**Three Major Debates in History on the Relationship between Economy and Politics: Lenin, Bernstein, Left-communists, Preobrazhensky, Stalin Brezhnev, Gorbachev, Deng Xiaoping, Daron Acemoglu**

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**From the Journal of the Party School of the Central Committee of the Communist Party of China (National School of Administration), Issue 2, 2019, www.cwzg.cn.]**

**April 2019**

Building a socialist market economy theory with Chinese characteristics requires a scientific understanding of the materialist historical perspective and an accurate grasp of the dialectical relationship between economy and politics. There have been three debates in the theoretical community regarding the relationship between economy and politics in the materialist view of history, which have been historically tested by socialist revolution and construction practices. Reviewing these three debates and their historical tests, combined with various viewpoints arising from the debates, and analyzing the dialectical relationship between economy and politics, can provide theoretical references for studying the market economy system of socialism with Chinese characteristics and developing the political economy of socialism with Chinese characteristics. The socialist market economy is a dialectical unity of politics and economy, and its inherent political and economic politicization requires the establishment and development of the socialist market economy to fully leverage the advantages of both economy and politics.

**To develop the political economy of socialism with Chinese characteristics and accurately understand the market economy of socialism with Chinese characteristics, it is necessary to scientifically understand the relationship between economy and politics.**

The materialist view of history is the methodological foundation of Marxist political economy and provides methodological principles for accurately grasping the relationship between economy and politics.

Based on these principles, the relationship between economy and politics cannot be simplified or dogmatically understood but should be understood dialectically through the mutual influence and integration of "economic politicization and political economicization".

"Economic politicization and political economicization should be the concentrated embodiment of the harmonious development of the dialectical unity of economy and politics. However, in social practice, due to the constraints of various subjective and objective factors, the relationship between politics and economy is often distorted, sometimes rigidly separated, and sometimes replaced by one aspect" [2].

There were many views in history that distort the materialist view of history and misjudge the relationship between economy and politics. For example, social democrats of the Second International argued that a socialist system ruled by the proletariat could not be established until all the productive forces accommodated in the capitalist market economy were fully utilized. Also some rigid orthodox theorists of Soviet economic theory argued that socialist countries cannot retain commodity currency relations and implement market regulation in the field of means of production.

 Gorbachev and other promoters of the Soviet and Eastern Bloc socialist countries argued that in order to implement market-oriented economic reforms, it was necessary to abandon the basic socialist system. In response to these viewpoints, there have also been three debates in history regarding the materialist view of history.

**Three Global debates in history regarding the materialist view of history & the relation between economy and politics**

**Practice is** the sole criterion for testing truth. The historical practice of socialist revolution, construction, and reform has tested the three debates, denied erroneous views on the relationship between economy and politics, and revealed the principle of dialectical relationship between economy and politics.

Reviewing these three historical debates helps to scientifically understand the dialectical relationship between economy and politics, avoiding the distortion, sometimes rigid separation, and sometimes substitution of one aspect for another. This is of great significance for a correct understanding of the great practice of China's socialist market economy since the reform and opening up, and for improving the socialist market economy theory of socialist political economy with Chinese characteristics. In chronological order, these three debates can be summarized as follows: firstly, from the 1890s to the 1920s, the Second International debated whether to abandon violent revolution. Secondly in the 1920s and 1950s, socialist countries debated the scope of the role of commodity economy and the law of value. Thirdly, in the 1960s and 1990s, there was a debate in socialist countries about whether socialist regimes could be combined with market economies.

Below we will take the themes and historical test of each debate as the main clues for accurately understanding the relationship between economy and politics in the materialist historical view.

**1. The First Debate: Revolution or Not (1890-1920s): The** **Determining Role of Productive Forces Should Not be Rigidly Understood**

The first debate took place in the Second International, and whether to abandon Marx and Engels' ideas of armed revolution was the focus of the debate. The "economic determinism" held by social democrats in the Second International had a profound impact. Scholars who hold this view had rigidly understood the decisive role of productive forces. On the one hand, they argued that with the development of productive forces, advanced production methods in Western Europe can achieve a peaceful transition to socialism. On the other hand, it was argued that conducting armed revolution in Russia, where productive forces was not yet developed, lacks historical legitimacy. The achievements of socialist construction in the Soviet Union and the decline of European socialist parties ultimately proved the errors of "economic determinism" and social democracy, proving that Leninism's dialectical understanding of the relationship between economy and politics in the materialist historical view was the only correct viewpoint in the debate.

(1**) First stage: Debate on the Peaceful Transition Idea of Social Democracy into Socialism**

In the second year after Engels' death (1896), Bernstein, who was once known as an "orthodox Marxist", began publishing a series of papers on "socialism issues" in the magazine "New Era", reiterating the socialist viewpoint of "peaceful growth into socialism" that had been sharply criticized by Marx and Engels. In 1899, his book "The Premise of Socialism and the Mission of Socialized Democracy" proposed that: The reforms that required a bloody revolution a hundred years ago can be achieved today through voting, demonstrations, and/or similar coercive measures,…..the so-called proletarian seizure of power can only be achieved through political disasters”. Bernstein's revisionist views gained widespread recognition in the Second International. Scholars such as Luxembourg and Lenin engaged in a fierce struggle against these ideas. The abandonment of armed revolution by the Second International was related to their rigid understanding of the materialist historical perspective, which is linked to the Second International's "economic determinism" viewpoint. Lafarge argued that "economic determinism is a new tool that Marx has given to socialists " [6].

Many scholars in the Second International had a rigid understanding of "economic determinism", believing that in the most developed European countries, as long as productive forces continues to improve, for capitalism to enter socialism would be a natural development. Marx and Engels' affirmation of the historical progress of the capitalist mode of production in their later years, as well as their judgment that capitalism is still in a period of historical rise, also to some extent influenced the formation of this viewpoint. However, this idea was not in line with what Marx and Engels always advocated. For example, this rigid economic determinism was explicitly refuted by Engels in his letter to Bloch in 1890.

**["If anyone here distorts it by saying that the economic factor is the only determining factor, he is turning this proposition into a contentless, abstract, absurd and empty statement. The economic situation is the basis, but what influences the course of the historical struggle, and in many cases primarily determines the form of this struggle, are also the factors of the superstructure"] [7].**

According to the scientific dialectical point of view, “economic determinism” can be defined as the dialectical and unifying relationship between economy and politics, but because many scholars of the Second International adopted a rigid thinking, directly limiting the relationship between the two to the mechanical determining role of the economy on politics, and Marx-Engels’ referring to “economic determinism” often refers to this kind of dialectical relationship.

However, since many scholars of the Second International have adopted a rigid mindset, directly limiting the relationship between the two to the mechanical determinism of the economy over politics, the reference to “economic determinism” often refers to this rigid mindset, and the reference to “economic determinism” in the following lines refers to this mindset. However, this does not negate the existence of a more dialectical and correct grasp of economic determinism and its scientific and rational theoretical expression.

Some scholars think that the theorists of the Second International did not define “economic determinism” at such a rigid level, but no matter how it is understood, it is certain that Engels emphasized very clearly the role of the superstructure, and Engels advocated that the **economy could not be taken as the only determining factor.**

The rigid understanding of the decisive role of productive forces has led to a lack of sufficient understanding of the class nature of capitalist regimes among leaders and theorists of the Second International, who are easily attracted by the rulers' "appeasement" policies. For example, before 1890, Prussian Germany implemented an "extraordinary anti-socialist law" to suppress the Social Democratic Party, which led to a "counter current" within the party that abandoned revolutionary struggle methods.

Under the resolute struggle of Marx and Engels, this opportunistic 'counter current' was defeated, and the revolutionary forces increased instead of decreasing. The parliamentary seats of the German Social Democratic Party increased to 35.

The German government therefore abolished the "extraordinary anti-socialist law" and adopted a "new approach" and "appeasement" policy, ultimately leading to a shift in the struggle direction of the German Social Democratic Party from achieving socialism to increasing parliamentary seats.

By the 1912 parliamentary elections, the Social Democratic Party's parliamentary seats had increased to 110, causing the German Social Democratic Party to become even more obsessed with the political status formed by parliamentary elections. When World War I broke out in 1914, most leaders of the German Social Democratic Party sided with their own government and supported workers in the war to "defend their homeland" - the political mission of socialist revolution began to give way to the political goal of improving the status of parliament.

**(2) Second stage of the first debate: Debate on the Historical Legitimacy of Leninism and Historical Legitimacy of the October Revolution**

The greater impact of the Second International's "economic determinism" was the criticism of Lenin and the October Revolution by Second International theorists. The core of these accusations was that relatively backward countries took the lead in carrying out socialist revolutions, which goes against Marx and Engels ' assumption that socialist revolutions would first erupt in the most developed capitalist countries and violated the decisive principle of productive forces in the materialist historical view. The debate first arose between Plekhanov and Lenin. Plekhanov's summary of the "determinism of productive forces" has broad representativeness.

Firstly, Plekhanov quoted Marx's famous proposition of 'Two Never Will': “No social form will perish until all the productive forces it can accommodate are fully utilized, and new and higher relations of production will never emerge until their material conditions mature in the womb of the old society”.

Based on this, Plekhanov argued that: “If a country's capitalism has not yet reached the advanced stage that hinders the development of its own productive forces, then calling on urban and rural workers and the poorest farmers to overthrow capitalism is absurd”. Thus, Plekhanov made his famous statement: **'Russian history has not yet ground the flour that will be used to bake socialist pies in the future.'** [10].

Lenin refuted this viewpoint based on the theory of the transition from imperialism to socialism: “Imperialism is nothing but monopoly capitalism, "" Russian capitalism has also become monopoly capitalism, "[11**]" War has exceptionally accelerated the transformation of monopoly capitalism to state monopoly capitalism, thereby bringing humanity exceptionally quickly closer to socialism. This is the dialectics of history”.**

It is not difficult to see the direct confrontation between the rigid understanding of materialist historical view and the correct dialectical logic. The victory of the October Revolution in Russia proved Lenin's correctness. However, the theorists of the Second International did not give up their rigid understanding of the decisive role of productive forces and still insisted on using "economic determinism" to criticize the October Revolution. For example, Bernstein argued that: “The adventurous cause of Bolshevism is actually - or so far - an attempt to bypass necessary social development through a series of arbitrary acts”. Kautsky argued that: “Not only do we oppose the belief in the West that backward countries like Russia can surpass industry on the socialist road, but we also oppose the delusion that socialism can be built with a few brutal blows”.

But scholars who supported the October Revolution refute the rigid "productive forces determinism" with Marxist dialectics. In response to criticism from the German Social Democratic Party, Luxembourg pointed out that **"the true dialectics of revolution have reversed this narrow-minded parliamentary truth: not by implementing revolutionary strategies through the majority, but by achieving the majority through revolutionary strategies"** [15]. It is worth mentioning that the two main representatives of Western Marxist philosophy, Gramsci and Lukacs, who were still in their youth at the time, also participated in this debate. Gramsci immediately wrote his article "The Counter Revolution" after the outbreak of the October Revolution, refuting the "economic determinism" of the Second International and supporting the October Revolution. The overall refutation of the rigid views of the Second International was completed by Lenin , who wrote in his essay "On the Revolution of Our Country" before his death: **["Why can't we first achieve this level by revolutionary means, and then catch up with the people of other countries on the basis of the worker peasant regime and the Soviet system?"]** [17] Lenin, 4th year of October Revolution.

Armed seizure of political power and then promoting the development of productive forces on the basis of political power was Lenin's core concept of socialist economic construction, and it was also a historical choice for the development path of socialist countries that inherited Leninism. Lenin's ideas clashed with Kautsky's judgment, and history is the best judge: in 1937, the Soviet Union's industrial output jumped to the top level within Europe, with a growth rate significantly exceeding that of all capitalist countries. In 1937, the industrial output of the capitalist world had increased by 44.3 % compared to 1913, while the Soviet Union increased by 7.5 times during the same period, which was 14.3 times faster than the development speed of the capitalist world. On the other hand, European democratic socialist parties with the belief in "economic determinism" failed to achieve socialism in Europe with the “development of productive forces”.

If we look from a longer period historical perspective, the "endgame" of the above debate continued in one way or other. For example, after World War II, developed capitalist countries achieved a "golden twenty years" of rapid economic growth through mixed economy and welfare state policies. Many European social democratic parties declared the victory of their "socialist policies" and even re-established themselves as the "orthodox" defenders of Marxism and socialism. During the "Soviet Eastern Socialist Bloc" of the 1980s and 1990s, social democracy also became an important theory for the "peaceful evolution" strategy the of West big powers especially USA. However, history still tested it - under the impact of the 2008 financial crisis, the essential characteristics of capitalism in Europe's so-called "democratic socialism" were once again revealed.

**Tr. "Peaceful evolution" strategy the of West big powers means toppling socialist regimes by peaceful means instead of using confrontation ( Mao’s evaluation)**

Generally speaking, social democracy estimated that after a capitalist economic crisis occurred, the capitalist world would undergo institutional adjustments to control capital and improve worker welfare. However, this adjustment did not occur after the crisis: the social democratic parties in power in Europe after the crisis failed to implement policies to control capital and failed improve social welfare again. On the contrary, The social-democratic parties that came to power in Europe after the crisis have failed to pursue policies to restrain capital and improve social welfare; on the contrary, with the prevalence of “neo-liberalism” for more than 20 years, the constraints imposed by the economic crisis on the power of capital have virtually disappeared, and in its place, under the coercion of the state debt market and finance capital, the developed countries of the West, faced with sovereign debt crises and fiscal cliffs, have had to respond to the crisis by reducing social security and workers' benefits. Social democracy's role of “reformist improvement” by adding the so-called “socialist element” to the capitalist system has come to an end and has even gone in the opposite direction.

The growing protests of the underclasses in the capitalist world (e.g. the Occupy Wall Street movement in the US and the “Stand in the Dark” movement in France) have once again proved that the realization of socialism on the social-democratic line is the “opposite” of socialism. This proved once again that the socialist realization of socialism on the social-democratic line was the “opposite of what it should be” and confirmed the correctness of Leninism. Bernstein's fantasy of abandoning armed revolution and “peacefully growing” into socialism was disproved by history.

**THE SECOND BİG DEBATE**

**2. Whether to keep commodities or not (1920-1950s): The decisive role of productive forces should not be ignored**

After the victory of the October Revolution, in the 1920s and 1950s, socialist countries debated whether to retain the commodity economy and the scope of the law of value. Historical facts have shown that socialist economic construction must adapt to the conditions of backward productive forces and cannot ignore the decisive role and development laws of productive forces. Distorting economic laws with political intentions and reversing the relationship between economy and politics will be difficult to sustain. In this debate, the debate about the relationship between economy and politics focuses on economic policies, with a focus on the existence and scope of the "law of value".

**(1) Stage One of the Second Big Debate: The Debate between Lenin and Russian "Left Communists" on the Nature of Socialist Economy**

At the beginning of the victory of the October Revolution, in order to oppose armed intervention by Western countries and defend the revolutionary regime, the Communist Party of Russia (Bolsheviks) implemented the "wartime communism economic policy". During the period of 'war communism policy ', commodity relations were basically abolished. Revolutionary leaders of Russia once envisioned a direct transition from wartime communism policies to socialism. However, backward productive forces conditions and widespread small-scale farming made this idea difficult to achieve.

Lenin promoted the implementation of the "New Economic Policy" to restore commodity-currency relations. In fact, at that time, the Soviet Union was facing the problem of the relationship between the "proletarian regime" and the "small-scale peasant economy" that Marx had discussed before, that is, if the relatively backward small-scale peasant economy could not provide necessary productive forces conditions for the socialist economy and could not adapt to the socialist economic system, what economic policies should the proletarian government that had gained political power implement. Between the end of 1849 and 1850, in his article **"Class Struggle in France from 1848 to 1850",** Marx used France as an example to propose that in this context, what needed to be implemented was not a socialist economic policy of the proletariat, but an economic policy that was in line with the interests of small farmers and petty bourgeoisie: **“In France, the proletariat will not gain power alone, but together with the peasants and petty bourgeoisie, and therefore must implement not their own measures, but their own”. (Marx)** The New Economic Policy was consistent with Marx's above judgment. Regarding the debate on whether to restore the commodity economy, Lenin ultimately announced: “We should build a solid bridge in this small peasant country and move towards socialism through state capitalism; otherwise, you cannot reach communism”. (Lenin)

The term 'state capitalism' used by Lenin here was different from the state capitalism of developed capitalist countries where the state power serves monopoly capital. On the basis of proletarian political power, the 'state' should participate in the commodity economy as a representative of the interests of the proletariat and as representative of the interests of the entire population. Part of the state-owned assets would be subleased to private individuals and foreign capitalists for operation, and the state would collect rent from them.

 Lenin pointed out that the actual purpose of Russia's new economic policy was to implement concessions; under the conditions of our country, concessions are undoubtedly a pure type of state capitalism. During this time, there was a debate between Lenin and the 'left communists'. Left communists Bukharin and  [Yevgeni Preobrazhensky](https://en.wikipedia.org/wiki/Yevgeni_Preobrazhensky) argued that a nationalized system could fully fulfil its socialization function and opposed "state capitalism". Lenin refuted this:

**The situation is different now... because no one could have foreseen that the proletariat would take power in a country that belongs to the least developed group; it initially attempted to organize large-scale production and distribution for the peasants, but later, due to cultural limitations, it was unable to fulfil this task and had to adopt capitalism.**

Here, Lenin has already begun to address the fundamental differences caused by the differences in proletarian political power and basic economic systems. This was more clearly reflected in the article "On Cooperatives": Undoubtedly, cooperatives are collective capitalist institutions under the conditions of capitalist countries... Under the existing system in our country, cooperative enterprises are different from private capitalist enterprises. Cooperative enterprises are collective enterprises, but no different from socialist enterprises. If the land they occupy and the means of production they use belong to the state, they belong to the working class….. Due to the characteristics of our country's system, cooperatives have great significance in our country. If concessions are separated, cooperatives are often completely consistent with socialism under our conditions. (Lenin)..

**How to treat the law of value**

After Lenin's death, the debate over the scope of commodity economy and the law of value continued to deepen. The focus of the debate was on whether to allow the continuous development of commodity economy and whether to regulate the exchange between state-owned large-scale industry and small-scale agriculture based on the law of value. Bukharin, after his ideological transformation, became the main representative of adhering to Lenin's views. [Yevgeni Preobrazhensky](https://en.wikipedia.org/wiki/Yevgeni_Preobrazhensky) proposed the famous "Law of Socialist Primitive Accumulation", which called for the implementation of socialist primitive accumulation by plundering small-scale peasant economy, following the example of capitalist method of plundering colonies.

[Yevgeni Preobrazhensky](https://en.wikipedia.org/wiki/Yevgeni_Preobrazhensky) also called for the cancellation of the law of value and equivalent exchange between small-scale peasant economy and large-scale industry: **"Equivalent exchange is more utopian under the conditions of socialist industrialization in economically backward countries than under the conditions of monopoly capitalism”.** [Yevgeni Preobrazhensky](https://en.wikipedia.org/wiki/Yevgeni_Preobrazhensky) contrasted the law of socialist primitive accumulation to the law of value, which actually negated the law of value. Bukharin made a clear criticism of this, using Marx's viewpoint to prove that the "law of labor consumption" behind the law of value is an objective law that must exist in any society. In a letter to Kugelmann, Marx wrote: Every child knows, too, that the masses of products corresponding to the different needs required different and quantitatively determined masses of the total labor of society. That this necessity of the distribution of social labor in definite proportions cannot possibly be done away with by a particular form of social production but can only change the mode of its appearance , is self-evident. No natural laws can be done away with”. https://www.marxists.org/archive/marx/works/1868/letters/68\_07\_11-abs.htm

Therefore, Bukharin argued that "in all forms of social history, the law of proportional labor consumption, or simply put, the 'law of labor consumption', is a necessary condition for social balance" [27]. On this basis, Bukharin emphasized the need to pay attention to the connection and "balance" between small-scale agricultural economy and large-scale industry. Protecting and developing small-scale agricultural economy was an important foundation for developing state owned large-scale industry and realizing socialism. “Plucking small-scale farmers to subsidize large-scale industry violates the "law of labor consumption", and maintaining industrial products without price reduction may lead to monopoly and parasitism in the large-scale industrial sector, which is not conducive to the construction of socialist economy”.

Due to the fact that this debate occurred during the implementation of the "New Economic Policy", the Russian academic community's understanding of this debate mainly remained at the level of "transitional period" economic policies, to some extent ignoring the significance of this debate for the socialist economic system.

In fact, both Preobrazhensky and Bukharin focused their research attention on the socialist economy after the end of the "transitional period", and the key debate had shifted to whether to continue to abide by the law of value under socialist economic conditions, and whether socialist production relations should comply with the objective law of economic balance required by the development of productive forces. Preobrazhensky's viewpoint is to surpass or even eliminate the decisive role of productivity; Bukharin pointed out that **“even if a fully planned economy is established, this objective law must still be followed”** [28].

**（3） The third stage of the Second Big Debate: Bukharin and Stalin's debate on whether to cancel the "New Economic Policy"**

The third stage of the debate of the second big debate took place between Bukharin and Stalin, which was actually a process of transitioning from theory to policy direction. In the second stage of the debate, Stalin had supported Bukharin's views and also supported the New Economic Policy. However, as the focus of Soviet work shifted towards developing national large-scale industry in 1926, Stalin's views and policy proposals had also changed. At the end of 1929, Stalin published an article in Pravda stating that **"we adopted the New Economic Policy because it served the socialist cause. When it no longer serves the socialist cause, we set it aside "[**29], indicating that Stalin began to explore a new socialist construction line to be implemented after cancelling "New Economic Policy ". This idea contradicted Bukharin's view of valuing small-scale agricultural economy and supporting farmers' prosperity. Afterwards, Bukharin was overthrown in political struggles, and the viewpoint of adhering to the "New Economic Policy" faded out of the debate.

The Soviet Union quickly promoted agricultural collectivization and planned economy, forming the Soviet planned economy system. Under the planned economy system of the Soviet Union, Stalin redefined the scope of the role of commodity economy and the law of value, that is, the well-known idea of Stalin: “production and exchange of commodities should only exist between state ownership and collective ownership farms”.

Stalin also limited the scope of the law of value, emphasizing that the exchange of means of production (TR. capital goods) does not fit to the law of value. He said: **However, in the field of domestic economic circulation, the means of production lose their commodity attributes, they are no longer commodities, and they should be outside the scope of the law of value”.**

Stalin emphasized that the prices of agricultural means of production (tractors and others) should be determined by planning and cannot be regulated by the law of value, so the impact of the law of value on the prices of agricultural raw materials should never be used as a regulatory. Here, we can see the difference between Stalin's viewpoint and Bukharin's: Stalin argued that under the socialist planned economy system, the role of law of value should be restricted to a limited scope; Bukharin regarded the law of value as an objective law that must be followed for the balanced development of the entire national economy, **"because this law is a universal and omnipotent law of economic balance" [32].**

In addition to the application scope of the law of value, the debate on the mechanism of the law of value was equally important.

**Market economy as the mechanism of the law of value**

 Stalin only recognized the importance of the law of value under the planned economy system, and also by the instruction of Stalin the law of balanced development of the national economy required by the law of value was highly valued in Soviet political economy textbooks. Thus "Planned and proportional development" was established as the basic law. However, the planned economy system of the Soviet Union was still in the exploratory stage and did not form an effective mechanism for implementing the law of value and for implementing the law of "planned and proportional development", which made it difficult to ensure balanced development of the national economy at the operational level.

At the same time, the debate between Oscar Lange et al. and the Austrian schools of thought, such as Mises and Hayek, on "market socialism" also focused on the specific mechanisms by which socialist economies could achieve economic balance. Oscar Lange's "trial and error method" and Hayek's idea of pointing to the difficulty in collecting and processing information were both theoretical reflections of this problem. The theme of "law of value" that dominated this debate almost dominated all subsequent debates about the socialist economic system. After World War II, the Soviet Union's sphere of influence expanded greatly, and the Soviet planned economy performed well in post-war economic recovery. The Soviet planned economy system began to rapidly be promoted in the socialist camp.

Under the leadership of Stalin, the theoretical generalization of this planned economy model was finally completed and became the major part of the Soviet political economy textbook, which was promoted as the "general" model and standard paradigm of socialist economy. During this period, Bukharin's prediction about “the problem of national economic imbalance” has been troubling the Soviet economy and has also sparked new thoughts in other socialist countries.

**AFTER STALİN**

During Stalin's lifetime, the Yugoslav "worker self-management" economic reform which aimed at correcting the rigid centralization system began to be implemented, and the socialist camp began to have related debates. After Stalin's death in 1953 and the "secret report" in 1956, Khrushchev's economic reforms led to a loosening of the traditional planned economic system, and the discussion on re-thinking on the Soviet traditional planned economic system in the socialist camp saw a change. In 1956, Sun Yefang from China reintroduced the issue of economic planning and statistical accounting based on the "law of value" in his article "Placing Planning and Statistics on the Basis of the Law of Value". Wei Xun and Gu Shutang et al. argued about the time of the "second type of socially necessary labor", which also re-discussed Bukharin's emphasis on the "law of labor consumption" from another perspective and strengthened the understanding of the law of value. [34] Mao Zedong initiated a demand for all party cadres to study the socialist political economy of the Soviet Union. China has officially participated in the relevant debates on socialist economic theory and become an important participator in promoting the theory and practice of socialist economic reform.

**(4) Test of History: Violating the "law of value" leads to an imbalance in the national economy and damages the socialist economy**

Objectively speaking, except for a few radical leftist scholars such as Preobrazhensky, mainstream socialist theorists and leaders such as Stalin and Bukharin advocated for the preservation of commodity currency relations, economic construction should be carried out according to the law of value, and the balanced development of various sectors of the national economy should be maintained. The Soviet political economy textbooks also established and advocated the planned and proportional development of the national economy as the basic law of socialist economy. The differences among all parties had mainly focused on the specific mechanism (market or not) for implementing the " law of value".

During Stalin's lifetime, Stalin highly valued the role of the "law of value" and promoted continuous exploration of Soviet theory and practice. However, during this period, the Soviet Union did not recognize the commodity nature of the means of production (capital goods) and relied on a centralized planning system to lead economic construction. Ultimately, it became difficult to implement the objective requirements of the "law of value", and the imbalance of the national economy became an economic problem that always plagued the Soviet Union and other socialist countries. After Stalin's death, the planned economic system became rigid and lost the vitality of regulation of the commodity economy, resulting in structural imbalances in the national economy. With the continuous development of productive forces, the contradiction of imbalanced national economy became increasingly prominent, ultimately leading to the failure of socialist economic construction and the collapse of socialist regimes in the Soviet Union and Eastern Europe, causing significant blows to the socialist cause and the world communist movement.

Scholars generally attribute the rigidity of the Soviet planned economic system and the imbalance of the Soviet national economy in the late 20th century to Stalin. However, it should be noted that the economic systems of the Soviet Union during the Stalin era were under continuous exploration, and the planned economic system showed outstanding performance in economic construction before World War II and economic recovery after World War II. The rigidity of the economic system mainly occurred after Stalin's death, which is related to the rigid political system of the Soviet Union lacking socialist democracy.

**The coercive effect of the "law of value" constantly emerged with the development of productive forces.**

After World War II, the economic recovery speed of the Soviet Union was significantly faster than that of Western countries. The growth rate of the total social output value was as high as 14% from 1946 to 1950, and also reached 10% from 1951 to 1960, which was significantly higher than that of Western countries in the "golden twenty years". During this period, Khrushchev's economic reform played a positive role to some extent. But, after entering the Brezhnev era, the Soviet planned economic system became increasingly rigid, and the Soviet economy began to enter the "slow growth": **The average annual growth rate of national income in the Soviet Union decreased from 5.7% in 1971-1975 to 3.7% in 1976-1980... In the 1980s, the Soviet economy continued to decline and entered a crisis stage.** From 1981 to 1990, the Soviet economic growth rate was only 1.5%, which was lower than the average annual growth rates of 3.1% in the G7, 3.2% in the United States, and 4.1% in Japan during the same period.Economic growth lagged behind, the gap with developed countries widened, and people's living standards continued to fail to improve, leading to intensified social conflicts in the Soviet Union and triggering political turmoil and regime collapse.

After the dramatic changes in the Soviet Union and Eastern Europe, the success of China's socialist market economy ultimately proved that expanding the scope of regulation of currency relations and fully introducing commodity regulation is the correct path to implement the "law of value" and was successful to break out of economic rigidity and "imbalance".

**3. Third stage of the Second Big Debate: Can socialism be combined by the mechanisms of Market economy (1960s-1990s): the determining role of the economic base can neither be abolished nor can be viewed rigidly**

In the 1960s, the Soviet Union entered the Brezhnev era, and in Brezhnev era Khrushchev's reform measures were largely abandoned. However, the idea that socialist countries demanding change and reform kicked out into full gear. China and Eastern European countries were re-thinking on the traditional planned economy system and re-thinking about promoting economic and political reforms. During this period, the debate surrounding the relationship between economy and politics also began to focus on the relationship between socialism and market economy.

In the 1960s and 1980s, socialist countries engaged in in-depth debates on whether they could develop a market economy on the basis of keeping to socialist regimes. Compared with the previous two debates, the focus of this new debate has expanded and extended from themes such as productivity/efficency and economic system to the fields of centralization and political system. The decisive role of the economic base upon the superstructure has become a key thread in the debate. The debate on economic theory and political propositions also coexisted during this stage.

Unlike the sharp debate on economic theory, political debates have gradually entered a 'silent period', but these 'silent' political debates have influenced the development of debates and the direction of history. The most prominent period of 'silent debate' occurred in the 1980s: During this period, Gorbachev's political propositions that clearly violated the socialist class position and China's political decision of adhering to the basic direction of socialism lost their common discourse basis, leading to the decisive role of the Chinese and Soviet governments in the debate, which began to implement their own political lines and these two actors chose to let the history decide (judge) which path will finally prove to be successful in the future. In summary, this debate occurred simultaneously in both the economic and political fields: the debate in the economic field centered around the means of regulating markets and planning. The debate in the political field revolved around centralization versus decentralization, and use of democratic forms.

**Reforms in the political field: Two stages**

The reforms in the political field, especially the evolution of Soviet Union’s political orientation, played a crucial leading role in the debate - influenced by it, the relevant reforms can be roughly divided into two stages: The 1960s and 1970s and second stage in the 1980s and 1990s.

The debate in the first stage (1960s and 1970s) mainly focused on the economic field, while the political changes in the later stage played a leading role.

 At the same time, the debates in these two stages roughly inherited and extended/expanded the themes of the first two debates: the debate in the economic field which discussed developing commodity economy or not and transforming regulatory measures (from planning to market) in the previous stage largely continued the debate on the scope of commodity economy and the law of value (the debate in the 1920s and 1950s). The political debate in the later stage largely continued the debate between the Second International's social democracy and Leninism which had occurred before and after the October Revolution.

**1） The first stage (1960-1970s): The debate on economic reform which had extended to the practical and political fields**

The reform in the economic field continued the theme of the scope of commodity economy and use of value law in the second major debate, and the focus of the debate has shifted from the theoretical level to the operational and policy level.

In 1961, Polish scholar Włodzimierz Brus proposed a systematic proposition for the development of commodity economy in his book "The Operation of Socialist Economy", known as the "Brus Model", which played an important role in the economic reform of socialist countries. Brus' research began with the scope of the commodity economy and the law of value in the second debate. Brus regarded Lange's "socialist model of competition" and the debate between Bukharin and [Yevgeni Preobrazhensky](https://en.wikipedia.org/wiki/Yevgeni_Preobrazhensky) as the theoretical sources of his research, and deeply explored the central position of the law of value in socialist economic construction: **"Setting aside subtle differences, the requirement to level the expected profit rate can be basically regarded as the same as the requirement to level the price ratio and the value ratio, that is to say, it is basically the same as forming the production ratio and exchange ratio according to the law of value”**. **(Brus)**

It can be seen that Brus' viewpoint was a repetition of Bukharin's viewpoint which was introduced by Bukharin earlier. Although influenced by the traditional planned economy system of the Soviet Union, which positively valued the law of value but never not implemented it, Brus emphasized more on how to implement the law of value in reality, so that the regulatory role of the law of value can be implemented in real economic operations. Given that planning method is difficult to accurately serve the requirements of regulating the law of value, Brus directly advocated the role of "market mechanisms" at the operational level and proposed a "planned economy model that includes market mechanisms", thus broke through the traditional theoretical inertia that planning is equivalent to socialism and the market is equivalent to capitalism.

At the same time, Brus' economic model also began to involve political systems, which was presented as the "decentralization model", and Brus' argument on the “decentralization model” was based on the political system of "democratic centralism". The above trajectory (shift) to the political system of "democratic centralism" by Brus also indicates that the specific mechanisms for developing commodity economy and implementing the "law of value" regulation in the economic field have extended from economic foundation to the superstructure. This shift was largely related to the "unity" of the economic foundation and superstructure in the socialist countries; because in the socialist countries--- in many ways---the allocation of political power was also the allocation of economic decision-making power.

The famous French scholar Godelier proposed that "the difference between the economic base and the superstructure is not a difference between different systems, but rather a difference between the different functions of systems" [38].

At the same time, the famous Hungarian economist Kornai also attributed the factors of the rigid economic operation system to the "centralized economic decision-making power system (superstructure) ", emphasizing the importance of the decentralization model (decision-making power) for developing the commodity economy and for implementing the law of value. Hungarian economist Kornai 's so-called "shortage economy" analysis was essentially a concentrated manifestation of economic imbalance, and Kornai 's research on phenomena such as "soft constraints" indicates that Kornai 's research perspective has delved into the deep-seated contradictions in the field of planned economy implementation.

The theorist and leader of Yugoslav reform, Edvard Kardelj, also regarded the decentralization system as the key to the reform, and the Yugoslav "autonomy ( self-management) economic model" was gradually extended from the economic autonomy reform to the decentralized political autonomy reform. However, during this period, the Soviet Union, which held absolute control of the socialist camp (during which China withdrew from the socialist camp), took negative attitude opposed in its guiding ideology. Thus, the economic reform practices of Eastern European countries were to varying degrees restricted by the Soviet Union, and their reform policies were influenced by internal power struggles and external Soviet intervention, making it impossible to ensure the continuity of policies. In 1965, the Chairman of the Council of Ministers of the Soviet Union, Kosygin, promoted reforms in the economic field and achieved certain results. However, due to the lack of adjustment to its traditional system, most of the reform measures were later cancelled. The reform in Czechoslovakia in 1968 failed due to Soviet military intervention.

**（2） The second stage (1980-1990s):** **Political debates and Political changes dominated economic reforms**

If we can say that the discussion on political reform in the first stage of the debate **(1960-1970s)** stemmed from the requirements of economic reform, that is adjustments were needed in the superstructure and political system to progress the economic reforms. We can say that the debates and the reform practices that occurred in the second stage of political system reform **(1980-1990s) had been** relatively independent. Affected by the severe economic imbalance and stagnant economic growth in the 1970s, the reform pressure on the Soviet Union and socialist Eastern European countries continued to increase.

The "golden twenty years" of rapid growth in the capitalist world after World War II had resulted in a higher standard of living, with significant improvements in the income and social welfare of Western European workers, which to some extent contrasted with the stagnant economic growth of the Soviet Union and Eastern European countries, thus exerting significant pressure on the reform of Eastern Europe and the Soviet Union. On the other hand, the effectiveness of economic reforms in the Eastern Europe and the Soviet Union was relatively poor, and now the pressure of reform was beginning to effect the political field. During this period, the ideas and programs of Western European social democratic movement began to spread in Eastern Europe and the Soviet Union, due to the superior performance of Western European economic development.

The debate between Leninism and social democracy (1910-1920s) reappeared in a new way during this period and the influence of the social democratic ideology violently erupted with the rise of Gorbachev in the Soviet Union. Gorbachev's "New Thinking" and "Humanist Democratic Socialism" ideas which was largely taken and absorbed from the Western European social democratic thought, proposed that "the core of New Thinking should recognize that the value of all humanity is above everything else, more precisely, New Thinking should recognize that human survival is above everything else" [39], and "only through democracy and relying on democracy can the reform be successful in the Soviet Union" [40]. At the same time, Gorbachev also emphasized the "convergence theory" of socialism and capitalism which was proposed by Western scholars, believing that "some characteristics of socialism, such as public ownership, planning, and social security, have become commonplace parts of advanced Western social life to a certain extent" [41] . These arguments of Gorbachev were consistent with the Second International's social democracy, which denied revolution, which downplayed class differences, and which denied the fundamental difference between socialism and capitalism, and which pursued the increase of "socialist factors" within the capitalist system.

Gorbachev explicitly emphasized his opposition to Leninism. This also indicated that Gorbachev’s ideology continued the attack of social democracy against Leninism. At the same time, Gorbachev implemented the so-called "new thinking" in foreign diplomacy, which proposed to "loosen the grip" of Soviet Union upon Eastern European countries. This “loosening” provided a clear ideological "vacuum" for the infiltration of social democracy and Western neoliberalism in socialist Eastern Europe, becoming an important driving force for socialist regime change in Eastern European countries.

**CPC’s Different Path**

The CPC has kept a clear understanding of the wrong political tendency in the reform of the Soviet Union under the leadership of Gorbachev. As early as 1979, Deng Xiaoping announced on behalf of the central government: “Our central government believes that in order to achieve the Four Modernizations in China, we must adhere to the Four Cardinal Principles in terms of ideology and politics; The principles include:

1. The principle of upholding the [socialist path](https://en.wikipedia.org/wiki/Socialism_%28Marxism%29%22%20%5Co%20%22Socialism%20%28Marxism%29)
2. The principle of upholding the [people's democratic dictatorship](https://en.wikipedia.org/wiki/People%27s_democratic_dictatorship%22%20%5Co%20%22People%27s%20democratic%20dictatorship)
3. The principle of upholding the leadership of the [Chinese Communist Party](https://en.wikipedia.org/wiki/Chinese_Communist_Party%22%20%5Co%20%22Chinese%20Communist%20Party)
4. The principle of upholding [Mao Zedong Thought](https://en.wikipedia.org/wiki/Mao_Zedong_Thought) and [Marxism–Leninism](https://en.wikipedia.org/wiki/Marxism%E2%80%93Leninism%22%20%5Co%20%22Marxism%E2%80%93Leninism)

Deng added: “These four basic principles are not new, they have been consistently adhered to by our party for a long time”. And in a conversation with several central officials in 1986 titled 'Clearly Oppose Bourgeois Liberalism', Deng Xiaoping emphasized: “We must confidently adhere to the socialist path and uphold the Four Cardinal Principles, we cannot reject using the means of dictatorship. We should not only talk about means of dictatorship, but also use them when necessary”.

On the guiding ideology of political reform, Deng Xiaoping and Gorbachev formed a sharp contrast in their views. Deng Xiaoping also maintained a clear understanding of the harm caused by Gorbachev's viewpoint. Deng once foresaw that "the current problem is not whether the flag of the the Soviet Union cannot fall, the Soviet Union will definitely be in chaos, but whether the flag of China should not fall" [45].

**(3) The Test of History: the stark contrast between the development of Chinese and Russian economies**

The performance of the Soviet Union during the two periods **(1960-1970s) and (1980 and 1990s)** mentioned above may seem contradictory, but in reality it had consistency, namely: characterized by a rigid understanding of the relationship between economy and politics, and a denial of the possibility of combining socialist political regime with market economic systems. Based on this mindset, during the 1960s and 1970s, in order to maintain political stability, Soviet Union leaders had opposed economic reforms and during the 1980s and 1990s, Gorbachev chose to abandon the principle of proletarian dictatorship under socialist rule due to unfavourable progress in the economic reforms of Soviet Union. The core concept of both stages was to deny the possibility of the "combination" of socialist regime with market economy system, and this attitude had stemmed from a rigid understanding of the economic and political relationship in the materialist historical view.

 In sharp contrast, China had steadily and insistently explored the possibility of combining the two (socialist regime and market economy system) plus tried to apply a correct relationship between economy and politics ) and has formed important theoretical achievements and practical experience such as the following policy: **"we should correctly adjust relationship between reform, development, and stability",** this policy achieved tremendous success in later economic and social development. Completely abandoning the socialist regime led to the disintegration of the Soviet Union politically and did not result in the expected economic prosperity. Taking Russia as an example, the result of implementing "shock therapy" caused a severe decline in the Russian economy. The growth rates of Russia's gross domestic product from 1990 to 1998 were -3.6%, -5%, -14.5%, -8.7%, -12.6%, -4%, -6%, 0.4%, and -5% [46].

Over the course of 9 years, the total economic output of Russia shrank to 53.78% of that in 1989, while the average annual growth rate of the Chinese economy was 10.22% in the same period, and the gross domestic product of China reached 2.4 times that of 1989. Putin had once commented in "Russia at the Turn of the Millennium" that **"Russia is no longer the country with the highest level of economic and social development in the contemporary world”.**

In the In the 1990s, Russia's GDP declined by 50%, which was only 1/10 of that of the United States and 1/5 of that of China. The gap between Russia and advanced countries has widened, and Russia was pushed into the ranks of the Third World" [47]. While China's economy has proved its advantages in both the 1998 and 2008 financial crises, Russia, like other developing countries, was devastated by the economic crisis.

**THE THİRD MAJOR DEBATE**

**CHAPTER 4: Continuation and Conclusion of the Debate Today**

After 2000, the three historical debates continued to linger and gave rise to new topics. But the fundamental principle remained unchanged: various one-sided understandings that arise in debates were often related to a rigid understanding of the relation between economy and politics in the framework of materialist view of history.

**(1) Continuation of Historical Controversy Today**

The topics of the three above debates were slightly different. Generally speaking, the central thread of the first debate laid in the difference between democratic socialism and Leninism. The second and third debates directly revolved around the compatibility between socialist regimes and market economy systems. After 2000, there were new extensions of these above two topics, and some debates were even exceptionally intense. At the same time, after 2000s attitude in China towards related debates also became more rational: China had an open and inclusive debate environment and has clearly clarified some erroneous understandings.

**FİRST DEBATE IN CHİNA**

Firstly, the debate over Engels' so-called "political testament" and the "orthodox theory" of democratic socialism. The introduction written by Engels for Marx's "The Class Struggles in France, 1848-1850" in 1895 was later called Engels' "political testament". Kautsky also published a long article entitled " Engels' Political Testament " in 1925.

Although in the 1980s and 1990s, China’s academic community had already formed different views on Engels' "political testament" [48], still a widespread debate had not occurred in this period. This debate involved how to accurately understand the views of Marx and Engels in their later years, and debate also involved whether to recognize the historical legitimacy of Leninism, and how to accurately understand Marx's viewpoint of "rebuilding individual ownership". Scholars such as Xiao Feng (2007) and Chen Xueming (2012) pointed out that adding the viewpoint of "peaceful growth into" socialism to Engels is not correct.

Chen Xueming quoted Engels' letter to Fischer which was written the day after Engels finished writing the "Introduction" to Marx's book "Class Struggle in France from 1848-1850": Engels wrote on to Fischer on March 8th: **" My view is that you have nothing to gain by advocating complete abstention from force. Nobody would believe you, nor would any party in any country go so far to give up the right to resist illegality by force of arms”**. https://www.workersliberty.org/story/2017-07-26/engels-political-testament

Xiao Feng clearly interpreted the debate revolving around Engels' position in his later years as follows **"we should not approve interpreting history arbitrarily (subjectively) as a practical tool for the present day, but this does not mean that we are dogmatists who should regard Engels' words more than a hundred years ago as a golden rule... What should be done for the socialism of today should start from the current reality”.** Xiao Feng quoted the viewpoint emphasized by Lenin after the October Revolution: **'Everything now depends on practice, and we have reached a historical juncture where theory is turning into practice, theory is given vitality by practice, corrected by practice, and tested by practice'** [51]. Zhou Xincheng also warned that “**the strengthening of humanist socialism or social-democratic thinking was a major, if not decisive, factor in the evolution of the Soviet Union's Eastern European countries towards capitalism”** [52].

**Secondly, neoliberalism and the trend of questioning reform and opening up.**

The influence of neoliberalism in China expanded around the period 2000-2006 , during which the "Washington Consensus," "End of History," and "China's Collapse" theories abroad had triggered a widespread debate in China. Meanwhile, after 2000, Chinese public opinion made a re-evaluation of and criticism of neoliberalism, during which there were also some thoughts which attacked reform and opening up.

Neoliberal political trend in China and the “left” political trend which negated reform and opening up may seem completely opposite, but these political trends have some similarities in the issue of combining socialist regimes with market economies.

Because, these two ideological trends can be seen to some extent as a continuation of the attitudes of the Soviet Union in the first and second stages of the third debate:

In the early stage (1960-70s), Soviet Union leaders opposed the development of a market economy due to their desire to safeguard the existing highly centralized political system, and in the later stage **(1980-1990s)**, Under the effect of liberal social-democracy or radical liberalism they abandoned the socialist regime to promote market-oriented economic reforms – that means both attitudes fundamentally denied the possibility of combining socialist regime with market economy. At the theoretical level both these two attitudes were stemming from a rigid understanding of the relationship between economy and politics. It is interesting that new institutionalist economic scholars often criticize Marx's "economic determinism", but at the same time, they have also fallen into another misconception. For example, Douglass North criticized Marx that "individual scientific and technological changes can hardly explain many long-term changes" [53], while Daron Acemoglu argued that "Marx did not consider institutional and political factors at all, because Marx argued that they were only the derivative results of the powerful impact released by productive forces" [54] . Meng Jie argued that these ideas are actually a bias against Marxist theory: "These comments all focus on the traditional monism of productive forces and completely ignore other interpretations of historical materialism within Marxism.

 At the same time, new institutionalist economic scholars have also entered another misconception - regarding Western political democracy or property rights systems as decisive factors - in the books such as "The Rise of the Western World" co-authored by Douglass North and Robert Paul Thomas, and the book "Why Nations Fail" co-authored by Daron Acemoglu and James Robinson, Western democratic and property rights systems are seen as key to the development of market economies. Regarding this, Lin Gang has made some sharp-eyed criticisms [56].

But for neoliberal scholars, or the majority of Western scholars, the "binding" of Western democratic systems to market economy is seen as almost an undeniable truth. It is based on this understanding that the "end of history theory" represented by Fukuyama and the "Washington Consensus" which firmly promoted neoliberalism have emerged.

As a result, many Western scholars also firmly believe that since China is different from the socialist regime of Western democratic systems, it is difficult to achieve sustained prosperity in the market economy, leading to the "collapse of China theory" being favored by some Western scholars. Peng Qinghong quoted Song Xingwu's viewpoint and pointed out that one of the sources of the "collapse of China theory" aims to "prove and maintain the correctness of the democracy’s advantage theory ", that is, Western style democracy is a prerequisite for prosperity, and Western countries are defined as Western style democratic countries" [57].

**Thirdly, we should clarify misconceptions that market economy will ultimately dissolve the socialist regime**

Those who hold these views hold a clear questioning attitude towards reform and opening up, and argue that the development of a market economy will ultimately dissolve the socialist regime and will deviate China from the socialist path. These views may seem to uphold the basic socialist system, but in reality, they negate the crucial role that the basic socialist system plays in China's market economy, attributing the achievements of the market economy since the reform and opening up to the success of liberal policies.

This view actually aligns with the views of liberal scholars, who repeatedly emphasize that the success of China's market economy is the result of China's implementation of liberal policies. Resolving various problems currently faced is not about governing the market economy itself, but further promoting liberal economic policies. The facts cannot support this view: Western countries with higher degrees of liberalization and marketization experience do not have sustained prosperity, but encounter continuous crises. Latin America region, which once actively promoted "neoliberalism, " has faced numerous crises in its economic development. The implementation of a market economy and the introduction of Western style democracy often lead to serious economic and social crises. On the contrary, the Chinese market economy has achieved sustained high-speed and stable growth for 40 years, especially after the two financial crises in 1998 and 2008, which "went against the general trend" and formed a sharp contrast with the market economy under the capitalist system.

 **Attributing the achievements of China's market economy after its reform and opening up to the victory of liberalism in China is also untenable.**

The fundamental reason for the remarkable achievements of China's market economy after the reform and opening up is that China has scientifically grasped the dialectical relationship between economy and politics, retained the socialist basic system established before the reform and opening up, and thus avoided the periodic crisis of capitalist economy in China's market economy.

Negating the basic socialist system will inevitably lead to a change in the banner of socialist construction and negating the achievements of building an advanced market economy will inevitably lead to socialism returning to a "closed and rigid" state. As pointed out in the report of the 18th National Congress of the Communist Party of China (2012), “**we will neither follow the old path of isolation and rigidity nor the evil path of changing flags and banners”.**

**（2） Two basic conclusions that should be regarded as the fundamental stance of the political economy of socialism with Chinese characteristics**

The materialist view of history is the methodological foundation of all Marxist political economy. How to accurately understand the materialist view of history determines how to grasp the relationship between economy and politics.

Specifically, we can draw the following two basic conclusions.

Firstly, we should overcome the rigid understanding of the materialist view of history and dialectically grasp the relationship between economy and politics.

The decisive role of productive forces cannot be denied. The main reason for the failure of socialist economic construction and the collapse of the Soviet regime was the neglect or even denial of the objective laws of economic development that reflect the decisive role of productive forces. The principle of balanced and proportional development of the national economy dominated by the law of value is a direct manifestation of the decisive role of productive forces in the operation of the real economy.

The blind pursuit of high-speed economic growth and high accumulation rate violated this basic principle, leading to the long-term constraint of the Soviet economy on the imbalance of the national economy, which was the main drawback of the traditional planned economy system in the Soviet Union, ultimately resulting in the failure of socialist construction in Eastern Europe and the failure of socialist regimes.

**The decisive role of productive forces cannot be interpreted rigidly.**

The rigid "economic determinism" was the main reason why Second International theorists denied the necessity of armed revolution and the October Revolution, and ultimately led to social democratic scholars and political parties deviating from the correct track of the world communist movement, transforming into bourgeois theorists and parliamentarian bourgeois parties.

At the same time, the decisive role of the economic foundation upon the superstructure cannot be denied or interpreted rigidly.

From the 1960s to the 1980s, denying the impact of commodity economy development on the centralized model and stubbornly adhering to the original centralized model was the main reason why Soviet economic reform was difficult to promote and sustain, and also greatly constrained the economic reform of Eastern European socialist countries, becoming the main obstacle in the process of socialist economic reform.

At the same time, the radical reform path represented by Gorbachev's "new thinking" rigidly understood the requirements of commodity economy and market economy for political system, blindly copying the so-called democratic system in the West, which not only led to the collapse of socialist regimes, but also caused serious damage to the national economy and social system of the Soviet Union and Eastern European countries.

It is not difficult to summarize these profound historical lessons and find that:

Firstly, we should adhere to the socialist path and develop the political economy of socialism with Chinese characteristics, we must adhere to the basic principles of the materialist historical view, and at the same time, combine with the national conditions and characteristics of the times, scientifically understand the materialist principle of "productive forces-- production relations (economic foundation) ---superstructure", and accurately understand the dialectical relationship between economy and politics.

We should take into account China's basic national conditions and the characteristics of the times, adhering to the materialist view of history in accordance with the criterion of “no denial, no ossification” is the fundamental position that socialist political economy with Chinese characteristics needs to bear in mind at all times.

Secondly, we must uphold the scientific and historical legitimacy of Leninism.

The basic path of Leninism and the “principles of practice first” are the main thread of the three historical debates.

The historical conclusion of the three major debates proves that Lenin's assertion that "first obtain the premise of reaching this certain level by revolutionary means, and then catch up with the people of other countries on the basis of the worker peasant regime and the Soviet system", that is, the Leninist path of "first grasp the power of proletarian regime, and then build a socialist economy on the basis of political power", is an irrefutable truth in the three major debates. [60] It was precisely by adhering to this path that the October Revolution was able to break through the rigid "economic determinism" of democratic socialism and promote the transition of socialist economy and socialist political power from theory to reality. It is precisely by adhering to the combination of proletarian political power and commodity economy that the "New Economic Policy" could succeed and the socialist political power of the Soviet Union could be consolidated. And, it was precisely because it violated the “principle of balanced development of the national economy by combining the commodity economy with the proletarian regime” that the socialist economic model of the Soviet Union ultimately became rigid, backward, and failed.

It was the so-called “radical reformists” in the Soviet Union and Eastern Europe in the 1980s who pursued democratic socialism, opposed Leninism, and denied the historical legitimacy of proletarian regimes that ultimately led to the collapse of socialist regimes in the Soviet Union and Eastern Europe, as well as the stagnation of economic development and the decline of national status in various countries.

The Leninist path is the collective wisdom and practical conclusion of the first generation of socialist revolution and builders of socialism represented by Lenin.

The important reason why the socialist market economy with Chinese characteristics could achieve the miracle of China's economic development is that: at the historical juncture of the drastic changes in the Soviet Union and East Asia in the 1990s and the severe challenges faced by the socialist revolution and construction, the CPC has firmly established the guiding position of Marxism-Leninism and unswervingly adhered to the basic path of combining socialism with the market economy system.

This is the inheritance and development of the Leninist path. At the same time, it should be clarified that in the process of socialist revolution and construction, it was the social democracy that opposed Leninism that caused the downfall of the communist movement in Western Europe and the collapse of socialist regimes in the Soviet Union and the East European countries. To counter this trend and adhere to the scientific path of socialist political economy with Chinese characteristics, we must steadfastly uphold the scientific nature of the Leninist path.

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