**Ten Ways for the Sublation of Private Property: Shall We Eliminate Private Property or Sublate Private Property?**

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**Introduction:**

In the days of Revolution in April 1917, Lenin wrote: **Theory, my friend, is grey, but green is the eternal tree of life.”** In 2002, my doctoral supervisor Prof. Dong Fureng published an article entitled "Are We Eliminating Private Property or Sublating Private Property" (published in Economic Guide, Issue 2, 2002). It was like a "stone that caused a thousand waves", and the ripples are still visible today. Based on Dong Fureng's research and discussion, I recently went to the National Library to read relevant literature and materials and felt that there were major new discoveries and cognitions. So I wrote an extended study on the breakthrough topic of "sublating private Property" proposed by Dong Fureng more than 20 years ago, which is increasingly of great practical significance. It can also be regarded as a disciple's inheritance of Dong Fureng's important academic thoughts.

**Prof.** **Dong Fureng's Textual Research and Discussion on Private Property**

The above article published by **Dong Fureng** in 2002 was examined and discussed in this way: Regarding private property, let's see what our ancestors said. The Communist Manifesto says that the Communists can summarize their theory in one sentence: "Abolish private property."

I went to university in 1946 to study economics. My first foreign language in university was English, and my second foreign language was German. I haven't completely forgotten it. If there are some things I don't understand, I will look up the dictionary to see what it is. I have the German version of the Communist Manifesto. I compared the German version with the Chinese version. The Chinese version has many words like "abolish", "abolish this, abolish that". I checked and found that there are five different German words for the Chinese translation of "abolish". The word "abolish" translated as "abolish private property" is "Aufheben" in German, which is a verb, and the gerund is "Aufhebung". This word is Hegel's term. Marx studied Hegel in his early years, and his doctoral thesis was on Hegel, so he used Hegel's words in his book.

Let's see what Hegel said. What does Aufhebung mean? In "Logic", Hegel said that the word Aufhebung has a dual meaning in language. It means to maintain, but also means to stop and end. It is both overcome and preserved. We can also translate this meaning as preserving and retaining private property, or as stopping private property. Without dialectical thinking, it is impossible to understand Hegel's thoughts. Hegel was a master of logic and dialectics. Germans are born masters of dialectics. Because of this word, there is no corresponding word in Russian or English. What does this German word mean? Hegel talked about the affirmation and negation of things, and there is affirmation in the negation, that is, there is both reservation and negation. This means: this thing negates that thing, not a simple negation, but both reservation and negation.

Some books in China have translated this word correctly. In the third volume of Capital, Marx talked about joint-stock companies, and translated it correctly. Joint-stock companies appeared, social capital appeared, capital was socialized, and capitalists hired many workers to do labor. After the joint-stock system, capital became public capital. This was in fact partial sublation of private aspect of capital towards socialization of capital.

This socialization of capital was the sublation of the original private capital. At this time, there was the word Aufhebung, which we translated into sublation in English, which means abandonment and development, which has a double meaning. After Marx saw the emergence of joint-stock companies, capital was socialized. The socialization of capital was the sublation of private capital, which was negation and retention. With such a meaning, theoretically you can translate Marx's words as sublation.

**Further research and new findings**

There are also many denials and criticisms of the above textual research. Among them, the more authoritative one is the opinion of Prof. Gu Jinping, who has been engaged in the compilation of Marxist classics for 70 years. Gu Jinping argued that the German word "Aufhebung" does have multiple meanings such as "abolition, cancellation, revocation, end, raise, preservation and sublation", but what it means in the "Communist Manifesto" must be judged in the context. The "Communist Manifesto" says: "The characteristic of communism is not to abolish Property generally, but to abolish bourgeois Property."

Then "Communist Manifesto" says: "In this sense, communists can summarize their theory in one sentence: abolish private Property." The German word for "abolition" in the above text is "Abschaffung", and the "Aufhebung" in the following text obviously inherits this meaning, but the wording is different.

This is obviously the "path dependence" insistence of the old translator. If Aufhebung inherits the meaning of Abschaffung, why not use Abschaffung directly? And "in this sense" is added before this statement. How to understand "in this sense"? Obviously, it is different from Abschaffung and emphasizes "Aufhebung". Going back to the statement that "the characteristic of communism is not to abolish Property generally, but to abolish bourgeois Property", it becomes very clear. Its original meaning can also be said to be: the characteristic of communism is to retain rather than abolish general Property. What needs to be abandoned or abolished is bourgeois Property, that is, private Property based on wage labor with surplus value exploitation and oppression.

Even if we follow the German word Abschaffung mentioned above, it can only be translated as "abolition" or "repeal", but not "destroy". The German word for "destroy" is derived from tilgen, and the gerund is tilgung. It is not the same word as abolition, but is different. The former is a legal term, relatively normative and flexible; the latter is a revolutionary term, relatively disorderly and violent.

Therefore, among the six representative Chinese translations of “The Communist Manifesto” in history, only two versions translated it as "eliminating private property".

**There are roughly 10 ways to sublate private Property**

Private property cannot be simply eliminated, nor can it be completely abandoned or destroyed. Preserving positive energy and discarding negative energy means sublation. And comparing and weighing history and reality, there are several options for sublation of private property. There are roughly 10 ways:

**Option 1: Improvement of the relevant legal system**. Private property rights should not be absolutely unlimited, and private property rights cannot be used as one pleases. Owners of private property rights not only have relevant rights but should also have relevant responsibilities and obligations. If the way private property rights are used endangers others or endangers the public interest, even if it causes damage to the right holder of private property, they must be restricted.

 In life, for example, prohibiting the raising of wolfhounds in residential areas, requiring mandatory sewage treatment, and restricting the export of private cultural relics, all belong to this category. Of course, restrictions must be based on laws, which requires the improvement of relevant legal systems. Through relevant legal provisions, clarify the scope of their rights, responsibilities and obligations, clarify their relevant negative lists or prohibitive clauses, that is, both green lights and red lights must be installed. Restrictions on property rights are common practice in various countries, and the most concerned labor law among them is labor law. Labor law was originally within the scope of civil law.

Since the 19th century, with the development of the industrial revolution, labor law has increasingly occupied an important position in the legal systems of various countries, and has gradually separated from civil law to become an independent legal department. In 1802, the British Parliament passed the world's first labor law, the Apprentices' Health and Morals Act, which prohibited textile factories from employing apprentices under the age of 9, and stipulated that working hours should not exceed 12 hours a day, and night shifts were prohibited.

Today, all major countries in the world have enacted labor laws. The Labor Law currently in force in my country is the Labor Law of the People's Republic of China, which was passed by the Eighth National People's Congress on July 5, 1994 and revised several times thereafter. The labor laws of various countries have different forms of expression, but most of them include the following basic contents: labor employment law, labor contract law, working hours and rest time system, labor remuneration, labor safety and health procedures, special protection system for female workers and underage workers, labor discipline and reward and punishment system, social insurance and labor insurance system, employee training system, trade union and employee participation in democratic management system, labor dispute handling procedures, and supervision and inspection system for the implementation of labor laws. It can be seen that, in a sense, labor law is the provisions on the rights, responsibilities and obligations of the capital side in labor-capital relations. Of course, restrictions on private property rights should be maintained within a reasonable limit, and "freedom should be allowed if it is not prohibited by law." This is also a consensus in the whole world.

**Option 2: impose a high progressive capital income tax or direct capital tax**

 This is also the option proposed by the Communist Manifesto. In fact, many developed countries have done this. During the two world wars, all developed countries began to experiment with very high tax rates, often in a rather irregular manner. As early as the late 19th century or early 20th century, European countries such as Germany and Sweden established progressive capital taxes.

The United States first tried to implement a tax rate of more than 70% on income from 1919 to 1942, raising the top rate to 88% in 1942 and then to 94% in 1944.

Thereafter, the top tax rate remained stable at more than 90% until the mid-1960s, but fell to 70% in the early 1980s. Overall, its top tax rate averaged 81% for almost half a century from 1932 to 1980. Of course, there is controversy over whether to impose a progressive tax on capital income or a capital tax, and how to be moderate. For example, Capital in the Twenty-First Century authored by Piketty argues that “if heavy-handed measures are taken indiscriminately, there is a risk of stifling the motivation for capital accumulation, thereby further reducing the growth rate. Entrepreneurs will no longer have time to become rentiers, because there will most likely not be many entrepreneurs left.”

Therefore, the author of the book argues that “the correct solution is to impose an annual progressive capital tax. This will make it possible to avoid an endless spiral of inequality while protecting competition and motivation for new types of primitive accumulation.” (Thomas Piketty, Capital in the Twenty-First Century, 2014 edition, page 454) In any case, appropriate imposition of capital income or progressive capital tax has already been chosen, and China, as a socialist country, should take it as an option.

**Option 3: Impose a high progressive inheritance tax** .

This can be seen as a workaround for the option of "abolishing inheritance rights" in The Communist Manifesto. At least the national conditions of various countries so far show that completely "abolishing inheritance rights" has more advantages than disadvantages and is not feasible. No country will do this. However, it is indeed necessary to impose appropriate restrictions on huge inheritances, and imposing a high progressive inheritance tax is a feasible and effective option. Of course, the specific tax rates imposed vary from country to country. For example, in the United States, the highest inheritance tax rate remained at 70%-80% from the 1930s to the 1980s. In the 1972 presidential campaign, the Democratic candidate even proposed a 100% tax rate on the largest inheritance; the highest inheritance tax in the United Kingdom reached 98% in the 1940s and reached this peak again in the 1970s; while the highest tax rates in France and Germany have never exceeded 30%-40%. China's current tax laws and policies do not stipulate the collection of inheritance tax on inheritance, and whether to levy inheritance tax is under discussion. Judging from the development trend, as one of the important measures to abandon private Property, it is necessary to learn from the experience of developed countries and impose high progressive taxes on huge inheritances. It is expected that corresponding regulations will be introduced in the near future.

**Option 4: Establish a joint-stock company** . The joint-stock system has a long history. As early as more than 2,000 years ago, the prototype of the joint-stock system was seen in ancient Greek and Roman societies. However, the modern joint-stock system emerged with the development of the capitalist mode of production.

Marx paid great attention to the joint-stock system in Capital: "If we had to wait for accumulation to make some individual capital grow to the extent that it could build railways, then I am afraid that there would be no railways in the world until today. However, concentration through joint-stock companies has accomplished this in a blink of an eye." (Marx: Capital 1972 edition, page 688)

That is, with the establishment of joint-stock companies, "the scale of production has expanded amazingly, and enterprises that cannot be established by individual capital have emerged." (Marx: Capital (Volume III), People's Publishing House, 1972 edition, page 493) Of course, Marx was more concerned about the sublation of private capital by the joint-stock system. This is the dialectical keyword "sublation" used seven times in Capital as mentioned above. Let’s look at the original text: “The establishment of joint-stock companies. Thus: … capital, which is itself based on the social mode of production and presupposes the social concentration of the means of production and labor, here directly takes the form of social capital (that is, the capital of those directly united individuals) and is opposed to private capital, and its enterprises also appear as social enterprises, as opposed to private enterprises. This is the transcendence of capital as private property within the scope of the capitalist mode of production itself.” (Marx: Capital (Volume III), People’s Publishing House, 1972 edition, page 493)

**Option 5: Try the labor-capital sharing enterprise system**.

This is a concept proposed by American economist Weitzman in his book "Sharing Economy" in the 1980s. After the book was published in 1984, it was called "the most outstanding economic thought since Keynes" in the United States. The book argues that there are two ways of paying remuneration in capitalism, one is called the wage system and the other is the sharing system. The former is called the wage economy and the latter is called the sharing economy. The so-called wage economy is that the remuneration paid to workers has nothing to do with the business performance of the enterprise, while the sharing economy is linked to the performance of the enterprise, such as profits. He proposed the sharing economy, and the focus is to solve the problem of stagflation. He argues that the wage economy is the micro-foundation of stagflation. The wage system is not the natural way of paying remuneration in capitalism.

In fact, the sharing system was once very popular. For example, the "share system" popular in the agricultural sector before the industrial society, the "proportional corresponding reduction of remuneration system" popular in the early British coal and steel industries, the "profit sharing employee remuneration plan" being implemented in the United States when he wrote this book, and the so-called "people's capitalism" that encourages employees to hold shares and encourage employees to participate in profit distribution, as well as Japan's "lifetime employment system" and "seniority system" and so on. Although the author's focus is on solving the problem of stagflation, he also pays attention to the fact that the sharing system can transform the employment relationship into a partnership and establish a labor-capital interest community. This can at least be used as an option to abandon private Property.

**Option 6: Promote the shareholding cooperative system**.

The shareholding cooperative system has the characteristics of both cooperative and shareholding economic forms, and implements a combination of labor cooperation and capital cooperation. It is a collective economic entity with legal person status that is voluntarily organized by two or more workers or investors in accordance with the articles of association or agreement, with funds, physical objects, technology, land use rights, etc. as shares, and engages in various production, operation and service activities in accordance with the law, implements democratic management, adopts a profit distribution method that combines distribution according to work and distribution according to shares, retains public accumulation, and can independently bear civil liability. It maintains the reasonable core of the shareholding system in terms of raising funds, distribution according to shares, and operation and management, absorbs shareholders to participate in labor, distribution according to work, and extracts public accumulation. The basic core of the cooperative system combines the advantages of the shareholding system and the cooperative system. In some countries, shareholding cooperative enterprises specialize in providing cheap means of production for agricultural production, or processing, storage, transportation, and sales of agricultural and sideline products, as well as providing services for financing and savings.

In China, shareholding cooperative enterprises are enterprise organizations formed on the basis of the cooperative system in the mid-1980s to explore the path of restructuring urban and rural collective enterprises.

In January 1985, based on the experience of rural economic reform in the previous years, in order to further reform the rural economic management system, promote the rationalization of rural industrial institutions, and further revitalize the rural economy, the CPC Central Committee and the State Council issued the "Ten Policies to Further Activate the Rural Economy", which adopted the term "shareholding cooperation" at the national policy level for the first time. Article 8 of the policy states: "Some cooperative economies adopt the method of joint stock operation and dividend distribution. Capital can be invested and means of production and labor invested in capital construction can also be valued and invested.

A part of the profit from operation is distributed according to shares. This type of shareholding cooperation does not change the property Property of the shareholders, avoids the drawbacks of merging property and equalizing labor as soon as cooperation is discussed, but can combine scattered production factors, quickly establish a new scale of operation, and accumulate common property."

On February 12, 1990, the Ministry of Agriculture promulgated the "Interim Regulations on Farmers' Shareholding Cooperative Enterprises" and the "Model Regulations on Farmers' Shareholding Cooperative Enterprises", which for the first time defined the definition of "farmers' shareholding cooperative enterprises" and the nature of collective Property economy in the form of departmental regulations.

The Guiding Opinions on the Development of Urban Shareholding Cooperative Enterprises issued by the State Restructuring Commission on August 6, 1997, and the Interim Provisions on Farmers' Shareholding Cooperative Enterprises revised by Order No. 39 of the Ministry of Agriculture of the People's Republic of China on December 25, 1997.

In fact, the shareholding cooperative system is not only suitable for rural towns, but also for enterprises in the entrepreneurial and innovative stages of metropolitan areas, as well as high-tech enterprises such as digitalization, where the knowledge and skills of direct production and operation workers are required to be high and the number of them is small, and the identity of venture investors and direct production and operation workers is unified, or they are more suitable for the shareholding cooperative system.

**Option 7: Stabilize and improve the public-private property rights system in which the Property of rural land belongs to the collective and the right to contract and operate farming belongs to the farmer's family**.

Rural land includes cultivated land, forest land, grassland and other land used for agriculture. The Property of rural land belongs to the farmer's collective + the right to contract and operate farming belongs to the farmer's family, or the collective Property of rural land by farmers + family contract and operation, which is an important achievement of the rural property rights system reform. This property rights system is essentially a public-private property rights system, which not only abandons the negative energy of private Property, but also retains the positive energy of private Property, so it is a major positive achievement of abandoning private Property.

For thousands of years, the private Property of land and the existence of large estates and landlords have always been a huge negative energy for economic and social development. Landlords rely on land Property to collect rent without work, which is completely parasitic and extremely unfair. It can be said to be harmful rather than beneficial. Moreover, from the perspective of China's historical cycle, peasant uprisings and the change of dynasties are all related to periodic land annexation and concentration.

Therefore, it is completely necessary to implement the first measure listed in the Communist Manifesto, "seizure of land", and abandoning landlords in rural areas and replace them with collective farmers. But at the same time, the enthusiasm of direct individual farming operators must be mobilized to the maximum extent, so the farming contract management rights belonging to farmer households are also indispensable.

However, this property rights system must be further stabilized and improved in order to adapt to and promote the large-scale, industrialized and modern development of agricultural production and agricultural operation. According to our observation, the main aspects that need to be further improved include: First, the farming contract management rights owned by farmer households must be further refined and clarified, and on this basis, the "Rural Land Contract Law of the People's Republic of China" must be strictly implemented to allow the contractors to fully enjoy the land contract management rights after contracting the land, so as to maximize the protection and mobilize the enthusiasm of the contractors; second, the farming contract management rights owned by farmer households can be transferred voluntarily and for a fee in accordance with the law, and the land management rights of the contracted land can be transferred to others for farm management.

The state protects the contractor's legal, voluntary and paid transfer of land management rights, and protects the legitimate rights and interests of land management rights holders. No organization or individual may infringe upon them, so as to maximize the satisfaction of the industrialization and modernization of agricultural production and operation. There is a demand for a moderately concentrated scale of land cultivation and management.

Thirdly, according to the "Rural Land Contracting Law of the People's Republic of China", rural land such as barren mountains, barren ditches, barren hills, and barren beaches that are not suitable for family contracting can be contracted out by bidding, auctioning, public consultation, etc., and the spirit of contract must be strengthened, and the contract must be strictly implemented to ensure the rights and interests of both parties, especially the relatively weak contractor; fourth, the entry of rural collective commercial construction land into the market will, on the one hand, be conducive to the development of rural non-agricultural industries, and on the other hand, be conducive to the discovery and realization of its potential value, and to the optimization of the allocation of this scarce resource. Its income rights should also reflect the positive transcendence of private Property, that is, its income should be divided into collective provident funds and farmers' sharing funds or dividends to fully mobilize the enthusiasm of relevant farmers.

**Option 8: Adhere to the state-owned joint-stock enterprise option as an important achievement of state-owned enterprise reform.**

Recently, some self-proclaimed so-called economists or uneducated big names in some self-social media launched an attack on the theory and suggestions of state-owned enterprise shareholding reform of Prof. Li Yining, a famous economist who passed away at the beginning of the year, and unreasonably accused this theory and suggestion of privatizing state-owned enterprises.

This is obviously ignorance of the history of state-owned enterprise reform, and it is also a smear on the major decisions of the Party Central Committee and the State Council on state-owned enterprise shareholding reform so far.

In 1997, China's state-owned enterprises, with a capital return rate of only 3.29%, were already in a deep crisis. At this time, the state-owned enterprise shareholding reform was fully launched. In March 1998, the State Economic System Reform Commission issued the "Guiding Opinions on Actively and Steadily Promoting the Shareholding System Reform of State-owned Enterprises", which has defined the shareholding system reform of state-owned enterprises: "The shareholding system is an important form of realization of the public economy. **The shareholding system is a capital organization form of modern enterprises. The implementation of the shareholding system in the public economy is conducive to improving the control and operational efficiency of public capital and strengthening the dominant position of public Property. The shareholding system reform of state-owned enterprises is conducive to giving play to the leading role of the state-owned economy; it is conducive to gathering social capital and dispersing investment risks; it is conducive to establishing a corporate system that is managed and regulated according to law and with diversified investment subjects, so that enterprises can become legal entities and competitive subjects that adapt to the market."**

 On August 24, 2015, the CPC Central Committee and the State Council issued the Guiding Opinions on Deepening the Reform of State-owned Enterprises, which once again stressed the need to "advance the reform of the corporate system and shareholding system. We will intensify the corporate system reform at the group level, actively introduce various investors to achieve equity diversification, vigorously promote the restructuring and listing of state-owned enterprises, and create conditions for the overall listing of group companies. According to the functional positioning of different enterprises, the proportion of state-owned equity will be gradually adjusted to form an operating mechanism with diversified equity structure, standardized shareholder behavior, effective internal constraints, and efficient and flexible operation. It is allowed to convert part of state-owned capital into preferred shares and explore the establishment of a national special management stock system in a few specific areas." It also requires that "commercial state-owned enterprises whose main businesses are in fully competitive industries and fields should, in principle, implement corporate system and shareholding system reforms, actively introduce other state-owned capital or various types of non-state-owned capital to achieve equity diversification, and state-owned capital can have absolute control, relative control, or a minority stake, and strive to promote overall listing." At the same time, it is clear that "for these state-owned enterprises, the focus is on assessing operating performance indicators, state-owned assets value preservation and appreciation, and market competitiveness."

The "Decision of the CPC Central Committee on Several Major Issues Concerning Comprehensively Deepening Reforms" adopted at the Third Plenary Session of the 18th Central Committee of the Communist Party of China on November 12, 2013 requires: **"In natural monopoly industries where state-owned capital continues to hold controlling stakes, reforms with the main contents of separation of government and enterprises, separation of government and capital, franchise, and government supervision shall be implemented. According to the characteristics of different industries, network operation shall be separated, competitive businesses shall be liberalized, and market-oriented allocation of public resources shall be promoted. All forms of administrative monopoly shall be further eliminated."**

The latter two indicate that the shareholding reform of state-owned enterprises has absorbed the positive energy of private Property discussed in the previous article to a considerable extent. It can be seen from this that the shareholding reform of state-owned enterprises, as a major decision of the Party Central Committee and the State Council, can also be regarded as a major reform of actively "sublimating private Property" in state-owned enterprises to a certain extent.

**Option 9: Actively develop mixed Property** **companies.**

This is also a major decision of the Party Central Committee and the State Council (Government Cabinet).

The above-mentioned "Decision of the CPC Central Committee on Several Major Issues Concerning Comprehensively Deepening Reform" has a special article that clearly states: "Actively develop a mixed Property economy. A mixed Property economy with cross-holdings and mutual integration of state-owned capital, collective capital, and non-public capital is an important form of realization of the basic economic system.

It is conducive to the amplification of the functions of state-owned capital, value preservation and appreciation, and the improvement of competitiveness. It is also conducive to the various types of capital with different Propertys to learn from each other's strengths and weaknesses, promote each other, and develop together. Allow more state-owned and other Property economies to develop into mixed Property economies. Non-state capital is allowed to participate in state-owned capital investment projects. Allow mixed Property economies to implement employee shareholding in enterprises, forming a community of interests between capital owners and workers." This can be said to be an important option for actively "sublimating private Property" with both public and private.

**Option 10: Maintain wholly state-owned enterprises and state-exclusive resources in specific areas**.

The former refers to a wholly state-owned limited liability company established by a state-authorized investment institution or state-authorized department in accordance with the provisions of the Company Law. The **state-exclusive resources** refers to certain special non-renewable scarce natural resources that are related to the national economy and that are related people's livelihood and are completely owned by the state.

 For example, land in urban areas belongs to the state; mineral resources belong to the state, and the State Council exercises the state's Property of mineral resources. The state Property of surface or underground mineral resources does not change due to the Property or use rights of the land to which they are attached. Wholly state-owned enterprises are usually public welfare, natural monopoly industries, and industries involving major national strategic development.

Their main goals are to protect people's livelihood, serve the society, and provide public products and services. They serve the national strategic goals and invest more in important industries and key areas related to national security and the lifeline of the national economy, focusing on providing public services, developing important forward-looking strategic industries, protecting the ecological environment, supporting scientific and technological progress, and ensuring national security. The above-mentioned relevant documents also stipulate that the state grants enterprises management rights in accordance with the principle of separation of Property and management rights. State-owned enterprises shall obtain legal person status in accordance with the law, implement independent operation, self-financing and independent accounting, and bear civil liability with the property granted by the state for management. For public welfare state-owned enterprises, the focus is on assessing cost control, product and service quality, operational efficiency and guarantee capabilities. According to the different characteristics of the enterprises, the operating performance indicators and the preservation and appreciation of state-owned assets shall be assessed differently, and social evaluation shall be introduced in the assessment. This shows that state-owned enterprises in these specific fields do not simply completely eliminate private Property, but also contain the positive energy of private Property, so they can also be regarded as an option to actively "sublate private Property."

The above ten options are mainly based on the practical exploration since China's reform and opening up. As for which option is the "positive sublation private property", it still depends on whether it is conducive to the free development of each person and then the free development of all people.