstein, “[Global economic slowdown & leadership struggle in China](#),” *Worker’s World*, May 16, 2012; Fred Goldstein, “[The struggle in China: Capitalist crisis versus planning](#),” *Worker’s World*, Mar 27, 2012; Fred Goldstein, “[A critical moment in China](#),” *Worker’s World*, Mar 22, 2012 (this article can also be cited in anti-revisionist arguments, not just revisionist ones); Fred Goldstein, “[Marxism and the social character of China](#),” *Worker’s World*, Jun 13, 2013; Branko Milanovic, “Will the Bourgeoisie Ever Rule in China?,” *The Globalist*, Mar 25, 2018.

Later on his article, Yechury admits that new problems are also cropping up in China:

*...They are mainly the growing inequalities, unemployment and corruption. The CPC, cognizant of these dangers, is taking measures to tackle these problems. But the fact remains that with the current transformation of the State owned enterprises, there is a net accretion to the unemployed every year. While the State maintains a minimum subsistence allowance and offers re-training programmes for retrenched workers, unemployment is a serious problem.*

This is soft-pedaling what is happening in China at the present. As of January 2017, there are 131 huge property companies whom dominate 50 percent of the property market, which is only set to be further concentrated (it is undoubtedly even fewer at the date of the writing of this publication). By 2020, “21 developers would likely to see their sales reach 100 billion yuan each,” equivalent of almost \$16 billion in current US Dollars.<sup>66</sup> There’s more than that. The overly partial analysis of Goldstein, who wrongly thinks that socialism is currently a foundation of present-day China (it isn’t), has to acknowledge that “there is the relentless promotion of opening up to imperialism and capitalist market reforms.”<sup>67</sup> This is further acknowledged by Deirdre Griswold in *Worker’s World*, who wrote that there is a “class struggle by the workers against the bosses...alive and well in China. Worker actions have grown tremendously,” as the country has opened “up to capitalist ownership,” with militant workers demanding “a stable life with decent pay and working conditions.”

Last but not least, Yechury cites Lenin and Deng to support his argument. The quote he uses from Deng is one in which he declares that “the crux of the matter [for China] is whether the road is capitalist or socialist” and that a new bourgeoisie would not emerge. This is a false assessment: the state is on the capitalist road and a bourgeoisie has emerged, showing Deng’s further deception.

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66 “Major developers dominate China’s property market,” *China Daily* (reprinted from *Xinhua*), Jan 17, 2017. Conversation of Yuan to US Dollars on April 7, 2018.

67 Fred Goldstein, “[Marxism and the social character of China](#),” *Worker’s World*, Jun 13, 2013; Deirdre Griswold, “[China, rising wages and worker militancy](#),” *Worker’s World*, Jul 21, 2015. Griswold snarls that “to call China a capitalist country is wrong,” showing his confused perspective.

## **Embrace of Deng and market “reform”: the fallacy of revisionists.**

In this chapter is another defense of Chinese revisionism from the Communist Party of India (Marxist), this time being a member named Harkishan Singh Surjeet, claiming to recall the “lessons of the Chinese Revolution” which seems positive at first, but slowly falls into the revisionist trap.<sup>68</sup>

Surjeet starts by saying that the “Chinese revolution was the most significant event of the post world war period,” which I’ll agree with, putting it in the context of the Cold War, saying that the revolution is the “third significant event, after the October revolution [in 1917] and the victory over fascism” in 1945, but was also “very distinct” with its impact “immense on the people fighting for national liberation and social progress,” providing a “new impetus to the national liberation struggles around the world generally and particularly the socialist and the communist movements in the third world countries.” He further writes about the state of China before the revolution’s success, saying it was a “semi-colonial country..[which fell an easy prey to European colonisers,” notes Lenin’s analysis, saying that after 1917 he remarked that revolution would succeed in China or India, arguing that “every revolution cannot take the same course,” noting that with “the victory of the October Revolution a flood of socialist ideas flowed into China” influencing Chinese intellectuals such as Li Dazhao, Chen Duxiu, Mao Zedong and Zhou Enlai. As such, the CPC was formed in 1921, with Surjeet recalling the history of the Chinese liberation struggle, especially the murderous Chinese nationalists and the horrid Japanese imperialists, allying with the Kuomintang during the fight against these Japanese, but then turning around after the victory over fascism to fight the communists, leading to “the utter defeat of the Kuomintang and the victory over imperialism in China in October 1949.” Since the summary of every aspect of his article, including the aspects which delineate the tactics of the Chinese communists during the liberation struggle, would not be an efficient use of space in this publication, we can move forward to his analysis of these communists after victory in 1949.

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68 Harkishan Singh Surjeet, “[The Invaluable Lessons of the Chinese Revolution](#),” Oct-Dec. 1999, Vol 15, No. 4.

As Surjeet describes it, Chinese communists had a task to consolidate their revolution, rehabilitate the war-torn economy, and transition to socialism, with suppression of the “remnants of counter-revolution...successfully carried out by 1952” but the “socialist transition of agriculture, petty production, industry and trade” took a longer time. The transformation of agriculture was broadly complete by 1956, with the country moving forward with the Great Leap Forward in 1958. It is here that Surjeet goes off the rails: he sneers that the Great Leap Forward “had a high element of voluntarism and did not take into full consideration the ground realities” and declares that the “Cultural Revolution did not reflect the objective needs of China or the principles of Marxism-Leninism,” declaring, for one, that it “promoted personality cult and degenerated into witch-hunting...smashed the whole system of party leadership and democratic centralism.” To make matters worse, he declares that “Zhou Enlai and Deng Xiaoping played a major role in countering the disruptive elements and rallying the Party,” saving the day, in his distorted analysis.

Such declarations are ridiculous. Undoubtedly the fear of the Cultural Revolution is still present for the Chinese leadership. This is manifested in the declaration that Premier Wen Jiabao, an advocate for “bourgeois-style political reform and for deepening and widening the role of the capitalist market in China,” advocating for a “carbon copy of the program advanced by the World Bank and world capital,” made on March 15, 2012: “reforms have reached a critical stage. Without the success of political reforms, economic reforms cannot be carried out. The results of what we have achieved may be lost. A historical tragedy like the Cultural Revolution may occur again. Each party member and cadre should feel a sense of urgency.”<sup>69</sup> Wen was specifically responding to the efforts of Bo Xilai, mentioned earlier in this publication, he seemed to slightly have concern for the welfare of workers and peasants and a “reflection of the needs of the masses” with “progressive” policies including the building of “low-cost housing for workers, allowed peasants to move to the cities, and promot[ing]...“socialist values” and

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69 Fred Goldstein, “[After Bo’s ouster, capital takes another step forward](#),” *Worker’s World*, Apr 27, 2012.

the singing of “red songs” of the Cultural Revolution era” while also leading a “powerful campaign in Chongqing against corrupt government officials and business people as well as party officials and the criminal underworld” which had wide support across China as a whole even though his efforts were a “far cry from a demand for a full return to socialism.” The goal of the Cultural Revolution, which Surjeet fails to mention, is that “any degree of nepotism, privilege or corruption that exists at the leadership level is an absolutely impermissible violation of socialist norms, and should be stamped out,” but it never finished. The death of Mao Zedong and rise of Deng led to the end of the effort all together, with the Cultural Revolution being a model to move the country back to its socialist roots. Although it is “not necessary to retain the same name or make it a carbon copy of the original,” it is vital to revive the “revolutionary essence” of such an effort in present-day China, especially since the original effort was aimed against capitalist roaders, the company of Deng.<sup>70</sup>

It would be wrong to dismiss the Cultural Revolution wholesale. Sure, there were excesses, but there should be a reassessment from the overly negative approach spouted by the Chinese revisionists, the bourgeois media, and global capitalist class. CommieDad, a dedicated comrade, starts this discussion with his post on Chinese history:

*...there is the question of the Great Leap Forward, which many have dubbed the biggest famine in history. It is also claimed to be a deliberate result of Mao's policies...no anticommunist historian has been able to cite any evidence that appeared at the actual time of the Great Leap Forward...famines were common in China prior to the communist seizure of power...Famines were a fixture in China prior to the Great Leap Forward, so there is nothing about communism that makes famines more likely. In fact, there was never a famine in China after the Great Leap*

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70 Fred Goldstein, “[U.S. remains hostile to China](#),” *Worker’s World*, May 28, 2012; Fred Goldstein, “[The Chongqing vs. Guangdong models](#),” *Worker’s World*, Apr 12, 2012; Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013; Richard Smith, “China's Communist-Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015; “Children of the Yuan Percent: Everyone Hates China’s Rich Kids,” *Bloomberg Businessweek*, Sept 30, 2015. These are just a few articles on the subject.

*Forward...Mao's policies were far from disastrous. They improved millions of lives and laid the groundwork necessary for China to become the superpower it is today...In spite of unprecedented loss from famines, China's population never went down during the Great Leap Forward. In fact, it increased...Prior to the revolution, life expectancy was around 35 years. By the time Mao died in 1976, it had almost doubled to 67 years. Literacy followed a similar course...Healthcare was not merely available [sic], but leagues [sic] better than it was prior to the revolution. In a very material sense, Mao improved the lives of the Chinese people. Mao's programs did not cause famines, but rather ended them...I would be remiss not to mention the Communes that sprung up thanks to Mao...The Communes were also very democratic...This system of democracy extended to China's factories as well as the rural areas...It is obvious from this that worker's rights under Mao were far more advanced than they were in the United States at the time, and poverty was on a minute level. The economic organization of Mao's China was far more democratic than it is in capitalist countries...Mao also helped women make unprecedented strides towards social equality..Many Black Panthers and other civil rights activists supported the Chinese Revolution on the basis that it improved the lives of black people around the world...China made numerous steps towards national and collective liberation, which was recognized by many American activists at the time...Mao's theories of the People's War helped influence and strengthen liberation struggles in Africa, Asia, Bolivia, and parts of Latin America. It is in part because of Mao that global imperialism is under such severe threat...Contrary to popular belief, Mao was not a totalitarian, in philosophy or in deed...He was also vehemently anti-bureaucracy...criticism of Party leaders was encouraged, not suppressed...Criticism of the leaders was open and direct, involving not just an elite body of elected representatives, but the people themselves...Mao believed that the people went too far in exacting vengeance for decades of imperialist murder. He called for fewer executions going*

*forward and explicitly ordered the Cultural Revolution to be nonviolent...Many of Mao's own enemies survived being expelled from the Party. Both Deng Xiaoping and President Xi's father survived re-education camps and continued serving their country...Even the victims of Mao's violence admit that it was necessary due to the exigences of the revolution.*<sup>71</sup>

With this, Surjeet's declaration that the Cultural Revolution was "a grave deviation...in its [China's] history of socialist construction" as seen by the post-Mao and Dengist CCP, and by extension himself, is utterly disgusting. To say that Mao interpreted Marxism-Leninism wrong, that there was "Left deviation in China...anti-democratic tendencies," and a personality cult around Mao is delving into the reservoir of bourgeois lies, one from which it is hard to escape. While we should be critical, dismissing such an effort like the Cultural Revolution, and even the Great Leap Forward, is not only wrong, but it shows a weakness of one's ideological bearings. Luckily, there are many resources available, some of which are posted on the /r/maochina wiki, which can show the reality.<sup>72</sup>

Surjeet goes further down the rabbit hole, quoting the Resolution adopted by the sixth plenary session of the 11th Central Committee of the CPC in 1981, which snarls at the Cultural Revolution, declaring that it was "fortunate that the party in the country as a whole rallied behind the new leadership and started overcoming the shortcomings and weakness," claiming that "during the Cultural Revolution, China's relations with foreign countries also got strained," but have improved since then, with Deng declaring that "it might take another 50 years for building socialism." If we say that he made this statement in 1978, which official sources seem to imply, it would take until 2028 to build socialism

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71 Commie Dad, "[Mao's China: A Counter-History](#)," *Write to Rebel*, Mar 12, 2017.

72 These include [William Hinton's "Hundred Day War: The Cultural Revolution at Tsinghua University"](#); a book about [the economics of the Cultural Revolution](#), a book saying that [the Cultural Revolution was a turning point in China](#), a book talking about the ["Unknown Cultural Revolution"](#), a book about the [rise of the Chinese People's Communes](#), a book documenting [Revolution in a Chinese Village](#), a book about [Continuing Revolution in a Chinese Village](#), an article asking "[Did Mao Really Kill Millions in the Great Leap Forward?](#)," an article showing how [China had changed from the Great Leap Forward to the Present](#), an article asking how a [figure of 'famine deaths' which is three times higher than the maximal plausible estimate](#) was reached by bourgeois scholars, to give a few examples.



in China, meaning that the proletariat would have to suffer for fifty years under revisionist policies that mimic the capitalists of the West!<sup>73</sup> And that's assuming that socialism would be achieved in 2028, which is unlikely as China does not seem that it is moving off the capitalist road anytime soon. This would align with Surjeet's endorsement of the market playing a "vital role during the socialist modernisation period," functioning within "the socialist framework" with the idea of a "socialist market economy," an idea which is fundamentally contradictory and intellectually bankrupt.

It is here that Surjeet begins to toot the horn of the "new policy of China" declaring that there has been a "tremendous acceleration in economic development," better conditions for Chinese citizens, while Chinese leaders have "decided to conduct a rectification campaign against certain tendencies," ending with a quote from Deng on the "threats and opportunities connected with the new reform." This is utterly ludicrous. The reality is more clear. After centuries "relentless capitalist accumulation, the global ecological system is on the verge of collapse and the developing global ecological crisis threatens to destroy human civilization within the twenty-first century" and China is at "very center of global ecological contradictions," which may mean, given the legacy of the Chinese revolution, a "revolutionary socialist solution to China's contradictions" with the "state-sector working class," taking over "China's key economic sectors and play a leading role in the coming revolutionary struggle" with a broad "revolutionary class alliance...formed between state-sector workers, migrant workers, and the proletarianized petty bourgeoisie."<sup>74</sup> As such, the significance of another victorious socialist revolution in China would "break the entire length of global capitalist commodity chains [and]...turn the global balance of power decisively in favor of the world proletariat...pav[ing] the way for twenty-first century global socialist revolution...History will decide whether the Chinese and the world proletariat are up to their revolutionary tasks." It is this we should focus on, not Surjeet's revisionist garbage.

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73 Such official sources are "[Deng Xiaoping Theory](#)" and "[Deng Xiaoping and the Destiny of Chinese Socialism](#)."

74 "[The Rise of the Working Class and the Future of the Chinese Revolution](#)," article by Ming Li in the *Monthly Review* reprinted in /r/rwcc wiki.

## **The Return of Boer: Yet another revisionist argument**

Roland Boer, who was noted earlier in this publication, wrote another defense of Chinese revisionism, this one titled “Socialist Democracy with Chinese Characteristics.”<sup>75</sup> This chapter aims to counter the arguments he puts forward. There is much he writes in his 20-page article, but we only specifically counter the arguments related to Chinese revisionism, not his analysis of Mao or Lenin.

There are only three points worth countering here. The first is Boer’s point that the term “socialism with Chinese characteristics” was coined by Deng in 1982, generating controversy, with some “decrying it as a screen for reintroducing capitalism and others seeing it as a consistent development of Mao’s emphasis on the “sinification” of Marxism,” sidestepping these discussions, but, to quote him directly, on page 47 of his article, he wishes to “keep open the ambiguity of the term, for it signals the sheer experiment that continues in China and is part of the immense complexity of constructing communism once one has seized power.”

This is laughable. If there has been an experiment in anything, it has been in market methods, pioneered by the global capitalist class, tested by the Dengist Chinese leadership. This has led the Chinese leadership to dread the day that the “Chinese working class takes up the struggle to revive the political role of the working class in building socialism, as it existed during the era of Mao Zedong,” with the necessary abandonment of the capitalist road under the false label of “market socialism” with Boer doesn’t even address at all, reinstating capitalist norms.<sup>76</sup> So-called planning of the government is talked about here and there but it clear that the Chinese government has some state controls, fostering “capitalist development,” meaning “class exploitation, inequality and corruption,” a drastic modification of the efforts conducted during China’s Maoist period.

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75 Roland Boer, “[Socialist Democracy with Chinese Characteristics](#),” *Crisis and Critique*, Jan 2014.

76 Fred Goldstein, “[Imperialism hails Chen, attacks Bo as Wall Street gains in China-U.S. talks](#),” *Worker’s World*, May 12, 2012; Fred Goldstein, “[Global economic slowdown & leadership struggle in China](#),” *Worker’s World*, May 16, 2012; Fred Goldstein, “[The struggle in China: Capitalist crisis versus planning](#),” *Worker’s World*, Mar 27, 2012.

Many pages later, on pages 58 and 59 of his article, Boer declares that “democratic centralism remains the key term in the constitution of the CPC,” quoting from their party constitution, saying that the party is democratic in nature, providing “many avenues for suggestions and proposals to government bodies,” and a “state-party-society triangulation.” This makes it no surprise that this article was chosen by the Chinese revisionists. However, his argument is faulty. Sure, the party has political power, but there is a “widespread perception that political elites...are enjoying more than their fair share of the economic spoils,” while the party aims for measures to maintain law and order.<sup>77</sup> The SOEs which are dominated by Party members, produce exclusively for the market while the CCP moves further to integrate China into the global capitalist system. More analysis of this subject would be needed, but considering the revisionist character of China, the CCP is not as democratic as he thinks.

A few pages later, on page 61, Boer writes that

*Economically, most enterprises are operated by the state with socialist structures, yet capitalist production plays a significant role. The balancing act is to maintain control over those developments so that they do not dominate. Some would argue that the government and people have been swamped by capitalism since the opening up by Deng Xiaoping, but others observe that the situation is far from full-blooded capitalism. Politically, the situation is less new democracy and clearly democratic centralism.*

Trying to say that the situation is like “democratic centralism” will get to a battle of definitions, which serves no one’s purpose in learning more about China. However, this description is incorrect. As Pete Dolack notes, SOEs operate like “private firms” and are controlled by a handful of individuals,

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<sup>77</sup> Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013; Richard Wike (Director of Global Attitudes of Pew Research Center), “Chinese unease growing at flip side of progress,” *CNN*, Oct 23, 2013; “[Environmental Concerns on the Rise in China](#),” *Pew Research Center*, Sept 19, 2013; Frank Langfitt, “Capitalism Is Making China Richer, But Not Democratic,” *NPR*, Nov 7, 2014; Richard Smith, “China’s Communist-Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015; Pete Dolack, “[China Maintains its Capitalist Course](#),” *CounterPunch*, Oct 27, 2017; Peter Dollack, “[China Can’t Save Capitalism from Environmental Destruction](#),” *CounterPunch*, Feb 23, 2018; Reuters Staff, “Chinese capital dangles carrots to lure foreign talent to its Silicon Valley,” *Reuters*, Feb 27, 2018.

who are “wealthy businessmen and executives,” many of whom are CCP “princelings and their families,” and engage in “ordinary capitalist behavior,” showing that China is dedicated to stay on the capitalist road unless the Chinese proletariat reverse this development make the country better off.<sup>78</sup> If that was to happen, to quote from Dolack, it would reverse China’s “integration into the world capitalist system...on its own terms” and end its role as “the world’s sweatshop — rendering it highly dependent on exports, particularly to the West.” Furthermore, a victory for the Chinese proletariat would allow the country to reverse the concentration of capital, end the capitalist markets which bring together “the aggregate interests of the largest industrialists and financiers...with all the attendant exploitation,” and stop the never-ending desire for “growth” coupled with “ghost cities,” planned obsolescence, unenforced environmental laws, and expanding land speculation, while ending all loans to mainstays of the global capitalist system like the IMF and World Bank. With a leadership which benefited the Chinese proletariat, the Chinese state could avoid concessions to the global capitalist class, fight against “new incursions of capital” by expropriating all capitalist in-roads, kicking out all the capitalist vipers which are making conditions even more hellish for the Chinese proletariat.<sup>79</sup> What China needs is less hardship and more conditions which allow the Chinese masses to have direct and full control of the Chinese nation. If China, was, like it was during the Maoist period, a fully socialist nation, not this “market socialist” mess it is today, this would be a great inspiration for the proletariat and could be the death knell of global capitalism, inspiring revolutions across the world. Of course, those who defend revisionist China do not support this possibility as they think the country is moving in a socialist direction, even though it actually moving in a capitalist direction. Sure, there has not been full restoration of capitalism, but this does not mean the country has not become revisionist and has accepted market precepts, making the global bourgeoisie smile with glee.

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78 Pete Dolack, “[China Maintains its Capitalist Course](#),” *CounterPunch*, Oct 27, 2017; Peter Dollack, “[China Can’t Save Capitalism from Environmental Destruction](#),” *CounterPunch*, Feb 23, 2018.

79 Fred Goldstein, “[Imperialism hails Chen, attacks Bo as Wall Street gains in China-U.S. talks](#),” *Worker’s World*, May 12, 2012; Fred Goldstein, “[Global economic slowdown & leadership struggle in China](#),” *Worker’s World*, May 16, 2012.

## Khoo and labor power within China

In October 2012, Heiko Khoo wrote an article in *China.org.cn*, titled “China’s path to a socialist democracy.”<sup>80</sup> By its title, you can see why revisionists were giddy with excitement.

Khoo’s article was relatively short. He focused on workers organizing the world’s first trade union committee for Wal-Mart, an action led by the All China Federation of Trade Unions (ACFTU), working to “rapidly unionize all Wal-Mart stores in China,” even as the organization is “generally associated with top-down habits and they are commonly viewed as being too close to management.” As such, Khoo adds, many “prominent workers’ struggles that took place in 2010 were initiated from outside the official structures of the ACFTU,” but once workers became more confident, they “demanded the restructuring of their grassroots trade union bodies.” To this, he writes that the “top levels of the ACFTU played a decisive role in drafting and promoting the Labor Law of 2008,” which he says “signaled a radical improvement in the rights of the working class” and the membership of the ACFTU “sky-rocketed” in years to come, with him claiming it is a connection to the CPC. He adds that the “democratic participation of the urban masses in shaping their communities and environment is...a pressing and vital issue,” and that the “extent of democratic control will play a big role in determining whether people feel they live in a happy and collectivist environment or in a concrete jungle.” He concludes by saying that “if art, science, culture and technique are combined with vibrant democratic Workers’ Congresses, the impulses and productive power of China’s proletariat will create a harmonious socialist democracy, laying the foundations for a truly Communist society.”

This optimism, I would say, is misplaced. For one, in the mid-1990s, the SOEs laid off “some 50 million superfluous workers in the 1990s to make their industries more efficient” as they turned

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80 Heiko Khoo, “[China’s path to socialist democracy](#),” *China.org.cn*, Oct 14, 2012. With this chapter, it is not necessary to counter his [two-part](#) post on China’s [political economy](#) as the points are made by other revisionists and it would give him too much space in this publication which could be used to effectively criticize the works of others.

more to the market than ever before.<sup>81</sup> Secondly, migrant workers have a hard time “making a living” with their employment not as secure as others that are part of the country’s labor force. Thirdly, workers suffer hardships with the widespread market “reforms,” so much so that during the “world capitalist financial and economic crisis of 2008 and 2009” more than 20 million workers lost their jobs, “mainly in manufacturing and predominantly in coastal provinces such as Guangdong,” within the special economic zones set up so “companies from Taiwan, Hong Kong and South Korea, and other exploiters could take advantage of low-wage migrant labor flooding in from the rural interior.”<sup>82</sup> This magical labor law would not limit those effects. There is an additional aspect worth noting: while the “state-owned sector of the economy grows,” so does the capitalist sector, with capital expanding “automatically through the accumulation of profits.” This will undoubtedly get worse as the Chinese economy become even more “integrated with the global economy.” Others have added that in order for “household consumption to rise by 20 percent of GDP, a large portion of the national income...needs to be redistributed from the capitalists to the workers” which will be strongly resisted by the Chinese capitalist class, without question.<sup>83</sup>

On an additional point, we should also recall that the Chinese proletariat still labor under difficult conditions, with the Chinese “reforms” leading to consequences such as “income polarization, increased poverty, and intensified exploitation, which are integral to processes of capitalist marketization,” along with class antagonisms, something which should not be glossed over.<sup>84</sup>

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81 Richard Smith, “China’s Communist-Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015; Shannon Tiezzi, “Report: China’s 1 Percent Owns 1/3 of Wealth,” *The Diplomat*, Jan 15, 2016; Fred Goldstein, “[Imperialism hails Chen attacks Bo as Wall Street gains in China-U.S. talks](#),” *Worker’s World*, May 12, 2012; Fred Goldstein, “[Global economic slowdown & leadership struggle in China](#),” *Worker’s World*, May 16, 2012; Fred Goldstein, “[A critical moment in China](#),” *Worker’s World*, Mar 22, 2012.

82 Fred Goldstein, “[The struggle in China: Capitalist crisis versus planning](#),” *Worker’s World*, Mar 27, 2012; Fred Goldstein, “[The Chongqing vs. Guangdong models](#),” *Worker’s World*, Apr 12, 2012; Fred Goldstein, “[Marxism and the social character of China](#),” *Worker’s World*, Jun 13, 2013; Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013.

83 Minqi Li, “A Dying Model: Chinese Capitalism,” *The Diplomat*, Nov 6, 2012.

84 Martin Hart-Landsberg and Paul Burkett, “[China, Capitalist Accumulation, and Labor](#),” reprinted on /r/rwcc wiki; Yiching Wu, “[Rethinking capitalist restoration in China](#),” reprinted on /r/rwcc wiki.

## **Clyne's deception: a convoluted defense of revisionist China**

In May 2012, Michael Bauwens of the P2P Foundation excerpted from an essay written by Jonathan Clyne, titled “The Chinese Economic Miracle – A Triumph for Capitalism or the Planned Economy?”<sup>85</sup> Like many revisionist works, this focused on state ownership in the economy.

Clyne declared that

*...in China today the state owns the commanding heights of the economy and through the use of the state banks, the state budget, and the five-year plan it can decide upon the what direction the economy should take...The Chinese government...control[s] the flow of investments [and] appoint[s] the top managers...The popular image presented in western media is that the State Owned Enterprises, SOEs, are the last remaining dinosaurs of socialism in China, soon to die out. But the industries of the “rust-belt” stubbornly refuse to do just that...in the past 10 years the number of SOEs has declined dramatically from...but the share of the SOEs in the industrial sector has hovered steadily around 33-34 percent...Considering that industrial production as a whole has increased a lot during period, this actually represents a big expansion..The SOEs completely dominate the capital intensive industries. It is difficult to see how Chinese capitalists will ever be able to compete with the resources of the state in these areas...[the] state the plays an absolutely decisive role in the economy...state investments as a proportion of all investments have increased substantially since the eighties...This confirms that rather than moving towards capitalism in the nineties, China moved away from it.*

This is the common revisionist argument used to “prove” that the state is socialist. However, this glosses over the reality: the SOEs are part of the market economy in China. This is recognized by the Chinese capitalist class. Take Yu Pingkang, chief macroeconomic analyst at Huatai Securities, who

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<sup>85</sup> Jonathan Clyne, “[The Chinese Economic Miracle – A Triumph for Capitalism or the Planned Economy?](#),” P2P Foundation, May 31, 2012.

was quoted in saying in Jun 2015 that Chinese “authorities should accelerate reforms in wealth redistribution, such as salary cuts among senior executives of State-owned enterprises and the reform of the country’s pension system to allow society to equally enjoy the benefits of economic development.”<sup>86</sup> He, like other members of the Chinese capitalist class, want to ameliorate any possible class conflict, in order to stave off possible revolution or social unrest. Those who want to expand the state sector, like Bo, as noted earlier in this publication, have been marginalized, with the state sector having all the “superficial trappings of a market economy,” including “corporations, CEOs, IPOs, stock markets and so on” as one analyst puts it.<sup>87</sup> This is happening as the economy moves in a direction of being “more innovation and entrepreneurship driven,” becoming the “world's second-largest market for venture capital investments,” as a publication owned by the CPC (*China Daily*) notes. This clearly shows that Clyne is not telling the full reality about China.

Attempting to support his previous point, Clyne declares that

*Private Chinese companies produce things like pens, socks, shoes, toys, ties, and Christmas decorations. They are big in the building industry. They employ carpenters, plumbers and electricians, but the largest building industry, which is on the Fortune 500 list, is state owned...The service sector is a much smaller sector than anywhere else in the world compared to manufacturing. Services, where 55 percent of all private companies are found, take care of tourists, catering and haircuts among other things. These are hardly sectors that would be nationalised even in a healthy workers state. The independence of private companies is limited...In some areas the contribution of private companies can appear to be impressive. 70*

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86 David Scutt, “The gap between China's rich and poor is growing, which spells trouble when 300 million live below the poverty line,” *Business Insider*, Jun 27, 2015; “[Per capita GDP target sparks wealth gap concerns](#),” *Global Times*, Jun 27, 2015.

87 Fred Goldstein, “[Global economic slowdown & leadership struggle in China](#),” *Worker’s World*, May 16, 2012; Fred Goldstein, “[The struggle in China: Capitalist crisis versus planning](#),” *Worker’s World*, Mar 27, 2012; Fred Goldstein, “[A critical moment in China](#),” *Worker’s World*, Mar 22, 2012; Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013; Richard Smith, “China's Communist-Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015; “China's top 10 venture capital firms,” *China Daily*, Dec 9, 2015.



*percent of the world lighters are made by private Chinese companies in the city of Wenzhou...However, these lighters are produced by 3 000 small firms, some specialising in components, some in final assembly...90 percent of private companies employ less than eight people. Companies like that cannot compete for influence with the giant SOEs...The Shanghai and Shenzhen stock markets have exploded...but this does not either represent a transition to capitalism. An overwhelming proportion of companies traded there are SOEs...Foreign direct investment, FDI, is also a part of the private sector...It is no accident that the SEZs are concentrated around Hong Kong and Macao and the area across the straits from Taiwan. The Chinese bureaucracy wanted to integrate these areas economically into China as a preparation for political integration...This foreign capital has been used to build factories in China's Special Economic Zones, SEZ. Companies in these zones enjoy tax incentives and greater independence...In practice they have a license to exploit at will. They employ mainly migrant labour fleeing from poverty in backward rural areas...This is pure imperialist exploitation, with only a limited benefit for China..They have also used these zones (together with other exports) to acquire a huge foreign exchange reserve.*

There is definitely some truth to this. SOEs seem to have an advantage over foreign firms in the country, except in a SEZ where foreign capitalists dominate. However, he is obscuring that for one, the country has become a “breeding ground for some of the world’s more youthful billionaires” showing that these Chinese capitalists “are reaching the financial pinnacle more than a decade before their American peers.”<sup>88</sup> At the same time, Beijing is not only the “nerve center of China’s political system” but it is “capital of China’s billionaire universe,” many of whom come from the tech field. This indicates that the financial power of the Chinese capitalist class is growing. In terms of the SOEs, according to some analysts, they are, like their counterparts in the West, “market- and resource-seeking

<sup>88</sup> Pamela Ambler, “China's Richest 2017: World's Most Populous Nation Breeds Younger Than Average Billionaires,” *Forbes*, Nov 15, 2017; Russell Flannery, “Beijing Is China's Capital Of Billionaires, Too,” *Forbes*, Nov 30, 2017.

investors...interested in strategic assets and investments in know-how so as to move from manufacturing-led to knowledge-driven growth” while they are “directed to seek out investments in natural resources to fuel economic growth, invest in new technologies and find international markets for Chinese goods.”<sup>89</sup> To say these circumstances do not lead to further exploitation of the proletariat worldwide, dismissing them with a laugh, is to falsely discern the reality of the Chinese state.

Clyne then adds, after talking about foreign companies in China and the role of the state in the Chinese economy, that “working conditions are generally quite good and wages relatively high for employees of the big multinationals in China,” saying that “about one third of the economy is private. However, the state has a considerable influence on this sector,” declaring that “China is not moving in the direction of capitalism, despite the increased private ownership of the means of production (for a period of time).” This argument does not hold water. Yes, there is state involvement in the economy, something no one can deny. But, this does not make the state socialist or say it is on the socialist road. Plenty of states have SOEs, ranging from the Tennessee Valley Authority (TVA) in the US, the Canadian Broadcasting Corporation (CBC) in Canada, the British Broadcasting Corporation (BBC) in Great Britain, PVDSA in Venezuela, Gazprom in Russia, SingTel in Singapore, and Pemex in Mexico (partially privatized), to give a few examples. On the topic of labor, there is a crisis of accumulation in the country and the Chinese proletariat have some benefits, but they clearly do not have power over the state as a whole.<sup>90</sup> That power evaporated with the Dengist efforts which began in 1978, sadly changing the state from a beacon of socialism, even if the policies in the later years had their problems, to a beacon of revisionism which has masqueraded as “socialist,” deceiving comrades across the world. This deception sadly continued to this day, with revisionists at the “commanding heights” of the /r/communism forum, promoting revisionism, which doesn’t make it easy for those who criticize revisionist China to stay on track and not be banned for one “false” step!

89 Ilan Alon, “The globalisation of Chinese capital,” *East Asia Forum*, Sept 10, 2012.

90 Alexander Reid Ross, “[China: Mass protests challenge polluters](#),” reprinted on the /r/rwcc wiki.

## **Green’s defense of “market socialism”: a distortion of reality**

In May 2014, Nigel Green wrote an essay in which he unabashedly defended Chinese revisionism, declaring it was socialist.<sup>91</sup> He says this is the case, after using a quick quote from Lenin and a zip-through overview of Marxism, by citing the Constitution of China, adding that:

1. “Communist Party of China, the leading force in the country has 82 million members”
2. “Elections in China tend to be indirect – basically lower organs elect higher organs...people run the country...indirectly through their representatives”
3. “Chinese Trade Unions are big. At the end of 2010 there were 239 million workers in the All-China Federation of Trade Unions (ACFTU), the largest trade union centre in the world...There is a legal right to union recognition.”
4. “The PRC has not colonised or occupied any other country, and its own development remains the domain of its people and government”
5. “from the early 1980’s...under Deng Xiaoping, the PRC developed in its own words a ‘socialist market economy’ ...echo[ing] of Lenin’s New Economic Policy (NEP)”
6. “In China, the government and its organs of power and influence, control leading publicly owned financial institutions and a comprehensive range of state enterprises...the state sector controls the commanding heights of the economy...the socialist side of the economy is still undoubtedly dominant in China”
7. “the private sector, in Chinese terms[,] are largely small- and medium-sized businesses”
8. “there are obvious dangers for the PRC...Fundamental socialist structures exist alongside capitalist development. Workers in Chinese private industry are subjected to capitalist exploitation and the workers in the state industries have lost much of the economic support...“there is a struggle going on. Private capital grows and with it the economic strength

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91 Nigel Green, “[Is China Socialist?](#),” *Communist University in South London*, May 5, 2014.

and political influence of the capitalist class, and bourgeois intelligentsia. This – could- carry serious long-term dangers for China”

Let us address these points one by one. For point #1, saying that the “Communist Party of China [CPC], the leading force in the country has 82 million members,” this is easy to puncture a hole in. For one, the size of a political party does not mean it is actually serving the needs of the masses. The party has abandoned its tendency to “hate the rich” as one Chinese capitalist remarked a few years ago, while the middle class in China has the potential to be “social stabilizers” since they have “more positive outlooks on the wealth gap, more confidence in party cadres, and more upbeat evaluations of government performance” than others in China as a whole.<sup>92</sup> The CPC has kept its political power even through the years of revisionism, to the present, while the populace has thought that party officials are getting too much of the spoils than they should, with the CPC dedicated to “push forward with further free market-oriented economic reforms without serious social reform” as one bourgeois analyst noted.

We then move onto point #2: “elections in China tend to be indirect – basically lower organs elect higher organs...people run the country...indirectly through their representatives.” While Green seems to be fine with this, this shows that the Chinese masses don’t have as much power, as they can’t directly control the country. There are representatives in Cuba and Juche Korea. However, in both instances these countries are moving forward in a positive direction while China is moving further down the capitalist road. In fact, if we were to believe the Chinese leadership at their word about a “transition,” the climate catastrophe will have made the world inhabitable, which the revisionists are responsible for, as much as the Western capitalists, by continuing to use more dirty energy, while revisionists celebrate use of alternative energy as a “victory” even though it is only “green” capitalism.

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92 “Children of the Yuan Percent: Everyone Hates China’s Rich Kids,” *Bloomberg Businessweek*, Sept 30, 2015; Shannon Tiezzi, “Report: China’s 1 Percent Owns 1/3 of Wealth,” *The Diplomat*, Jan 15, 2016; Fred Goldstein, “[Global economic slowdown & leadership struggle in China](#),” *Worker’s World*, May 16, 2012; Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013; Richard Wike (Director of Global Attitudes of Pew Research Center), “Chinese unease growing at flip side of progress,” *CNN*, Oct 23, 2013; Minqi Li, “A Dying Model: Chinese Capitalism,” *The Diplomat*, Nov 6, 2012.

Moving onto point #3, he says that “Chinese Trade Unions are big. At the end of 2010 there were 239 million workers in the All-China Federation of Trade Unions (ACFTU), the largest trade union centre in the world...There is a legal right to union recognition.” That’s wonderful, but it again, does not mean that the country is socialist. In 2012, the Chinese labor force numbered 937.27 million people.<sup>93</sup> If there were 239 million in the ACFTU, that means that only 25% of the proletariat were in this union! That is a larger rate of unionization than the US by far, but still shows that workers do not have the power that revisionists claim they have. As of the last available figures (2017), 312 million Chinese proletariat are members of the ACFTU, which has a structure in which a very small group, less than 1% of all the workers, runs the organization.<sup>94</sup> However, the labor force, going by the most recent statistics from the World Bank, numbers 785,399,319 individuals. This means that about 40% of the proletariat was in this union, which is higher than in 2012, but still shows that the proletariat does not have as much sway with this union than they could have. Additionally, it is possible that a union like the ACFTU is a form of social control of the proletariat, a method I would not put it past the Chinese revisionists in order to maintain order in the country.

Moving onto point #4, saying that the “PRC has not colonised or occupied any other country, and its own development remains the domain of its people and government.” It does not seem that there has been any colonization like that the imperialists in the past or taking the form of neo-colonialism. However, since the country is revisionist, its foreign relations are meant to ultimately benefit the capitalist class of China. Additionally, saying that “its own development remains the domain of its people and government,” is false, considering point 8: that capitalist development is strongly present with workers in Chinese private industry “subjected to capitalist exploitation” while the “workers in the

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93 Li Jiabao, “[China's labor force drops for first time in 2012](#),” *China Daily*, Jan 18, 2013.

94 “[Wang Xiaofeng: There are 2.829 million grass-roots trade unions in the country covering 312 million employees](#),” *People’s Daily*, Apr 10, 2017; World Bank, “[Labor force, total](#),” accessed April 8, 2018. The statement “which has a structure in which a very small group, less than 1% of all the workers, runs the organization” derives from the page on the ACFTU website titled “[structure](#).”

state industries have lost much of the economic support,” part of an ongoing struggle which had grown the “economic strength and political influence of the capitalist class, and bourgeois intelligentsia,” posing dangers to China as a whole, even though it is revisionist.

I end this chapter with an analysis of points 5, 6, and 7. The first of these points is that from the “early 1980’s...under Deng Xiaoping, the PRC developed in its own words a ‘socialist market economy’ ...echo[ing] of Lenin’s New Economic Policy (NEP).” This is absurd. The NEP was, as I’ve noted in this publication before, seven years long, from 1921 to 1928. The Dengist period in China has lasted from 1978 to the present, a total of 40 years, almost six times as long as the NEP period. As such, comparing the NEP period to that experienced by China is ahistorical and distorts the reality.

The second of these points is about the state control over the economy, saying that the “state sector controls the commanding heights of the economy” and that “the socialist side of the economy is still undoubtedly dominant in China.” The first part of this seems to have some validity. However, this does not mean that the state is socialist. State control over the economy, a public sector, does not mean that the state follows socialist principles. State control is wholly possible under a capitalist system, while there will be pressures to privatize. As for the second part, this is laughable. Green is trying to conflate state control with “socialism” but this is not the reality as the market has been accepted as the guiding principle, even among state-controlled firms, which have to, as they are entering the world capitalist system, compete with Western capitalist firms, deepening the country’s integration with the global capitalist system without a doubt.

The third of these points is that “the private sector, in Chinese terms[,] are largely small- and medium-sized businesses.” Even we accept this as the case, it does not mean that there is not a capitalist class. There is undoubtedly a capitalist class and their power within China is growing every day. The revisionists created this beast of a capitalist class and the Chinese proletariat should rise up and kill it once and for all, before the proletariat have to suffer even more from its affects.

## **Revisionist declares he knows the “class nature of the Chinese state”**

In August 2008, H Khoo wrote a long piece declaring that he knows the class nature of the Chinese state.<sup>95</sup> His analysis is faulty, which this chapter aims to prove.

He begins by giving an overview:

*Since 1978 the Chinese Communist Party adopted economic methods not used on a large scale since Lenin introduced the New Economic Policy in the Soviet Union. This policy fostered exploitation, created inequality and class polarization, but also led to the development of the productive forces and the working class. China’s urban working class grew from 95 million in 1978 to 283 million in 2006, and the rural working class grew from 28 million to 173 million...The formation of new class relations created both capitalists and workers, but it has been driven by the state ownership of the commanding heights of the economy...the Chinese Communist Party remained firmly in command of society. Private and foreign owned sectors of the economy expanded steadily, billionaires formed at one pole of society and a slave trade at the other; this gave the appearance of the victory of primitive capitalism.*

Before going further, it is worth responding to this. Looking at World Bank data, it is clear that the Chinese working class grew between 1990 and 2017, although I do not know about before that, as the data begins in 1990.<sup>96</sup> However, the growth of the working class does not mean that the state is socialist. A working class can easily grow in a country which is not necessarily socialist. For instance, the labor force of the ROK (called “South Korea” in the West) grew from around 19 million in 1990 to almost 28 million in 2017, according to the same data. Hence, growing of the working class does not

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95 H. Khoo, “[The Class Nature of the Chinese State: A critique of “China’s Long March to Capitalism”](#),” *China Marxist Analysis*, Nov 26, 2009. In April 2012, Mick Brooks wrote an article titled “[Why China is not a capitalist country](#),” published on *karlmarx.net*, citing Trotsky eight times, specifically citing three of his books. He notes at the beginning that “this article is heavily based on previous writing and research by Heiko Khoo and Jonathan Clyne. I am, of course, solely responsible for the present work” with certain sections of his article literally mirroring Khoo’s work, with only some minor changes of his own. As such, it is not worth addressing his argument since the argument of Brooks basically just parrots those of Khoo and Clyne.

96 World Bank, “[Labor force, total](#),” accessed April 8, 2018.

show the class orientation of the state. Further replying to his quote, let us recognize the reality of NEP as I've written about in the past:

*...The measures of War Communism were abandoned in place of the New Economic Policy (NEP) which introduced market measures in order to, in theory, rebuild the country from war, an ideas which was proposed (and advocated by) Lenin...there needed to be unity in order to counter the “need of a constantly expanding market” for the bourgeoisie and to make sure the Soviets are the “grave-diggers” of capitalism in Russia...Anna Louise Strong said that in 1925, at least, every factory, mine, and economic entity was hungry for credit, and industries were supposed to be “self-supporting” after the beginning of NEP. While some may cringe at this, justifiably, there were a number of good strides, even in hard times...As for Stalin’s idea of “socialism in one country,” this recognizes the successful socialist revolution in Russia, but says that socialist construction under NEP, for example, can happen in one country, with socialism ultimately successful worldwide...Christina Kaier...describes the NEP, a period she says lasted from 1921 to circa 1928, was a “relatively peaceful and semicapitalist period in Soviet history”...A major downside of NEP was the creation of the “Nepmen” or NEP bourgeoisie which supported avant-garde artists but also were very greedy, with a noticeable disparity between workers and management...Despite all these downsides, in a country with a mainly agricultural economy at the time, there were positive elements. The creation of a “communist culture” in the new nation was realized by making constructivist art a political project of the state...By 1926, the gradual dismantling of NEP was beginning, scrapped by the 1928/1929, when Stalin was in a more powerful position than before.<sup>97</sup>*

Taking this into account, comparing the Dengist period to the NEP is absurd, as communist (or socialist culture) was built in early Soviet Russia at the time but not in China since 1978.

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<sup>97</sup> Leftist Critic, “[The Great October Socialist Revolution and early history of the Soviet Union](#),” Dec 21, 2016.



Khoo goes on to defend the market approach of the Chinese revisionists, declaring that:

*...the Chinese Communist Party and the ruling bureaucracy remain in essence a ruling caste i.e. the bureaucracy has not changed itself into a capitalist class...a creeping counter-revolution in property relations has not fundamentally changed the class character of the state...the Chinese bourgeoisie is weak and is primarily composed of small sized petty bourgeois enterprises...the commanding heights of the economy and the banks remain in state hands...the balance of class forces is shifting towards the working class...The state apparatus at each level in the pyramid of power requires, the approval of those above, the acquiescence of those below, and the active support of lower level cadres...China's State Owned Enterprises are not capitalist companies they are part of the public sector of the economy, even in capitalist countries there are such sectors...The role of China's state owned enterprises causes confusion amongst pro-capitalist commentators. Most exaggerate the scale of the private sector...Private investment and thus private capitalists would exist in any healthy transitional society...In the absence of democratic control by the masses the bureaucracy reacts to threats posed by bourgeois forces, both inside and outside its ranks, by sharp turns, purges, arrests, executions etc. in order to preserve the rule of the bureaucracy as a whole. On the other side bourgeois forces penetrate the bureaucracy and gain powerful positions within the economy...Bank lending in China resembles the European concept of grant funding rather than "normal" capitalist commercial operations...the commanding heights of the economy are in state hands...Capitalism is an acute threat to state ownership of the means of production.*

Khoo's points that the CCP and ruling bureaucracy are a "ruling caste" is valid you could say, as is his argument that they are not a capitalist class. However, the "creeping counter-revolution in property relations" has changed "the class character of the state." Khoo must have forgotten the decollectivization in China since Mao which broke apart the peasant-worker alliance, grounded in the

power the peasants had through their collectives and in the connections between the workers and peasants forged in the Maoist period as Zuan Xu wrote in “The Political Economy of Decollectivization in China,” cited earlier in this publication. Additionally, he must have forgotten that the Chinese middle class would serve as “social stabilizers” as noted by a Peking University report in 2016, cited in publications such as *The Diplomat* and *Foreign Policy News*. In response to his declarations that the “Chinese bourgeoisie is weak...primarily composed of small sized petty bourgeois enterprises,” that the “commanding heights of the economy and the banks remain in state hands,” the dynamics of the state apparatus, the characteristics (and role) of China’s SOEs and the role of the bureaucracy in “absence of democratic control by the masses,” let us recognize the composition of the Chinese bourgeoisie as the question of state ownership has been addressed earlier in this publication.

There was a recent listing of 400 Chinese billionaires (i.e. capitalists), whom constitute the pinnacle of the Chinese bourgeoisie, by *Forbes* magazine, although the bourgeoisie is larger since there are also Chinese millionaires (more capitalists).<sup>98</sup> Of the capitalists listed by *Forbes*, one quarter of them either were in the real estate sector or had their hand in two sectors. Another quarter hailed from the pharmaceutical, investment & payment (i.e. financial), auto, food & beverage, and retail sectors, or were members of conglomerates. The rest came from the chemical, varied equipment, electronics, software, manufacturing, health, metal, internet & digital screens, gaming, agribusiness, construction, cosmetics & apparel, package delivery, and home/kitchen appliances sectors, all of which are part of specific industries. On the topic of the environment, six capitalists hailed from dirty energy production and five came from alternative energy production.<sup>99</sup> There were also 71 capitalists whose sectors were

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98 For this number, I used “[China's 400 Richest 2017](#),” *Forbes*, accessed April 5, 2018 and Russell Flannery, “China's Richest 2017: The Full List Of 400 Billionaires” (4 pages long) *Forbes*, Nov 15, 2017. I also used it to create these categories, ones which Forbes said were the “origin of their wealth.” For a graphic representation, please see “[400 Chinese billionaires: the pinnacle of the Chinese bourgeoisie](#)” which I’ve posted graciously on imgur for your benefit.

99 For “dirty energy” this means, in this case, natural gas, coal, and oil. It could be expanded to mean nuclear power as well. For “alternative energy” (which I use instead of “clean energy”) this broadly means wind, hydropower, geothermal, and solar energy, with wind and solar energy the one ones these capitalists are involved in.

so small or did not fit into the aforesaid categories, were thrown into the “other” grouping. The fact that the real estate sector is the type sector of these Chinese capitalists, with there being 65 of them, more than any other category (if you exclude the amalgamated “other” grouping), is telling, especially because of China’s housing boom, which some economists have called a housing bubble, saying it will burst. Even if there isn’t a bubble, as these economists claim, there is no doubt that housing prices are declining, portending negative consequences for the Chinese proletariat and middle class.<sup>100</sup>

This leads us to the next claims of Khoo: that the “balance of class forces is shifting towards the working class,” that bank lending in China “resembles the European concept of grant funding rather than “normal” capitalist commercial operations” and that “capitalism is an acute threat to state ownership of the means of production.” I would hope Khoo’s optimism about the shifting of class forces is accurate, but I fear that the power of the revisionists, combined with the capitalist class, is a hard one to overcome. As for the claim that Chinese bank lending resembles a European concept, this would show that China is not as independent from the capitalist system as revisionists claim. His last claim, that capitalism threatens state ownership, is obvious. But the revisionists seem to be fine with this contradiction while their efforts are not limiting capitalist power and influence in the country.

At the end of his article, Khoo writes that

*Nowadays 96 percent of prices are set by the market, but key product prices remain state controlled, for example, fertilizers, grain, fuel, medicines, transport services and electricity...Western Sinologists, China watchers and journalists have been engaged for three decades in the search for China’s liberal intelligentsia whose enlightened self-interest is supposed to foster a civil society modeled in essence on capitalist democracy. They seek the*

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100 An article in a New York real estate publication in January of this year [said that](#) “...Chinese home prices are starting to fall amid new government restrictions, and some observers worry that homeowners overloaded with debt could run into trouble...n recent years the housing market accounted for about a third of China’s GDP growth...Beijing could always loosen housing market regulations to boost prices...China lacks the kind of mortgage-based financial products that almost brought down the U.S. financial system in 2008.”

*protection of private property and ownership of the means of production, the rule of law (bourgeois law) and an elected national government, made up of bourgeois political parties, and civil society institutions able to represent diverse interest groups, trade unions, NGOs, youth, women, sexual rights groups, ethnic and national groups etc...The capitalist class is not a consolidated national political or economic force able to determine the direction of national policy. In order for it to assume power a decisive defeat of the working class and the Communist Party would be required.*

Starting with the first point, with 96% of prices set by the market while some prices remain state controlled, shows that China is strongly on the capitalist road, not on the socialist road, as such control of prices would not even be tolerated under the NEP system! For the second point, that “Western Sinologists, China watchers and journalists have” have worked to create a “civil society modeled in essence on capitalist democracy,” seeking the “protection of private property and ownership of the means of production, the rule of law (bourgeois law) and an elected national government,” this should be no surprise as this is something the global capitalist class wants everywhere. Rather than moving forward down the capitalist road as the Chinese revisionists have done, the global capitalist class wants to do it even faster, undoubtedly sooner rather than later. His last points, that “the capitalist class is not a consolidated national political or economic force able to determine the direction of national policy” and that for it to “assume power a decisive defeat of the working class and the Communist Party would be required” are both faulty. The capitalist class has power in China, with the state participating in the market. The power of the capitalist class in China is growing everyday, as they continue to corrupt the youth with capitalist propaganda, making the Chinese middle class, or even the Chinese proletariat, act against their own interests. Many will likely resist such an intrusion, but the Chinese revisionists invited foreign capitalists into the country, will creating a domestic bourgeoisie which continues to grow, which should always been noted and remembered.

## The “weird beast” of revisionist China roars!

On September 17, 2015, Michael Roberts, a Marxist economist who often defends revisionist China, penned an article trying to “explain” China.<sup>101</sup> He begins his piece by arguing that “china has been ignored in many heterodox or Marxist political economy academic conferences,” but seemed annoyed by the “uncritical apologia for the position of the Chinese government and Communist leaders,” seeming to side with some criticism. Still, he gave revisionist China too much credit:

*...In the past 30 years, China’s growth has been phenomenal. And since the global financial crisis and the Great Recession in the major capitalist economies, China has continued to close the output gap with the leading capitalist economies...the trade impact of a slowing world eventually began to affect Chinese exports (which are dropping) and, as the government had allowed the expansion of capitalism into a stock market and real estate sector, it fomented a credit bubble that it is finding difficult to control. It’s the orientation towards the capitalist sector within China that is making it weaker. China can still avoid a hard landing if the state seizes proper control of productive investment and raises wages to expand consumption. But that would damage the capitalist sector of the economy and the Communist elite appears unsure of which way to go.*

This, is yet again, the typical revisionist argument. It is interesting that he accepts that the revisionists have accepted capitalist principles, although he thinks this is limited, criticizing the expansion of capitalism in China. As one user on Reddit recently commented, “market socialism is an oxymoron. Socialism is a social, political and economic system that does not include a market economy and has no consumerism.”<sup>102</sup> Taking this to heart, it would mean that China is not socialist in any way, even with state control in the economy, as there is a market economy, something which the

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101 Michael Roberts, “[China: a weird beast](#),” *Michael Roberts Blog*, Sept 17, 2015.

102 “[Comrades call out “market socialism” on /r/communism101](#),” post on /r/rwcc accessed April 13, 2018.

state-owned institutions are a part of, even though supporters of revisionist China will strongly deny this, shaking their heads, cackling with smiling busts of Deng inside their mental palaces.

Roberts also notes, which I didn't quote earlier, that China has been able to buck the murderous empire and pursue its own development. This is belayed by the fact that the Chinese companies have demanded more access to the U\$ market, with Daniel Rosen, a founding partner of a New York consulting firm, declaring that the real problem is "making sure that we are all confident that we are on a convergent path together, China and the United States, both of them head to the same direction as economies, in the future," with the Chinese capitalists, Yuan Ning of China Construction America and Ni Pin of Wanxiang America Corporation accepting such sentiment.<sup>103</sup> Such views should worry comrades, as it will lead to further exploitation of the Chinese proletariat. These views should be no shock: the Chinese don't mind meeting with bourgeois democracies like Austria, Scotland, and the Netherlands, while using the WTO to stop the U\$-China trade war, which is in a sense, a protectionist move.<sup>104</sup> The Chinese have gone so far to stop the trade war that they have even offered the orange menace trade concessions, which sounds a lot like a policy of appeasement. The policies at protecting Chinese revisionism have also involved asking the U\$ bourgeoisie to rally against the threat of the orange menace for a trade war, showing the interconnected nature of the two countries. After all, as Vice Finance Minister Zhu Guangyao said on April 4th, "the primary principle for the operation of China's foreign exchange reserves is safety" with China also, importantly, focusing on "liquidity and properly making profits in the global capital market."<sup>105</sup> Spoken just like the capitalists in New York.

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103 "[Spotlight: Chinese firms want level playing field in U.S.](#)," *Xinhua*, Apr 13, 2018.

104 "[China asks WTO to intervene to stop US trade war](#)," *PressTV*, Apr 10, 2018; Hu Weijia, "[China, Austria can work together to promote European economic integration](#)," *Global Times*, Apr 9, 2018; "[China, Netherlands agree to exploit advantages of complementarities](#)," *Xinhua*, Apr 13, 2018; Joe McDonald and Gillian Wong, "China appears to offer United States trade concessions," *AP* (reprinted in *Boston Globe*), Apr 10, 2018; Charles Pierson, "[Will Bolton and Trump Start the First Sino-American War?](#)," *CounterPunch*, Apr 10, 2018; Reuters Staff, "China's state media urges U.S. industry to rally against Trump tariff threat," *Reuters*, Apr 7, 2018; "[US: There Could Be A Chinese Trade War, But We Don't Think So](#)," *TeleSur English*, Apr 8, 2018; "[US treasury secretary says he expects no trade war with China](#)," *PressTV*, Apr 9, 2018.

105 "[China complies with rules, a responsible investor in global capital market: Vice Finance Minister](#)," *Global Times*, Apr 4, 2018.

## **Revisionist narrative accept that China has accepted market precepts!**

On January 1, 2017, Cheng Enfu and Ding Xiaoqin, Chinese scholars, wrote a revisionist narrative, showing how the Chinese revisionists have accepted market concepts without question!<sup>106</sup>

They write that

*the country's major recent developmental gains are the achievements of theoretical advances in political economy...while the main problems that have accompanied China's development reflect the damaging influence of Western neoliberalism*

They then claim that Xi is developing a “Marxian political economy for the twenty-first century.” This is absurd. The influence of global capitalism and acceptance of market precepts invalidates this possibility. What they add, shows the acceptance of market principles on a broad scale:

*From 1998 to 2003, China's high-technology production not only depended heavily on imported materials, but was also largely managed by foreign firms...Only if intellectual property rights are protected at all levels can Chinese enterprises and the economy as a whole exploit the commercial advantages of brand names and technical advances in certain fields...We should keep on making economic development our central task and insist on the strategic idea of giving economic development overriding importance. We should pursue innovation as fundamental to this change thus promoting Chinese development and leading it to reach higher levels...In the “new normal” circumstances of slower growth and developing internal markets, these criteria must be met by coordinating economic development and social development.*

Taking this into account, it shows that “market socialism” is really just a Chinese version of capitalism, although they think there are “socialist” elements, which are not present. Instead those elements are state elements, but state control does not mean socialism. State control can, under certain

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<sup>106</sup> See “[A Theory of China's ‘Miracle’: Eight Principles of Contemporary Chinese Political Economy](#)” reprinted on /r/rwcc, accessed Apr 13, 2018.

circumstances, mean socialism, but not in the case of revisionist China. Instead, it is clear that the Chinese government is following a strategy of ensuring that the export of capital is “developed alongside the export of goods and that China changes from being the “workshop of the world” to its global finance capital headquarters” as some Australian communists noted in October 2015.<sup>107</sup>

What they note next is also important:

*The basic tension between increasingly socialized production and capitalist private ownership gives rise to other contradictions...These include the conflict between the management and planning of private enterprises and the chaos of the market, the disparity between the indefinite expansion of production and the relative shortfall in real demand, and periodic bubbles, panics, and recessions...Contemporary Chinese political economy adheres to the principle of property rights, with dominant public ownership...the aim of mixed-ownership reforms is not to undermine state-owned enterprise...New policies must be introduced to enhance the vitality, competitiveness, and risk management of the public economy. The government should control and regulate private businesses both at home and abroad, and not just support them, in order to realize their benefits while minimizing their negative effects. China should encourage and lead private enterprises to implement reforms enabling workers to accumulate shareholdings, so as to benefit both labor and capital and achieve collective prosperity.*

These revisionists act like China is trying to play the double game: be “socialist” and be “capitalist.” These elements show they have accepted many bourgeois values used by the global capitalist class, talking like them, using words like “competitiveness” and “risk management.” Sure, they talk about “public ownership” but such ownership is really by the State, not the public, so it is false to call it “public ownership” and better to call it state ownership.

These revisionists continue their writings by arguing that

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107 Nick G., “[“Free trade”: the dangerous game played by finance capital,](#)” *Vanguard*, Oct 2015.



*...The income gap should be bridged, and increased income for all citizens should coincide with economic growth and labor productivity. It is vital to establish a sound and scientific mechanism for determining wage levels, as well as a mechanism for regular increases in wages...The adherence to shared development mainly involves the problems of people's livelihoods and collective prosperity, of which the distribution problem is the most outstanding. Indeed, maldistribution of wealth is the greatest obstacle to collective prosperity today...the growing "reserve army of labor," the segregation of the labor market, and massive privatizations of state-owned enterprises have significantly depressed the power and weakened the solidarity of the working class. In China today, inequalities in property ownership and income are large and growing, with a national Gini coefficient exceeding that of the United States. The richest 1 percent of Chinese families control one-third of all Chinese household assets, the same figure as in the United States...Over the last decade, official documents have emphasized the importance of "bridging income gaps," but this has proven controversial. Some articles even generally praise the rich as engines of economic growth and social role models, who thus deserve a disproportionate share of the country's wealth. This popular but destructive idea holds that the present gap between rich and poor is a trivial issue...China must heed Deng Xiaoping's instructions [at the present].*

This shows the effects of such revisionism. They can raise wages and say they are combating income inequality, but it is an inevitable effect of their policies. This recently manifested itself in Toumert AI, of China Foreign Affairs University, writing that future "economic fabric and social interactions...will require a hard look by Chinese economic actors to progress...from embracing their social duty as a business to...taking the lead in creating a more...progress-oriented system of doing business," sounding just like the global capitalist class.<sup>108</sup>

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108 Toumert AI, "[Chinese firms need new, broader definition of CSR](#)," *Global Times*, Apr 5, 2018.

These revisionists continue onward by writing about the “market is steered by the state,” claiming that “a socialist society can develop a market economy in a planned and proportionate way, and that the fundamental role of the market in resource allocation should be carried out under government supervision” but then admitting that the market will have a “determining role in general allocation” of resources, advocating for “market-oriented reforms that significantly reduce the government’s direct allocation of resources and permit this allocation to occur according to market rules, with prices and competition, to achieve maximum efficiency”! Again, these revisionists seem to forget how markets have turned China into a non-socialist country. The Chinese leadership recognize this however, as Chinese Premier Li Keqiang recently announced that “China will expand access to foreign investment in sectors like financial services, telecommunications, medical services, education, eldercare and new-energy vehicles”!<sup>109</sup> So much for “state control” in the economy.

After talking about the market economy, these revisionists declare with a smirk that “human economic action in the market regulates enterprise, the nature of the commodity, price and competition. Therefore, both the laws of market regulation and state regulation are based upon human activities...Good and effective micro and macroeconomics requires that all workers in enterprises and the government try to make their individual contributions fit in with the objective economic activities in which human beings participate.” I’m not sure how this is socialist, as it sounds a lot more like Adam Smith than what any of the Marxist theorists have wrote. This connects with their later writings about having an “optimal economic growth rate” and seeking to “maximize economic performance,” saying that China should be “concerned with supply-side structural reforms,” saying there needs to be an “urgent upgrade of the Chinese economy from speedy development to high-quality development” while the “Chinese labor market should shift into a more diverse division of labor, with a more flexible structure.” Again, this evidently embraced capitalist concepts.

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109 “[Mapping the future of foreign investment](#),” *Global Times*, Apr 3, 2018.

What they say further on the subject is as disturbing. They say that “large Chinese enterprises and corporations should retain the largest share of trade” while smaller enterprises and foreign firms co-exist alongside, adding that “the percentage of Chinese self-owned core technologies and intellectual properties on the world market should be increased” and that “development should serve the real economy, and the virtual economy ought not to be over-developed.” Again, this does not bring out any magical “socialist” concepts, but seems to delve further into the market. This is deepened by their own comment: that China should strengthen “supply-side structural reforms while also moderately enlarging gross demand and reforming major sectors of the economy, with special emphasis on reducing excess structural capacity.” This seems to imply less state control and “efficiency” but for whom? Obviously the so-called “efficiency” from this process would benefit the bourgeoisie. This is connected to accelerated investment, and opening “the economy to trade and investment...aiding optimizations in the allocation of resources and improved interactions between industry and technology” with the “economic opening up of the economy...implemented in a way that is flexible and responsive to complex and changeable conditions in national and global economy.” Still, this should not make anyone more confident, but more worried, as this implies a further extension of capitalism across China. The same is shown to be the case through their words that China “should focus on opening up different regions to foreign trade, utilizing their specific strengths and avoiding needless competition...China should make the best use of its imports and exports...It is also important to raise the level of international distribution...Free trade zones and investment infrastructure need to be negotiated. Overall, China needs to play a stronger role in global economic governance.” Again, this shows that China is integrating into the global capitalist system, not moving away from it. Perhaps an Australian comrade has a point in saying that while China had “experienced monumental achievements,” it has witnessed “a tragic restoration of capitalism, and is now developing toward a full imperialist power.”<sup>110</sup>

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110 John S., “[Marxist Theory Today: Three Basic Questions](#),” *Vanguard*, accessed Apr 13, 2018

At the end of their article, these revisionists write that

*The problem of “decapitating” mergers is to be avoided when growing companies and industries from abroad try to enter the Chinese market. China must commit to remain open to foreign trade in order to deepen and broaden the quality and growth of its own economic output. A key component of this strategy is China’s “One Belt, One Road” initiative. This massive investment project must go hand in hand with developing a new global financial architecture, as embodied by such institutions as the Asian Infrastructure Investment Bank and the Silk Road Fund. These institutions represent landmark achievements in the larger project of strengthening and sustaining China’s economic success.*

This again is an acceptance of capitalist precepts. The One Belt, One Road Initiative is, as Australian comrades pointed out, “a “soft” approach to building influence,” part of the fundamentally “capitalist orientation of China’s recent economic growth.”<sup>111</sup> The Vietnamese revisionists accepted this in their media. One article specifically said that “Chinese policies believed to bring huge capital to Vietnam” under the program, with China providing “capital to fund infrastructure projects worth billions of dollars in Asian countries and encourage businesses to develop projects in logistics, seaport, highway, energy, oil & gas and minerals.” The same article also says that Chinese investors see Vietnam as “the intermediary channel for them to pour capital into other countries,” with China becoming “one of the most important markets for Vietnam tourism with the number of Chinese travelers in 2017,” and special economic zones (SEZ) in Vietnam likely serving as “a magnet to attract Chinese money” since China is “among the four biggest foreign direct investors in Vietnam”!<sup>112</sup> China is evidently doing the same in Africa, doing the best to expand their program to Namibia and Zimbabwe, to give Chinese investors even more markets.

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111 Ned K., “[China-US: Who Wants to Control Who?](#),” *Vanguard*, Jul 2017.

112 “Chinese capital keeps heading for Vietnam,” *VietnamNet*, Feb 7, 2018; Wang Li, “China’s strategy in Africa: Thinking deeply but moving cautiously,” *Modern Diplomacy*, Apr 5, 2018.

## **Jeff J. Brown's return: Claims that "Chinese capitalism" is a myth**

On August 20, 2015, Jeff J. Brown wrote another article defending Chinese revisionism, claiming that "Chinese capitalism" did not exist.<sup>113</sup> He continues with his "in your face" approach.

He starts by saying that China is not seen "correctly" in the West:

*During the last generation, China has become the world's #1 manufacturer, exporter and cross border trader, as well as Planet Earth's largest creditor. During this time span, Baba Beijing's policies have created the world's largest and still fastest growing middle class...Nothing of all this could be further from the truth...With the advent of Deng Xiaoping's reforms and opening up China's economy to do battle with Western capitalism...China's economy has grown...many of Deng's reforms were actually started by Mao, Deng and Zhou Enlai, going back into the 70s and 60s, which helps explain the Mao Era's phenomenal socioeconomic achievements. These earlier reforms were cleverly rebranded as "new" by Deng. Western capitalists eagerly lapped it up, in their lustful pursuit of Chinese profits, starting in 1978.*

It is not until the last sentence he admits a problem: non-continuity from the Mao era of China into the Deng Era. He claims the "Deng era" ended in 2012, but clearly it still continues. It will only end when "market socialism" is abandoned. He can say that Deng's reforms were started by Mao and Zhou Enlai in the 1960s and 1970s but this seems absurd considering Mao's denouncing of "capitalist roaders" and Zhou's role in promoting Chinese socialism.

It is here that Brown again goes off the rails: he declares that

*China is still a communist and socialist country. Baba Beijing has simply used the West's methods, markets, investment and technology to continue to advance the well[-]being of China's people, within its non-capitalist economy. This is hard for most Westerners to wrap their heads around, that China has been and continues to be a communist and socialist country.*

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<sup>113</sup> Jeff J. Brown, "[The Myth of Chinese Capitalism](#)," *The Greenville Post*, Aug 20, 2015.

This is cockeyed and contradictory. China cannot accept the principles of the West and also somehow magically be a “communist and socialist country.” It has become a country which has accepted the precepts of capitalism without question, as noted earlier in this publication. Brown’s ideas are undoubtedly distorted as he thinks that the most recent constitution of China is in 1982, when the most recent changes are actually from 2002, as noted earlier. So, that point of his article isn’t worth addressing, as he has faulty information. He claims that just because China’s constitution states that “the Chinese people will govern themselves via their people’s democratic dictatorship” and that this will “guarantee the integrity of the People’s Republic of China as a socialist state” with China’s citizens investing “in the CPC to represent them and act on their behalf.” This is assuming that because the Chinese constitution states it, it must be true. With a country like Juche Korea, you can come away with this perception, as information is often far and few between. But with China, this is absurd. Saying that there is a “unique, overriding sociopolitical, communist-socialist mandate” is again something which undeniably false, if one looks at the reality. Even his quote from Deng, saying that “Chairman Mao did very good things” is corrupted by the fact that “we will adopt a realistic approach towards the mistakes he made late in life,” which means that they aren’t really accepting Mao’s ideas fully but rather on “realistic” basis, invalidating the whole span of Mao Zedong Thought.

It is then that Brown shows he is enamored with Xi. He claims that the “world has now entered China’s third great modern era...in 2013,” claiming that Xi is “mobilizing China’s people with his highly popular Chinese Dream, to achieve a moderately prosperous, socialist society, thereby rejecting mindless consumption,” even though he admits that if “Baba Beijing does not address its citizens’ demands, it could quickly lose the Heavenly Mandate,” showing that there are undoubted tensions. This raises the question if Xi, who reportedly got a PhD in Marxism-Leninism, will even apply such principles to China. Sure, the country has rolled out a “massive, nationwide social security and retirement program for anyone living here...includ[ing] universal health care for everyone, especially

children, the elderly and infirm,” such programs do not make the country socialist. There are evidently socially democratic tendencies but Xi, like the rest of the Chinese leadership, is not really opposed to “market socialism.” Brown then claims that because “every square meter of this country is owned collectively by the Chinese people, via the state,” which therein lies the problem: it is owned by the state. In some countries, yes, the people own property through the state, in Cuba and Juche Korea for one, but China is not one of them. If one can still have “a long term lease, which by legislation, cannot exceed 70 years” for land but not own the land outright, this is almost semantics, as it means that the people don’t collectively own the land, but rather another entity has control.

Brown doesn’t stop praising the revisionists. He admits however that “since the 1990s, China has been and continues to adopt capitalist practices to make its SOEs perform better and be more transparent. A number of them are selling a portion of their ownership to the public, by listing shares on Chinese stock markets, keeping the vast majority of ownership in government hands, usually up to a 70% government-30% stock split.” I don’t understand how this can be praised! This should be criticized without question. The same goes for SOEs being “consolidated to become planet conquering giants,” spending “billions of dollars and euros all over the world...making them government owned under the SOE rubric” which sounds just like Western corporations. He can say that these Chinese companies are “proudly flying the flag of China’s people’s democratic dictatorship” but in reality they are about profits, as he admits: “the bigger they are, the more profitable they tend to be...China’s socialist behemoths are more and more competing head to head with the West’s most successful, stockholder corporations.” If competing on the world market doesn’t constitute capitalistic practices, I don’t know what is. It undoubtedly is, but revisionists don’t want you to realize it. This applies to his statement that “the Chinese people own four of the world’s Top Ten banks and two of the five largest petroleum concerns...[and] the world’s wealthiest sovereign asset organization.” No, the Chinese state owns those institutions, not the Chinese people, a major difference that revisionists like him obscure.

Brown can twiddle his thumbs about “sectors that are state monopolies or dominated by SOEs” but this is not, by any measure, a “communist-socialist economic model.” Even more ridiculously he claims that “China’s economy is communist-socialist, and not at all capitalist.” Even if you accept his thesis, it is absurd to say it is “not at all capitalist.” There are capitalist elements admitted in the Chinese state media every day! It is incorrect to say that China’s model is “an alternative to the West’s 1%-99% system of exploitation and resource extraction,” as China is undoubtedly intertwined with such a system, without question. If the U\$ empire was to collapse tomorrow, and “Baba Beijing” as he calls it, brought the “Chinese Dream to full fruition, by the stated goal of Year 2050” that doesn’t mean that “humanity just might have a chance to survive after all” as capitalism would still function in Europe, in Russia, and undoubtedly in revisionist China. And no, without a doubt, no one should “hit back with the facts in this article and share its link” to those who dislike China, because it does not “speak truth to power” in any way, shape, or form.

Brown seems to dismiss the fact that China is interconnected with the global capitalist economy. China has over \$3.1 trillion in foreign currency holdings, with its stockpile the largest in the world, but the trade tension with the U\$ may, as noted in one financial publication, “lead to slower growth of the holdings, and even renew capital outflow pressure on emerging-market economies including China.”<sup>114</sup> This, alone, shows that the so-called “China model” is not independent from global capitalism but is rather something is intertwined and a fundamental part of it. The country has undoubted capitalist contradictions. This is strongly the case to such an extent that new bourgeoisie were “born into internet and finance industries replaced the rich in the energy industry as the main force in last year’s [2009] booming luxury house market in Beijing” as admitted in a publication run by the Communist Party of China, *China Daily*.<sup>115</sup> Clearly, Brown has deceived himself and has not recognized the reality.

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114 China’s Foreign Reserves Rise on Yuan Gains, Capital Curbs,” *Bloomberg News*, Apr 7, 2018.

115 Wu Yan, “[New bourgeoisie, women scoop up luxury houses in Beijing](#),” *China Daily*, Feb 8, 2018.



## The PSL cautiously defends China's revisionism

In May 2007, the National Committee of PSL (Party of Socialism and Liberation), adopted a document tepidly defending Chinese revisionism, showing the degrading nature of the “Left” in the US.<sup>116</sup> What is addressed here is the section of the document defending Chinese revisionism.

They write that

*the Deng faction took power in 1978. They began instituting a series of far-reaching economic reforms that became known as “market socialism” or “socialism with Chinese characteristics.” These reforms also led to the “opening up” of China to imperialist banks and corporations. The development strategy behind the “opening up” was premised on a strategic assumption: the lure of super profits from the employment of low-wage labor in China would lead to massive capital investment by the industries and banks that possessed the most advanced technology. China would benefit in its development by accessing and acquiring the latest technologies. The Chinese commune system of collectivized agriculture was also dismantled and the Chinese countryside, known throughout Asia in the decades prior to 1970 for its egalitarian achievements and social gains for the poorest peasants, became severely stratified again...The Deng grouping argued initially that the material prerequisites for constructing socialism required a rapid acceleration of the building of China’s productive forces, and that the import of foreign (imperialist) capital and technology was the fastest way to build up the productive forces*

This is a much more accurate retelling of what happened. However, it should be noted here that since, to echoes a comrade, communists are opposed to all markets, this means that using this topic, the Chinese revisionists cannot be communists (or even socialists) at all.<sup>117</sup>

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116 PSL National Committee, [“For the defense of China against counterrevolution, imperialist intervention and dismemberment,”](#) May 31, 2007.

117 [“Comrades call out “market socialism” on /r/communism101,”](#) post on /r/rwcc accessed April 13, 2018.

The PSL goes on to say that in contrast to Mao and his followers, the “capitalist roaders” believed that the quickest road to development was the integration of China into the world capitalist market, with China carving out for itself a place in world capitalism’s global division of labor as a low-wage, low-cost manufacturer of exports for a world market...The working class and the poor and middle peasants are not equipped as a class to be the link to world capitalism with its needs for super-exploitation, deal making and financial investment on a large scale in China. In fact, the working class and peasantry have interests that are antagonistic to the needs of capital...the class instinct of the Chinese proletariat would be to resist the demands of globalized international capital and its agents inside of China...the working class as a class is compelled to resist these incursions, and the phenomenon of class resistance is becoming widespread throughout China...Basic social rights...have been severely cut back for millions...The reforms have spawned a new Chinese capitalist class. It is this capitalist class that is able to connect as partners with the transnational banks and corporations...There is undoubtedly a nationalist sector of the Chinese bourgeoisie that is in conflict with imperialism...There is a constant effort to delegitimize the Chinese state at the same time as they are doing business with and through the state...The use of violence against these protests has the danger of alienating the Communist Party of China from its social base among the oppressed classes...China’s relationship with the United States is only one element of its global orientation expressed through its foreign policy. But its relationship with and policy toward U.S. imperialism is decisive...China is following a nationalist rather than a proletarian internationalist political line and program...Its policy is based on appeasing the beast so as to avoid having the beast’s wrath shifted toward China...The Chinese government and the Communist Party have developed a nationalist-focused foreign policy over a three-decade period...Deng Xiaoping’s government of “capitalist roaders” was cheered by the

*U.S. ruling class along with all the imperialist governments for opening up China to foreign investment starting in 1978. They all championed Deng and his grouping for introducing “market socialism.” They all supported Deng for his discounting of Mao and the destruction of the Mao faction, as well as for the repudiation of the Cultural Revolution.*

These aspects, of the history of China, are not recognized by those which are strongly pro-revisionist. Instead, they are pushed aside and laughed at, as they claim the West was “dumb” and that Deng was really a “socialist.” This is utterly laughable. He was not socialist, but rather was willing to appease the West as Chinese nationalism grew, at its height right now. The PSL adds that

*Until the start of the “economic reforms” in 1978, the Chinese economy was functioning more or less in accordance with the four principal and distinctive non-capitalist mechanisms that were foundational to the Soviet economy, including public ownership of the factories, banking and transport and collectivized farming in the countryside...During the last 29 years, China has incrementally reorganized its economy. Public ownership still exists in large parts of the industrial sector, in what are called state-owned enterprises, but there is at this moment an increasing tilt toward privatization...the trend is toward more and more privatization of publicly owned enterprises and banks...The Communist Party of China’s thinking is that the “prize” of access to China’s market and its vast low-wage labor pool are sufficient to give the government bargaining power so that foreign direct investment is also harnessed to benefit China’s development plans...The “opening up” of China has benefited U.S. and foreign corporations greatly...Since the economic reforms of 1978, China has incrementally and radically shifted its economic model away from socialist methods in order to integrate its national economy into the world capitalist economy.*

Again, this is a fair analysis. I would add that for one, China has an impressive list of expansionist undertakings...[ultimately it] will eventually lead each to the political choice of war" as a

number of Australian comrades noted recently.<sup>118</sup> Additionally, the country is undoubtedly revisionist, a word that the PSL can't seem to utter in their article, since they tepidly defend such revisionism!

After talking about the advancement of the Chinese bourgeoisie in China, the PSL argues that the “label of “market socialism” obscures what is taking place in China. This purported hybrid between two social systems is a theoretical fiction,” saying that the “market belongs to the era of commodity exchange, to the production and distribution of social wealth according to class privilege and class interests,” saying that the Chinese leadership has “turned increasingly toward reliance on bourgeois and capitalist methods...to pursue the completion of the tasks of China’s bourgeois democratic revolution.” The PSL seems annoyed with those who argue there is “capitalist restoration” in China (noting Maoists and neo-Maoists), adding that they stand with the “workers and peasants in China [who] rebel or resist capitalist encroachments and abuse” saying that “the rightful place of the Communist Party of China is to stand with these workers and peasants in their confrontation with the Chinese government,” adding that the “overthrow of the Communist Party of China by non-revolutionary forces would hurl China backward in its epoch-making struggle to emerge from underdevelopment...return[ing] China to the semi-slavery of comprador neo-colonial rule.” What is their solution? To offer a “militant political defense of the Chinese government in spite of our profound differences with so-called “market socialism.”” That seems like the wrong approach. A better approach would be to stand with those who resist Chinese revisionism and ultimately change the State for the better. Perhaps a major overhaul is needed in China, but the PSL will have none of that, as they tepidly defend the Chinese revisionists. Such a position is unnecessary. If the PSL had proletarian internationalism they would stand with the Chinese proletariat rather than the Chinese government. Clearly, they do not have that approach, despite some of their well-thought analysis. This is unfortunate for the PSL and says that there definitely a level of degradation of the US\$ left without a doubt.

<sup>118</sup> “Is china imperialist?: many /r/communism101 users say yes,” [comment by intlnews](#), accessed Apr 13, 2018; Max O., “[Australian compradors mount campaign for US's contest with China](#),” *Vanguard*.

## Chinese Marxist defends revisionist China

On December 5, 2016, Professor Deng Chundong, President of the Institute of Marxism, Chinese Academy of Social Sciences, in China, was interviewed in London by Jenny Clegg, which was printed in the British socialist publication, the *Morning Star*.<sup>119</sup> In it, Prof. Chundong defended Chinese revisionism with full force, with Clegg claiming that “the Institute of Marxism at the Chinese Academy of Social Sciences is one of China’s premier institutions.”

Some contradictions were clear from the start. Chundong said that

*The 1917 October Revolution signified a new era of human history. It was a great inspiration to the Chinese people – its great success showed the way forward to establish a socialist system in our country with the proletariat holding state power. At that time, China was oppressed by the forces of imperialism, feudalism and bureaucrat capitalism. China was in big trouble. Many of our most advanced thinkers of the time – scholars, students, businessmen – had tried to figure out how to save China from its predicament. The success of revolution in Russia brought some sunlight during that dark period – it meant a great deal. Now to commemorate the October Revolution, we must commit to pursuing communist ideology and follow strictly the route of achieving socialism with Chinese characteristics.*

While I agree with his description of the revolution in China and the circumstances China faced, it is illogical to say that they are “pursuing communist ideology” and that strictly following “the route of achieving socialism with Chinese characteristics” commemorates this revolution, especially since the latter term should really be called revisionism with Chinese characteristics or capitalism with Chinese characteristics as it accepts the market and capitalist precepts.

After this, Chundong had some words to say on Fidel and Cuba. He was quoted as saying

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<sup>119</sup> “[From the Chinese Marxist viewpoint: an interview with Professor Deng Chundong](#),” *Invent the Future*, Dec 23, 2016. This was first printed in the British publication, *Morning Star*.

*Fidel Castro gave his whole life to fighting for his people in Cuba. From the Chinese viewpoint, there are two major contributions he made which were helpful for China in setting a model for achieving socialism...Cuba is a very small country in Caribbean close to the most powerful country in the world, the biggest capitalist country, the US. That such a small county could continue to follow a socialist path under the severe blockade of the US demands our great respect. In the 1990s, the whole of Eastern Europe and the Soviet Union collapsed, but Fidel Castro continued in his belief...The reasons that socialism in Cuba advanced so far despite such great pressure from the US were firstly, the firm determination of Fidel, and secondly, that Cuba sought to explore its own unique way forward. It followed its own path...Cuban socialism is very popular, it is a great attraction around the world. It has gained the confidence of the people and this is its advantage – its people are in favour of the Communist Party and this means Cuba will have a bright future.*

Again, his viewpoint is valid, but the Chinese are not following the same path as the Cubans. The Chinese may have “respect” for the Cubans, but the Cubans are not moving forward with “market socialism” which is really all about the market, not at all about socialism.

After Chundong talked about “westernisation of economics,” he admitted that the “textbooks used in universities, the mindset, values and ideology of the teachers [in China], the setting up of courses and curriculum design – all are influenced by Western values to a great extent,” and implied that the teaching of “Marxism in schools and universities” doesn’t happen often, and even admitted that China can take “some content from Western learning,” which is worrisome. The interview ended with him saying that “the advanced Western countries are playing the dominant role...we should proactively promote pluralism and multi-polarisation,” said that “China will gradually get more involved and contribute more to global governance” and his comment that “how the US chooses to deal with the issue and with the Paris Agreement, is their own affair,” showing an error in revisionist thinking.

## Losurdo's defense of China's revisionist path

In June 2016, an article defending Chinese revisionism by Italian scholar Domenico Losurdo was published in *International Critical Thought*.<sup>120</sup> Specifically the sections about revisionist China are addressed in this chapter, not his retelling of Soviet, US, or Chinese history (up to 1976).

On page 15, Losurdo writes that “after the tragedy of the Great Leap Forward and the Cultural Revolution, it took Deng Xiaoping to emphasise that socialism implies the development of the productive forces. Chinese market socialism has achieved extraordinary success.” The first claim is evident: were the Great Leap Forward and the Cultural Revolution “tragedies”? This would seem to satisfy the anti-communists to no end. Clearly, the Cultural Revolution, which some anti-communists call a “terror campaign” against capitalist roaders, has been condemned by the Chinese leadership but it has been partially revived in recent years.<sup>121</sup> Some of the newly minted bourgeoisie, the *fuerdai*, are afraid of it coming back, with author Wang Daqi, son of a business consultant, snarling that many of the parents of these bourgeoisie “were the generation of the Cultural Revolution. During that time, there was no humanity. They were raised cruelly—there was no mercy. It was survival of the fittest,” with many *fuerdai* having “their parents’ same coldness” making to hard be friends with them. On the issue of the Great Leap Forward, even Jeff Brown, whose argument I debunked two chapters earlier in this publication, admitted that “from 1949-1978, the Mao Era, China’s GDP grew an average of 7% per annum,” adding that “Mao sincerely wanted the Chinese to get rich, just that all that wealth must be distributed as equally as possible.” I’d also like to note Joseph Ball’s article here, in *Monthly Review*, in which he wrote that many of the attempts to “undermine Mao’s reputation centre around the Great Leap Forward that began in 1958,” with peasants already starting to farm “the land co-operatively in the

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120 Domenico Losurdo, “[Has China Turned to Capitalism?--Reflections on the Transition from Capitalism to Socialism](#),” *International Critical Thought*, Jun 23, 2016, Vol 7, No 1, p 15-31.

121 Fred Goldstein, “[The Chongqing vs. Guangdong models](#),” *Worker’s World*, Apr 12, 2012; Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013; Richard Smith, “China’s Communist Capitalist Ecological Apocalypse,” *Truthout*, Jun 21, 2015; “Children of the Yuan Percent: Everyone Hates China’s Rich Kids,” *Bloomberg Businessweek*, Sept 30, 2015.

1950s” and that during the “Great Leap Forward they joined large communes consisting of thousands or tens of thousands of people” with, at the time, “large-scale irrigation schemes were undertaken to improve agricultural productivity.”<sup>122</sup> He added that

*Mao admitted that problems had occurred in this period. However, he blamed the majority of these difficulties on bad weather and natural disasters. He admitted that there had been policy errors too, which he took responsibility for...Evidence from the Deng Xiaoping regime Mao that millions died during the Great Leap Forward is not reliable. Evidence from peasants contradicts the claim that Mao was mainly to blame for the deaths that did occur during the Great Leap Forward period...Even according to figures released by the Deng Xiaoping regime, industrial production increased by 11.2% per year from 1952-1976...There is a good argument to suggest that the policies of the Great Leap Forward actually did much to sustain China’s overall economic growth, after an initial period of disruption...Although problems and reversals occurred in the Great Leap Forward, it is fair to say that it had a very important role in the ongoing development of agriculture. Measures such as water conservancy and irrigation allowed for sustained increases in agricultural production, once the period of bad harvests was over...Compared to the rigid, centralized economic system that tended to prevail in the Soviet Union, the Great Leap Forward was a supreme act of lateral thinking...The relative sympathy of the peasants for Mao when recalling the Great Leap Forward must call into question the demographic evidence that indicates that tens of millions of them starved to death at this time...The approach of modern writers to the Great Leap Forward is absurdly one-sided. They are unable to grasp the relationship between its failures and successes.*

This leads us to Losurdo’s second claim on page 19: that the “anarchy” caused by the Cultural Revolution “was so widespread and deep-rooted that it did not disappear immediately with the reforms

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<sup>122</sup> Joseph Ball, “[Did Mao Really Kill Millions in the Great Leap Forward?](#),” *Monthly Review*, Sept 21, 2006.



introduced by Deng Xiaoping.” Prince Kapone, in an article critical of China after Mao, calling it “state capitalism,” provides a bit of an antidote to this. He wrote that

*...Before the death of Chairman Mao, and under his leadership, China experimented in constructing a socialist model of development radically different from the current state capitalist model. Under socialism, the basic needs of the Chinese people were placed above the prerogatives of private profit, and economic development was meant to bring prosperity to society as a whole, rather than a privileged minority from the elite classes. Education and healthcare, as well as the fulfillment of other basic human needs, were central to the Maoist model, and this model holds more promise for the development of third world nations...It wasn't until the Great Proletarian Cultural Revolution (GPCR), launched by Mao in 1966, that Mao's socialist model of development was successfully implemented, having learned from the mistakes of the GLF [Great Leap Forward]. The socialist model of development adopted in China during the GPCR was characterized by social ownership of the means of production, the collectivization of agriculture, decentralization of political power to relatively autonomous socio-economic units, local industrial self-sufficiency, socialist relations of production, and most importantly, the socialist consciousness of the masses...Socialism brought meaningful education and basic healthcare to all of the Chinese people. Investment in rural education was significantly increased during the GPCR as is reflected by the blossoming of tens of thousands of primary and secondary rural schools.<sup>123</sup>*

The same is the case even in *The Greenville Post*, which has shared the views of revisionists, with a recent article by Ramin Mazheri saying that the Cultural Revolution in China was “like all popular revolutions of the modern era – it has things to teach us about our own societies and everyone’s modern times,” adding that the primary and ignored aspect of this effort was the “granting mass rural

<sup>123</sup> Prince Kapone, “[Walking on Two Feet: The Maoist Model of Socialist Development](#),” *Weaponized Information*, Mar 30, 2018.

education for the first time.”<sup>124</sup> The article adds that the Cultural Revolution was “at least an effort to right this perpetual historical wrong” of anti-female discrimination. The effort was very democratic, as “decentralization, democratization, taking on the Party establishment, taking on the intellectual class, the urban class, the *nouvelle riche* class, the army class – all were attacked with demands to reform politically and morally” during the time period! How can that not be praised! Of course, almost giving in too much to revisionists, the writer for *The Greenville Post* claims that “Beijing officially admits the Cultural Revolution was a mistake...because that is the only way to move on...They have officially apologised to all the victims and instituted reparations programs. China clearly has few problems discussing it openly,” yet they have trashed this legacy of the effort, although the article misses this, showing that they are still a boiling pot of revisionism. As such, for Losurdo to say that there was “anarchy” from this effort, which didn’t end with Deng’s reforms, is absurd, as it erasing their stories and struggles of those who participated in the Great Leap Forward and Cultural Revolution, allowing them to fade away, while the revisionists come into the foreground!

On page 19, Losurdo makes his third claim: that “China that arose from the Cultural Revolution resembled the Soviet Union to an extraordinary degree in its last years of existence: the socialist principle of compensation based on the amount and quality of work delivered was substantially liquidated, and disaffection, disengagement, absenteeism and anarchy reigned in the workplace,” and that such socialism, which he calls “populism,” was a target of Deng, who called on the Marxists to realise “that poverty is not socialism, that socialism means eliminating poverty.” This needs to be addressed on two counts. For one, as Joseph Ball wrote,

*The Chinese leadership began its attack on the Great Leap Forward in 1979. Deng moved against Mao supporters directing the official press to attack them...The reason for this*

*vilification of the Great Leap Forward had much to do with post-Mao power struggles and the*

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<sup>124</sup> Ramin Mazheri, “[When Chinese Trash saved the world: Western lies about the Cultural Revolution](#),” *The Greenville Post*, Apr 13, 2018.

*struggle to roll back the socialist policies of 1949-76...In fact, breaking up the peasant communes created sources of real hardship for the peasants. By encouraging the Chinese ruling class to describe the Great Leap Forward as a disaster that killed millions, Deng was able to develop a political line that made his regressive policies in the countryside seem legitimate.*<sup>125</sup>

Losurdo whitewashes over this reality, with these same efforts applied to the Cultural Revolution, which ended in 1976, after beginning in 1966. Deng coming to power was a defeat for Chinese socialism, with his ascension to power in 1978. He replaced Hua Guofeng who had arrested the other three members of the “Gang of Four,” Ye Jianying, Zhang Chunqiao, and Wang Hongwen, respectfully, trying put in place industrial planning and party control which was Soviet style, rejected by Deng, who became de-facto leader in December 1978, edging out Hua fully by 1981.

The fourth claim by Losurdo, on page 20, isn’t much better: that “the coexistence of different forms of ownership was counterbalanced by strict state control directed by the Communist Party of China.” This distorts the reality. As Fred Engst has noted, “the only reason that China was able to rise is because in the era of imperialism it maintained its sovereignty. The economic base built in Mao’s era laid the foundation for a sovereign capitalist development. That is the main reason!”<sup>126</sup> He also argued, while I may slightly disagree, that “some people think in today’s China it is not capitalists but revisionists who are in power...But in fact, today China is an industrialized capitalist country where the capitalist class is in power,” which you can disagree with but he makes at least some valid points.

With this, we can move onto Losurdo’s fifth claim on page 24: that “populism continues to make its presence felt more than ever in the dismissive judgment that the Western left passes on today’s China. It is true that the reforms introduced by Deng Xiaoping spurred an economic boom unprecedented in history, with hundreds and thousands of millions of people liberated from poverty.”

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125 Joseph Ball, “[Did Mao Really Kill Millions in the Great Leap Forward?](#),” *Monthly Review*, Sept 21, 2006.

126 “[The Struggle for Actually Building Socialist Society: An Interview with Fred Engst](#),” *Research Unit for Political Economy*, Jan 18, 2018.

Again, this an an utter fallacy. If anything, the efforts by revisionist China have created a stronger buffer (the Chinese middle class) between the Chinese proletariat and the Chinese bourgeoisie.

On page 25, Losurdo makes his sixth claim: that “Deng Xiaoping’s reforms greatly stimulated the fight against global inequality and thus placed the economic (and political) independence of China on a solid footing.” This is so laughable. Even Homer Simpson, in a later Simpsons episode, was confused, when someone told them that China had a “communist dictatorship,” as he was puzzled because of all the “free markets” he saw. And sure, we can “consider that Deng Xiaoping also promoted his reform policies as a part of the fight against planetary inequality,” except that this distorts the reality: Deng’s policies birthed a new bourgeoisie in China.

Connected to this is Losurdo’s seventh claim, on page 27: that a “totally collectivist economy erases all material incentives and motives for competition, paving the way (as previously seen) for mass disaffection and absenteeism...[Chinese socialism under Mao] populism that saw wealth and gain as such a sin hindered the development of entrepreneurship and technological innovation” and that the goal of no new bourgeoisie is not “contradicted by tolerance granted to individual capitalists.” This a load of garbage. For one, the first part of his argument is as anti-communist as the words coming out of Henry Kissinger’s mouth. The second part acts like that even if you accept capitalist precepts, to the extent of China, you can still be socialist, which doesn’t even make sense, since there is a bourgeoisie forming in China, even though Deng claimed it wouldn’t happen (he lied).

Losurdo’s final claim, on page 29, after outlining Western efforts to destabilize China, is that “it is very clear which weapons will be used to fight in the country that has emerged from the greatest anti-colonial revolution in history to engage in a long-term process of building a post-capitalist and socialist society. Which side will the Western left take?” If there is a “side” the “Western left” should take, it is solidarity with the Chinese proletariat and opposition to the Chinese revisionists. After all, China has abandoned its roots of “anti-colonial revolution” and has ushered in an era of markets.

## Amin's embrace of Chinese revisionism

On March 1, 2013, Samir Amin wrote an article in *Monthly Review* which fully embraced Chinese revisionism.<sup>127</sup> He begins by declaring that “the debates concerning the present and future of China...always leave me unconvinced,” grumbling that “the question, “Is China capitalist or socialist?” is badly posed, too general and abstract for any response to make sense in terms of this absolute alternative...China has actually been following an original path since 1950.” I aim, in this chapter, to specifically focus on his comments on Chinese revisionism, not on Chinese, Soviet or other history.

Amin declares, at the beginning of his article, that the “Chinese specificity [over its history, “absolutely prevents us from characterizing contemporary China (even in 2013) as “capitalist” because the capitalist road is based on the transformation of land into a commodity.” However this whitewashes the fact that “local governments and real estate speculators have been forcing farmers off of the land, so they can build industrial areas.”<sup>128</sup> After all, the State owns the land as the revisionists admit, although they falsely claim that the masses have indirect power through the Chinese State.

Amin goes on to declare that “China has experienced quite diverse and even contrasting forms of the use of land as a common good,” that “the decision to dissolve the Communes made by Deng Xiaoping in 1980 strengthened small family production” with holders of land having the right to rent their land “to other small producers...or to firms organizing a much larger, modernized farms,” while he focuses on other “gains” by China. This is patently illogical. For one, the decision to dissolve communal farming, as has been noted earlier in this publication, broke up the peasant-worker alliance, allowing the new and upcoming bourgeoisie to gain further power. His point about land holders having the right to rent their land again says that the land is not controlled, basically, by the populace, even if they have a title to ownership, because the renters dominate the land for their own uses.

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127 Samir Amin, “[China 2013](#),” *Monthly Review*, Mar 1, 2013.

128 “[The Struggle for Actually Building Socialist Society: An Interview with Fred Engst](#),” *Research Unit for Political Economy*, Jan 18, 2018.

Amin's further comments show the corruption of his viewpoint. He says that the "population transfer from the extremely densely populated Chinese countryside" supposedly was essential, but admits that this "transfer, although relatively controlled...is perhaps threatening to become too rapid. This is being discussed in China," raising some doubts about the positivity of China's approach moving forward. The same can be said for his admission that "rural forms of extreme exploitation of workers exist in China, e.g., in the coal mines or in the furious pace of the workshops that employ women. This is scandalous for a country that claims to want to move forward on the road to socialism" and saying that there is "Chinese state capitalism" which works to achieve an "integrated and sovereign modern industrial system...manage...rural petty production...and...control China's integration into the world system, dominated by the generalized monopolies of the imperialist triad (United States, Europe, Japan)." While he can say that this permits a "possible advance on the long route to socialism," it also, as he admits, "strengthens tendencies to abandon that possibility in favor of pursuing capitalist development pure and simple," meaning that the road to capitalism China is one that will not advance socialism. Instead it will benefit "private enterprise, national and/or foreign, and liberalized rural and urban petty production" and foreign capital as a whole. This also invalidates Amin's claim that the country "now has a truly sovereign productive system," that it has "social" dimensions, and that its "integration into globalization," especially since the 1990s. The country does not have a sovereign system because of the country's interconnected nature into the global capitalist system. Sure, you can say that China's integration into this system has been "partial and controlled," and that there has been state control, but the country has benefited from foreign capital while the latter makes low wages and high profit margins. The latter part of this sentence is even acknowledged by revisionists.

Amin goes on to snarl that "China is an emerging power," claiming this is because they have "not chosen the capitalist path of development pure and simple," except this is wrong. They have chosen that path of development but in their own way, as it evident from reading Chinese state media.

As Amin summarizes Mao, he understood “that the capitalist path would lead to nothing and that the resurrection of China could only be the work of communists.” Taking this into account today, the country is not following “the socialist path” and is not “outside of contemporary financial globalization” but is rather interconnected into such globalization. If this wasn’t the case, then the Chinese state would likely pursue more protectionist policies rather than promoting “free trade.”

The defense of Chinese revisionism goes further by Amin. He says that the “growth of inequality is obvious everywhere” but that this “observation remains superficial and deceptive” because, in his distorted mind, “inequality in the distribution of benefits from a model of growth that nevertheless excludes no one” while admitting that “inequality connected with a growth that benefits only a minority,” trying to make some strange distinction between types of inequality which really doesn’t hold water at all. He also claims that China is “an emergent nation in which the system makes possible the retention of the majority of the surplus value produced there,” again missing the reality: there is a Chinese bourgeoisie and they are benefiting from the current benefits of China’s policy to stay on the capitalist road, while the Chinese proletariat are not benefiting.

Amin can say that China has been at the crossroads since 1950, praise the Chinese peasantry of petty producers for “agitating for the adoption of the most courageous social and ecological policies,” but his anti-communist claim that the Cultural Revolution “subsequently deviated into anarchy, linked to the loss of control by Mao and the left in the party over the sequence of events” denies the importance of this effort in consolidating Chinese socialism, which was sadly stopped by Deng and his varied cronies in order to promote a market-based economy. The article ends by saying that “it is essential to understand that the conflict between China’s sovereign project, such as it is, and North American imperialism and its subaltern European and Japanese allies will increase in intensity to the extent that China continues its success.” Undoubtedly there is hostility but this doesn’t make the country socialist. There has been hostility toward the land redistribution program in Zimbabwe, the

social democratic policies in Syria, and the independent state of Eritrea, but none of these states were socialist, all being socially democratic instead!

Amin admits at the end of his article that the “language used by Chinese authorities concerning international questions, restrained in the extreme...makes it difficult to know to what extent the leaders of the country are aware of the challenges analyzed” in his article. He fails to expand on this point, but this means that the Chinese revisionists are truly concerned with a nationalist foreign policy, not one that embodies proletarian internationalism, hence the restrained language by the Chinese leadership. The article ends by saying that “it is widely believed in China, in the middle classes, that the royal road to catching up with the way of life in the opulent countries is now open, free of obstacles; it is believed that the states of the triad...do not oppose that; U.S. methods are even uncritically admired; etc. This is particularly true for the urban middle classes, which are rapidly expanding and whose conditions of life are incredibly improved.” This acceptance of capitalist ideals are troubling to say the least. Some can note Amin’s later words that the “the government in China is not insensitive to the social question...poor China is implementing the expansion of social security in three dimensions—health, housing, and pensions” but should also remember his words afterwords: that “the acquisition of social benefits is insufficient if it is not combined with democratization of the political management of society, with its re-politicization by methods that strengthen the creative invention of forms for the socialist/communist future.” Such democratization has not occurred. I do not mean in the bourgeois sense as that is inherently corrupted and should not be replicated anywhere else in the world. I rather mean in a communal sense where the populace has the power to make decisions, the power over the state as a whole, a true dictatorship of the proletariat or proletarian democracy. That is what China needs at the present. How the Chinese people get to that goal is up to them, but it may require some an upheaval that does not benefit the capitalist poles of power in the world and one that brings back China to its socialist roots, making the country the shining light of proletarian victory, not capitalist grins.



## **Fidel claims that China is a “socialist country”: a response**

In an interview with the Italian newspaper, *La Stampa* on January 2, 1994, Fidel Castro Ruz of Cuba defended the market measures put in place in China and Vietnam, telling the interviewer that

*If you want to talk about socialism, let us not forget what socialism achieved in China. At one time it was the land of hunger, poverty, disasters. Today there is none of that. Today China can feed, dress, educate, and care for the health of 1.2 billion people. I think China is a socialist country, and Vietnam is a socialist nation as well. And they insist that they have introduced all the necessary reforms in order to motivate national development and to continue seeking the objectives of socialism. There are no fully pure regimes or systems. In Cuba, for instance, we have many forms of private property. We have hundreds of thousands of farm owners. In some cases they own up to 110 acres. In Europe they would be considered large landholders. Practically all Cubans own their own home and, what is more, we welcome foreign investment. But that does not mean that Cuba has stopped being socialist. What is evident is that we will never fall into the error of destroying the country in order to build something new.*<sup>129</sup>

After this, the blogger reprinting this declares in a snarky manner: “apparently the teeming hundreds of the western "revolutionary" left seem to believe they know better about what socialism in a third world country should look like than Fidel does. So whose opinion would you trust on this one?” It is with this, we aim to address Fidel’s quote.

For one, the first part of Fidel’s comment that what “socialism achieved in China” could be narrowly construed to not apply to the post-1976 period. However, note his wording: he only “thinks” China is a “socialist country” with the same applied to Vietnam. Does that mean he has doubts? Is he not completely sure? This should be honest questions, even if you are a revisionist. After summarizing

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<sup>129</sup> [“Fidel Castro says China is socialist – and he should know,”](#) *Not A Dinner Party*, Oct 4, 2012. This blog misses the last line of Fidel’s quote from the interview, which has been archived [here](#).

the Chinese position, he adds that “there are no fully pure regimes or systems. In Cuba, for instance, we have many forms of private property. We have hundreds of thousands of farm owners...practically all Cubans own their own home and, what is more, we welcome foreign investment. But that does not mean that Cuba has stopped being socialist.” Now, this could be seen as an endorsement of Chinese revisionism and it is, to an extent. However, it also says that Cuba is unique in its approach and won’t adopt the Chinese model. The latter is implied by his statement that “what is evident is that we will never fall into the error of destroying the country in order to build something new.” Let’s go back to the snarky commenter who said that the left in the West “seem to believe they know better about what socialism in a third world country should look like than Fidel does. So whose opinion would you trust on this one?” In response to this, I would say that the Chinese proletariat should address this on their terms, with analysis pointing to the fact that China is on the capitalist road. In this case, Fidel’s view is mistaken, on the issue that China is “socialist,” on which he seems to have at least some doubt.

Ten years later, Fidel spoke on this same subject. He spoke to Hu Jintao, General Secretary of the CPC, at the a ceremony at the Palace of the Revolution on November 23, 2004, talking about past Chinese struggle, adding that “China has objectively become the most promising hope and the best example for all Third World countries. I do not hesitate to say that it is already the main engine of the world economy” and spoke about relations between China and Cuba.<sup>130</sup> He also claimed that “the role that China has been playing in the United Nations Organization, including the Security Council, is an important element of balance, progress and safeguard of world peace and stability.” He somewhat implied the country was socialist, by awarding Hu a medal (Jose Marti Order) “for his unwavering determination to continue fighting for socialism and for the progress of that brotherly country” and said that Cuba had “enormous admiration for legendary and revolutionary China.” Addressing his claims are

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<sup>130</sup> “[Discurso pronunciado por Fidel Castro Ruz](#), Presidente de la República de Cuba, en la ceremonia de condecoración con la Orden "José Martí", a Hu Jintao, Secretario General del Partido Comunista de China y Presidente de la República Popular China, en el Palacio de la Revolución, el 23 de noviembre de 2004,” accessed Apr 15, 2018. Translate using an online translator.

paramount. To say that “China has objectively become the most promising hope and the best example for all Third World countries” and has become “the main engine of the world economy” are actually not controversial statements. For one, even though the Chinese are revisionist they seem to offer better terms than the capitalist West, which is why “Third World countries” flock to China. Cuba is no different than those countries except that it remembers the Chinese liberation struggle in the past, only seeing it as right to stand by a “legendary and revolutionary China.” Fidel’s implied claim, that the country is socialist, is a false one, due to the capitalist precepts accepted by the current Chinese government. He also says that “the role that China has been playing in the United Nations Organization” has brought world balance. Sure, the Chinese are not as aggressive as the US, militarily at least, but they haven’t necessarily brought balance in the world. Fidel is sadly wrong on this point.

Ten years later, in 2014, Fidel again addressed China, writing about the fight of the Russians during World War II, saying that the Chinese “achieved their victory [of revolution] on the basis of the same principles, [and] constitute today the earth’s most dynamic economic force.”<sup>131</sup> He declared this was the case because “countries want yuan and not dollars to acquire goods and technology, and increased trade. New, indispensable forces have emerged. Brazil, Russia, India, China and South Africa...constitute the forces which in our era are willing to collaborate with the rest of the world’s countries.” At the end of his article, he added that “Chinese combatants, men and women, inheritors of a millennial culture, are people of uncommon intelligence and an invincible spirit of struggle. Xi Jinping is one of the strongest and most capable revolutionary leaders I have met in my life.” It is the latter claim that is often cited by revisionists. Just because Fidel said this, doesn’t make it automatically true. For example, just because Fidel said that assassination of John F. Kennedy in 1963 was by more than just a lone gunman, doesn’t make it true. As such, using this statement to “prove” Xi’s “revolutionary” credibility, is weak, since that Fidel does not support his statement with any evidence.

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131 Fidel Castro Ruz, “[Palestinian Holocaust in Gaza](#),” *Granma*, Aug 4, 2014.

## **China never moved away from a “Marxist approach,” claims revisionist**

On August 20, 2017, Indian scholar Saikat Bhattacharyya wrote an article in *Regional Rapport*, declaring that “China never actually moved away from Marxist approach but changed course...the sometimes Marxist root of Chinese leadership must be remembered.”<sup>132</sup> His chapter aims to counter such destructive and disgusting revisionism which can easily mislead well-intentioned comrades.

Bhattacharyya’s argument is largely distorted. He quotes Xi as declaring that China should “go to Marxist roots” and claims that “Deng never negated Marxism...Mao, Deng, and Xi actually represent reactions of the Chinese leadership to different material conditions.” On the first claim, news articles note that Xi made this speech as part of “an emphatic call for ideological discipline and a vigorous defense of party rule,” using it to defend the party’s current approach, tied in with Chinese nationalism, warning foreign countries “that China would never sacrifice its core interests, sovereignty, security or development plans.”<sup>133</sup> The speech also did not deviate from the capitalist path, as he embraced Deng’s concept of “socialism with Chinese characteristics,” which I’ve said is incorrectly and falsely named, quoting Deng himself, with some saying Xi is like Deng, not Mao.

After this, Bhattacharyya notes that the CPC, after the successful revolution, was “following the trend of the then world went for [with] planned resource allocation under state ownership. In fact, this was believed to be the only way to become industrially self-sufficient,” and notes that in the 1970s, the “West underwent tremendous change and started to use debt to create demand and started negating the role of the state.” It is here he declares that “Deng understood the opportunity of getting Western technology and capital to industrialize China quickly. Deng took the opportunity. Many people across the globe thought that Deng was moving towards capitalism. They failed to get that Deng has reacted to

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132 Saikat Bhattacharyya, “[Silk Route and Marxist Historical Materialism](#),” *Regional Rapport*, Aug 20, 2017.

133 “Xi urges Chinese Communist Party to embrace Marxist roots,” *Associated Press*, Jul 1, 2016 (shorter article); Gerry Shih, “Xi urges Chinese Communist Party to embrace Marxist roots,” *Associated Press* (reprinted in *Albuquerque Journal*), Jul 1, 2016; Mamta Badkar, “Here’s Why People Are Calling Chinese President Xi Jinping A Mao-Style Authoritarian,” *Business Insider*, Nov 29, 2013.

the changed material condition...this transformation presented China a historical opportunity clearly noted by Deng.” This is largely laughable. For one, Deng openly emphasized “the capitalist market as the dominant force in development,” opening the country to foreign investment, declaring that “China needed the capitalist market and capitalist technology to develop.”<sup>134</sup> Undoubtedly the global capitalist class was glad to hear of this development as any gains Mao made were pushed away. While some bourgeois analysts say that the central government didn’t have a role in such reforms (they undoubtedly did), they still admit that “the economic forces that were really transforming the Chinese economy in the first decade of reform were private farming, township and village enterprises, private business in cities, and the Special Economic Zones.”<sup>135</sup> This was the beginning of the Dengist period.

Bhattacharyya’s article gets even worse. He declares that “China began to industrialize itself using capital and technology from USA and West and Japan while the USA continues to take debt from China and other countries and generate demand for Chinese made products,” adding that “Xi Jinping...and his comrades understood that old system of globalization cannot go on...Though China has a huge trade surplus and is still growing funding infrastructure worldwide will not be the problem. But long gestation period, non-profitability for long period of time often considered being a great problem for Belt Road Initiative.” For one, the first part of his argument proves that China was integrating itself into the global capitalist system. Since it was their initiative and not that of the capitalist poles of power, it makes them even more culpable for what has happened in China since 1978. As for his second argument, that Xi and his cadre realized the problems with the old system and began the One Belt, One Road Initiative, which operates fully as a part of the global capitalist system. After all, 110 countries participated in the 2017 Belt and Road Forum, including many of the countries from Western Europe and North America, including the US, Britain, France, Germany, and Spain.<sup>136</sup>

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134 Fred Goldstein, “[The Chongqing vs. Guangdong models](#),” *Worker’s World*, Apr 12, 2012.

135 Ronald Coase and Ning Wang, “How China Became Capitalist,” *The CATO Institute*, Jan/Feb 2013.

136 Shannon Tiezzi, “Who Is Actually Attending China’s Belt and Road Forum?,” *The Diplomat*, May 12, 2017

Also attending was the UN Secretary General, President of the World Bank, and Managing Director of the International Monetary Fund Christine Lagarde. With the US and other capitalist participation, this negates the ability of this initiative to be something which can counter Western initiatives, especially since the US will try to promote its imperialist interests without question, which the capitalist poles of power in the world realize, and want in on this initiative.<sup>137</sup>

We then move onto Bhattacharyya's point that "China can endure long gestation period and long-term losses while the Western system cannot. This is because in Chinese economy [the] mode of surplus value appropriation [is] like the Western system [and] is essentially capitalist in nature," declaring that surplus value is decided by the bureaucrat class," declaring further that "China can go for real investment with long gestation period...China will keep resource allocation power more hands of State than in hands of private capitalists." This distorts the reality: that China has adopted capitalists precepts, adapted them to their own situation but still stayed solidly on the capitalist road.

Bhattacharyya's last point, in his article is that "we can thus conclude that China never actually moved away from Marxist approach but changed course as time and material conditions changed. Under Xi, as state companies will do more infrastructural investments often incurring losses for the sometimes Marxist root of Chinese leadership must be remembered." This is an utter joke. China has moved away from the Marxist approach without question. The change of course was going down the capitalist road while dropping bombs on the socialist road to make it impassible, and dressing up the capitalist road with bells and whistles making it look like the socialist road even though it was clearly the capitalist road, enough to delude comrades in the West.

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137 Saibal Dasgupta, "US makes U-turn, to participate in One Belt One Road initiative," *Times of India*, May 13, 2017; Linette Lopez, "There's one part of this Trump-China deal that slaps a bunch of his supporters in the face," *Business Insider*, May 13, 2017; Wang Yiwei, "Make One Belt One Road America's Initiative, too," *China-US Focus*, Jan 17, 2017; Keith Bradsher, "U.S. Firms Want In on China's Global 'One Belt, One Road' Spending," *New York Times*, May 14, 2017; Wang Yiwei, "One Belt One Road: Opportunities for Europe-China cooperation," *Friends of Europe*, May 13, 2015; Philippe Le Corre, "Europe's mixed views on China's One Belt, One Road initiative," *Brookings Institution*, May 23, 2017; Saibal Dasgupta, "Few From West Drawn by China's One Belt, One Road Conference," VOA (likely reprinted from *Times of India*), Apr 18, 2017.

## **Global Times claims that China is “teaching” capitalists about communism**

On August 21, 2017, *Global Times* published an article saying that “a discussion about the future path and nature of communism sparked by some of China's leading tech entrepreneurs,” saying that it “could encourage the public to know more about communism and create an opportunity for China to further analyze and realize a communist society,” noting that Chinese experts put this strange theory forward.<sup>138</sup> This chapter aims to address this somewhat bizarre article.

The article begins by quoting Liu Qiangdong, founder and CEO of Chinese e-commerce giant JD.com as saying that “with the technologies we have laid out in the last two or three years, I have come to recognize that communism can indeed be achieved in our generation,” further declaring that since robots now can handle all the work and the government can equally distribute wealth, “there will be no more poor or rich people and all companies will be nationalized.” This is less of an endorsement than it looks on the face. For one, it is vapid, only saying “in our generation” which lays out no specific timeline. Secondly, this capitalist has no realization of Marxist theory, unsurprisingly, so his words are more a joke than anything else, because he undoubtedly wants to increase the control the Chinese bourgeoisie has, at the present, over the Chinese economy.

Then there’s Jack Ma, founder and chairman of the Alibaba Group who said that “with access to all kinds of data, we may be able to find the invisible hand of the market” and Wu Bo, a scientific research fellow, who said that “it is common sense that private capital, like Liu and Ma's businesses, and communism are incompatible, but Liu and Ma's discussion on communism is important and should be seriously considered...regardless of their identities, their comments suit Marx's theoretical logic on the social formation change...Liu and Ma's remarks indicate that changes and development in human society prove the Marxist theories about what a future society could be.” Deducing from this, it means that these Chinese bourgeoisie are endorsing the fake idea of “market socialism,” nothing more,

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138 Shan Jie, “[Tycoons spark discussion on realization of communism](#),” *Global Times*, Aug 21, 2017.

nothing less. Of course, *Global Times* put out a title which made it seem like it was more than this, and the revisionists jumped on this, to “prove” that China is “socialist.”

However, the comments by Liu may not be about socialism after all. In his response, he said that he was actually talking about “how artificial intelligence and other technologies could help create wealth for people and society,” saying and I quote, “the deduction and supposition [in the context of 2016's interview] has deviated from my original meaning.” This means that *Global Times* and other revisionists clearly got it wrong. As the article moves on, they accept this false reality, with Su Wei, a professor at the Party School of the CPC Chongqing Municipal Committee, saying that “the Party has been strengthening the ideal faith education on communism...however, the concept of communism should be scientific. Liu's statement on 'communism' is not the same as theoretical communism,” with others adding that “Liu and Ma's statements on communism, compared with those who curtly conclude communism is a thing of the past, are much more meaningful and reasonable...discussions on communism should be positive. China should further enhance people's education to better understand and acknowledge the basic theory of communism.” While some revisionists may be cheering, it shows that even the Chinese leadership sees little value in this comments. After all, their form of “communism” rings hollow to the Chinese proletariat who suffer under Chinese state measures.

The end of the article notes the real goal: the Chinese bourgeoisie. The *Global Times* notes that “Yu Zhengsheng, chairman of the National Committee of the Chinese People's Political Consultative Conference, met with Chinese entrepreneurs in June 2015 to solicit their opinions on the 13th Five-Year Plan (2016-2020). Yu stressed that entrepreneurs should integrate “ideological and political attainment” into their “entrepreneurship.” This shows that this whole article doesn't “prove” anything about China, that it is “socialist” or anything, but rather is only which is strongly committed to capitalist principles, under their own terms, and maintaining political stability in a country which has become horridly revisionist, a horror for the Chinese proletariat.



## **Global Times writes about “big data” and economic planning**

On June 14, 2017, *Global Times* released an article noting how some Chinese capitalists saw a “planned economy” as successful, another strange article, like the last chapter.<sup>139</sup> This article is only slightly different than the one in the last chapter.

In November 2016, Jack Ma Yun, founder and chairman of Alibaba Group, told the World Zhejiang Entrepreneurs Convention that “over the past 100 years, we have come to believe that the market economy is the best system, but in my opinion, there will be a significant change in the next three decades, and the planned economy will become increasingly big,” claiming that with the new data we may “be able to find the invisible hand of the market,” saying that the planned economy he talks about is “not the same as the one used by the Soviet Union or at the beginning of the founding of the People's Republic of China [1949-1976].” He further declared that “big data will make the market smarter and make it possible to plan and predict market forces so as to allow us to finally achieve a planned economy.” Honestly, this comment is not reassuring. For one, he is fully embracing capitalism, saying that the “market economy is the best system” and advocates for a “planned economy” but it would still be market-based, which goes against the whole idea of a planned economy, to be an important pillar of a socialist state! As such, his comments are more disturbing than anything.

In April 2017, also quoted in the article, Peking University professor Zhang Weiyong, said that “it is completely wrong for some people to believe that big data could make a planned economy succeed. Although knowledge and data are useful for entrepreneurs, the real entrepreneurial spirit goes beyond that...If we could simply use data to predict the future, then we would only need managers or robots instead of entrepreneurs.” Again, this is not an endorsement of socialism, but is easily something which can operate within the global capitalist system. The same is the case for a Tsinghua University professor, Qian Yingyi, who argued in December 2016 that “one of the major events in the global

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<sup>139</sup> [“Can big data help to resurrect the planned economy?”](#), *Global Times*, Jun 14, 2017.

economy in the 20th century was that people tried to replace the market economy with the planned economy in the hope of creating a more fair and efficient economic operation mechanism. Decades of practice showed that the planned economy could not achieve that goal...machines cannot replace people...If the planned economy is only about information collection and calculation, then with the progress of big data and artificial intelligence, it seems promising. However, as long as people's decision-making still plays a decisive role, the incentive problem should not be overlooked." Again, this really isn't an endorsement of socialism and still stays within the capitalist mindset. To remove people from the operation of a planned economy defeats the whole point of a planned economy, making it a robotized and "efficient" economy which will benefit some and hurt others.

The last comment is from Chinese economist Wu Jinglian who spoke to the Shanghai Advanced Institute of Finance, saying that "for a long time, we could not work out why the market economy is superior to the planned economy. In fact, in the early 20th century, scholars demonstrated that the planned economy could be highly efficient provided that it could draw on a sufficient amount of information. But later, scholars proved that it is impossible to establish an adequate information collection mechanism under a planned economy...in this sense, it is ridiculous to assume that a planned economy can work by using big data." Again, this is not really an endorsement of a planned economy, but is rather an endorsement of a "market economy."

For revisionists to choose this article to support their claims shows the weakness they display in supporting their viewpoint. As this publication has shown so far, their viewpoint, that China is a "socialist" country valiantly fighting global imperialism, is an utter joke which can be easily disproven not only by looking at varied critics, but at the news sources of the Chinese state itself, from *Xinhua* to the *Global Times*, and reading between the lines of revisionist works which defend the Chinese revisionists as crusaders slashing down global capitalism. China is integrated into the global capitalist economy without question and any who deny this, deny the reality.

## Countering the analysis of “Hands Off China”

In September 2008, the group, “Hands Off China” posed an analysis which on the surface aims to defend China from imperialism, with claims like “the Chinese Revolution (1949) and the birth of New China marked the end of feudal backwardness and over a hundred years of brutal semi-colonial domination and humiliation.”<sup>140</sup> At a further look, it says that China is socialist, an absurd claim.

One of the first claims of the leaflet is that “since 1980, China has accounted for 75 percent of poverty reduction in the developing world.” Doing some researching, this derives from World Bank data concluded in 2005, and stated by Paul Wolfwitz (then heading the World Bank) but as the article notes, “if the 1 dollar per day poverty standard is applied, poverty incidence in China is now half the level of 1990.”<sup>141</sup> Wolfwitz himself notes the country’s connection with the global capitalist system:

*Over the years, China has been a large borrower from the World Bank, and is increasingly transitioning from borrower to donor. As its role changes, so its relationship with the Bank will change...I want to understand more about what the Bank can do to assist China in addressing the still large challenges of poverty in the country...China recognizes that stability depends on correcting these imbalances [gap between urban and rural incomes, environmental damage, water and energy usage] and a number of others, and we certainly would like to do what we can to support that effort.*

Also, as the World Bank admits, while cheering China’s “progress,” “higher incomes for large parts of the population came at the cost of higher inequality...there are...large regional and sectoral imbalances.”<sup>142</sup> Others note that for one, “China is one of the top five poorest countries in the world,”

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140 “[Leaflet: Reasons to Support China](#),” *Hands off China*, Sept 2, 2008. The original /r/swcc cited a post on *The Marxist-Leninist* titled “[reasons to support China](#)” and videos from British and Pakistani communists were listed, as was the post from *Hands Off China*. As such, it seems better and simpler to counter the written word rather than the spoken word in this publication, meaning that this chapter addresses the *Hands Off China* post, not the videos of varied communists.

141 FinFacts Team, “[China responsible for 75% of poverty reduction in the Developing World since 1980](#),” *FinFacts*, Oct 2005, article also reprinted [here](#); “China Lifted 100 Mln in Rural Out of Poverty,” *Xinhua*, Oct 16, 2006.

142 World Bank, “[Focus A: Declining rural poverty has been a key factor in aggregate poverty reduction](#),” World Development Report 2008, p 46. On page 47, a chart notes the wide disparity between rural and urban income in China.

that “one in 10 Chinese is poor,” that at least “82 million people in China live below the poverty line,” that over “6 million Chinese don’t have access to clean fuel to heat their homes and cook,” while they bandy around other “progress.”<sup>143</sup> Additionally, other sources note that still half of the Chinese population depends on “traditional biomass for cooking,” while others declare that “much of the poverty reduction in the last couple of decades almost exclusively comes from China” but as *The Economist* noted, in their distorted viewpoint, but accurately, “the recent story of poverty reduction has not been all about China.” What this has meant in reality is a reaffirmation of “economic reform policies designed to expand rural income and incentives, encourage experiments in enterprise autonomy, reduce central planning, and attract foreign direct investment.”<sup>144</sup> In essence, an abandonment of the socialist roots of China. Additionally, the poverty in China declined more in urban than rural settings, with extreme poverty becoming a feature of Chinese rural landscapes, with rising inequalities from market measures, likely with more possibly decline if there hadn’t been so much inequality, saying that falsely named “market socialism” was not the real cause of such reduction.<sup>145</sup>

“Hands Off China” then declares that “the People’s Republic of China leads the world in standing up to imperialist bullying,” supporting “third-world countries trying to develop,” declaring unlike the “imperialist countries, it does not impose unfair trade terms, monopolise markets, create debt traps or force production of cash crops. It is smashing the pernicious clutch of western imperialism over Africa and Latin America.” While they have a point that China is not pursuing the same strategy as imperialist states, this does not mean it is smashing Western imperialism. In fact, as noted in one article, in *China Daily*, “China’s financing support for Africa has always gone through a strenuous process of feasibility study with a market-driven approach.”<sup>146</sup> That doesn’t sound like proletarian

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143 Sarah Prellwitz, “[10 Facts About Poverty in China](#),” *The Borgen Project*, Oct 23, 2016; Anup Shah, “Poverty Facts and Stats,” *Global Issues*, Jan 7, 2013; “Poverty: Not always with us,” *The Economist*, Jun 1, 2013.

144 “[China’s stunning economic rise](#),” *Making It Magazine*, Aug 5, 2010.

145 Augustin Kwasi FOSU, “[Growth, Inequality, and Poverty Reduction in Developing Countries: Recent Global Evidence](#),” *United Nations*, Sept 2010, pp 8-9, 10, 16, 18, 20.

146 “[Chinese FM rejects claim China’s financing increases Africa’s debt burden](#),” *Xinhua*, Jan 15, 2018.

internationalism. The same can be said by the fact that Russia has to stand alone and stop an anti-Syria resolution cooked up by the orange menace, with Bolivia the only one that stood with Russia, voting against the resolution which “which proposed an investigation mechanism that couldn’t possibly work and would have opened an avenue for the American use of force.”<sup>147</sup> The Chinese continued their policy of rarely vetoing anything “that does not concern its immediate interests and never alone” making it clear, as the analyst noted, “that in Beijing’s strategic calculation China benefits with the US and Russia at each other’s throats.” Additionally, let us consider that China doesn’t mind having warm relations with the Japanese capitalists, that they can rhetorically criticize the recent military attack on Syria but propose no further action (like the Iraqis), and are willing to exhibit products for export and import to tens of thousands of companies.<sup>148</sup>

The pamphlet gets even worse. The group declares that “China has had aid projects all over Africa for decades. China actively supported the national-liberation movements against imperialism, colonialism and apartheid. China offers cheap and unconditional loans, as well as undertaking infrastructure projects at bargain prices.” While this was undoubtedly true for most of the Maoist period (1949-1976), it definitely wasn’t true afterwards. Do they forget that the Chinese revisionists backed Jonas Savimbi of stoutly anti-communist UNITA, also supported by the CIA, whom the Chinese saw “tremendous potential” in him, to fight “Soviet hegemony”?<sup>149</sup> At the same time, the Soviets and Cubans supported the socialist MPLA government. You can talk about Soviet revisionism all you want, but clearly the Soviets and Cubans were on the right side of history here, and the Chinese

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147 Marko Marjanović, “[Russia Stood Alone. China Didn’t Help Vote Down Trump’s Syria UN Resolution](#),” *Checkpoint Asia*, Apr 11, 2018. Reprinted on *Russia Insider*.

148 “[During Tokyo meet Kono, Wang agree to mutual visits by Abe, Xi](#),” *Japan Times*, Apr 15, 2018; “[China 'opposes' Syria attack: Iraq urges clear Arab stance](#),” *PressTV*, Apr 14, 2018; “[China Import and Export Fair opens in Guangzhou](#),” *Xinhua*, Apr 15, 2018.

149 “[China and Oil-backed Loans in Angola: The Real Story](#),” *China in Africa: The Real Story*, Oct 17, 2011; “Who is the real Jonas Savimbi?,” *World Net Daily*, Jan 31, 2000; “Obituary: Jonas Savimbi, Unita's local boy,” *BBC News*, Feb 25, 2002; “CIA-Backed Rebel Jonas Savimbi Killed in Angola,” *Democracy Now!*, Feb 25, 2002; Jack Wheeler, “Fighting the Soviet Imperialists: UNITA in Angola,” *Reason*, Apr 1984; Christopher Munnion, “Savimbi 'killed by Angolan troops',” *The Telegraph*, Feb 23, 2002; Richard Aidoo, “China and Angola: The ‘True Dynamic Duo’ in Sino-Africa Relations,” *Foreign Policy Journal*, Jun 20, 2013.

were not. Yes, Savimbi later renounced Chinese support (including training in China itself), but the Chinese were flawed to back him in the first place, as any reasonable person should agree. One writer noted China's actions in Angola, showing how China was tied up in the Sino-Soviet split and then strongly backed UNITA later:

*...FNLA received most of its weaponry from China and the movement relied almost exclusively on Zairean and Chinese military support from 1960 to 1974...In the late 1960s...UNITA was [undoubtedly] the main liberation movement receiving support from Beijing. Beijing was aware that FNLA was losing the battle...In 1971...China tried a new approach towards MPLA, inviting its leader (Agostinho Neto) for a visit to Beijing. In the aftermath of the visit the verdict of the Chinese authorities was that the MPLA leader was too 'pro-Russian'...and the Chinese preferred to keep providing support to the other contending nationalist movements (mainly to UNITA) that were considered more viable and more likely to come to power in the future. In 1975, when MPLA declared the independence of Angola, China refused to recognise the newly independent country. Relations between the two countries were severely damaged by China's support for FNLA which was accused of the massacres that took place at the beginning of the war for independence...China's support to UNITA was thought to be maintained for some time after and throughout the 1990s, as weapons of light artillery as well as anti-personnel mines were found in northern Angola<sup>150</sup>*

There was another horrid policy: backing the mujaheddin in Afghanistan to fight off the Soviets. While the US was the biggest backer, Hollywoodized and glorified in movies like *Charlie Wilson's War*, the Saudis also backed them.<sup>151</sup> Similarly the Chinese backed murderous and anti-communist Pol Pot, who is used time and time again to smear real communists and socialists across the world.

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150 Sofia Ferendes, "[China and Angola: A Strategic Partnership?](#)," *Academia.edu*, Jul 2012.

151 S. Frederick Starr, *China's Muslim Borderland: Xinjiang* (M.E. Sharpe, 2005), pp 157, 149; Kallie Szczepanski, "The Mujahideen of Afghanistan," *Thought.Co*, Jun 14, 2017; Wang Jin, "What to Make of China's Latest Meeting With the Taliban," *The Diplomat*, Aug 5, 2016.

With all that's been said so far, "Hands Off China" has the gall to make a number of other arguments. They declare that "much is made of the fact that China has overtaken the US as the world's leading carbon emitter, but people forget that China's population is four times the US's and many of China's emissions result from foreign enterprises producing goods for export...China's industrial expansion is essentially geared to meeting its people's need...China is committed to sustainable development and is becoming a world leader in to environmental protection...China is the world's leading renewable energy producer, with tremendous investments in solar, wind and biomass technologies." Honestly, this whitewashes the reality. For one, intensified agriculture to "alleviate" poverty has led to further degradation.<sup>152</sup> Secondly, the groundwater overdraft rate "exceeds 25 percent in China" and groundwater irrigation has expanded, connected to water scarcity which is "projected to worsen with climate change...[in] large parts of...China."

The pamphlet goes on to declare that "China has introduced certain elements of capitalist economy in order to foment quick growth; however, this is seen as a way of strengthening the material base for further developing socialism," similar to the New Economic Policy (NEP) in early Soviet Russia, and that the "Chinese state represents the working class in alliance with the peasantry. The Chinese working class is the ruling class of the country," declaring that "the labour unions and other mass organisations in China are tremendously powerful. The All-China Federation of Trade Unions is the largest trade union in the world." This argument, like their others, is also faulty. As noted earlier in their publication, not even half of the workers in the Chinese labor force are currently unionized. On the topic of the NEP, and comparing it to Dengist "reforms," this is a joke. The NEP was a short, seven-year period, which was luckily ended by Stalin. Since 1978 that China has been in the Dengist period, 40 years at this point. This is no NEP. This is the road on which China has embarked, a capitalist one that fulfills the wildest dreams of the revisionists.

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<sup>152</sup> Sara Hsu, "Can China Wipe Out Poverty By 2020?," *Forbes*, Aug 19, 2016; World Bank, "[World Development Report 2008: Agriculture for Development](#)," 2007, accessed Apr 15, 2018, pp 64, 182, 236.

## **Lynn Walsh declares that China has a “hybrid economy”**

In October 2008, Lynn Walsh wrote in *Socialism Today* that China had a “hybrid economy.”

This chapter aims to counter her somewhat revisionist claims.<sup>153</sup>

Walsh starts her article by saying that “China is no longer a planned economy, but it is not yet a fully capitalist economy” because the “state still wields power through the allocation of massive state resources and effective control of large-scale SOEs...which continue to dominate key sectors of the economy.” She adds to this that the “party-state...continues to exercise general political direction over the economy...While the class character of the state is not determined mechanically by the percentage of state ownership, the changing balance of ownership is an important indicator of the direction of change.” For one, state control in an economy does not deny capitalism. In fact, as some have admitted earlier, China has, what you could call a form of “state capitalism.” That term however, may move one to compare it falsely with the NEP period, so its perhaps better to call China place that exercises capitalism with Chinese characteristics. The class character of the state is obviously one that does not benefit the proletariat, instead benefiting the CPC and the Chinese bourgeoisie.

To support her argument that the economy is not capitalist, she declares that the “decline in the state share of output has been much more gradual than the decline in state employment. As state ownership has become increasingly concentrated in large, capital-intensive firms...state-controlled companies have sustained only a small decline in their share of total output” and that in 2003, the Chinese government “established the SASAC (State-owned Assets Supervision and Administration Commission) to exercise ownership rights of state SOEs on behalf of the government.” Again, neither of these facts “proves” that the state is pursuing “socialist” aims. Rather, these SOEs are directly tied into the global capitalist economy as the Chinese state media will happily report. Walsh can say that there is “no question of the Communist Party pursuing ‘socialist’ aims,” which is incorrect, but even

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153 Lynn Walsh, “[China’s hybrid economy](#),” *Socialism Today*, Oct 2008.



she has to admit that “the maximisation of investment and growth, the undertaking of prestige development projects, and the augmentation of the personal wealth and privileges of the nomenklatura are equally important motives” of SOEs. This has been reinforced through the CPC having “direct appointment powers for the top jobs of 53 of the 196 enterprises managed by central government SASAC” and has tried to “avoid an economic meltdown, and this is reflected in the relatively limited extent of privatisation of state firms – as opposed to ‘corporatisation’, that is, running SOEs according to market criteria,” but this just means that the party wants to maintain control.

The rest of Walsh’s article is no better. She declares that “on the first phase of economic reform from 1978-93, privatisation, in fact, played almost no role [instead there were] changes in the rural sector, based on the ‘family responsibility’ system...In the second phase of economic reform from 1996, there was a massive downsizing of the SOEs...and the corporatisation of SOEs...the regime directed them [SOEs] to operate as individual corporations according to market criteria.” Apart from this, she had to admit that SOEs “exploit their workers just as ruthlessly as private capitalists” and that many of them have “pursued a ‘profit zero’ strategy...[and] sell their goods on the official market...but...sell similar or identical...goods on the unofficial market at a handsome profit to their directors.” This does not make anyone more confident. The market-based approach of the Chinese revisionists is again admitted by her, as she writes that “the role of the state sector has undoubtedly been reduced and the growth of private capitalist businesses, as well as the ambitions of local government bureaucrats, has set in motion powerful centrifugal forces in the Chinese economy.” Apart from this, she declares that with the “deepening of the world financial crisis and the slide into a global economic recession, we are likely to see further shifts in the economic policies of the regime, both at home and internationally. The continuing economic power of the Chinese state will be a key factor in the situation.” That may be true, but it still doesn’t mean the Chinese have not fallen to market policies to guide them forward. Of course they have, and of course they will do whatever they can to maintain “order.”

## **Brian Becker tepidly defends revisionist China**

On May 31, 2007, Brian Becker wrote an article tepidly defending Chinese revisionism.<sup>154</sup> On a positive note he begins by saying that, and I quote

*...it is clear that the road taken by the Communist Party of China since 1978, following the death of Mao Zedong and the defeat of his supporters within the CPC, has been in the opposite direction from communism...The 1949 Chinese Revolution placed China squarely on the path toward socialist development. While elements of that revolution remain, the country and the ruling social order have dynamically moved toward the restoration of capitalist property relations. Capitalist private property has been legalized and encouraged. Tens of thousands of privately owned enterprises co-exist along with state-owned enterprises. The official monopoly of foreign trade has been gradually reduced, with many of the largest western transnational capitalist corporations and banks setting up operations in cities throughout China.*

This is undoubtedly true, apart from his claim that “elements” of the Chinese revolution remain (no they don’t), and accurately portrays the methods portrayed by the Chinese revisionists while they are on the capitalist road. However, what he says next, almost invalidates what he said earlier. He declares that “private capital—or foreign capital in particular” has not had the “decisive upper hand in the Chinese economy. The gradual dissolution of the monopoly of foreign trade obscures the still-powerful mediating role of the Communist Party-led state that acts to safeguard China’s evolving industrial and scientific apparatus from the encroachments of western imperialist corporations.” This obscures the interlinked nature of China into the global capitalist system. Just recently *Xinhua* noted that “China is aiming to make the free trade port system and operational mode of Hainan “more mature” by 2035...China will also set up an investment fund to support Hainan's development of a free trade port. A free trade port is the world's most open form of economic zone, which has brought

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<sup>154</sup> Brian Becker, [“What Do Socialists Defend in China Today?”](#), *Liberation School*, May 31, 2007.

prosperity to places like Singapore and Hong Kong thanks to its broad-based preferential policies on trade and investment...China welcomes investors worldwide to invest and start business in Hainan and participate in the building of a free trade port there...China will support the "all-round participation" of foreign firms in the development of the Hainan free trade port, and multinational companies are encouraged to set up international and regional headquarters there."<sup>155</sup> Other Chinese media had a similar message, saying that this "free trade port with Chinese characteristics" would deepen "reform and opening-up," serving as a model of their falsely named "market socialism, with Xi urging that the Hainan province "give priority to opening-up, implement a more proactive opening-up strategy, speed up the establishment of new institutions of an open economy, and make new ground in pursuing opening-up." This clearly is more capitalism and markets, not socialism.

Becker's defense of China is even more thin. He declares that "although the restoration of capitalism is currently a process that is far advanced, it is still unfinished. The CPC's continued hold on political power leaves open the possibility, however remote, that the present pro-capitalist course can be slowed, halted and even reversed." This seems very unlikely under the current circumstances. After all, Becker himself admits that "if the Communist Party of China were to be replaced by another party or group dedicated to the transition to socialism and communism, repudiating the "capitalist road" reforms of the past 29 years, that would be a welcome development" and thinks that all left-wing forces that want to China are within the CPC. I wouldn't be totally sure of that. I think there are some Maoist forces, although they don't have much strength, present in the country, from what I've read in the past.

Later on, Becker praises the Chinese revolution in 1949, writing that "...the sheer heroism of the Chinese Revolution was breathtaking in scope. The leadership, especially Mao Zedong, had to navigate a path to revolution through the most complex and difficult problems...By 1955, core industries had

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<sup>155</sup> "[China aims for mature free trade port system in Hainan by 2035](#)," *Global Times* (reprinted from *Xinhua*), Apr 15, 2018; "[CPC Central Committee supports Hainan in comprehensively deepening reform, opening-up: Xi](#)," *Global Times* (reprinted from *Xinhua*), Apr 13, 2018; "[China Focus: Tropical island on forefront of next phase of China's reform, opening-up](#)," *Xinhua*, Apr 15, 2018.

been nationalized and the beginnings of a planned economy began to take shape,” and notes that the period of socialist tasks, from 1949 to 1978 has been replaced by a “period where the bourgeois task of national capitalist development has been primary.” But its more than that, as falsely named “market socialism” has been adopted, there have been more markets distorting the country, making the Chinese bourgeoisie a stronger and stronger force. Later on, Becker admits that “the Chinese economy increased at a breakneck pace during the Mao era...China received few international bank loans....Chinese peasants enjoyed huge advances in public health, free public education, affordable housing and social security as a result of collectivization and the commune system.” However, he says that a number of developments dampened this positivity: “the defeat of the Indonesian Revolution in 1965, the escalation of the Sino-Soviet split and the ultimate rapprochement between China and U.S. imperialism, the corresponding death of People’s Liberation Army leader Lin Biao, and the purge of other leftists—all these events laid the basis for the reemergence of the “capitalist road” grouping following Mao’s death in 1976.” However, I wouldn’t blame this all on these developments. Part of the issue was that Mao did not work to build a strong group that could maintain power after he died. It was this error that allowed the “left wing of the party was routed and its leaders [Gang of 4] were arrested” and the “capitalist roaders” to take power under Deng Xiaoping, introducing “sweeping economic reforms under the newly concocted and theoretically unfounded label of “market socialism.”” He again is right that “within 25 years, the People’s Republic of China was fully integrated into the capitalist world economy.” This is something the pro-Chinese revisionists don’t like to admit. They act like China is fully or partially independent from the global capitalist system. It is not.

Becker later writes that to the extent that the “Chinese state has promoted and enforced the rights, the interests and the needs of the Chinese bourgeoisie and the transnational corporations functioning within China, the state assumes the tasks of a bourgeois state.” Apart from this, he makes a valid point that the “destruction and incremental dissolution of public ownership, centralized planning

and the monopoly of foreign trade constitutes a historic setback for the Chinese working class. Its rights and interests have either been stripped or seriously eroded while the rights of capital, including foreign capital, have been elevated. The advancement of the Chinese bourgeoisie has been at the expense of the political and social primacy of the working class.”

However, even with all these criticism, he declares that the “the overthrow of the Communist Party of China in these circumstances would not only lead to the absolute destruction of what is remaining of the old socialist revolution, it would suspend China’s bourgeois democratic revolution. Such an overthrow by non-revolutionary forces would hurl China backward in its epoch-making struggle to emerge from underdevelopment. It would return China to the semi-slavery of comprador neo-colonial rule.” He concludes by lamenting that “in the face of this threat, it is the responsibility of all revolutionaries and progressive people to resist the imperialist offensive and offer militant political defense of the Chinese government—despite profound differences with the theory and practice of so-called “market socialism.”” I don’t think this is a good strategy. Just as one should not stand with the Russian capitalists, the same applies to the Chinese revisionists. It is better to stand with the Russian and Chinese proletariat. We can recognize the foreign policy of both China and Russia without being apologists for their governments. We can stand in solidarity with the Chinese proletariat rather than the revisionist Chinese government on the capitalist road. To do the latter would be to abandon all revolutionary and radical principles, chuck them the trash can, light the paper on fire and throw the trash can out the window. Becker’s approach shows a dismissal of all Marxist-Leninist principles, particularly the one of comradely solidarity with the proletariat. Yes, imperialist efforts should be opposed but not at the cost of siding with the horrid Chinese revisionist. Remember the slogan in the *Communist Manifesto*, Workers of the World, Unite! Well, by supporting the Chinese revisionists, you are doing Marx, Engels, and the well thought-out argument they made in the *Communist Manifesto*, and their many other writings talking about such solidarity a disservice.

## Maupin's embrace of Chinese revisionism

On July 26, 2015, Caleb Maupin, a political analyst, wrote an op-ed in *RT* which claimed to tell the truth about China and prove Western analysts “wrong.”<sup>156</sup>

Maupin's first claim is that “since capitalism in China is tightly controlled and not allowed to run rampant, the population is far safer from the harmful effects of market turbulence.” However, with this, he admits that capitalism is present in China. Additionally, “tightly controlled” capitalism is still capitalism, with its inequalities and exploitation which benefits the Chinese bourgeoisie. How does he explain that? He doesn't. He only declares that “...only 6 percent of the Chinese population is invested in the stock market. The Chinese stock market is a small club for millionaires and billionaires...State ownership of industry is very widespread in China...In China, capitalists are not free to invest as they choose, nor are they allowed to move money around based on what is most profitable. Corporations and assets are routinely nationalized.” The implied assertion that state control works to benefit the Chinese proletariat is laughable. His argument says in-between the lines that capitalism is alive and well in China, just that it has “Chinese characteristics.” That does not reassure me.

Maupin makes two more claims. He first says that Xi Jinping's actions “are wildly popular with many people living on the Chinese mainland...Many have become alienated and frustrated by rising corruption...coinciding with the expansion of China's market sector” and he is refreshing. Let's accept that argument. This does not make Xi a socialist. Putin has wide popular support and he is no socialist, with the same applying to Assad. His second claim is that “China's highly successful economic model should be studied” and that “capitalism exists, but it is obedient and compliant, existing at the whim of a very strong government.” This does not reassure me. Rather, his argument is that because China is “successful” we should mimic it! That argument has a weak basis as it invalidates all past socialist development in world history, replacing it with this “market socialist” garbage.

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156 Caleb Maupin, “[Collapse that never happened: China bounces back, discrediting Western analysts,](#)” *RT*, Jul 26, 2015

## **Revisionist, opportunist CPUSA endorses Chinese revisionism**

On March 29, 2002, Julia Lutsky of the Communist Party USA (CPUSA), an opportunist and revisionist party which has endorsed horrid Democratic Party candidates in order to “fight” the right-wing, along with likely being dominated by FBI informants, endorsed Chinese revisionism.<sup>157</sup> This is a low point for /r/swcc to promote the CPUSA. Don’t they remember the CPUSA’s problems?

The article starts out by saying that a “Communist Party USA delegation...visited China for a week on invitation of the Communist Party of China (CPC). The group was the first official party delegation since long-time National Chairman Gus Hall visited China with a delegation in 1988.” They add to this, their first claim: that “...the enormous effort [we saw in 1988] that continues today, to bring a vast, impoverished developing country into the modern world and to begin the building of socialism.” How do they back this up? Well, they declare that the “early years after 1949 were marked both by periods of substantial economic and social progress, and by costly mistakes,” slamming the Cultural Revolution as causing “continuous political upheavals [which] dealt a grievous setback to economic and social development,” and saying that the “policies of reform and opening to the outside world that underlie China’s development today began in 1978...this means a thorough restructuring of the state owned sector aimed at bringing these industries up to world standards, and a planned opening of the economy to domestic and foreign private investment.” Lets address the Cultural Revolution claim first. For one, this dismisses the whole effort like it was a waste of time. Clearly if it hadn’t been done, then China could have not progressed as well as it did during the Maoist period. When Mao died, you could say that it was not over, but that does not make a failure. The restructuring of the country, opening of the country to “domestic and foreign private investment” should not be brushed off so easily. They admit themselves they were concerned about the “effect of opening China’s economy to transnational capital, and in particular China’s newly acquired membership in the World Trade Organization” since

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<sup>157</sup> Julia Lutsky, “[China 2002: Building socialism with Chinese characteristics](#),” *People's World*, Mar 29, 2002.

the WTO is “controlled by the United States and other developed countries.” This is not even half of the reality. As is evident to everyone, except those favoring Chinese revisionists in the West and sadly in other parts of the world, China has been integrating itself into the global capitalist economy since 1978. This integration has come with a cost: more inequality and a strengthened Chinese bourgeoisie.

The article gets worse. The CPUSA summarizes that their Chinese hosts seemed “sure that developing a mixed economy and encouraging foreign investment is not only necessary for the economy of a vast developing country in the early stages of building socialism, but offers benefits that far outweigh the risks” and also declared that “restructuring of inefficient SOEs is urgent for China’s future economic progress” even though they admitted that it is caused large-scale unemployment. The true face of “market socialism” is evident: mass unemployment is OK, if its the name of “progress.”

Later on, to their credit, the CPUSA admits that “China is waking up – a little late – to the fact that environmental prevention is vastly better than cure” but they don’t say anything more than that. The normalization of relations between the Chinese revisionists and U\$ is a clear goal of the Chinese, with the biggest problem being “Taiwan,” insisting that the “island must be recognized as part of China, albeit under a “one state, two systems” policy of accepting Taiwan’s capitalist economy, as has been done in the case of Hong Kong, and they are very concerned about U.S. intervention.” Yet, what strides have been made in that effort? Additionally, such control over Taiwan could bring up the worrying concept of China’s first colony, in a sense, fueling further nationalism.

The CPUSA ended their article admitting that their “short visit did not allow assessment of the level of popular participation in the grassroots organizations of the party and government.” Still, they declared they had “new respect for the thoughtfulness, thoroughness, energy and optimism with which the Communist Party of China and the Chinese people are going about the complex, long-term process of building socialism...which is of necessity part of an increasingly globalized economy.” This respect ignores the reality: that the country has been and sadly will continue to be on the capitalist road.



## **Singh defends China as “progressive,” yet another revisionist argument**

On October 4, 2017, Art Singh defends Chinese revisionism, specifically with its relation to the rest of the world.<sup>158</sup> He begins by declaring that “after nearly seven decades, China’s Communist Party [CCP]...continues to lead the country and maintains its commitment to socialism and Marxism...today, many, particularly in the West, dismiss the notion that China remains socialist or even a progressive force in the world. According to this view, China abandoned socialism for capitalism following economic reforms which were initiated in 1978.” This is already a troubling beginning to the article. In the part of the quote I didn’t note above, Singh lists the size of the CCP (over 90 million). The size of a party does not denote its strength. With over 1 billion living in China, the number of individuals who are members is basically a drop in the bucket.

Singh’s approach is clear from the outset. He declares that “given China’s increasingly important international role, it is critical that progressives and revolutionaries correctly understand the country. This article outlines why China is still a revolutionary, socialist state, and a friend to all those struggling against capitalism and imperialism.” As I noted earlier, time and time again, this an absurd viewpoint. Does he forget the Chinese support of CIA-backed UNITA (especially after Mao’s death), of murderous Pol Pot, and of the mujaheddin in Afghanistan? Does he also forget the number of times China has abstained for sanctions on Eritrea and voted for sanctions on Juche Korea since 2006? Sure, they give aid to countries in the global periphery, but this doesn’t make them a “revolutionary, socialist state, and a friend to all those struggling against capitalism and imperialism.” When it comes down to it, they are only a “friend” as much as their nationalist interests allow it. They don’t want to trade barbs with the US imperialists, putting out meek statements which declare “non-interference” even though their very presence is the definition of interference, although different from the US and European imperialists without a doubt, as the revisionists always point out.

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<sup>158</sup> Art Singh, “[China: A Revolutionary Present](#),” *Telesur English*, Oct 4, 2017.

Singh does on to declare that “since 1978, China has implemented economic reforms in order to overcome the severe underdevelopment which was historically imposed upon it by Western and Japanese imperialism....China has achieved unprecedented economic growth, building a modern, moderately prosperous country and becoming the second most powerful economy in the world. If these reforms constituted the overthrow of socialism, one would expect to see a significant reduction in Chinese living standards...However, in China, living conditions are consistently improving.” This is a false argument. Just because socialism has been removed, this doesn’t mean that the next government puts in place policies that reduce living standards. If this didn’t happen in the Soviet Union after Stalin’s death in 1953, then why would this happen after Mao’s death in 1976? Such rhetoric does nothing to recognize the reality: the peasants and workers do not have real power in society anymore. He can say that China “stands in sharp contrast to the capitalist world, where climate destruction runs rampant and the majority of people’s livelihoods constantly face attacks” but even has to admit that “the reforms have presented new contradictions for China — particularly, greater income inequality” even though he claims the CPC is “addressing” them. For one, China is the largest emitter of carbon dioxide, the largest polluter of greenhouse gases in the world, while the US still is near the top, burning many “fossil fuels such as oil and coal,” having notorious smog levels, and air pollution, especially with more and more cars on the roads within China.<sup>159</sup>

Singh’s article goes further down the rabbit hole, later citing Fidel’s statement on Cuba, snarling that “on spite of its achievements and distinction from capitalism, some still refuse to consider China revolutionary or socialist because of a supposed failure to conform to preconceived notions of a “true socialism”.” This mocking attitude toward those who right criticize China doesn’t help him. He

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159 “Who are the world's biggest polluters?,” *Reuters*, Jun 2, 2017; Sarah Wolfe, “Dirty deeds: The world's biggest polluters by country,” *PRI*, Jan 14, 2014; Robinson Meyer, “China, the World's Biggest Polluter, Commits to Cap-and-Trade Carbon Emissions,” *The Atlantic*, Sept 25, 2015; “How China, the 'world's largest polluter', is taking on climate change,” *New Scientist*, Dec 16, 2015; Peter Foster, “China population to become world's biggest polluters,” *The Telegraph*, Sept 28, 2011; Joanna Plucinksa, “Could China, the World's Biggest Carbon Emitter, Ever Go Green?,” *Time*, Jun 23, 2015; Roger Harrabin, “China 'now top carbon polluter',” *BBC News*, Apr 14, 2008.

declares that on a global scale, “China works with nations in the Global South, providing beneficial alternatives to imperialism and promoting greater representation for developing countries in global governance.” He adds, that in his distorted view:

*China is the primary force building a multipolar, more democratic international order, ending 500 years of Western imperial dominance. As such, China’s rise is bound with and supports the liberation of all peoples oppressed by imperialism...as the crisis of capitalism deepens, the U.S. aggressively seeks to defend its unipolar dominance over the world. The greatest force challenging U.S. imperialism is China, and for this reason, the U.S. considers China it’s “greatest threat” and increasingly hostile towards it. As such, China’s character is not an unnecessary, abstract subject to consider, but of crucial, immediate importance to all those who are struggling for peace and justice against capitalism and imperialism. In understanding China to be a revolutionary, socialist state, we must recognize that China is a leading member in that struggle and a friend to whom we owe respect and solidarity.*

There is a problem with this approach. For one, China meekly challenges US imperial foreign policy, only directly challenging such action if it threatens their national interest. Secondly, it is false to say that China’s rise is “bound with and supports the liberation of all peoples oppressed by imperialism.” If China is become a superpower, it will only do so, following its current path, with the green light of the capitalist poles of power and/or by using their capitalism with Chinese characteristics to use policies often bandied around in the West for their “benefit.” It is false to say that “the greatest force challenging U.S. imperialism is China.” The greatest force is the strength of the global proletariat, especially those in countries like Belarus, Juche Korea, Cuba, Russia, Bolivia, Venezuela, Nicaragua, China, Laos, and Vietnam, to name a few. It is not China. This narrative puts too much faith in Chinese revisionists, who as I’ve noted in this article have a record which shows their supposed “anti-imperialism” to be half-hearted and weak, based in their Chinese nationalism.

## U\$ government comment on revisionist China

On April 18, 2017, the U.S.-China Economic and Security Review Commission wrote an issue brief on China, a document which is happily shared by revisionists.<sup>160</sup> They wrote that in 2001, China, when joining the WTO, agreed to provisions (for nationalist reasons) which would allow its trade partners to automatically treat China as a nonmarket economy (NME) for 15 years [until 2016] for the purposes of antidumping (AD) enforcement,” meaning that countries could “use values from a third country in a similarly situated economic position...for AD calculations, unless China could demonstrate market economy conditions prevailed in the relevant industry.” In effect, this meant that trading partners would use “surrogate country data to more accurately show what the price of subject product would be based on market-based principles.” In December 2016, China, after its WTO accession protocol expired, declared that it was “entitled to automatic conferral of market economy status (MES) by all WTO members, including the United States.” In response, however, U\$ representatives had told Chinese officials that “the expiration of the accession provision would not require automatic conferral of China’s MES” and that instead the “U.S. Department of Commerce would review China’s status as an NME to determine whether it met the requirements of a market economy.”

This document goes on to define a “nonmarket economy country” as “any foreign country that does not operate on market principles of cost or pricing structures, leading to sales that do not reflect a product’s fair value” saying that there are “six factors to be considered in the U.S. determination of MES” of a certain country which include

*the extent to which the currency of the foreign country is convertible into the currency of other countries; The extent to which wage rates in the foreign country are determined by free bargaining between labor and management; The extent to which joint ventures or other*

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<sup>160</sup> U.S.-China Economic and Security Review Commission, “[Evaluation of China’s Nonmarket Economy Status](#),” Apr 18, 2017, accessed April 8, 2018.

*investments by firms of other foreign countries are permitted in the foreign country; The extent of government ownership or control of the means of production; The extent of government control over the allocation of resources and over the price and output decisions of enterprises; and Such other factors the administering authority considers appropriate*

From this, the U.S.-China Economic and Security Review Commission came to a conclusion that delighted revisionists: that China “is not currently a market economy and is not on the path to become one in the near future.” What is the reason for this? Well, in their analysis, the Chinese government “maintains extensive controls over foreign investment, which, in tandem with industrial policies, restrict the ability of foreign investors to participate in key sectors of the economy or demand major concessions as a price of admission. The government maintains—and is even strengthening—its control of the means of production through central and provincial state-owned enterprises, and the state exerts extensive control over resource allocation...[and] that currency is not fully convertible...In addition...Chinese workers have no freedom of association and no system for collective bargaining exists between employers and employees in China.” This does not mean the country has no market economy present however. It means that the country is not as open to the West in the ways they want. When they describe China as a NME this does not mean the country is socialist, rather that it has its own form of capitalism, capitalism with Chinese characteristics.

Even with all this, in their 2016 Annual Report to Congress, the Commission made the following recommendation to Congress: that it “enact legislation requiring its approval before China—either the country as a whole or for individual sectors or entities—is granted status as a market economy by the United States.” So this designation doesn’t really matter as much to the US bourgeoisie since they can still do business their, engage in capitalist exploitation and further corrupt the Chinese proletariat. Of course, this US government report doesn’t mention this and revisionists praise the report without question, showing their distorted views in full display.

## **Distorted nature of “official Marxism” in China**

In November 2007, David Kotz, who teaches economics at the University of Massachusetts Amherst, wrote an article about “official Marxism” in China about a CCP conference in Beijing in November 2006 titled “International Conference on Ownership & Property Rights: Theory & Practice” about a “proposed new law on property rights,” the “Property Rights Law of the People’s Republic of China” which was “passed by the National People’s Congress on March 16, 2007.”<sup>161</sup> While the revisionists of /r/swcc shared around this article, it is telling what it says about China as a whole, as it does give, as he notes, “an interesting window into the ideological struggle over the direction of social change in China. They illustrate the ways in which Marxist language and Marxist propositions, intermixed with ideas drawn from mainstream Western neoclassical economic theory, are used today in China to support the completion of China’s shift to private property and a market economy.” Kotz goes on to note, in his 2007 article, that “a few years ago, after a sharp political struggle, the CCP membership rules were changed to open membership to “entrepreneurs.” Reverberations of that political battle...could be heard in some of the conference presentations.”

Those who supported the law declared that “further economic progress in China required that private ownership of business enterprises and other assets must be made more secure” while critics declared that the new law “represented a step toward abandoning the socialist system. They argued that guaranteeing private property rights, and elevating them to the same level as public property rights, would undermine the key role of...SOEs...in a socialist system.” The latter also said, he noted, that the law would “legitimize the exploitation of labor which occurs in private enterprises.” Moving back to the conference itself, there were a “few foreign participants, [but] most were from China,” with Kotz, the writer, well known as a critic of privatization in China. He added that while there was an “enormous transformation of China’s economic and social system since the beginning of what is called

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<sup>161</sup> David Kotz, “The State of Official Marxism in China Today,” *Monthly Review*, Sept 1, 2007, [reprinted on /r/rwcc wiki](#).

the “market reform and opening” in 1978, a kind of “official Marxism” remains the formal state ideology...thus, most of the Chinese speakers at this conference...couched their views in Marxist language and often used traditional Marxist propositions to buttress their claims. However, Western neoclassical economic thought has become dominant in the leading economics departments at universities in China, and in many cases it was neoclassical ideas that underlay the comments of the speakers, whatever the language used to express them.” The latter is important. It shows that this so-called “official Marxism” has become corrupted by the ideas of falsely named “market socialism” and the ideas of the West. It is not something that is pure by any means, or even based in the experiences of the Maoist period. That is long past history for these revisionists.

Kotz specifically outlines those who favored this horrid property law. One person from the Central Party School declared that when a “SOE is turned into a joint stock corporation with many shareholders, it represents socialization of ownership as Marx and Engels described it” while another person said that “if SOEs are turned into joint stock corporations and the employees are given some shares of the stock” when it would achieve an objective of Marx. The same was also voiced by another individual who said that “in dealing with the SOEs, we must follow “international norms” and establish a “modern property rights system,” the terms “in quotes,” as Kotz notes, “euphemisms for capitalist norms and capitalist property rights.” Even worse was the argument which came from several individuals, “directly from Western “neoclassical” economic theory,” as Kotz notes, that “enterprises can be efficient in our socialist market economy only if they are privately owned.” If that wasn’t bad, consider the argument by one individual that “SOEs exploit their workers and are state capitalist institutions, and SOEs often have a very high rate of exploitation” in order to “prove” that “privatizing SOEs will not introduce exploitation or capitalist relations since both are already present in SOEs,” which is an argument showing the corrupted nature of China. Then there was another individual who said that “the nature of ownership of the enterprises has no bearing on whether a country is capitalist or

socialist. Enterprises should always be privately owned and operated for profit. What makes a country socialist is that the government taxes the surplus value and uses the proceeds to benefit the people through pensions and other social programs,” which is a strange statement as it means, as Kotz points out, that “as China’s economy becomes much like those of the United States and Western Europe, China is not abandoning socialism since...all of the industrialized capitalist countries are actually socialist” which is totally illogical. Others conflated social democracy or socialization with socialism, with one person saying that “the United States has companies with millions of shareholders, which is a far more socialized form of ownership than anything that exists in China” and another person saying that after World War II, “capitalism not only gave up its fierce antagonism to labor, but even began combining with labor....Modern capitalism...is gradually creating a new type of capitalism that is more like socialism.” This also is ahistorical and absurd. Then there was the comment that

*The CCP followed the correct approach, in line with classical Marxism, during the period of New Democracy [i.e., the period directly following the 1949 liberation, when the party said it was completing the bourgeois democratic revolution but not yet trying to build socialism]. The change in policy after that period [when the party shifted its aim to building socialism] was an error, and instead the New Democracy policy should have been continued.*

This comment was problematic. Kotz rightly pointed out this was “spookily similar to the widespread argument in Moscow in 1989–91 that the Soviet Communist Party should have stayed with the New Economic Policy of 1921–27.” Rejecting such building of socialism shows the corrupted nature of these Chinese revisionists without question.

Finally, of those others advocated for propertyrights, one individual declared that “besides current labor and past labor” (meaning “labor required to produce the means of production”), there is currently a “third type of labor, namely “risk labor.” Marxist theory should take account of this third type of labor, which is expended by those who take risks through entrepreneurship.” The point with



this, Kotz said, was that ““entrepreneurs,” i.e., capitalists, are a type of worker, and hence it is correct that they are allowed to join the Communist Party.” This also is absurd, with the acceptance of capitalists into the CPC further corrupting the nature of the already revisionist institution.<sup>162</sup>

Luckily, there were a number of comments by Chinese conference participants swimming “against the private property and privatization tide.” In the first of these was a comment that “a thorough study of the original German versions of Marx and Engels’s writings on communism shows that they clearly viewed communism as involving the abolition of private property. Those who have argued that this idea arose from a mistranslation of Marx and Engels’s works are mistaken. We should not distort Marxism to justify current policies.”<sup>163</sup> Another individual argued that “privatization is not the right solution to the problems of the SOEs. The right to use capital should belong to the workers and serve their interests” which is fair. Apart from that, there was one who said that “informal privatization,”<sup>164</sup> when a “SOE’s director illegally turns it into his private company,” creates “capitalist enterprises and should not be permitted” and another who said that “while some SOEs may have low profit rates, profitability is not a good measure of an enterprise’s contribution to social and economic welfare.” The last person he notes is an older leftist academic and economist, whom said that “the many Chinese economists who support the theories of Ronald Coase,” whom is a “rightwing British property-rights theorist who is known for opposing any significant state regulation of private business” are mistaken, and that in reality, “property rights are the legal manifestation of production relations, a relationship which Marx analyzes at some length. Contrary to Coase’s view, private property is not necessary for efficiency. Public ownership should be primary.” Sadly, this individual, as Kotz points

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162 Kotz added that as he “listened to these themes—and as I raised questions about them in the question/discussion periods—I had a strong feeling of déjà vu. Many of them were the same themes I had heard (and had argued against) in Moscow in 1991, the last year of the Soviet Union, coming from Soviet academics and party and state officials.”

163 Kotz added at this point that “some “Marxists” in China have been arguing that Marx and Engels never actually wrote that communism would involve abolition of private property.”

164 Kotz writes that “after such corrupt insider privatizations, the newly privatized enterprise is often then sold to a third party, who at least officially was not involved in the original privatization process. Opponents charged that one of the provisions of the proposed new law (article 106) would hold the final owner blameless and secure that person’s right of ownership, as long as the final owner could claim that she or he obtained the property with “benign intent.””

out, “cited at some length statements by the well-known U.S. left-of-center economist Joseph Stiglitz condemning the work of Coase,” showing that “the reliance by a leftist Chinese economist on the pro-capitalist...U.S. economist Stiglitz to make a criticism of Coase reminded me of 1991 in Moscow, when the few leftist Soviet economists struggled to criticize free market theory by citing people such as John Kenneth Galbraith.” This again, shows the screwed up nature of the whole debate as a whole!

This article by Kotz doesn't really support the claim of revisionists that China is “socialist” but rather shows it is still on the capitalist road and that the country is undoubtedly revisionist. It is here that it is worth analyzing the property law. *BBC News* declared that the law would “mark a very important step in the country's belated march to a real market economy” and that the “bill has caused quite a stir since it was first published in 2002, and the voice of opposition is still rumbling in the Great Hall of the People,” noting that supporters of the bill say that “the affirmation of property rights...protects the material interests of millions of working people and entrepreneurs in the private sector” while Professor Gong Xiantian of Peking University Law School said the law was unconstitutional because conflicts with the Chinese constitution, “protects the assets of a small minority of rich people...[and] betrays the basic principle of socialism.”<sup>165</sup> The same article also said that the “bill is almost certain to be passed in the NPC this year,” that “China's leaders have noticed the social and political risk resulting from the huge gap between the new rich and the poor” and that “when the final draft is approved, China's rich and poor alike will have a legal right to what they accumulate in wealth.” A later article noted that the Chinese parliament also, during that session, passed a bill which ended “preferential tax treatment for foreign firms,” and that despite criticism, “99.1% of the 2,889 legislators attending the NPC backed the property law.” Some Chinese media added to this, with a Shanghai-based real estate lawyer Liu Weiping, quoted as saying that “with the constitutional guarantee of private property, they (local governments and real estate developers) will feel less confident about

<sup>165</sup> Songyan Sui, “New property law shakes up China,” *BBC News*, Mar 8, 2007; “China passes new law on property,” *BBC News*, Mar 16, 2007.

the recklessly leveling private residences” while claiming that “writing private property protection into the Constitution will exert a great influence on changing government work style, and safeguard the rights of citizens” and also saying that the “the Chinese economic system reform, with property right reform at the core, has been pushed forward in a steady manner and is never going to be reversed.”<sup>166</sup>

With this analysis, it is worth moving to the law itself. It passed on March 16, 2007, as noted earlier, signed by Hu Jintao on that day, and came into effect on October 1, 2007. The law, which had 247 chapters, showed that the “progressive” capitalist roaders in the CPC, which accept falsely named “market socialism” but want to reduce its effects, lost to the “determined” capitalist roaders who want to move full speed ahead down the capitalist road.<sup>167</sup> The first chapter of the law declared that

*This Law is enacted in accordance with the Constitution for the purpose of upholding the basic economic system of the State, maintaining the order of the socialist market economy, defining the attribution of things, giving play to the usefulness of things and protecting the property right of obligees...This Law shall be applicable to civil relationships stemming from attribution and use of things...things include the immovables and the movables..the creation, alteration, transfer or extinction of the property right of the immovables shall be registered in accordance with the provisions of law. The property right of the movables shall be created or transferred upon delivery in accordance with the provisions of law...the property right and public interests and the lawful rights and interests of another person shall not be jeopardized.*

Obviously this does not include every provision of the law’s first chapter. But it clearly is a victory for the “determined” capitalist roaders, without question, as these provisions clearly benefit the Chinese and foreign bourgeoisie in the country, making sure the state will guarantee their property rights! This goes against any claim that the state is “socialist.”

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166 [“China's Constitution amendments to have far-reaching influence,”](#) *People’s Daily Online*, Dec 28, 2003.

167 [“Property Rights Law of the People's Republic of China,”](#) *Leehman, Lee & Xu*, accessed Apr 15, 2018, unofficial translation; [“Property Law of the People's Republic of China,”](#) *China.org.cn*, Feb 11, 2011, official translation.

The next chapter of the law isn't any better. It declares that *the creation, alteration, transfer or extinction of the property right shall become valid upon registration...Registration of ownership of all the natural resources which are owned by the State in accordance with law may be dispensed [distributed] with...The contract made between the parties concerned on the creation, alteration, transfer or extinction of the property right of the immovables shall become valid as of the time when the contract is concluded, unless otherwise provided for by law or agreed upon in the contract...where the party concerned submits false materials when applying for registration, thus causing damages to another person, he shall be liable for compensation...The creation or transfer of the property right of the movables shall become valid as of the time of their delivery...where the property right is obtained through inheritance or acceptance of legacy, such property right shall become valid.*

The above quoted section obviously weakens state control over the economy. It also puts in place legal measures of a bourgeois nature which will benefit the bourgeoisie, even accepting the idea of property coming through inheritance, directly flying in the face of Marx and Engels, who wrote in the *Communist Manifesto* that such a right to inheritance should be fully abolished. It also puts in place a sort of investor-state dispute system (ISDS), but internally within China, by allowing one individual to sue another if they submit false materials to register their property!

The chapter of the law after this, chapter three said that if someone's property right is encroached, the "obligee may have the matter settled by means of conciliation, mediation, arbitration or litigation" and going on to say that

*Where a dispute arises over the attribution or contents of the property right, the interested parties may request confirmation of their right...Where a person takes possession of the immovables or movables without the right to do so, the obligee may request return of the original immovables or movables...Where the property right is impaired or is likely to be*

*impaired, the obligee may request removal of such impairment or elimination of the potential danger...Where the immovables or movables are damaged or destroyed, the obligee may request repairs, reconstruction or remaking, replacement or restoration to their original state...Where the infringement of the property right causes damages to an obligee, the obligee may request compensation for the damages and may also request the infringing party to assume other civil liabilities...The forms for protection of the property right as provided for in this Chapter may be applied separately and may also be applied otherwise, depending on the circumstances of infringement.*

Again, this sort of ISDS system undoubtedly benefits the bourgeoisie and hurts those who have little money. To have so many legislators vote for a provision like this, it is worrisome to say the least. It shows the country is more deeply corrupted than what pro-Chinese revisionists would admit.

Then there's chapters five and six of the law, which say:

*...Owners of immovables or movables shall be entitled to possess, use, benefit from and dispose of the immovables or movables according to law...In exercising their rights, the usufructuaries or guarantors shall not impair the rights and interests of the owners...No units or individuals shall be allowed to acquire ownership of the immovables and movables which are exclusively owned by the State...For public interests, land owned by the collectives, and the houses and other immovables of units and individuals may be expropriated...All mineral resources, waters and sea areas belong to the State...All resources of the wildlife that belong to the State...All resources of radio-frequency spectrum belong to the State...All cultural relics that belong to the State, as is provided for by law, are owned by the State...All assets for national defense belong to the State...All infrastructures...that belong to the State...are owned by the State...With respect to enterprises invested by the State, the State Council or the local people's governments shall, in accordance with the provisions of laws and administrative regulations, perform the duties of*

*the investors on behalf of the State and enjoy the rights and interests of the investors...The State protects...the right of individual persons to inheritance and their other lawful rights and interests...An enterprise legal person has the right to possess, use, benefit from and dispose of his immovables and movables.*

While those who favor Chinese revisionists will point out the evident calls of continued state control, this does not mean that the country is socialist. These rights and privileges benefit Chinese and foreign capitalists of different types, without question, with this law saying the state will guarantee them these rights and privileges, which yes, betrays the principle of socialism, as a critic I quoted earlier in this chapter argued, although he likely favored falsely named “market socialism.”

Then there is chapter seven of this property law. It says that

*Property owners shall enjoy ownership of the special parts within a building...An owner shall enjoy the rights of possession, use, benefiting from and disposition of the part exclusively owned by him within a building...An owner shall enjoy rights and fulfill obligations with respect to the common parts of a building...In the district of a building, the designed parking places and garages shall first be used to meet the need of the owners...The owners may form an owners' assembly and elect an owners' committee...No owners may...turn a residential unit into a unit for business purposes...The decisions of the owners' assembly or the owners' committee shall be binding to all the owners.*

These provisions, yet again, benefit the bourgeoisie, even giving them more political power with new assemblies and committees for “owners,” which just a polite way of saying capitalists!

The next chapter of this law, chapter seven, adds that

*Owners of neighboring immovables shall properly deal with their neighboring relations in adherence to the principles of conduciveness to production, convenience for daily lives, unity and mutual help, and fairness and rationality...An owner of immovables shall provide the*

*necessary convenience to a neighboring obligee in the use or discharge of water...When digging, constructing a building, laying pipelines or installing facilities, etc., an owner of immovables shall not endanger the neighboring immovables.*

These measures deal with relations between sparing bourgeoisie, and weaken the existing power of the Chinese proletariat, if there is anything left after the years of “reforms” in the Dengist era.

Then there’s chapter eight, saying that

*Immovables or movables may be co-owned by two or more units or individuals. Co-ownership consists of shared ownership and joint ownership...Persons who share the ownership of immovables or movables shall enjoy the ownership in proportion to the amount of their shares...Co-owners shall manage the immovables or movables they own as agreed upon...Where the co-owners have agreed not to sever the immovables or movables owned by them in order to maintain the co-ownership, such agreement shall be complied with; however, if a co-owner has major reasons for severing them, he may make a request for severance...Where the severance causes losses to the other co-owners, they shall be compensated for the losses...if they fail to reach an agreement, and the immovables or movables owned by them can be severed and its value will not be reduced because of such severance, the actual property shall be severed...In external relations, the co-owners shall have joint and several claims arising from the immovables or movables owned by them and bear joint and several liability for the debts arising likewise, except where laws provide otherwise or where a third party is aware that the co-owners are not associated in the aftersaid manner.*

Again, this is about inter-bourgeoisie squabbles, nothing more, nothing less. This creates more legal provisions to allow them to “peacefully” fight each other and agree/work together.

Chapter nine isn’t much different. It declares, that when a “person transfers to a transferee immovables or movables which he has no right to dispose of, the owner shall have the right to recover

them,” yet another measure adding to China’s sort-of ISDS system as you could call it. Add to this is the declaration that “an owner or any other obligee shall have the right to recover a lost-and-found thing,” that “when an obligee goes to take back the thing he lost, he shall pay to the finder or the relevant department the necessary expenses,” that the “natural fruits of a thing shall go to the owner; if there are both owner and usufructuary, the fruits shall go to the usufructuary.” Once again, more laws of a bourgeois nature which benefit the bourgeoisie.

Chapter 10 is relatively similar. It says that a “usufructuary shall...have the right to possess, use and benefit from the immovables or movables owned by another,” that units or individuals may “use and benefit from the natural resources which are owned by the State, or owned by the State but used by the collective, or owned by the collective,” weakening, again, state control over the economy. The same is the case for later articles saying that such property holders, capitalists, have the “right to the use of sea areas...[and] the rights to prospecting for mineral deposits, mining, water taking, and the rights to the use of waters or tidal flats for aquaculture or fishing.” More rights given to the bourgeoisie, another sad provision which hurts the Chinese proletariat.

Then there’s chapter 11. It weakens the power of rural collective economic organizations, saying that “contractors for the right to land management shall, in accordance with law, have the right to possess, use, and benefit from the cultivated land, forestlands, grasslands, etc. which are under their contractual management, and shall have the right to engage in agricultural production, including crop cultivation, forestry and animal husbandry,” with terms of contract, depending on the type of land (cultivated, grassland, or forestland), ranging from 30 to 70 years! Hence, capitalists are given a “right to land contractual management.” So much for the idea that the Chinese people “own” the land in China. That is an utter joke now! The chapter goes onto say that “contractors for the right to land management shall...have the right to circulate the right to land contractual management by subcontracting, exchanging or transferring the right or by other means.



Following this is chapter 12. It says that “a person who enjoys the right to the use of land for construction shall...possess, use and benefit from the land owned by the State, and shall have the right to use the land for erecting buildings and structures and the facilities attached to them.” Again, this cuts away at remaining control the Chinese people have over their land. This is further weakened by provisions through which capitalists gaining the

*right to the use of land for construction may be separately created on the surface, above or under the ground...The right to the use of land for construction may be created by assignment, allocation or other means...the right to the use of land for construction is created through bid invitation, auction, agreement or by other means of assignment..the right to the use of land for construction...ownership of the buildings and structures and the facilities attached to [such land]...the right to transfer, exchange, offer as capital contributions, give as a gift...mortgage... [or] as capital contributions [such a right].*

While there are some small limits, generally this gives capitalists even more rights than they had before March 2007. This is worrying for the Chinese proletariat.

Chapter 13 and 14 are as bad. Chapter 13 declares that those who have the “right to the use of house sites who...enjoy the right to possess and use the land owned by the collective, shall have the right to use the land for constructing residences and the facilities to be attached to them.” Again, yet another right just given away to the capitalists. Chapter 14 is all about easement holders, who have the “right to use another person's immovable property to get better results from his own immovables,” with a contract for such easement, among other conditions.

Chapter 15 adds to this horribleness. For one, the a “holder of security interests” is given the “priority in having his claim paid if a debtor defaults or if the conditions for enforcement of the said interests,” while creditors are favored, not as much as debtors, and numerous other bourgeois legal measures are put in place about a “principal creditor's right and the interest therefrom, penalty, damages

and expenses for safekeeping of the property used as security and for enforcing security interest,” a provision to make sure that the “holder of the security interest shall have priority in having his claim paid with the insurance monies, compensations or indemnities” in case of “damage or destruction, loss or requisition of the mortgaged property.” Again, the bourgeoisie win out, while the Chinese proletariat has to read such legalese which could have easily passed through the US Congress, with happy smiling facing, only with a few changes, here and there, of course.

Chapter 16 focuses on something particular: interest obtained through a mortgage. The provisions say that “if the debtor defaults or the conditions for enforcement of the interest...the creditor shall have priority in having his claim paid with the property...the following property which the debtor or the third party is entitled to dispose of may be mortgaged.” This chapter also puts in restriction for property that can’t be mortgaged, but also outlines what a mortgage contract will do, that an “enterprise, a self-employed industrial or commercial household, or an agricultural producer or distributor” can gain mortgage interest with a valid mortgage contract. It also says that under certain circumstances, a “mortgaged property shall be converted into money or be sold off by referring to its market price,” and clearly sides with the creditors over the debtors, time and time again. There are many other bourgeois legal provisions not worth noting.

Chapter 17 is relatively similar, focusing on “Interest Acquired Through Pledge.” This chapter notes that if the process of repaying debts, “the debtor or a third party pledges his movables to the creditor, if the debtor defaults or the conditions for enforcement of the interest...the creditor shall be entitled to the priority in having his claim paid with the pledged movables,” along with contracts and other bourgeois legal measures put in place, even saying that under certain circumstances, if “the pledgee repledges the pledged property to a third party without the consent of the pledgor, thus causing damage, destruction or loss of the property, the pledgee shall be liable for compensation.” Yet again, a sort of ISDS principle at hand here. Not much else is noted, other than expanded rights for capitalists,

expanding what the term “property rights” means to new heights, including “bills of exchange, cheques, promissory notes...bonds, certificates of deposit...proprietary rights consisted in the intellectual property rights,” while also outlining more bourgeois legal measures!

Chapter 18 focuses on lien. Specifically it says that if “a debtor defaults, the creditor may retain the debtor's movables which have been legally possessed by the creditor and shall have the priority in being paid with the said property,” and notes that the “lien holder shall have the duty to safekeep the retained property. If the retained property is damaged, destroyed or lost due to improper keeping, the lien holder shall be liable for compensation,” and giving very little protection to the debtor, and much more to the creditor, yet another win for the bourgeoisie.

The final chapter is chapter 19, focusing on possession. This says that “in the event of possession arising from contractual relationship, the use of the immovables or movables in question, the benefits therefrom and breach of duty shall be subject to the terms of the contract,” adding that “where the immovables or movables in the possession of another person is damaged, or destroyed or lost and the obligee requests compensation, the possessor shall return the insurance monies, compensation payment, indemnities, etc. to the obligee,” yet another ISDS-like provision now within Chinese law! This law can be easily followed by other laws, as this law can be, as noted in the next to last article, “authority and measures for unified registration of immovable property are stipulated by laws or administrative regulations, [and]...may be stipulated by local regulations according to the relevant provisions of this Law.” So this law is only the beginning. The “determined” capitalist roaders want to fight and beat the “progressive” capitalist roaders like Bo Xilai, to give one example, and so far they have been broadly successful, to the detriment of the Chinese proletariat. As it stands now, revisionist China preserves property rights of foreign and domestic capitalists. People can declare the country is socialist, but since this right is within Chinese law, it puts doubt on the idea that the country really fulfills what that word means, and more clearly puts the country on the capitalist road.

## **Roberts posits Xi Jinping as a powerful leader on par with Mao Zedong!**

Marxist economist Michael Roberts wrote an article on his personal blog on October 25, 2017 in which he defended Xi, saying that he was on par with Mao, and gave an economic defense of Chinese revisionism, a worrisome prospect.<sup>168</sup>

Roberts begins his article by declaring that “Xi Jinping has been consecrated as China’s most powerful leader since Mao Zedong after a new body of political thought carrying his name was added to the Communist party’s constitution...Xi will have an unprecedented third term as party leader through to 2029 and thus remain head of the Chinese state machine for a generation.” He adds to this that “under Xi, China will never move towards the dismantling of the party and the state machine in order to develop a ‘bourgeois democracy’ based on a fully market economy and capitalist business. China will remain an economy that is fundamentally state-controlled and directed.” Once again, this distorts the reality. The SOEs clearly operate on market principles, and while the country may not have “bourgeois democracy” like the US, it may be moving closer to Europe, or keep its own unique form of capitalism, fostering under the idea of capitalism (not socialism) with Chinese characteristics. Roberts attempts to bolster his argument by declaring that “an even bigger cause for concern for multinationals are Beijing’s plans to replicate foreign technologies and foster national champions that can take them global.” While this likely concerns such multinationals, it is a pure case of nationalism, nothing more. They know that China will not go back to the Maoist period. They realize more than those who favor Chinese revisionists, who have clear delusions of grandeur.

Almost poking at those who criticize revisionist China, Roberts declares that “American imperialism is scared...desperate measures that the US is taking to try to isolate China, block its economic progress and surround it militarily...it is continually developing trade and investment links

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<sup>168</sup> Michael Roberts, “[Xi takes full control of China’s future](#),” *Michael Roberts Blog*, Oct 25, 2017. There is [another](#) Michael Roberts post cited on /r/swcc, but it seems unfair to give him such space in a publication and better to fill it with someone else, as to not monopolize the space and time of the writer who is compiling this critical publication.

with the rest of Asia; and, with the exception of Abe's Japan, it is succeeding in keeping the Asian capitalist states ambivalent between China's 'butter' and America's 'arms'. 'As a result, China has been able to maintain its independence from US imperialism and global capitalism like no other state.' This is patently illogical. China can be nationalist and build up their military all they want, but they are not, independent from either US imperialism or global capitalism. The Chinese economy is directly integrated into the global capitalist system. As for US imperialism, when it comes to Juche Korea, Eritrea, and now Syria, they let the US do what they want with little comment other than saying there should be "non-interference," greenlighting sanctions on the first two countries named either directly (in the case of Juche Korea) or passively by only abstaining rather than using their veto power (in the case of Eritrea), with this also applying to Syria.

Then Roberts gets into his "I'm right and everyone else is wrong" position. He declares that "I think the majority of Marxist political economists agree with mainstream economics in assuming or accepting that China is [capitalist]. However, I am not one of them. China is not capitalist...public ownership of the means of production and state planning remain dominant and the Communist party's power base is rooted in public ownership. So China's economic rise has been achieved without the capitalist mode of production being dominant." This does not recognize the reality. China operates on market principles, plain and simple. If this wasn't the case, then why would they keep declaring they need to "improve" the magical "socialist market economy" which is really a market economy with state control that operates on market principles! So his comment is so weak it can be blown away.

In the next part of his article, he admits problems with China, which he says is a "weird beast." He admits that it is "not 'socialism' by any Marxist definition or by any benchmark of democratic workers control" and that there "has been a significant expansion of privately-owned companies, both foreign and domestic over the last 30 years, with the establishment of a stock market and other financial institutions." However, he turns around and attempts to defend China, declaring that "vast

majority of employment and investment is undertaken by publicly-owned companies or by institutions that are under the direction and control of the Communist party.” Sure, there’s state control, even the magical “capital controls” he talks about or even the manipulation of currency value, but that doesn’t mean the country is on the socialist road. It undoubtedly is on the capitalist road, with Mao was right to expel such horrid people from the CPC and sadly the Cultural Revolution was not a complete success, for some reasons in implementation but also because after Mao’s death there was no strong group of people to replace him and hold their ground against the capitalist roaders for a long period of time.

Roberts makes a number of other declarations. He says that there is a “structure...to maintain party control of the economy...[that] China’s Communist party is now writing itself into the articles of association of many of the country’s biggest companies,” but then adds that ‘one belt, one road’ project for central Asia is “not aimed to make profit” but aims to “expand China’s economic influence globally and extract natural and other technological resources for the domestic economy.” However, such economic influence is tied with the method of gaining a profit. He trusts too much in the Chinese revisionists and not enough in the Chinese proletariat.

Toward the end of the article he makes another admission: that the “law of value of the capitalist mode of production does operate in China, mainly through foreign trade and capital inflows...the Chinese economy is affected by the law of value...the inequality of wealth and income...is very high,” saying it is “is also partly the result of the elite controlling the levers of power and making themselves fat, while allowing some Chinese billionaires to flourish” but claims that the Chinese elite “don’t want the capitalist road to be adopted” while he says in the same breath that “Xi and the party elite are united in opposing socialist democracy as any Marxist would understand it...The people have yet to play a role...But they have not fought for more democracy or economic power.” These admissions, if you bring them together, overshadow the “positives” he highlights on China, showing the distorted nature of his argument and his dismissal of proletarian action.

## The Dengist of the “red star”: Ross and Chinese revisionism

On August 28, 2017, John Ross published an analysis declaring that China was a “socialist country” which followed Marx’s precepts.<sup>169</sup> He admits, at the beginning of this article that “I am an unashamed Dengite in economic theory the equivalent of this is that it is perfectly possible to understand China's socialist economy in terms of either Western or Marxist economic theory,” while I don’t think the economy is socialist, I’m glad he at least admits his viewpoint.

After grumbling that people believe the “myth that China's is a capitalist economy,” he claims they have a “definition of socialism deriving from Stalin rather than Marx - as will be shown below,” again a tactic of those who favor Chinese revisionism to “go back to the roots.” He declares that Deng is a “communist,” that the “China’s economic reform policies were seen as the integration of Marxism with the specific conditions in China,” claiming that “Deng’s concepts in launching China’s economic reform in in 1978 corresponded to Marx’s.” This is totally illogical. For one, Deng was openly courted by the West. Secondly, as the World Bank notes, in a source quoted by those who favor revisionists, China in 1978 launched a number of efforts including “raising prices for agricultural commodities; then decollectivizing agricultural production, making the farm household the residual claimant; and finally beginning to slowly but steadily dismantle the state-run procurement and input supply systems.”<sup>170</sup> Just like the group of passengers who stabbed Lenfranco Casseti (who was masquerading as Samuel Ratchett), who had kidnapped a child and later killed them, in Agathe Christie’s 1934 novel, *Murder on the Orient Express*, each capitalist roader stabbed one time into Mao, not literally but rather by destroying each column of Maoist China left behind, one action at a time. Of course, Mao was nothing like Casseti. However, the scene is a vivid parallel to what the capitalist roaders in China did after Mao’s death. Ross can quote Deng as saying that China “was in the socialist and not the (higher)

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169 John Ross, “[Why China is a socialist country – China's theory is in line with Marx \(but not Stalin\)](#),” *Learning from China – Blog*, Aug 28, 2017.

170 World Bank, “[World Development Report 2008: Agriculture for Development](#),” 2007, accessed Apr 15, 2018, p 104.

communist stage of development” and that “large scale development of the productive forces/output was the prerequisite before China could make the transition to a communist society,” but if that was the need, then adopting a market economy was not the way to go! It could have been done through socialist methods, rather than ones that came out of a bourgeois economics textbook.

Ross goes on to sneer that “in Marxist theory...economic distribution according to work/labour is the fundamental principle of commodity production – and a commodity necessarily implies a market,” claiming that “in this socialist period a market would therefore exist...It is clear Marx envisaged that the transition from capitalism to communism would be a prolonged one,” further declaring that “China’s system, after Deng, of simultaneous existence of sectors of state and private ownership is therefore clearly more in line with Marx’s conceptualisation than Stalin’s introduction ‘all at once’ of essentially 100 per cent state ownership in 1929.” He also adds that “Marx noted in the *Critique of the Gotha Programme* of the post-capitalist transition to a communist society...In such a transition Marx outlined payment in society, and distribution of products and services, necessarily had to be ‘according to work’ even within the state owned sector of the economy...In such a society inequality would necessarily still exist.” Lets say we grant that he is correct, which I’m skeptical of. The fact is that China has been on this market binge since 1978. Evidently Marx was not envisioning something of this length. It goes far beyond the 7-year-period of the NEP. He can say that “post-Deng policies in China were more in line with Marx’s prescriptions than post-1929 Stalin policies in the USSR.” However, this should be seen as a negative, not something that was positive. Additionally, for him to favor those economists who “opposed Stalin’s post-1929 policies on the same or related grounds – including Buhkarin...Kondratiev...and Preobrazhensky,” this shows that he is not a comrade and has such a distorted view that his favoritism to the capitalist readers clouds his overall judgment. Still, he can’t let go of the idea that “China's economic theory certainly differs from Stalin's - because it goes back to Marx” even though such theories have their roots within the West, not Marxist theory.



## **Duan defends Chinese revisionism before a Marxist conference**

At the Third International Conference on The Work of Karl Marx and the Challenges of the 21st Century, Chinese writer Duan Zhongqiao sent in an article titled “Market economy and the socialist road,” yet another defense of Chinese revisionism.<sup>171</sup>

He first declares that the “full development of market economy is essential to the realization of socialism.” This is undeniably invalid, if we use Ross’s argument in the last chapter, whom looked at a few works by Marx. Of course, he engaged in distortions, but Zhongqiao doesn’t even try and analyze Marx or any other Marxist theorist. hilariously, his second point that “only by abolishing the market economy can socialist society be founded. The planned economy as a basic feature of the socialist mode of production is incompatible with a market economy” and that “the base of a planned economy is public ownership, but a market economy is related to different kinds of private ownerships” contradicts his previous point. If the full development of a market economy is needed to realize socialism, then there can’t be a planned economy and a basic pillar of the socialist mode of production cannot be formed. Hence, socialism will be distorted under system with a market economy without question, something that Marx undoubtedly realized, although he never lived to see a socialist state in any country, sadly enough, to see his theories fully in action, used to help the proletariat.

Zhongqiao goes onto declare that the “state-owned economy in socialist countries was transformed from a capitalist economy based on commodity economy and got the rapid development under the system of the planned economy. It does not need to go back to market economy, for it has passed the stage of full development of commodity economy and possesses the conditions needed to carry out a planned economy.” This is a positive, however, what he says next complicates this seemingly good declaration on his part:

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<sup>171</sup> Duan Zhongqiao, “[Market Economy and the Socialist Road](#),” accessed Apr 8, 2018.

*To develop market economy presupposes the existence of multiple sectors of the economy. It means that the transformation from the former planned economy into a market economy is one from two kinds of public economy, i.e. the state-owned economy and collective economy into multiple sectors of the economy. To achieve this aim, socialist countries need only to abolish the planned economy being carried out in the collective economy. Since the collective economy was just an outcome of mandatory order, it will rapidly disintegrate and transform into individual economy, capitalist economy or real independent collective economy once it is free from the control of the planned economy. Thus to continue carrying out the planned economy in state-owned economy does not hamper the emergence of multiple sectors of economy.*

So basically you have abolish a planned economy within a collective economy, weakening the “basic feature of the socialist mode of production” and strengthening the market! Inevitably these measures would strengthen the bourgeoisie, making them stronger and weakening the power of the proletariat that has developed during the time that there was a planned economy.

Zhongqiao finally adds that “socialist countries” (by which he means Laos, Vietnam, China, Cuba, and Juche Korea), even though most of them aren’t socialist, “possess the prerequisite for realizing the planning economy envisaged by Marx, and therefore, for them, the issue of how to realize socialism is not that of how to continue and develop the market economy, but of how to abolish the market economy and establish the planning economy, step by step.” The problem with this statement is it means that states must accept the market economy on the level he is saying, allowing a bourgeoisie to develop and flourish, weakening the power of the proletariat and also the communist or workers party in each country, even if they take measures to maintain country. Such an economy changes the class nature of the state, without question, weakening the state’s resolve. You could say that a government could engage with this for a short time, but it obviously would have to be very limited and short-lived like the NEP period in early Soviet Russia, something none of the revisionist countries have done.