**Song Chaolong: From Marx to Contemporary Times: The Logical Process of the Concretization of the Outlook on Socialism**

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**Abstract:** Incorporating the utilization of value forms into the public ownership economic system constitutes the core thread of the concretization of the outlook on socialism from Marx to contemporary times. The actual socialism in Russia began with the partial replacement of the finance capital empire by the democratic revolution in the periphery. Lenin conducted a preliminary concretization of the outlook on socialism, and socialism became an active and dynamic institutional form. This institutional form made use of value forms as well as corresponding forms of ownership under the dominance of public ownership, i.e., commodities, money, capital, state capitalism, etc. were actively made use of. Stalin has interrupted Lenin's logical thread of concretizing the outlook on socialism. Although Stalin emphasized the utilization of the law of value in economic exchange between state-owned and collectively owned enterprises, Stalin has basically denied the utilization of value forms and their transmuted forms. Sinicized Marxism in China not only utilizes forms such as value, commodities, money, and capital to serve the construction of basic economic system of socialism in practice, but also inaugurated the utilization of value forms into the operation mechanism of the public ownership economy in the practice of creating a socialist market economy. This enabled socialism to make full use of the market and be capable of competing with and contesting international financial capital, thus leading socialism to a new realm in the unprecedented changes of the 21st century.

**Keywords:** Marx; outlook on socialism; concretization; actual logic

Actual, concrete things are a unity of the general and the particular. The so-called concretization of the outlook on socialism refers to attaching particular determinations that meet specific historical conditions on the basis of the general determinations of socialism and making these particular determinations organically unified with the general determinations. The concretization of the outlook on socialism is to explore the concrete forms by which the general determinations of socialism are actualized under specific temporal and spatial conditions, i.e., to identify a concrete institutional form of socialism in a specific historical period. The concretization of the outlook on socialism must be based on dialectical materialism, absorbing determinations from actual relationships, identifying the relationships between various elements in actual socialist society, reflecting the richness and concreteness of actual socialist relationships, and reflecting a relatively stable social system formed by the interconnection of various aspects in a historical period.

## Marx's theoretical system includes the logical clues for the concretization of the outlook on socialism

Although Marx clarified the institutional principles of future socialism and explored the possible existence of capitalistic and semi-capitalistic elements in future socialism, he did not propose a concrete idea of socialist institutional system, which means that Marx's outlook on socialism was not yet been concretized.

**First, Marx's discourse on the general essence of socialism.**

The general essence of socialism is embodied in the productive forces and relations of production, namely the form of division of labor and form of ownership. On the one hand, from the perspective of productive forces and the form of division of labor, socialist society replaces dispersed private labor with social joint labor, achieving the union of labor within the social scope beyond the scope of factories, i.e., replacing the union of indirect labor mediated by exchange and money with the direct social union of labor.

Social joint labor means that individual labor directly functions as social labor, and each person's labor becomes direct social labor just from the beginning. In social joint labor, the anarchic state of social production will be replaced by planned and conscious organization, besides commodities, value, and value forms will naturally disappear. The amount of social labor contained in products does not need to be identified through the roundabout intermediary of value. On the other hand, from the perspective of the nature of relations of production, i.e., ownership of the means of production, socialism would implement social joint ownership and public ownership of the means of production, and on this basis reconstructs “**individual ownership”** of the means of life for workers. Only this kind of individual ownership can overcome the alienation and opposition in the relations of ownership, and the “**individual ownership”** is the ownership that is compatible with individual freedom and individual development.

Socialism, as the unity of the two aspects of productive forces and relations of production, is a new type of mode of production of society, social formation, and a civilizational formation. Marx's socialism, as it is determined from this general essence, can be seen as pure socialism, which as such requires a long transitional period, also known as 'big transition', to be achieved.

**Second, the necessity of concretizing the outlook on socialism.**

The concrete form of socialism cannot be determined *a priori*, but should be determined by the actual historical conditions and determined by the actual starting point of socialism. In a series of political essays analyzing the most developed country at that time, Britain, Marx confirmed that the ruling class in Britain was a clique of financial aristocrats, including large factory owners, railway owners, large bankers, and large landowners.

Marx not only pointed out the new fact of rule of financial aristocracy, but also preliminarily distinguished between the cliques of financial aristocrats in central capitalist countries and those in developing countries. Marx believed that Britain was a central country, while France was a backward country compared to Britain. Revolutions were less likely to take place in central countries, but more likely to take place in backward countries. Marx compared Britain to the heart, and the European continent, including France, to the limbs, and held that the heart region is easy to regain blood from the limbs and is not prone to revolution, while the limbs regions will be prone to revolution.

When analyzing relatively backward capitalist countries at that time, such as in the analysis of French politics in *Eighteenth Brumaire of Louis Bonaparte*, Marx pointed out that the three major forces that played a decisive role at that time were the financial aristocracy, the landed aristocracy, and the military bureaucracy. The public conditions of social life were monopolized by these forces and become a means of expropriation of society. The middle industrial and commercial bourgeoisie cannot lead the working class to eliminate these three major forces. Only with the working class as the leading force, the alliance of workers and peasants as the foundation, and the alliance with the petty bourgeoisie and the industrial and commercial bourgeoisie, can the three major forces be overthrown. This united front revolution led by the proletariat is a new type of democratic revolution. This new type of democratic revolution is essentially a new type of proletarian revolution, because the proletariat has a dominant position in this revolutionary camp composed of several classes. At the same time, this proletarian revolution is not a complete proletarian revolution. In this revolution, the proletariat must unite with the peasantry, the petty bourgeoisie, and the middle industrial and commercial bourgeoisie, i.e., it must unite with its potential opponents in the future, and also combine with the revolution demanded by the small and middle bourgeoisie itself.

In other words, this proletarian revolution is a proletarian revolution that takes as a necessary part of itself the revolution demanded by the small and medium bourgeoisie. This new type of democratic revolution led by the proletariat with the aim of overthrowing the three major forces would not only lay the foundation of socialism, but would also benefit small producers and the middle industrial and commercial bourgeoisie. The revolution that overthrew these three major forces is not only a socialist revolution, but also a democratic revolution that benefits the small and middle bourgeoisie, and a particular socialist revolution that includes capitalistic elements. The transition from an ideal outlook on socialism of completely eliminating private ownership to an outlook on socialism that includes the utilization of capitalist reality reflects the necessity and inevitability of concretizing the outlook on socialism.

**Third, the logical clues for the concretization of the outlook on socialism.**

The form of socialist ownership should not only adapt to value production and value relations, but also the form of socialist ownership should be able to lead the revolution (supersede) of value production. Socialism should move forward in the contradictory movement between social joint labor and public ownership. Social joint labor will have a series of phases of development. The concrete realization of social labor still needs to draw on concrete organizational forms from the critical analysis of capitalism.

When analyzing the organizational process of capitalist socialized large-scale production and big monopoly capital, Marx talked about credit system, joint-stock companies, mobilization and allocation of money-capital, etc.. When analyzing the internal structure of big capital, Marx also talked about the separation of management functions and ownership, the separation of the board of directors and the managerial class, and hierarchical management. These are all means of organizing socialized large-scale production, from which concrete rules can be sought to serve socialist modernized large-scale production organization.

If we consider the concrete organizational forms of socialized large-scale production, then the general principles of socialism need to absorb certain neutral elements of capitalism, as well as concrete elements of value forms and value relations. In order to adapt to the different phases of socialization of labor, the form of public ownership should also change accordingly.

In actual socialism, social joint ownership cannot be achieved through complete and full social joint ownership, but can only be achieved in the form of the dominant pillar position of public ownership. The analysis of the social structure of the central countries in the financial capital empire shows that even in developed countries, if socialism is pursued, it can only be pursued as socialism with public ownership in the dominant position, let alone socialism in backward countries. The socialist revolution, as it eliminates financial monopoly capital, but pushes forward the development of small and middle functional capital, changes the connotation İÇERİM of socialist revolution.

The democratic revolution and socialist revolution, which replaced the financial capitalist ownership, also liberated small private ownership and promoted the development of small and middle capital. **Small producers, middle industrial and commercial capitalists, commercial cooperatives, credit cooperatives and other economic components** can also be used as auxiliary means in socialism. The reason for utilizing multiple forms of ownership is that value production cannot be eliminated yet, and adapting to value forms inevitably requires the utilization of multiple forms of ownership.

**Fourth, the concretization of the outlook on socialism implies the phasing of socialism.**

The concretization and actualization of the general determinations of socialism also means the phasing of the actual process of the general determinations of socialism. Although Marx's socialism is not yet a concrete concept, it can be concretized into different phases in the process of actualization. Socialism as a general determination is a genus (tür) concept with fewer connotations.

 The concept of concrete socialism, obtained by the unification of the general and the particular determinations of socialism, is a species (cins) concept with more connotations. The less the connotations of a concept, the larger its extension field and the wider its scope of application; the more the connotations of a concept, the smaller its extension and the narrower its scope of application. This is the so-called “law of inverse variation” between the genus and species concepts. Actual socialism is only equivalent to a specific phase through which the general determinations of socialism are actualized, and since this is the case, there are other phases in the actualization of the general determinations of socialism.

**Fifth, the concretization of the outlook on socialism means the concretization of the outlook on the transitional period.**

The actualization of the outlook on socialism has not only developed socialist theory, but also developed the theory of transitional period. According to the outlook on actual and concrete socialism, the society not only needs to go through a certain phase of transitional period before entering socialist society, but the socialism of a specific phase is also in transition to a higher phase of socialism. During the transitional period, there are components, parts, and factors of socialism, and there are also elements that need to be changed (in socialism). By concretizing the outlook on socialism, we can distinguish between two transitions: one is the transition from the non-dominant position of socialist factors to the dominant position of socialist factors; the second is the transition of socialism from the lower phase to the higher phase.

The transition from the non-dominant position of socialist factors to the dominant position of socialist factors is the replacement of the old economic system by a new economic system, while the latter is the replacement of the old phase by a new phase under the same system. The transition from the non-dominant position of socialist factors to the dominant position of socialist factors is the foundation for the establishment of socialism, while the latter is the development process of socialism itself.

The transition from the non-dominant position of socialist factors to the dominant position of socialist factors is a qualitative change (a violent revolution), while the latter is a quantitative change of gradual advancement.

It is impossible to let capitalism develop fully under all conditions and then carry out a socialist revolution. As long as the conditions for socialist revolution are not sufficient, these conditions will affect the transitional path and the actual form of socialism. With the advancement ( move it to an earlier time) of the starting point of socialist revolution, many historical tasks must be continuously extended (delayed) to future days.

Sosyalist devrimin başlangıç noktasının daha erken bir zamana taşınmasıyla, birçok tarihsel görev sürekli olarak gelecek günlere uzatılmak zorunda kalınır.

 The conditions that need to be prepared before the revolution will be extended (delayed) to the transitional period, and the issues during the transitional period will be extended (delayed) to different phases of socialist development.

**Marx's outlook on socialism identified two logical clues:**

first, Marx set the conditions required for economic emancipation of individuals and the complete elimination of classes, which contains a pure outlook on socialism, and the theory of transitional period associated with this is the theory of "big transition"; second, the practical starting point of the transition to communism, which is the revolutionary democracy that opposes the forces of financial aristocracy, landed aristocracy, and military bureaucracy, which contains an outlook on actual socialism, and the theory of transitional period associated with it is the theory of "small transition".

The concretization of the Marxist outlook on socialism manifests itself as the concretization of the outlook on pure socialism into the outlook on actual socialism, as well as the concretization of the "big transition" theory into the "small transition" theory. In this process of concretization, the pure outlook on socialism does not disappear, but continues to exist as a general determination in the actual outlook on socialism, and the theory of "big transition" does not disappear but is concretized into two types of transition theories: the transition from revolutionary democracy to actual socialism, and the transition of actual socialism itself from the lower phase to the higher phase.

It should be pointed out that although Marx's own theory contains the starting point, path, and direction for concretizing the outlook on socialism, Marx did not and could not discuss the actual and concrete socialist system in relation to the changes in the starting point of socialist reality.

Although Marx proposed the concept of "the first phase of communism" in the *Critique of the Gotha Programme*, it is not a concept that reflects a concrete socialist institutional system. "The first phase of communism" denies commodity production, value relations, and value forms, as well as private ownership and classes. "The first phase of communism" is a general concept that does not reflect the particular historical conditions and particular determinations of actual socialism, nor does it involve the unity of general and particular determinations of socialism. In Marx's view, it is understandable that the general and particular determinations of socialism are not and cannot be concretely unified to reflect actual socialism. As a practical materialist, it was impossible for Marx to discuss the internal relations of actual socialism. The concretization of the outlook on socialism and the theory of transitional period was actualized later in the practices of revolution, construction, and reform processes of the Soviet Union and especially in the practices of revolution, construction, and reform processes in China.

Marx and Engels, starting from the materialist epistemology, held that the more concrete and detailed the discussion of socialism, which has not yet become a concrete reality, the more utopian components would it contain. In Marx's view, reality is "the point of departure for observation and conception"[[1]](#footnote-1). And therefore "the subject, society, must always be kept in mind as the presupposition"[[2]](#footnote-2).

In Marx's view, what can float in front of the surface is the reality of capitalism rather than the reality of socialism.

## II. The concretization of the outlook on socialism by Lenin

Lenin achieved the concretization of the outlook on socialism in the light of the reality of the backward countries under the world system dominated by the finance capital empire.

Lenin truly adjusted the outlook on socialism and proposed new determinations in the later period of the New Economic Policy (NEP). During the period of the New Economic Policy (NEP), Lenin explored the particular determinations of the actual society such as cooperatives and state capitalism based on the reality of Soviet Russia and conducted a preliminary concretization of the outlook on socialism in the concrete unity of these particular determinations and general determinations of socialism. Lenin's contribution to the concretization of outlook on socialism lies in the utilization of value forms and corresponding forms of ownership based on electrification plan (use of electric energy in the industrial sector) and public ownership, namely the utilization of commodities, money, capital, state capitalism.

**First, the electrification plan and direct transition to socialism.**

Lenin criticized capitalist reality directly with the central concept of finance capital. Finance capital is a concept developed by Hilferding from the logic of *Capital*. Finance capital is the fused capital that dominates the capitalist relations of production and arises from the fusion of industrial, commercial and bank capital. Hilferding's shortcoming was his lack of cognizance of the parasitic nature of financial capital. Lenin expanded the connotation of the concept of financial capital. In addition to dominating production, circulation and credit, finance capital also dominates real estate, the national (state) debt, the public sector and the state apparatus, and it exhibits an expropriative and parasitic nature.

Finance capital dominates not only the relations of production in the developed countries but also the concrete relations of production in the later-developing countries. Moreover, the form of finance capital rule in the late-developing countries is even more backward and reactionary. The transformation of finance capital can only be carried out by socialism, and in order to replace finance capital, socialism must master the core sectors of socialized large-scale production. Based on this, Lenin particularly emphasized the importance of electrification for socialism. Lenin evaluated the importance of the electrification plan as the second party program of the Russian Communist Party, thus showed its fundamental position. In order to promote the realization of the electrification program, the Russian Communist Party organized a large number of specialists and departments to participate in the formulation of plans and creation of conditions. The electrification plan was used to directly establish the economic basis of socialism, which was a direct transition to socialism.

**Second, the idea of roundabout transition to socialism.**

The electrification plan was a measure of direct transition, while the utilization of capitalist economic components to assist the realization of electrification was a measure of indirect transition. After the victory of the revolution, the policy of war communism practiced in Soviet Russia was abolished. **“At the beginning of 1918… deciding to go over directly to communist production and distribution… that line was wrong, it ran counter to what we had previously written about the transition from capitalism to socialism.”[[3]](#footnote-3)** In March 1921, the New Economic Policy (NEP) for the transition to socialism began to be practiced in Soviet Russia. During the period of the New Economic Policy (NEP), Lenin made a systematic plan for cooperatives, exchange of commodities, concessions, etc. during the transition period.

**Third, state capitalism.** (cooperatives)

Lenin discussed the status and role of “cooperatives” given “the power of the state over all large-scale means of production, political power in the hands of the proletariat”. Regarding production cooperatives, due to the constraints of public ownership and proletarian state power, their nature is completely different from cooperative enterprises under capitalist conditions. In Lenin's view, the nature of circulation within and outside cooperatives is no longer equivalent to circulation in capitalist society. Lenin evaluated the free circulation of peasants under the New Economic Policy (NEP) as "individual exchange of commodities"[[4]](#footnote-4), the exchange between state factories as "product exchange", and the exchange between state industrial products and peasant food as "commodity exchange or the exchange of products"[[5]](#footnote-5), in order to indicate that it falls between the first two. Lenin held that in this exchange, **“the manufactured goods made by socialist factories and exchanged for the foodstuffs produced by the peasants are not commodities in the politico-economic sense of the word; at any rate, they are not only commodities and they are no longer commodities, they are ceasing to be commodities**”[[6]](#footnote-6).

Thus, the exchange relations between socialist factories and small farmers are non-commodity and commodity exchanges, non-commodity commodity exchange relations and so on.

These statements of Lenin show that he was adjusting the connotation of the concept of commodity to reflect the developing social reality. Lenin was not bound by the concept, but developed and enriched its inner determinations from the actual relations. Lenin discussed the question of cooperatives in a different context and background from that of Marx.

**Different context and background from that of Marx**

With regard to cooperatives, Marx discussed them under the capitalist system or in the sense that they were not pure enough in comparison with the general determinations of socialism, whereas Lenin discussed them against the background of their interconnection with the dominant socialist factors.

Marx did not discuss questions such as cooperatives in the context of their interrelationship with the dominant socialist factors, nor did Marx discuss commodities, cooperatives, etc., in the context of the dominant conditions of public ownership.

Under capitalist conditions, although cooperatives or cooperative factories formed by workers can internally eliminate the exploitation of wage labor and positively abolish the antagonism between capital and labor, externally, cooperatives have to obey the laws of commodity production and competition because each cooperative has exclusive rights to its own means of production and products, and thus **“naturally reproduce, and must reproduce, everywhere in their actual organization all the shortcomings of the prevailing system (by which the capitalist system is meant)**”. (Marx) **https://www.marxists.org/archive/marx/works/1894-c3/ch27.htm**

Given that the socialist factors are in a dominant position, not only the nature of the circulation of cooperatives and small producers changes, but also the nature of the capitalist components of the economy, strengthened by leases and concessions. These capitalist economic components are neither in a dominant position nor isolated, but are subject to socialist economic and political constraints through the intermediary of “state capitalism”.

**Fourth, Lenin’s new outlook on socialism.**

At a certain phase of the transitional period, when the components, parts and factors of socialism have gained the dominant position, it can be regarded as the entry into socialism, except that such socialism still has subordinate, non-pure elements. Once the economic basis of socialism has been built up through the electrification plan and state capitalism, it can be regarded as the entry into socialist society. Socialism can be built through the direct construction of large-scale industries and the cooperation of state capitalism, and this kind of socialism is a kind of socialism that includes state capitalism as a necessary supplement, a socialism that is different from the one originally imagined.

**Lenin held that under the premise of socialist factors are in a dominant position, cooperatives and state capitalism are either directly unified with socialism or have a semi-socialist nature.** This indicates that as long as socialist factors dominate, the overall nature of society is determined by socialism, which is actually a concretization of the outlook on socialism. Lenin pointed out that **"under our present system, cooperative enterprises do not differ from socialist enterprises if the land on which they are situated and means of production belong to the state, i.e., the working-class.”[[7]](#footnote-7)**

**“Given social ownership of the means of production, given the class victory of the proletariat over the bourgeoisie, the system of civilized cooperators is the system of socialism."[[8]](#footnote-8) "Cooperation under our conditions nearly always coincides fully with socialism."[[9]](#footnote-9) "The mere growth of cooperation is identical with the growth of socialism, and at the same time we have to admit that there has been a radical modification in our whole outlook on socialism.”[[10]](#footnote-10)**

Lenin said in *The Fourth Anniversary of the October Revolution***, “it appears that a number of transitional stages were necessary—state capitalism and socialism—in order to *prepare*—to prepare by many years of effort—for the transition to communism... We must first set to work in this small peasant country to build solid gangways to socialism by way of state capitalism. Otherwise, we shall never get to communism, we shall never bring scores of millions of people to communism.”[[11]](#footnote-11)**

**The socialism in “to socialism by way state capitalism” refers to a social system that includes socialist industry and state capitalism.** This outlook on socialism is already a new outlook on socialism in the making; it has the dual characteristics of the general determinations of socialism and the particular determinations of the transitional period. While the general determinations of socialism deny commodities, private ownership, classes and the State, commodities, private ownership, classes and the State can exist in actual socialism, only that they are subject to the dominant socialist factors, and thus their nature has changed. The general determinations of socialism indicate the inherent supersession (Aufhebung) of capitalism, while actual socialism also includes the recognition and utilization of the partial development of capitalism; the general determinations of socialism imply the direct negation of capitalism, while actual socialism has to achieve its purpose in the coexistence of development with capitalism.

There is a view that as long as capitalism or state capitalism exists, it cannot be called socialism, and state capitalism needs to be transformed before entering a socialist society. This actually still understands socialism as abstract and pure socialism. This viewpoint does not understand that, after the realization of the electrification plan on the basis of public ownership, capitalism is only a subordinate part of the whole economic system, and state capitalism is already a transformation of capitalism. Therefore, it is not necessary to carry out a new transformation of state capitalism in order to be called entering socialism.

In discussing Lenin's outlook on socialism, we must grasp that the outlook on socialism in this context is a view of the nature of a society as a whole. Some scholars, in the course of discussions, have substituted Lenin's outlook on socialism for, for example, Lenin's view on whether state capitalism is socialist or not, or Lenin's view on whether cooperatives are socialist or not. The nature of these two elements can only be judged by placing them in the context of society as a whole. **“The modification in Lenin's outlook on socialism was not from Marx's 'socially owned socialism' to 'cooperative socialism', but from 'socially owned socialism' to 'socialism with public ownership as the dominant, including cooperatives'”[[12]](#footnote-12)**. (Song Chaolong’s Article)

Given that the public ownership economy is in a dominant position, state capitalism is both semi-socialist and semi-capitalist in nature, but the semi-capitalist nature does not affect the overall nature of society.

## III. Stalin's return to the abstract concept of socialism

Stalin did not conduct a conscious concretization of the general determinations of socialism in the light of the realities of the backward countries in the era of finance capital empire, and the concept of socialism in his guiding thought was in fact still abstract general socialism.

The concretization of the outlook on socialism by Stalin began with certain qualitative changes in the transitional period. Stalin pointed out that 1918 was called the “transitional period” and 1930 was also called the “transitional period”, but in 1918 the socialist element was still weak, while in 1930 the socialist economy became the dominant one in the national economy.

Stalin described the new phase of the transitional period, in which the socialist economy had come to dominate the national economy**, as being “entered the period socialism**”[[13]](#footnote-13). Stalin pointed out the ground of his judgment, namely, that the socialist component held all the economic levers in the entire national economy. Stalin's socialism was a socialism in which the State continued to exist and the two kinds of public ownership and the commodity form continued to exist.

Stalin's concretization of the outlook on socialism was unconscious, and his outlook on socialism was not only the abstract form of the general determinations of socialism but was also dominated by the abstract idea of general socialist principles. Stalin linked the concretization of the outlook on socialism with the concretization of the “first phase of communism”, and in November 1936, in his *On the Draft Constitution of the USSR*, Stalin stated: **“Our Soviet society has already, in the main, succeeded in achieving Socialism; it has created a Socialist system, i.e., it has brought about what Marxists in other words call the first, or lower, phase of Communism. Hence, in the main, we have already achieved the first phase of Communism: Socialism**.”[[14]](#footnote-14)

In his *Critique of the Gotha Programme*, Marx spoke of the “first phase of communism” and determined it as the realization of distribution according to work on the basis of social work. In order to criticize Lassalle's intellectual metaphysics on the question of equality, Marx pointed out that equality is historical in nature, and that even the equal right of distribution according to work becomes unequal if it is measured by another yardstick, namely, “distribution according to need”.

This inequality embodied in the distribution according to work can only be overcome at the higher phase of communism, which realizes the distribution according to needs. From the *Critique of the Gotha Programme*, it can only be seen that distribution according to work and distribution according to need belong to different phases of the development of communism, but not the concrete phases that communism will go through.

The “first phase of communism” is not a concrete concept in Marx, and how to make it concrete and how to introduce concrete determinations depends on the actual conditions. Depending on the situation, there are different ways of introducing it, but they are all compatible with the concept of “the first phase of communism”. **Marx's concept of the “first phase of communism” in the *Critique of the Gotha Programme* is a general concept that is not sufficiently concretized.**

Is distribution according to work realized as the only mode of distribution or as the dominant mode of distribution? Is it realized on the basis of unified social ownership, or also on the basis of collective ownership? Is it realized in one region or globally at the same time? Marx's socialism as a general concept is a concept with potential for development; if it is made into a concrete concept, it cannot develop and it can become rigid. Stalin did not notice the abstract characteristics of Marx's concept of the “first phase of communism” and did not understand Marx's concept of the “first phase of communism” as a general concept to be concretized, but rather as an already concretized concept on the basis of which the practice of socialism in the USSR was guided.

**Stalin's understanding of the “first phase of communism” was tinged with idealistic dogmatism.**

 Concrete truth is the unity of the general and the particular, and the general exists in the particular, but idealistic dogmatism understands the general, which is the essence of things, as an independent being outside the particular, i.e., as the Idea independent of the particular. In this way, the general is no longer the general and becomes a perfect particular.

Although it is possible to understand the general as a perfect particular, if the general is understood as a perfect particular, the general is not general, and it cannot play the role of determining the nature of things in the lower forms of such things, thus this understanding actually severs the dialectical relationship between the general and the particular and blocks the possibility for the development of socialist theory. Although the perfect particular best reflects the general, the general is not limited to the perfect particular, and Marx's idea of socialism cannot be made into a completely concrete concept under the concept of “the first phase of communism”.

According to the logic of idealism, the Idea, as the most perfect particular, causes imperfect realities to imitate and tend towards themselves, and this constitutes the driving force and direction of the movement of concrete things. This external purposive and inverted view of development is the general tendency of idealistic metaphysics. This tendency is not to look for the driving force of the development of things from their own internal conditions, but to take a certain perfect external purpose as the basis of the development of things, and thus this tendency always depreciates the individuality and particularity of things. According to this point of view, it is not the basic nature of a thing that manifests itself in different forms of development from low to high, but only when a thing develops to the highest form does it acquire its basic nature.

According to this view, only a social state (situation) in which the general determinations of socialism are purely manifested is socialism. Stalin had the same tendency in his outlook on socialism. Stalin's insistence on socialism in its abstract form led him, in practice, to lead socialism toward hyper-phase construction (ignored phases and jump over phases). Because the general principle is pure, if the state of society described by the general principle is to be realized as an immediate goal, it is inevitable that the particular elements of reality that do not coincide with the general principle will be quickly eliminated. And it was only when some of the particular elements - such as the two systems of ownership, the external political functions of the State, etc. - could not be eliminated that Stalin had to recognize that they had to be present in the actual socialism.

Since Stalin was governed by the abstract Idea of the general principles of socialism, it was only natural that Stalin abandoned the roundabout transition and returned to the path of direct transition to socialism (which was rejected by Lenin) .

 Lenin's contribution lay in the utilization of value forms and the corresponding forms of ownership, i.e., of commodities, money, capital, state capitalism, etc., these are ideas which were basically rejected by Stalin. The reason for this is that Lenin had failed to systematically expound his new outlook on socialism. Although Lenin's adaptation of the outlook on socialism was of world-historical significance, Stalin did not fully understand Lenin's ideas on socialism and gave up the New Economic Policy because the ideas had not yet been systematically elaborated.

Lenin has indeed concretized the outlook on socialism, but since the electrification plan had not yet been realized and the dominance of the socialist factors was not yet secure, Lenin's theoretical work on the concretization of the outlook on socialism was not accomplished, that is to say, Lenin had not yet identified the results of the concretization of the outlook on socialism in the form of clear-cut assertions. In practice, the qualities and features of socialism in the backward countries under the system of finance capital empire were not fully expressed by Lenin. For example, the roundabout (indirect) transition in the period of the New Economic Policy can be understood both as an inevitable path determined by the world historical background in which the backward countries are situated and as a policy of temporary retreat in order to alleviate the political crisis. Lenin's concretization of his outlook on socialism can easily be overlooked or underestimated if it is not analyzed in the light of the inner threads of the development of Lenin's thought.

In the socialism discussed by Stalin, there is still exchange of commodities, exchange of commodities between the two kinds of public ownership, which utilizes the content of value but not the form of value. Linked to this question is the question of understanding the concept of “value” in political economy.

In the *Critique of the Gotha Programme*, Marx pointed out that individual labor exists directly as a component part of the total labor of the society, and labor is no longer expressed as value. Marx's concept of value is a concept that reflects the economic relations in capitalist society and Marx's concept of value expresses the contradiction between private labor and social labor. Private labor is performed alone, and whether it meets the needs of society is proved by exchange, and the amount of social labor expressed in exchange and recognized by society in exchange is the value of the product. The category of value in the Soviet society is different from the category of value in the capitalist society that Marx talked about. The category of value in Soviet society is a form of manifestation of equal realization of equal amount of labor.

The “first phase of communism” is a general concept, one that can be made to correspond to different real forms of socialism by attaching different subordinate determinations to it. Although Lenin also understood socialism in relation to the concept of “the first phase of communism” in the *Critique of the Gotha Programme*, for example, in *The State and the Revolution*, Lenin defined “the first phase of communism” in Marx's terms as “socialism” and the “higher phase” as “communism”, but after the October Revolution, faced with the reality, Lenin had further developed his concept of socialism. Lenin said: **“The transition from capitalism to socialism is conceivable in different forms… if ours was a country with a predominantly—or, say, highly developed—large-scale industry, and a high level of large scale production in agriculture, otherwise the transition to communism is economically impossible.”**[[15]](#footnote-15)

In both assertions, Lenin used communism and socialism as the same concept. When talking about higher bonuses for specialists, the state system, etc., Lenin proposed the concepts of “victorious socialism”, “complete communism”, “developed socialist society”, “fully developed socialism”, “socialism in complete form,” “socialism when completed”, and so on. These concepts, which are preceded by a qualifying word, are in fact identifying the particular state and stage of the general system of socialism, specializing, concretizing and phasing the concept of socialism.

Stalin denied the existence of contradictions in socialist society; after 1956, Mao Zedong repeatedly pointed out that contradictions were omnipresent. Stalin, on the other hand, refused to recognize the existence of contradictions in socialist society, and this “refusal to recognize” was not in line with the law of development and dialectics. In his speech *On the Correct Handling of Contradictions Among the People*, Mao Zedong once again emphasized that to say that there are no contradictions in socialist society is “a naive idea which is at variance with objective reality”.[[16]](#footnote-16)

Stalin deviated from the logical thread of concretization of the outlook on socialism by Lenin. First, Stalin failed to see the strategic significance of a roundabout (indirect) transition idea of Lenin; second, Stalin failed to grasp the dialectical relationship between socialist and non-socialist determinations; and third, Stalin failed to recognize that socialism itself is a long-term process of development, and that there are multiple phases of socialism itself.

Lenin first proposed the idea of indirect transition in 1921. **https://www.marxists.org/archive/lenin/works/1921/oct/29.htm**

## IV. The concretization of the outlook on socialism by the Communist Party of China

The concretization of the socialist theory and outlook on socialism of backward country under the system of finance capital empire has achieved new developments in the practice of Marxism in China.

**First, the ground of socialism.**

China's socialist practice developed in the national and democratic revolution against finance capital imperialism and its proxy forces in China. Modern China experienced significant changes, and after the Opium War, the Qing Empire gradually surrendered to Western imperialist powers. At the end of the 19th century, the finance capital empire divided the Qing Empire, leading to a situation of old and new warlords ruling separately. The big landlords, big bourgeoisie, and warlord forces have become agents of imperialism in China. Faced with the rule of imperialism and its proxy forces, all revolutions/reforms that only touched on the cultural and political superstructure have failed. The repeated failures of revolutions require the transformation of the revolution itself, the integration of revolution and the working class, and the transition from the old democratic revolution to the new democratic revolution. **“In the beginning the May 4th Movement was the revolutionary movement of a united front of three sections of people--communist intellectuals, revolutionary petty-bourgeois intellectuals and bourgeois intellectuals (the last forming the right wing of the movement)… But as soon as it developed into the June 3rd Movement, not only the intellectuals but the mass of the proletariat, the petty bourgeoisie and the bourgeoisie joined in, and it became a nation-wide revolutionary movement.**"[[17]](#footnote-17)

After the May Fourth Movement in 1919, the Communist Party of China was founded. “It was the Chinese Communist Party that put forward the slogan ‘Down with imperialism’…, and it was the Chinese Communist Party alone that carried out the Agrarian Revolution."[[18]](#footnote-18) After the founding of the CPC, it cooperated with the Kuomintang and set off a the Great Revolution (1924-27). In 1927, the Kuomintang betrayed the revolution and became a political party representing the big landlord, big banker, and big comprador classes. **"With the big bourgeoisie going over to the counter-revolutionary camp of the imperialist and feudal forces and the national bourgeoisie trailing after it, only three of the four classes formerly within the revolutionary camp remained, *i.e.*, the proletariat, the peasantry and the other sections of the petty bourgeoisie (including the revolutionary intellectuals), and consequently the Chinese revolution inevitably entered a new period in which the Chinese Communist Party alone gave leadership to the masses."**[[19]](#footnote-19)

The CPC led the people and launched an arduous struggle. After the Northern Expedition (1924-27), after the Agrarian Revolution (1927-36), the War of Resistance against Japan (1937-45) and the War of Liberation (1946-49), the CPC won the victory of the new democratic revolution. The new democratic revolution was a new type of bourgeois democratic revolution, but due to the leadership of the proletariat, the politics, economy, and culture of New Democracy have contained socialist elements, which are not ordinary factors but decisive factors. The new democratic revolution shattered the power of the big landlords and big bourgeoisie supported by imperialism, overthrew the three major mountains, and nationalized large banks, industries, and commerce, laying the foundation for socialism. After the founding of New China, the CPC lost no time in carrying out the socialist revolution and realized the socialist transformation of agriculture, handicrafts, and capitalist industry and commerce. Overall, socialist transformation was a great revolution, especially in terms of land system. The socialist revolution achieved further socialist transformation of private land ownership on the basis of the New Democratic Revolution's "land to the tiller" policy, which was a great achievement.

**Second, conscious utilization of commodities, money, and productive capital.**

The socialism developed from the New Democratic Revolution was not pure socialism, but socialism that includes the inevitable utilization of capitalism. During the period of democratic revolution, the proposition of "land to the tiller" was a bourgeois democratic proposition. The concept of 'land to the tiller' refers to the transfer of land from the hands of the landlord class to the hands of the peasants, becoming their private property. The reason for implementing the proposition of "land to the tiller" is that the peasants are the largest ally of the proletariat in the revolution against imperialism and its proxy forces, and the largest revolutionary democratic faction outside the proletariat. However, the political parties of the liberal bourgeoisie have not formulated a firm land program. Communists, on the other hand, have implemented the proposition of "land to the tiller" in the land program and have been particularly resolute in its execution. During the War against Japanese, the CPC changed the policy of "land to the tiller" to the policy of rent and interest reduction. This concession prompted the Kuomintang to participate in the resistance against Japan and united the landlords and farmers in the liberated areas to oppose the Japanese aggressors.

During the Liberation War (1946-49), a thorough land revolution was carried out, achieving the goal of 'land to the tiller'. In addition to achieving the goal of 'land to the tiller', the New Democratic Revolution also protected the development of national industry and commerce. In December 1956, Mao Zedong pointed out in a talk with the leaders of the National Democratic Construction Association and the All-China Federation of Industry and Commerce: "I suspect that Russia's New Economic Policy ended too early." "As long as society needs it," "capitalism can be eliminated and As long as society needs it can be developed again.**.**"[[20]](#footnote-20)

After the Eighth National Congress of the Communist Party of China (1956), relations of production were adjusted according to the principle of "Three Dominants and Three Supplements," allowing individual businesses and free markets to exist within a certain range. After the reform and opening up (1978), China gradually opened up township enterprises and private enterprises, allowing multiple economic sectors to coexist, activating the economy and promoting the development of social division of labor. The inherent basis for utilizing multiple economic components lies in the fact that the utilization of value production and value forms is a necessary way to promote the disintegration of China’s old natural economy (in rural areas) and the development of social division of labor. Socialized large-scale production itself also has a form, that is, socialized large-scale production is linked to value production. The reason why socialism utilizes various forms of ownership on the basis of public ownership is that value production is an important way to promote the disintegration of the natural economy (in rural areas) and organize dispersed individual laborers.

**Third, actively guiding the capitalist economic components.**

The New Democratic Revolution did not expropriate small and medium-sized capital that was beneficial to the national economy and people's livelihood, but adopted policies to guide and regulate it, and policies to regulate the interests between labor and capital. The New Democratic Policy, while allowing the development of national industrial and commercial capital, protects the interests of workers, implements an eight to ten hour work system based on differences in circumstances, implements appropriate policies such as unemployment benefits and social insurance, supports trade union activities, and safeguards the rights of trade unions and workers.

The economic policies adopted by the new democratic state ensured the rational operation and legitimate profits of state enterprises, private enterprises, and cooperative enterprises, coordinate the interests of both labor and capital, and enable them to work together for the development of production. Under the New Democratic Revolution, the reform of the land system increased the enthusiasm of farmers for production. On the basis of farmers' active participation in production and operation, the new democratic state also actively guided farmers to gradually organize themselves on a voluntary basis, such as organizing in agricultural production cooperatives and other cooperatives. On the basis of individual economy and private property of farmers, organize collective and mutual aid labor organizations, such as labor change teams, mutual aid groups, and labor exchange shifts. Compared with the decentralized operation of individuals, this type of organization greatly promoted the development of productive forces and the increase of production volume. This system became a universal system in the liberated areas of China before the establishment of the People's Republic of China. In fact, cooperative organizations such as transformation teams were forms of cooperation discovered by farmers themselves. They have long existed, and in the liberated areas, the form and content of transformation teams have changed. They were actively guided by the new democratic state and were a manifestation of farmers' efforts to develop production and strive for a prosperous life.

On July 9, 1953, Comrade Mao Zedong wrote in a commentary at the National Conference on Financial and Economic Work held in the summer of 1953: **"The present-day capitalist economy in China is a capitalist economy which for the most part is under the control of the People's Government and which is linked with the state-owned socialist economy in various forms and supervised by the workers. It is not an ordinary but a particular kind of capitalist economy, namely, a state-capitalist economy of a new type.  It exists not chiefly to make profits for the capitalists but to meet the needs of the people and the state… This state-capitalist economy of a new type takes on a socialist character to a very great extent and benefits the workers and the state."**[[21]](#footnote-21)

After the reform and opening up (1978), under the leadership of the public ownership economy, various economic sectors flourished and developed. This development was guided by the national policy and led by the public ownership economy, and had a different logic from the development of various economic components under the dominance of Western financial capitalism. Just as Western monopoly capital can largely dominate the development of small and medium-sized capital through the market, socialist public ownership can also guide various economic sectors through the market, including controlling the development of multinational corporations and international capital in China.

**Fourth, the public ownership economy utilizes the law of value and value forms to develop itself.**

How to develop the public ownership economy and what kind of management system and mechanism to choose are major questions that socialism itself needs to address in practical development. Starting from the First Zhengzhou Conference in the Winter of 1958, Mao Zedong continuously corrected "left" mistakes, emphasized the need to respect economic laws and the law of value, drew a clear line between collective ownership and national ownership, socialism and communism, opposed egalitarianism, and emphasized the adherence to distribution according to work and exchange of equal value. Mao Zedong introduced the law of value into the internal components of socialist economy and into the relationship between the two forms of public ownership economy, which has important theoretical significance.

After the reform and opening up (1978), in response to the development of various economic sectors, the management mechanisms of state-owned and collective economies have also undergone changes. The principles of independent accounting, cost constraints, value preservation and appreciation, and self-responsibility for profits and losses of state-owned enterprises enable the state-owned economy to comply with value production, abide by the law of value, and operate using value forms. The combination of socialist principles and value forms, leading value forms, and the utilization of value forms (such as money, joint-stock companies, stocks, etc.) by the public ownership economy to develop itself, not only opened up a vivid practice of actual socialism, but also posed new challenges for the socialist market economy.

**Fifth, the outlook on socialism of the new era has become conscious.**

In the new era after 2012, the socialist market economy, dominated by public ownership, is becoming more and more consolidated and conscious through the overall strengthening of the Party's construction. The socialist market economy is different from both the Western financial-capitalist market economy and the Stalin model of socialism. While the Western financial-capitalist market economy subordinates the law of value and value forms to the dispossessive accumulation of financial capital, and the Stalin model of socialism denies the role of the value forms in the socialist economic system, the socialist market economy in China affirms the status of value forms, and makes use of the law of value, the value forms, and the ownership forms appropriate to it to serve the organization of socialist production and reproduction.

The new era (2012- later) has made it clearer that socialism with Chinese characteristics will not follow either the evil path of the Western financial-capitalist market economy or the old path of the Stalin model, making the actual outlook on socialism more conscious. Moreover, against the backdrop of the crisis of Western financial capitalism and the new version of the Great Depression (2008), against the backdrop of Western de-globalization and the great changes the world has never seen in a century, the socialist market economy and the path of Chinese-style modernization are bound to exhibit an even greater value. In the West, finance capital is both the leader of value production and the obstacle to the value revolution and the transition of value production to socialized large-scale production. The aim of the socialist system is to liberate the productive forces of society from the shackles of financial capital and financial capitalism. The competition between the market economy dominated by public ownership and the market economy dominated by finance capital hinges on who can better promote the development of productive forces and who can better solve the problems of common prosperity and ecology. Sinicized Marxism has not only utilized value, money, capital and other forms to serve the construction of the base areas in our practice, but also introduced the utilization of value into the operation mechanism of the public economy in the practice of the creation of the socialist market economy, so that socialism can make full use of the market and have the ability to compete with and contest international financial capital, thus, it can lead socialism to a new realm in the 21st century, when the world is undergoing great changes unseen in a century.

## V. Summary

Theory should achieve the unity of logic and history, should unfold the historical process itself gradually, and reveal the concrete relations of actual socialism as a concrete totality. It is a basic requirement of dialectical logic that concepts should reflect concrete truth. Socialism began with the negation of finance monopoly capital. The expropriative accumulation of finance capital creates class antagonisms on a world scale. The replacement of financial capitalism began in the backward countries where social contradictions are more concentrated. The elimination of finance monopoly capital by the socialist revolutions that began in the backward countries was only partial and took place only on the fringes of international finance capital.

Lenin opened up the path of actual socialism in the backward countries and developed the outlook on socialism. Lenin confirmed that the development of the socialist economy involves the active utilization of both value forms and the corresponding forms of ownership, as well as the active utilization of commodities, money, capital, state capitalism. Stalin interrupted the logical thread of the concretization of the outlook on socialism by Lenin and, while emphasizing the use of the law of value in economic exchanges between state owned and collectively owned enterprises, Stalin basically denied the utilization of the value forms and their transmuted forms. The Stalin model was incapable of competing with the finance capital empire on the world market. The Chinese socialist market economy has overcome the limitations of the Stalin model. The Chinese socialist market economy not only recognizes that the socialist state can use value forms in the service of socialist construction, but also recognizes that the publicly owned economy itself should make use of value forms in its operation. The incorporation of the utilization of value forms into the public economic system constitutes the thread of development from Marx's classical socialism to the reality of socialism in backward countries, and the inner thread of the development of the outlook on socialism from the general to the concrete.

1. https://www.marxists.org/archive/marx/works/1857/grundrisse/ch01.htm [↑](#footnote-ref-1)
2. https://www.marxists.org/subject/dialectics/marx-engels/grundisse.htm [↑](#footnote-ref-2)
3. https://www.marxists.org/archive/lenin/works/1921/oct/17.htm [↑](#footnote-ref-3)
4. https://www.marxists.org/archive/lenin/works/1921/10thcong/ch03.htm [↑](#footnote-ref-4)
5. https://www.marxists.org/archive/lenin/works/1921/may/26.htm [↑](#footnote-ref-5)
6. https://www.marxists.org/archive/lenin/works/1921/may/21.htm [↑](#footnote-ref-6)
7. https://www.marxists.org/archive/lenin/works/1923/jan/06.htm [↑](#footnote-ref-7)
8. https://www.marxists.org/archive/lenin/works/1923/jan/06.htm [↑](#footnote-ref-8)
9. https://www.marxists.org/archive/lenin/works/1923/jan/06.htm [↑](#footnote-ref-9)
10. https://www.marxists.org/archive/lenin/works/1923/jan/06.htm [↑](#footnote-ref-10)
11. https://www.marxists.org/archive/lenin/works/1921/oct/14.htm [↑](#footnote-ref-11)
12. Song Chaolong. The Origin of Socialism in the Periphery. Beijing: China University of Political Science and Law Press, 2007:203. [↑](#footnote-ref-12)
13. https://www.marxists.org/reference/archive/stalin/works/1930/07/02.htm. [↑](#footnote-ref-13)
14. https://www.marxists.org/reference/archive/stalin/works/1936/11/25.htm [↑](#footnote-ref-14)
15. https://www.marxists.org/archive/lenin/works/1921/10thcong/ch03.htm. [↑](#footnote-ref-15)
16. https://www.marxists.org/reference/archive/mao/selected-works/volume-5/mswv5\_58.htm [↑](#footnote-ref-16)
17. https://www.marxists.org/reference/archive/mao/selected-works/volume-2/mswv2\_26.htm [↑](#footnote-ref-17)
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20. Works of Mao Zedong, Vol. VII (Beijing: People’s Press, 1999): 170. [↑](#footnote-ref-20)
21. https://www.marxists.org/reference/archive/mao/selected-works/volume-5/mswv5\_30.htm [↑](#footnote-ref-21)