

## **Cold Wave Series of Articles –**

### **On the Rise of "Characteristics" Capital and the Road to Re-Liberation of the Chinese Working Class (1-5)**

#### **Translator's introduction**

This document was written in 2013 and updated the following year. It is a comprehensive study of contemporary Chinese capitalism and of China's development as a social-imperialist power.

Its background is the rise to power of Xi Jinping who, in 2013 assumed most leadership positions in the Party, the PLA and the State, and of the corresponding downfall of Bo Xilai who had been Mayor of Dalian and then the governor of Liaoning before transferring to Chongqing as its Party Secretary.

Xi Jinping stood firmly for the Deng Xiaoping line of building 'socialism with Chinese characteristics', which was a socialist disguise for the consolidation of capitalist economic and political power in China. Because of this, the document refers to Chinese capitalism as "characteristics" capital.

Bo Xilai was the son of Bo Yibo, one of the "Eight Immortals" or veteran leaders upon whom Deng relied to change China from the socialist to the capitalist road. As one of the 'princelings', Bo Xilai was committed to Deng's "reforms", but played the part of a populist who promoted the singing of so-called "red songs" and cultivating an image as a 'leftist'. His supporters approved of his "Chongqing model" of leadership. One Maoist group even nominated him as their general secretary, a post which he declined.

His undoing came in February 2012 when Wen Lijun, deputy mayor and police chief in Chongqing, defected to the US Consulate following a demotion. Wang claimed to have information about the involvement of Bo Xilai and his wife Gu Kailai in the murder of British businessman Neil Heywood, who allegedly had close financial ties to the two.

Xi seized his opportunity and had Bo stripped of all posts, arrested, found guilty of corruption, expelled from the Party and sentenced to life imprisonment.

Despite this, some leftists, including some Maoists, continued to support Bo Xilai and the Chongqing model.

This document has far more to say than just the Xi Jinping-BoXilai matter.

It has much to offer students of Marxism-Leninism around the globe despite it being ten years since it was written.

In translating this document, I have inserted some footnotes where I thought it would assist the understanding of non-Chinese readers. I have retained the formatting (bold face, red highlighted text etc) of the original.

Any faults in the translation are mine.

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Note: This article is a good compilation and summary of the criticisms of the “characteristics” left (imperial left) over the years and of the many confusing trends of thought within the pan-left, especially its analysis of the core of Chairman Mao's theory of continued revolution, the nature of the current “characteristics” state, the characterisation of the Bo Xilai affair and the correct proletarian stance and attitude, the correct answers to the question of what is the reform of the ruling class, what is the reform of the economic struggle for survival of the working people, what is the united front, and what is the use of contradictions to achieve individual attacks, and so on. Therefore, this is a rare and excellent article, which can be used as a revolutionary programme document for comrades to study.

**General Summary:** With the rapid rise of China's "characteristics" capital, China's economy has leapt to the second in the world. However, the Chinese left-wing camp has shown serious ideological confusion on many issues, such as the Bo Xilai case, and cannot even distinguish between enemies and friends. In order to clarify thoughts and understand the situation, this article attempts to investigate whether the masses have improved their class consciousness, organizational ability and combativeness as a standard for distinguishing between proletarian revolution and capitalist reform, and use this to measure the development of recent events. Then, it analyses the three major classes in Chinese society: the working class, the petty bourgeoisie, and the monopoly bourgeoisie composed of state-owned capital and private capital, especially the nature of the "characteristics" state-owned capital group in power. Then it proves that China today is a rising capitalist industrial country that is inevitably heading towards social-imperialism, and explains that the core force leading China's capital to rise and move towards imperialism is precisely the state-owned capital group. It further proves that the main contradiction in Chinese society today is the contradiction between the domestic working class and the bourgeoisie headed by the state-owned capital group, and examines this contradiction in the context of the global capitalist crisis, the eve of imperialist hegemony and the era of proletarian revolution. On this basis, we explore the path to the re-liberation of the working class.

### **Foreword:**

The defection of Wang Lijun is a not-so-small ‘political earthquake’ in China in recent years, which has shaken the top echelon of the ruling party. It happened to hit Bo Xilai, considered by some to be a popular, talented, courageous and energetic reformer and political star in the ruling party, exposing the deep contradictions in the upper echelons. The background of this incident is that various contradictions in Chinese society have been constantly intensifying in recent years, and the development of the situation has exceeded people's expectations. On the one hand, there are various contradictions within the ruling class: such as the call for “reform breakthrough” that reflects the breakdown of the reform consensus; the controversy over the so-called “Chongqing model”; the establishment of the Shanghai Free Trade Zone; the opposition between “dividing the cake” and “making the cake”; one official voice loudly announced “no privatisation”, and another voice talked about “anti-monopoly”, “state-owned enterprises withdrawing from the competitive field”, “further privatization”, etc. On the other hand, there is the increasingly fierce struggle of the people against the oppression of the ruling class: for example, the surging wave of strikes in the south, the endless forced demolitions in urban-rural fringe areas, urban villages and urban areas for "dangerous housing renovation", and various mass incidents similar to Wukan.<sup>1</sup>

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<sup>1</sup> The Wukan Incident, also known as the siege of Wukan, was an anti-corruption protest that began in September 2011, and escalated in December 2011 with the expulsion of officials by villagers. A thousand police

At the same time, as another background for Wang Lijun's defection, the transformation of the international situation over the past few years has also been very significant: the global capitalist economic crisis that began in 2008 is still fermenting, deepening and spreading. The subprime mortgage crisis in the United States, followed by the sovereign debt crisis in the Eurozone, and then the 'currency war' in which the United States and Japan competed to quantify their currencies (issuance) in order to pass on the crisis, which has led to a number of developing countries falling back into the crisis in the recent past, and to date, more than five years later, the recovery of the global economy has not yet been finalised. The global anti-capital mass movement marked by the 'Occupy Wall Street' movement is gradually intensifying and spreading, and the struggles of the people of Greece, Spain and others in the Eurozone against the transfer of the crisis by capital are also surging; China's economic power is increasing and it has nominally become the second largest in the world; the United States has reorganised its military centre and loudly announced that it will return to the Asia-Pacific region as the centre of its strategic focus in order to prevent new challenges; China is abandoning its low profile and taking a more proactive and assertive stance towards its neighbours such as Japan, the Philippines, Vietnam and India.

At present, the leftists in China are seriously divided on how to look at these contradictions, how to understand the current developments, how to face the problems of capitalist globalisation and imperialism, and how to deal with the rise of China, and so on, so much so that there is no consensus on what constitutes the 'left wing'. There are leftists and rightists who oppose the authorities, but those who oppose the rightists and protect the authorities have also become 'leftists'! In terms of phenomena, public opinion is mostly concentrated on the Internet, and it seems that many of the leftist websites are pro-Chairman Mao or claim to 'hold high the great red flag of Mao Zedong Thought', and that they are all more or less critical of the authorities, and most of them are therefore websites that have been closed down by the authorities. From this perspective, they are all so-called 'left-wing' or 'pan-left-wing' supporters of Chairman Mao. But this 'pan-left' is in fact a hodgepodge: apart from genuine Marxist-Leninist-Maoists standing on the proletariat's side, there are also narrow-minded nationalists advocating China's hegemony over the world instead of the United States' hegemony, anti-democratic social-fascists counting on the rise to power of an iron-fisted figure, royalists who advocate "rectifying the party to save the country" and leftists (that is, the "royal left") committed to "reforming" the upper echelon of the ruling party. Even within the self-proclaimed Marxist-Leninist-Maoist leftists, there is still a great deal of confusion and sometimes a great deal of divergence or even diametrically opposed views, for example on how to view Bo Xilai and Xi Jinping.

In order to clarify the relationship between the theme of this article and the above developments, and to clarify the errors of many leftist ideas, the author has to spend some time and effort to make some relatively systematic arguments. I hope that this will inspire comrades to have a serious discussion on these issues, and help the left return to the basic principles and analytical methods of Marxism-Leninism-Maoism, and gradually mature and unify in thought and theory.

The structure of this series of articles is to first analyse the various confusions in leftist thought, then explore the various classes in Chinese society in the second chapter, discuss the qualitative nature of Chinese society in the third chapter, analyse the main contradictions in Chinese society in the fourth chapter, explore the relationship between China's rise and imperialism in the fifth chapter, and

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laid siege to the village, preventing food and goods from entering the village. It occurred after officials sold land to real estate developers without properly compensating the villagers.

explore how the working class can rise again in the sixth chapter, etc., and use this to demonstrate the current errors of the mainstream leftist thought.

## **On the rise of “characteristics” capital and the path to the re-liberation of the Chinese working class**

### **Part 1: The various confusions in current leftist thought and their roots**

#### **Chapter 1: The manifestations and root causes of the current serious confusion in leftist thought**

I. An important manifestation of the ideological confusion on the left is the absence of a correct criterion for viewing and evaluating the nature of the reforms

In order to cover up the internal contradictions reflected in the Bo Xilai case, the authorities repeated the farce of using criminal charges to deal with political opponents, just like Taiwan treated Chen Shui-bian and the Philippines treated Arroyo, and sentenced Bo Xilai to life imprisonment for corruption and abuse of power. Although the trial of Bo Xilai damaged Bo's image of integrity, it also brought widespread sympathy from the public. Compared with other corrupt officials at all levels, Bo Xilai's corruption is not at the same level.

People's sympathy for Bo Xilai is all the more important because he has implemented a series of reform measures in Chongqing that have won the hearts of the people, while the senior officials who have implemented this improvement have been sentenced to imprisonment. Some leftist people even saw Bo Xilai's reforms as a hope for the 'revival' of socialism, and saw him as the leader of the left. This trend of thinking is also the basis for the authorities' labelling of Bo Xilai as a “remnant of the Cultural Revolution”.

But Bo Xilai was not the only one who promoted reforms. Hu and Wen<sup>2</sup> also promoted a series of more extensive reforms during their tenure, such as abolishing agricultural taxes, formulating, implementing and gradually raising the minimum wage standard, building low-cost housing on a large scale, implementing the New Rural Cooperative Medical Insurance and social security, etc. These "people-friendly" measures are nationwide, more powerful, and more supported by the people. So how do we explain why, on the one hand, social contradictions are becoming more and more intensified, while on the other hand, the rulers at all levels are vigorously promoting various reform measures? Is it the intensification of contradictions that forces the rulers to ease the contradictions through reforms, or are the rulers sincerely concerned about the suffering of the people and doing their best?

This is the question of how the left should view the nature of these reforms and their driving forces. To answer this question, we must recognize the relationship between welfare, power and ability.

Our standard for evaluating the quality of reform cannot simply be to see how much the masses benefit, because there are differences between short-term and long-term benefits, between local

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<sup>2</sup> Hu Jintao (born 21 December 1942) was the general secretary of the Chinese Communist Party (CCP) from 2002 to 2012, the president of China from 2003 to 2013, and chairman of the Central Military Commission (CMC) from 2004 to 2012. During his term in office, Hu reintroduced state control in some sectors of the economy that were relaxed by the previous administration, and was conservative with political reforms. Along with his colleague Chinese premier Wen Jiabao, he said he would improve socio-economic equality domestically through the Scientific Outlook on Development, which aimed to build a "Harmonious Socialist Society" that was prosperous and free of social conflict. Wen Jiabao was Premier of China from 2003 to 2013. He reduced agricultural taxes and some of the restrictions on migrant workers, and became a popular “Grandpa Wen” figure when he visited the devastating 2008 Sichuan earthquake within hours of it happening.

and global benefits, and between superficial and fundamental benefits. In addition, we must also recognize that if the people do not have the power to defend their own interests, the existing welfare will not be preserved; and if the people do not have the ability to defend their rights, the existing rights will also be lost. Therefore, for their own welfare, the people must fight for their own power, and to fight for their own power they must cultivate their ability to fight for power. Among the three of welfare, power and ability, the most important is the ability of the masses to defend their own rights. Only with ability can there be power, and only with power can there be welfare.

**Therefore, the standard for evaluating the quality of reform is to see whether the people, especially the working class, who make up the vast majority of the population, have improved their class consciousness, strengthened their organizational ability, expanded their class ranks, and enhanced their combat effectiveness. In other words, the standard for judging the quality of any social phenomenon, thing, or event is whether it is conducive to improving the revolutionary nature of the masses.** This is the basis for distinguishing true and false Marxism-Leninism-Maoism, this is the correct standard for us to view and evaluate the nature of reform, and this is the core of the mass line. Chairman Mao said, "The people, and the people alone, are the motive force behind the making of world history." Once the people rise up, they can change the world, and only when the people rise up can they change the world.

If a reform is the result of people's struggle, even the smallest victory is worth celebrating (such as the rights protection movement for migrant workers' schools in the suburbs of Beijing), but why should we thank the rulers? If a reform is implemented by the ruling class out of its own interests (such as universal higher education), a part of the people only temporarily benefited, why should we thank the rulers? They plundered the people's wealth ten times, and only returned less than one half of the stolen goods, and the people should be grateful to them like slaves?

As long as the people cannot see the purpose of a certain reform, then this "reform" is either deceptive, not for the benefit of the people, nor a return to our rights. Therefore, it is not worth celebrating the "wisdom" of those who implement the "reform", but only welcoming the implementation of these reforms.

Many improvements are often the result of people's struggles. For example, the exemption of the agricultural tax in China was the result of a wave of tax protests by Chinese peasants more than a decade ago, which greatly increased the cost of tax collection and forced the government to exempt a tax that did not pay for itself. For the tax resisters, it was clear that the exemption was the result of their struggle, but the farmers who resisted the tax were in the minority, and the majority of them took advantage of the tax resisters. Due to the control of public opinion, they often believed the official propaganda that the exemption of agricultural tax was a gift from the government, so they were thankful for the 'wisdom' of the regime again and again.

**It can be seen from this that we can only talk about the progressiveness of reforms on the basis of raising the class consciousness, organizational ability and militancy of the people, that is, on the basis of raising the revolutionary nature of the people.** All reforms that do not help raise the class consciousness, organizational ability and militancy of the people can only be deceptive reforms, reforms that may be withdrawn at any time, and reforms that give benefits but not rights. With class consciousness, organizational ability and militancy, what was not available before can be won; without these characteristics, what was already available will also be lost. Just like the so-called "war on poverty" launched by the US authorities in 1964 to gain the support of the people for the war of aggression against Vietnam, 50 years have passed, and the "results" are very few. It is a complete scam. If the people cannot see the purpose of these "reforms", then the deceptiveness of the regime

will increase. Especially in China, "reforms" from top to bottom often increase the people's illusions about the "saviour" rather than their confidence in their own liberation.

## **2. A prominent manifestation of the confusion in leftist thought is the prevalence of the heroic view of history**

From people's admiration for Bo Xilai, from their pursuit of the 'Chongqing model' and their praise for 'singing red and fighting black', we can see several problems. On the one hand, the development of capitalism in recent decades has made the people at the bottom of the social ladder increasingly dissatisfied with their present situation and increasingly nostalgic for Chairman Mao and the era of Mao Zedong, and thus all kinds of activities commemorating Mao Zedong and praising the era of Mao Zedong have become more and more commonplace, thus forcing the authorities to make use of Mao's aura to bolster the legitimacy of their own rule. On the other hand, it also reflects that the heroic view of history has deep roots among the people. **We can see from the enthusiasm of the pro-Bo faction that they thought that the nature of a regime was determined by the character of a leader, that the 'revival' of socialism was to be accomplished by a certain hero, and that they repeatedly hoped for the emergence of a hidden or suddenly awakened true communist within the ruling party to change the ruling party's line and the future of China.** They can be called the leftists.

**These leftists and the pro-poor camp do not understand, do not realise or are unwilling to admit that the nature of a regime is determined by the nature of the class that occupies the dominant position, rather than by a certain individual.** Although they seem to analyse this and that all the time in Marxist-Leninist-Maoist terms, in fact, they do not understand the basic principle of Marxism-Leninism-Maoism, that is, 'power is a tool of class suppression'. The power held by the head of the regime is actually given by the ruling class. The majority of the working class is often deluded by the ideology and ideology of the exploiting class of thousands of years, and even in the era of Mao Zedong, the class consciousness and sensitivity of the working class was not very strong; in contrast, the class consciousness of the bourgeoisie is extremely sensitive. Once they find that their interests have been jeopardised, they will not hesitate to deal with their political opponents, not to mention the fact that the person in power is not one of them, and they will immediately resort to dismissal, assassination or a coup d'état to get rid of the class dissidents. Therefore, those who expect the emergence of a deep-rooted or suddenly awakened genuine Marxist-Leninist-Maoist within the ruling party are absurd, and they have a kind of imperialistic thinking that the nature of the regime is determined by the person at the head of the party. In fact, the top echelons of the ruling party know figures like Bo Xilai much better than the ordinary people. If he is really a Marxist-Leninist-Maoist at heart, even if he succeeds in hiding his true thoughts and eventually becomes the head of the party, once the ruling class discovers his true colours, he will not be able to stay in power for a single day, and dismissal, assassination or a coup d'état will be his fate.

The heroic view of history is an idealistic view of history common to all exploiting classes. Since the ideology of the ruling class is the dominant ideology in every era, it is not surprising that the majority of the masses accept the heroic view of history. But those comrades who call themselves Marxist-Leninist-Maoists and who are quite thin-skinned actually believe in the heroic view of history. We have not seen any of these comrades looking at the issue from the point of view of the people's class consciousness, organisational ability and combativeness, nor have we seen any of these comrades analysing how the people of Chongqing have improved their class consciousness, organisational ability or combativeness during the 'improvement' campaign led by Bo Xilai. Leaving this criterion aside, the unprincipled touting of Bo Xilai and his reforms will only strengthen the people's illusions about the 'clean officials', their worship of the 'saviour' and their trust in the old system. This will not do any good to the people. It will only weaken their fighting spirit and actually serve the ruling class.



The mistake of those who support Bo Xilai is that they do not understand what is the driving force of history. They believe that history is created by the rulers. However, throughout history, the ruling class has always been a defender of vested interests, and therefore is conservative and reactionary. The people's resistance to the ruling class, whether it is to force the ruling class to make concessions or to overthrow the existing system, has promoted social progress. If you want to change society, you must "awaken the masses." Only when the people rise up can you transform society.

**In the process of making history, the people will create their own leaders. Who becomes a leader is accidental, but the emergence of leaders is inevitable. None of these leaders will be separated from the people, but the people will continue to struggle without a leader. The shorter the span of history, the more important the role of the leader.** In a specific battle, the level of the commander can be decisive. Therefore, the level of leadership temporarily affects the efficiency of the people's struggle, temporarily affects the speed of the people's creation of history, but in the long run of history, the role of leadership is not significant. There are plenty of leaders. When one dies, another will immediately emerge. Before 1949, if Mao Zedong had not been there, Ma Zedong would have appeared, and if Ma Zedong had not been there, Wang Zedong would have appeared. The Chinese revolution would have continued, but it would have taken more detours. Similarly, if there had not been Marx to reveal the laws of capitalist society, there would have been Li Kesi<sup>3</sup> to do so. If there had not been Einstein to discover the theory of relativity, there would have been other Steins to do so. Comparing the Chinese revolution with the Indian revolution, India did not have Mao Zedong, but it also drove out the British colonists, it also developed its own economy, and it has also come to this day, but it has not been as thorough as China in its anti-feudal path, and its future is not as bright as China's. At the same time, the Indian revolutionaries did not leave as much experience and lessons as Chairman Mao for the revolutionary cause of the world proletariat.

The restoration of capitalism in China also proves the bankruptcy of the heroic view of history. Even if Chairman Mao had lived for a few more decades, he could at best have postponed, but hardly averted, this capitalist restoration. One of the reasons for this is that in the early days of liberation, no distinction was made between the bourgeois right that should be retained and the bureaucratic privileges (a special form of bourgeois right) that should be abolished<sup>4</sup>. As a result, the bureaucratic privilege system of "getting rich when promoted and losing money when dismissed" that was restored in the mid-1950s created a large number of capitalist-roaders who defended bureaucratic privileges and opposed mass supervision. Based on their worldview, these people always use capitalist methods to solve problems that arise on the road to socialism. This is the origin of the term "capitalist roaders". When the advanced elements of the working class and leaders like Chairman Mao realized the harmfulness of this privileged class, it was too late. The capitalist roaders had already formed a new ruling class (but without the formation of this class, Chairman Mao would not have recognized the capitalist roaders. This is the epistemology of dialectical materialism. Otherwise, the view that the characteristics of the capitalist roaders can be known before they grow and become strong is an idealist a priori theory).

Because of the formation of this new class, even if Chairman Mao had known about this class at that time, he could not change the outcome of capitalist restoration. These capitalist-roaders used all

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<sup>3</sup> Marx's surname in Chinese has three characters pronounced Makesi. The author substitutes another character for the first part of Marx's surname, turning it into Li Kesi in the original.

<sup>4</sup> The concept of bourgeois right as the necessary continuation of some left-over remnants of capitalism, like a differential wage system, into the socialist transition phase was outlined by Marx in the Critique of the Gotha Program. For a reflection on the struggle against bourgeois right during the Cultural Revolution, see pages 14-34 here: [AC+2022+Autumn.pdf \(cpaml.org\)](http://cpaml.org/AC+2022+Autumn.pdf)

kinds of tricks to maintain and consolidate their privileged status. Sometimes they waved the red flag to oppose the red flag, sometimes they pretended to obey but secretly disobeyed, and sometimes they used the old habits and old ideas among the masses to incite the masses to fight against each other. During the Cultural Revolution, they turned the semi-independent mass organizations that were originally used by the masses to effectively supervise the leaders at all levels into tools for factional fighting, armed struggle and pushing for all-out civil war. Due to their superb organizational ability and class consciousness, they effectively controlled the hearts of the people, the party and the army. If Chairman Mao were still alive, they would either sideline him sooner or later, assassinate him, or stage a naked coup. To change this outcome, it would not work if there were only a few leaders who were conscious, but not the broad masses of the people. And it is difficult for the majority of the people to be conscious without experiencing the restoration of capitalism. This is the dialectics of history, that is, one cannot learn from one's mistakes.

What we mean when we talk about 'heroic history' and 'people's history' is who we rely on to change society today. **Those who hold a 'heroic view of history' see their task as nurturing, transforming, or persuading the minds of the dominant elites, who are the ones who will move history forward. Those who hold the 'people's view of history' think that their task is to reform the people's thinking, to liberate them from the shackles of bourgeois ideology, and to make them realise their own power and their own historical mission.** When the people rise up, China will be saved. The former places its hope in the elite, the latter in the people. This is the fundamental difference between the two.

**Thirdly, the main manifestation of the Left's ideological confusion is its inability to distinguish between friend and foe.**

Who is the enemy, who is our friend, and who is our ally? This is obviously a "primary question of revolution." We should analyse the current situation in China according to the viewpoint of Marxism-Leninism-Maoism, that is, from the analysis of the various classes in Chinese society and the qualitative nature of Chinese society, to distinguish between enemies, friends, and allies. The "enemy" should be the bourgeoisie in power in China, that is, state-owned capital and private monopoly capital; the "our friends" should be the working class that accounts for the vast majority of the Chinese population; and the "allies" should be the rest of the petty bourgeoisie, and may include small and medium-sized capitalists squeezed by monopoly capital. The latter two, that is, "friends" and "allies", are the Chinese people with the working class as the main body, while the former are the enemy of the people.

The method of class analysis is the fundamental method for analysing all social problems. However, from a large number of leftist online articles, we often see views that are far from this analytical method. From these articles, we see the confusion between enemies and friends, the prevalence of idealist historical views, the arrogance of elite thinking, and the stubbornness of left-turn theory. We see that some people are high-spirited as Bo Xilai's reputation improves, but become depressed and even discouraged with Bo Xilai's downfall, and have to look for other saviours, backers, and supporters behind the throne.

So who is Bo Xilai? Is he a member of the ruling class or a leader of the people? Does it matter to the people whether he is clean or not? Was his trial a case of injustice or a dog-eat-dog struggle within the ruling class? What is the root cause of these leftist differences? Are they caused by opportunists and revisionists who are flexible in principle, or by dogmatists and fundamentalists who are not flexible in strategy?



In the author's view, the problem lies in the criteria we use to distinguish between right and wrong, to assess whether things are good or bad, and to identify key government officials. A representative criterion here is whether an official is clean, whether he is thinking of the people, whether he is implementing policies that benefit the people, and whether the people are benefited. By this standard, Bo Xilai is more like a clean official (or even if he is a bit corrupt, it is worth it), a leader of the people, and the trial of Bo Xilai was an unjust case.

However, this non-class criterion seems to be entirely on the side of the people, but it is actually not. **It is merely 'thinking for the people' or 'doing something for the people'. It is still an elitist idea, and it is still placing hopes on a wise ruler and a saviour.**

Those who hold this non-class criterion do not understand, do not realise or do not want to admit that corruption is the act of a lackey who serves his master to get more for himself, but how the master spends his money is never part of corruption. In both feudal and capitalist systems, it is only natural for the ruler to appropriate the fruits of labour without compensation, and this is not an act of corruption. For example, the spending of personal property by emperors, landowners and capitalists has never been counted as an act of corruption. Therefore, the rulers of all times opposed the 'corrupt' behaviour of servants and lackeys who took advantage of their masters. Feudal emperors fought against corruption and the 'excessive' private gains of their subordinates, servants and lackeys, which were detrimental to the interests of the royal family. Chiang Kai-shek fought against corruption by opposing his henchmen from being greedy for themselves, thus defeating the major cause of anti-communism. In the United States, the bourgeoisie fought against corruption, opposing government officials who were employed by capital to make money for themselves. In the era of the Reform and Opening of China, it was also said that corruption should be combated, but the privatisation process carried out over the past 30 years is in fact the greatest corruption of all; it has transformed enterprises originally owned by the whole nation to be privately owned or owned by the ruling groups, and the status of the people has been changed from that of masters to that of exploited and oppressed persons, thus creating the biggest case of corruption in the history of China! Only the campaign against corruption in the Mao Zedong era, which prevented the people's servants (cadres) from seeking private gains and safeguarded the general interests of the working people, was a meaningful and genuine anti-corruption campaign. It was precisely because the working people were the masters of their own house that the anti-corruption campaign of that time could be carried out from the bottom up by trusting, relying on and mobilising the masses. Other ruling classes have never been able to fight corruption through mass movements, but can only be a top-down rectification of the behaviour of disloyal subordinates or a means to deal with political opponents.

The phenomenon of official "corruption" in China is mainly caused by the uneven distribution of spoils within the ruling group. The authorities cannot truly fight corruption, they can only "fight corruption" in a targeted and selective manner. Their fight against corruption is merely a means of punishing political opponents. A truly ambitious ruler will not focus on small gains. He wants to be the emperor, the superior, and of course he will look down on the villains who are obsessed with money. Therefore, we cannot regard integrity as a criterion for measuring the quality of rulers. Under the conditions of the bourgeoisie in power, if we are stupid enough not to raise the slogan of opposing private ownership, but only raise the slogan of anti-corruption, we are really loyal to the royal family, worrying about the rich, and serving the rulers. We count the money for those who betray us, for fear that they will cheat us!

Why don't we **check all the rulers of all dynasties and have they not claimed to be "caring for the people"**? Hasn't history proved that only by mobilizing and arousing the people and letting them rise up to defend their rights can we truly be people-oriented?

Therefore, **we must use the revolutionary standard of whether the people's class consciousness, organizational ability and combativeness have improved to look at the problem.** This standard is a magic mirror. Any nonsense of the left-wing faction, the royalist faction, and the “characteristics” faction will be exposed as long as they are compared with this standard.

For the people of the “characteristics” faction, we should not only look at what they say, but also what they do and what they avoid. On the surface, they can accept and even promote the Marxist criticism of private capitalism, because they promote state capitalism. But they never mention the question of how the masses can be the masters of their own affairs, nor do they talk about how the working class can organize to safeguard their rights. The predecessor of the “characteristics” faction, the capitalist-roaders during the Cultural Revolution, also avoided the question of the masses being the masters of their own affairs.

Under the present conditions of a serious blockade of leftist public opinion, some comrades are pursuing the so-called ‘Chongqing model’, which, to put it positively, is an attempt to make use of the contradictions within the ruling class to criticise the main policies of the authorities. This kind of thinking and practice is understandable. However, if this kind of pursuit goes too far, it will go to the opposite direction, and if they can't distinguish between ‘Xi'an’ and ‘Yan'an’, they will become the accomplices of those who are in power in the “characteristics” faction, as if under the leadership of Bo Xilai, Chongqing was a “liberated area”! Some of our comrades who support Bo have become irrational in their admiration for him. Obviously, the conditions for attracting investment in Chongqing under Bo Xilai's rule are more favourable to foreign investment than those in other places (e.g., Chongqing's special management zone for international offshore cloud-computing data is China's only specially-approved cyberbase that is not subject to official monitoring), or are more ‘traitorous’ according to the standards of narrow-minded nationalists, but these comrades say that this is the result of Bo's brilliance. The fact that Wang Lijun, a close associate of Bo, went straight to the United States Consulate when he was in trouble is, in the eyes of these comrades, also a result of the conspiracy of the United States empire and the ‘traitors’.

Or else it is said that the Chinese people are too kind and too easily fooled, especially those naive leftists. When the politicians in the system, who are part of the ruling class, say a few words that they like to hear and do something they like to do, they are in tears, thinking that ‘socialism is revived’. If a politician as eloquent as Barack Obama were to appear in China, these comrades would be in heaven, and the communism they hope for would not be far away.

We have to ask: During Bo Xilai's administration, did the people of Chongqing improve their class consciousness, strengthen their organizational ability, expand their class ranks, and enhance their combat effectiveness? The answer is obvious: No, absolutely not!

But some of us insist on treating Bo as a national hero and a figure like Chavez. This view is based on a completely wrong judgment of the situation. China is not an ordinary third world country like Latin American countries, but a rising industrial power. Some comrades hope that a figure like Chavez will appear in China. In essence, they still advocate the theory of the second revolution, thinking that the current Chinese revolution has an independent anti-imperialist task and stage, without seeing that China's capitalism has inevitably developed in the direction of social-imperialism due to its internal logic of development.

Therefore, just after the curtain has come down on what was supposed to be a farce of factional struggles within the ruling class, some of our people have become obsessed with it and have thrown themselves into it with all their might. If we use the criterion of whether or not this farce has

enhanced the class consciousness, organisational ability and combativeness of the masses, how much doubt do we still have?

**In fact, Bo Xilai's downfall was due to the fact that in order to realize his political ambitions, Bo did not hesitate to shake the delicate balance between different gangs within the ruling class. He adopted the methods of Western politicians and tried to boost his popularity in official circles by deceiving the people. As a result, he undermined the unwritten rules for official promotion within the state-owned capital group, and was therefore judged and punished by the upper echelons of this group.**

However, some of our hardcore royalists do not understand this reasoning, and they have been patting this "characteristics" faction on the back without any hesitation, but they have always just slapped the horse's arse.<sup>5</sup> They have done Bo Xilai a disservice by giving the constitutional camp opposing Bo Xilai the label of 'remnants of the Cultural Revolution' to put on Bo's head.

The leftists who support Bo Xilai believe that there are so-called "healthy forces within the party" like Bo Xilai within the ruling class of the bourgeoisie in China today. From which class standpoint are they looking at the problem? On the one hand, they believe that the ruling class of China is weak and incompetent and has become hopelessly corrupt. On the other hand, they regard those forces within the ruling party that are committed to the rise of Chinese capitalism, promoting the so-called "great rejuvenation of the Chinese nation", and striving to compete with the world powers as "healthy forces within the party" and the so-called "traitors" as the main enemy of the people. Consciously or unconsciously, they expose their bourgeois narrow nationalist standpoint. These people ignore the two-sided nature of the rising nationalist sentiment today: it has both anti-imperialist indignation and hegemonic arrogance. The simple nationalism among the masses is anti-imperialist, but for the sake of the rise of Chinese capital, these so-called "leftists" do their utmost to assist the ruling class in inciting the hegemonic arrogance of nationalism. This is the essence of narrow nationalism.

Now that Bo has collapsed, these 'pan-leftists' have begun to embrace a new group of so-called 'second-generation reds'.<sup>6</sup> These people always keep their eyes on the internal struggles of the ruling class. If this kind of concern comes from 'knowing one's enemy and knowing oneself', that is to say, if it comes from the hope of identifying the contradictions that we can make use of in the internal struggles of the bourgeoisie, so as to create room for the workers' movement to survive and the conditions for it to rise to prominence, then this kind of concern is necessary and indisputable. However, these people do not see and act in this way. On the contrary, they always try to find a ray of light within the ruling class, a ray of hope, a possibility of a 'left turn' of the ruling group, ignoring the fact that the bourgeoisie came to power more than 30 years ago, failing to see the significance of a China that has risen up after the rule of capital in today's imperialist world, and failing to or unwilling to recognise the fundamental difference between hegemony and counter-hegemony. They do not realise or are unwilling to admit the fundamental difference between fighting for hegemony and fighting against hegemony. They have reversed right and wrong, confused black and white, regarded the enemy as their friend and us as their enemy, and accused the people who oppose the authorities

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<sup>5</sup> "Slapping the horse's arse" is a Chinese idiom that originated with the Mongols. When appraising each other's horses, they would pat the rump of a well-fed horse to show their appreciation of it. Eventually, to flatter each other, they would pat the backside of any horse, regardless of its quality. In time the expression came to mean sycophancy, or false flattery designed to win favours.

<sup>6</sup> The second generation of the reds, referred to the children of senior Party cadres with an administrative level of 13 or higher. They were also referred to as the 'princelings'. Both Bo Xilai and Xi Jinping are representative of this group.

of being a “leftist leading the way Party”.<sup>7</sup> Some of them claim that they are incapable of any solidarity with the democratic revolutionaries, and instead harbour hopes for the leading figures of state capital. They are a million miles away from the current working class struggle!

**Fourthly, another manifestation of the left's ideological confusion is its inability to recognise the essential difference between a united front and the exploitation of contradictions.**

At present, many of those who are pursuing the so-called ‘healthy forces within the Party’ are always talking about a ‘united front’, and those who do not share their views are often labelled as ‘ultra-leftists’ and ‘fundamentalists’, not realising that there is a fundamental difference between a united front and the utilisation of contradictions.

The idea of a united front starts from an analysis of the main contradictions. It is precisely because the main contradiction in Chinese society is between the working class and the bourgeoisie that any other class that has a conflict of interest with the main aspect of the main contradiction (i.e., the bourgeoisie) may become a member of the united front. On the contrary, factional struggles within the bourgeoisie do not fall within the scope of a united front. We must not confuse a united front with the exploitation of conflicts. The former is for allies, the latter for enemies. **The common interest based on class analysis is the starting point for the former. The aim of the latter is to divide and destroy.**

To form a united front, there must be a common programme acceptable to all parties based on common interests, and all parties must make concessions. If the so-called ‘healthy forces within the party’ refer to party members in general, then they are generally powerless, not part of the ruling class, and are unlikely to be pursued by these ‘leftists’. If the ‘healthy forces within the Party’ refer to the powerful people in the ruling party and the part of the ruling group within the Party, then what are the common interests of the Chinese working class and the so-called ‘healthy forces within the Party’ in dealing with the major contradictions in Chinese society? What is their common programme? What concessions have these ‘healthy party forces’ made to the people? What concessions have they made to the rise of the Chinese working class? What interests of state capital have they opposed? The contradiction between those in power and the people can only be a contradiction between enemy and self! **Here, the working class has only the opportunity to make use of the contradiction, not to seek the skin of the tiger.**<sup>8</sup>

It is only within the people, between the working class and the petty bourgeoisie, that it is necessary and possible to build a united front. At one time, this united front may even include small and medium-sized capitalists such as small business owners who are being suppressed by the monopoly oligarchy. The building of a united front between the working class and the petty bourgeoisie will be a long-term task. Although the petty bourgeoisie is constantly being suppressed or eliminated by monopoly capital and the oligarchs, the development of science and technology tends to create new groups of petty bourgeoisie. The task of uniting and transforming the petty bourgeoisie will continue for a long time, and so will the maintenance of the united front. This is fundamentally different from the exploitation of contradictions.

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<sup>7</sup> The “leftist leading the way Party” was a faction that was criticised by the so-called Maoist website, Utopia, back in 2011 for essentially being “left in appearance, but right in essence”, and serving imperialism. For Chinese readers, see for example [左派与带路党 - 乌有之乡 \(wyzxwk.com\)](http://wyzxwk.com).

<sup>8</sup> “Seeking skin from the tiger” is a Northern Song Dynasty idiom which means consulting the tiger for its skin, which is a necessity for the tiger's life, and of course it refuses. Therefore, “seeking skin from the tiger” is used as a metaphor for the conflict of interests between the plotter and the other party, and nothing will come of it.

In the case of an ally, we have both the hope and the possibility of reforming him rather than destroying him, but in the case of an enemy there is no possibility of reforming him, only of exploiting the conflict in order to destroy him sooner or later. This is the essential difference between the two. For example, during the War of Resistance, the Communist Party still hoped to transform Chiang Kai-shek's Guomindang from a passive resistance force to an active resistance force through education, rather than destroying the Guomindang during the War of Resistance. There was no such possibility of educating and reforming the Japanese imperialists.

It is very dangerous not to be able to distinguish between the exploitation of conflicts and a united front. When Chairman Mao analysed why the Red political power was able to survive in the 1930s, he emphasized that the warlordism in China at that time gave the Red Army the possibility of exploiting contradictions, thus creating room for its own survival. At that time, the Red Army had never been and would never be so stupid as to help one warlord to fight against another, especially not to help a stronger warlord to destroy a relatively weaker one so as to make the former stronger. It is impossible for the Red Army to form a united front with any warlord. On the contrary, if possible, they will provoke one warlord to fight another. This is called exploiting conflicts! One of the reasons why Chairman Mao was able to save the Red Army was because he was an expert in exploiting the internal contradictions of the ruling class.

The contradictions between Wen<sup>9</sup> and Bo, just like the contradictions between the warlords in those days, are entirely internal contradictions within the ruling class, which the working class can make use of to expand its own room of survival. If we deny the sharp contradictions between them, then we will lose the opportunity to make use of them, and we will make the leftist mistake of attacking on all sides, to the detriment of the people's organisational capacity and combativeness. If the rulers want to 'sing red', we can sing revolutionary songs from the Maoist era and songs reflecting the current workers' struggle, and in this way raise the people's class consciousness and understanding of the current regime; if the rulers want to "fight the black", we can mobilise the masses to oppose those who default on wages and violate the labour laws.

But it is **totally impossible for us to extend the contradictions between the ruling classes to the point where the proletariat can form a united front with one of its parties.** That would be class capitulationism, and we would be committing the mistake of right-leaning opportunism, which would undermine the people's class consciousness and fighting strength. No matter how acute the contradictions within the ruling class may be, they are both staunch defenders of private ownership. At the same time, both sides use the proletariat to attack the other side, but none of them is so stupid as to make substantial concessions to the proletariat in order to defeat the other side and gain the support of the people. On the contrary, if we are so stupid as to try to form a 'united front' with one of the parties (e.g., after New Year's Day 2013, some 'leftists' went so far as to show their solidarity with the authorities in their sanctions against the Southern Weekend)<sup>10</sup>, we will only become a gun to be used by the other party in their struggle.

(1) The left's ideological confusion is centred on judging the situation at home and abroad from a point of view that departs from class analysis.

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<sup>9</sup> See note 1.

<sup>10</sup> A struggle broke out over the editorial line of the bourgeois liberal Southern Weekend newspaper on account of draft of its New Year Special feature article. There was initially an advocacy of "constitutionalism" as a brake on the authority of the Party, and then various attempts to use new leader Xi Jinping's advocacy of the "Chinese Dream" to achieve the same end. The Party overruled the editors giving the US imperialists an opportunity to criticise China for clamping down on "freedom of the press".

Without a correct class analysis, it will be impossible to identify friend and foe - what Chairman Mao called 'the primary problem of the revolution'. At the same time, without a correct characterisation of the nature of society based on class analysis, the revolution will not have a clear direction. Without a clear understanding of these two issues, it will be impossible for us to have a correct understanding of the main contradictions in society and of the current situation at home and abroad, let alone to talk about a correct path for the revolution. The reason why we have to look at issues from the perspective of class analysis is that we live in a class society (the existence of state violence is evidence of this), and we cannot analyse all social phenomena without looking at the issues of class interests and class struggle, and therefore we have to look at all social phenomena from this perspective. This is a fundamental viewpoint of the historical materialism of Marxism-Leninism-Maoism. Those perspectives which are detached from class and class struggle, such as analysing the system, designing the constitution, pursuing democracy, and so on, fail to see the root of the problem. Such perspectives, which are detached from class and class struggle, are either ignorant or deceptive. For example, whether it is just or unjust for wolves to eat sheep depends entirely on whether we are wolves or sheep. For example, aliens don't care whether we are productive or not, just as we don't care which side of a fight between different ant nests in a field is just. In a class society, human beings are class-based, and there is no abstract humanity in social conflicts.

Many of the statements currently in vogue are intentionally or unintentionally based on an obliteration of class positions: the need for social development (why then does the bourgeoisie not sacrifice its own interests?), The need to keep abreast of the times (not to mention the revolutionary or counter-revolutionary 'times'!), the need to be in tune with the times (but to choose only those times which are in line with the regime in power). What is the need to make the country strong (there are still rulers who don't want to see their countries strong!) What is the need to put people first (are there any dog-oriented people?), What is human nature (is it that of Huang Shiren or that of the White-Haired Girl?)<sup>11</sup> What is the rejuvenation of the nation<sup>12</sup> (is it under the banner of Marxism-Leninism-Maoism or social imperialism?), and so on. In fact, these are all lies. Only Marxism-Leninism-Maoism reveals to us that only the position of the proletariat is the hope of mankind. This is not only because the proletariat is now the majority of the population, but also because its interests represent the future of humanity.

It is precisely because many leftists have departed from the method of class analysis in their analyses of the current situation that many wrong judgements on the internal and external situations have emerged. For example, some say that China is now a feudal society, some say that China is in danger of being turned into a colony, some say that China is still more or less a socialist country, some say that China's present state capitalism is a form of regime superior to private capitalism, some regard the ruling state-owned capitalist groups as a 'healthy force' in Chinese society, and some worry that the 'public' economy accounts for a large proportion of the country's total population. Some see the ruling state-owned capitalist groups as a 'healthy force' in Chinese society, while others worry about the decline of the 'public' economy as a percentage of the national economy. Few people see China as a rising capitalist power ruled by state-owned capitalist groups, which by the inherent logic of capitalist development is inevitably moving towards social-imperialism, let alone recognising that the central force leading China's capitalist rise and its move towards imperialism is precisely the state-

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<sup>11</sup> Huang Shiren is a landlord bully in the revolutionary opera *The White-Haired Girl*. One of his tenant farmers cannot repay the debts he owes Huang, so he is forced to sell his daughter Xi'er. She escapes and lives as a "ghost" at a local temple. Her hair turns white with sorrow. She is discovered by soldiers of the Eighth Route Army and joins them to liberate her village.

<sup>12</sup> Xi Jinping claimed the "rejuvenation of the Chinese nation" as a principal policy objective.



owned capitalist groups, and that the state-owned capitalist groups are the most vicious enemies of the Chinese working class.

## (2) Roots of ideological confusion on the left

The root cause of the Left's ideological confusion is its class nature. Class here has two meanings.

One is the class status of the leftists themselves, and the other is the bourgeois worldview in the minds of the leftists. In terms of their class status, the petty-bourgeois 'leftists' within the leftists who claim to be Marxist-Leninist-Maoists are in the dominant position (including some leftist bigwigs, who can only be regarded as petty-bourgeois as far as their social status is concerned), and these people, if they fail to reform themselves intentionally and regularly, can only be the tail of the petty-bourgeois masses. This is most obvious among the pro-Bo group.

In addition, the erosion of left-wing consciousness by the currently dominant bourgeois ideology is also the social root of their ideological confusion. Therefore, many people do not start from the historical materialism of Marxism-Leninism-Maoism. They consciously or unconsciously like to use the viewpoints of historical idealism and metaphysical methods to look at problems, which is manifested in elite views and pragmatism. For example, they place their hopes on "honest officials" and the so-called "healthy forces within the party", and place the standard for defining true and false reforms on the amount of benefits gained by the people. They believe that the future of the people can only be determined by the efforts of "reform", and they avoid the issue of ownership and talk about taking the road of "common prosperity" (without touching the premise of ownership, the slogan of "common prosperity" put forward by the rulers is a deceptive slogan, and it is not even a reform, just like the "win-win situation between labour and capital" achieved through labour-capital contracts and the "win-win situation between landlords and tenants" achieved through leasing relations that the exploiting class has repeatedly emphasized. These are typical reflections of idealism, heroic historical views and metaphysics, and they are all contrary to Marxism-Leninism-Maoism.

We firmly believe in Marxism-Leninism-Maoism because it is a science and an immensely powerful ideological weapon for understanding social contradictions, grasping the objective laws of social development, and transforming society, not because we are blind admirers of the doctrine. In the past century, revolutionaries under the guidance of Marxism-Leninism-Maoism have launched the October Revolution, created a socialist camp which accounts for one third of the world's population, and launched the unprecedented Cultural Revolution which attempted to make the working people the masters of their own house. **The subsequent failure of these revolutionary practices does not prove the absurdity of this theory. On the contrary, it proves not only the immaturity of the mass of workers as a new force for changing history, and the fact that the masses have not yet grasped this truth universally, but it also reflects the fact that the revolutionaries (i.e., the vanguard of the proletariat), committed to the smashing of the old world and the creation of the new, did not have a sufficiently deep understanding of Marxism-Leninism-Maoism, and did not thoroughly implement this science.** Just as the various setbacks experienced by people in the early days of building cars, aeroplanes and spaceships do not prove that people's understanding of the laws of nature in the last hundred years has been wrong, every success story proves that people's understanding of the laws of society and nature has made a revolutionary leap, while every setback in revolutionary practice, every crash of an aeroplane and the destruction of a spaceship only proves that people do not have a deep enough understanding of the objective laws to guide their practice.

Therefore, we can say that the reason for the current confusion in left-wing thinking lies in the fact that many self-proclaimed Marxist-Leninist-Maoist revolutionaries have not really grasped Marxism-Leninism-Maoism, and have not taken it over, digested it, incorporated it into their own blood and consciously applied it. These people are actually more like scholars of Marxism-Leninism-Maoism. Just as literary researchers do not necessarily know how to write, military researchers do not necessarily know how to fight wars, and religious researchers do not necessarily believe in religion, these scholars of Marxism-Leninism-Maoism are not necessarily Marxist-Leninists. They are very knowledgeable about the doctrines of Marxism-Leninism-Maoism, and they are very eloquent in their speeches, but they often either talk on paper or mechanically apply Marxism-Leninism-Maoism, but when they come up against the specific problems of China, the basic principles of Marxism-Leninism-Maoism are lost, and thus so are the positions, viewpoints and methods of Marxism-Leninism-Maoism. When they analyse problems, they either do not start from the standpoint of class and class struggle, or they do not look at problems from the viewpoint of historical materialism, or they do not analyse contradictions using the methods of dialectical materialism, and their conclusions are often contrary to Marxism-Leninism-Maoism.

In order to restore the true face of Marxism-Leninism-Maoism, and in order to clear up the above confusion in leftist thinking, it is necessary for us to seriously discuss in a series of articles what classes exist in Chinese society, what is the nature of Chinese society, what are the main contradictions in Chinese society, what is the relationship between the rise of capital in China and the system of globalised capitalism, and the path of the Chinese revolution, and so on.

## **On the rise of "characteristic" capital and the path to the re-liberation of the Chinese working class**

### **Part 2: Analysis of various classes in Chinese society**

#### **Chapter 2 The ruling class in China today is the bourgeoisie headed by state-owned capital**

On the most basic question of what classes are present in Chinese society today, the left is still divided.

(I) The division and analysis of the three major classes of China: the working class, the petty bourgeoisie and the bourgeoisie According to the Marxist-Leninist-Maoist class analysis method based on production relations, the three major classes in Chinese society are:

1. The working class, which accounts for the vast majority of the population. Because they do not own the means of production or own a small amount of land that is not enough to make a living, they have to sell their labour as their main source of livelihood. Within the working class, there are workers in state-owned enterprises and private enterprises, industrial workers and service workers, regular workers, contract workers, temporary workers and dispatched workers, high and low technical content, etc. A more specific and scientific classification requires a lot of investigation and research.
2. The petty bourgeoisie, which is much smaller than the working class, such as self-employed individuals, freelancers, and small business owners. Because they own a small amount of means of production, they basically do not rely on hiring others, or mainly do not rely on hiring others. They are self-reliant people who make a living by their own labour. A more detailed classification of this class also requires a lot of investigation and research.
3. The bourgeoisie who constitute a very small proportion of the population. They possess the means of production directly or indirectly in various ways, so that they can appropriate the surplus value of other people's labour without compensation. Because of the dominant position of this class, there is

a wealth of information about it. However, the classification within the bourgeoisie is more controversial among the leftists, so the details will be analysed later.

These three classes have fundamental differences in how they view China's current social problems and future prospects. Since the working class suffers from the oppression of capital every day and every hour and does not own the means of production, once they understand the truth of Marxism-Leninism-Maoism, they will be determined to overthrow private ownership in the proletarian revolution. The bourgeoisie is of course the most fearful of the proletarian revolution, and will therefore resist it at all costs. The vacillation and duality of the petty bourgeoisie in its attitude towards revolution is related to its own duality. On the one hand, as self-reliant workers, they oppose the oppression of the big capitalist ruling class just like the working class; but as owners of the means of production, they defend private ownership just like the bourgeoisie, and therefore they are not thorough in their revolution.

Apart from these three classes, there is basically no other independent class in China. The intellectuals, in terms of their means of livelihood, are either the petty bourgeoisie, such as writers, who earn their own living; the bourgeoisie, such as managers of consortia, who aim at depriving others of the surplus value of their labour; or the working class, such as engineers, who sell their intellectual labour for a living. The so-called 'migrant workers' are in fact the new force of the working class in terms of their means of livelihood. Because they still have land in their families, they are half proletarians, but these land resources in fact serve only as 'unemployment insurance' and cannot be used as a real and permanent means of earning a living. The traditional self-supporting peasant petty bourgeoisie is seriously ageing and is disappearing. The main body of the petty bourgeoisie seems to be the small business owners in the commercial and service sectors in the cities. As for the two classes of landlords and tenant farmers, they were eliminated by the land reform more than 60 years ago, so that there are no feudal relations of production in China, but only capitalist relations of production.

It is difficult to find official statistics on the proportion of each class in the population, and we can only analyse them indirectly at present. In 2012, there were more than 260 million so-called 'rural migrant workers' according to official statistics based on household registration, and nearly 87 per cent of them (95 per cent of the 160 million who went out and 73 per cent of the nearly 100 million who were local) were officially so-called 'employed', which means that about 230 million 'rural migrant workers' were members of the working class. In 2012, the country's total employed population was 767 million, of which 360 million or so, mainly working class, were employed in urban areas, and official statistics do not seem to have been published; at 85 per cent, there were more than 300 million, and at a more conservative 75 per cent, there were 270 million, plus 230 million from rural areas. Together with the 230 million people from the countryside, there are between 500 million and 530 million working-class people in the cities, accounting for 65 to 70 per cent of the country's total labour force. This figure does not include the 'employed' people who work for others in the countryside. Therefore, we say that the working class is the overwhelming majority of China's population. There are no good statistics on the size of the other two major classes, so it is hard to say. The urban and rural petty bourgeoisie is estimated to account for 20-25 per cent of the population. The rest of the bourgeoisie accounts for a very small percentage of the population (in the 2005 One Percent Population Sample Survey, 'heads of state organs, party organisations, enterprises and institutions' in urban areas accounted for only 3.5 per cent of the urban population).

Apart from those non-Marxist-Leninist-Maoist methods of class analysis (such as the bourgeois sociologists' division of the high, middle and low income classes according to income, or the idealistic division of classes according to ideology and division of classes according to division of labour, etc.),

there seems to be little disagreement on the analysis of the working class and petty bourgeoisie. Apart from the 'class of cadres' and 'class of managers' created by the idealistic 'class according to thought' and 'class according to division of labour', there seems to be no big difference in the analyses of the working class and the petty bourgeoisie. The main difference lies in the perception of the different strata within the bourgeoisie.

## **(2) The two main sections of the Chinese bourgeoisie**

The author believes that China's bourgeoisie can be divided into two major parts: one is the state-owned capital controlled by the state bureaucracy, that is, the so-called "state monopoly bureaucratic capital group" composed of party and government officials, military generals and senior executives of state-owned enterprises (referred to as "state-owned capital"); the other is private capital forces (referred to as "private capital"\*), or the two major capital forces inside and outside the system (the so-called "inside the system" refers only to those in power, not including civil servants). On the one hand, China's 30-year capitalist development has greatly enhanced the strength of state-owned capital represented by central and local state-owned enterprises. On the other hand, with the strong support of state-owned capital, through a series of measures such as focusing on large and letting go of small state-owned enterprises and attracting investment, a larger (but not yet strong) private capital force represented by private enterprises in the Pearl River Delta and the Yangtze River Delta is also becoming the main body of the Chinese bourgeoisie (in terms of numbers). The two are inextricably linked. Many of the latter are relatives of the former or officials who have "gone into business"; the former often have shares in the latter's companies. Therefore, they often rely on each other and collude with each other (for example, in real estate development). However, there is still a difference between the two, inside and outside the system. The government's guidelines, policies, etc. are basically formulated and decided by those in power within the system. People outside the system generally have limited influence on arrangements within the system.

[\*Some people call it "free capital", which is not quite appropriate. The "free capital" referred to in Lenin's time was a term for the latter when feudal forces existed. At present, capital has been freed and there is no demand for capital freedom, so they should not be called "free capital."]

Unlike the **developed capitalist countries where private capital is in power, such as the United States, Western Europe and Japan, where government officials are paid by private capital, and where officials are servants of private capital and can be replaced by capital at any time, in China, government officials at all levels are not servants paid by private capital, but are the bosses who, according to the size of their positions, directly or indirectly possess and share state-owned capital,** and people outside the system have no right to remove them. Although they have to take into account the interests of private capital in order to ease the contradictions within the bourgeoisie, the relationship between the two is not that of master and servant, but that of the boss and the second, that is, state-owned capital is the boss and private capital is the second (the relationship between the two may be reversed among county-level officials below the provincial level and between local private capital, but this does not affect the overall situation). Take the operation of the state power organs as an example. Obviously, every time, the boss first holds the party congress to balance the internal power. Then there are the National People's Congress and the Chinese People's Political Consultative Conference meetings to appease the second and coordinate the relationship between the two.

In terms of ownership, which is the fundamental characteristic of capital, private capital is based on individual private ownership with clear property rights (even within the imperial oligopoly), where

property rights are bought and sold at the discretion of the individual, and the government's influence on private capital is limited if it does not take a controlling stake. In contrast, China's state-owned capital is owned by bureaucratic groups, and the government has the final say in the sale of assets to the outside world, so the influence of private capital is even more limited.

No matter how complicated the property rights of private capital are, they can ultimately be implemented by individuals. The voice of an individual within a private capital group is in proportion to the size of his property rights, and has little to do with his political behaviour and status outside the economic field. If an individual wants to increase his voice in a certain capital group, he must increase his investment within this capital group (for example, the so-called "stock god" Buffett in the United States recently spent money to buy a lot of shares in Goldman Sachs, the largest investment bank on Wall Street, thereby increasing his voice in Goldman Sachs). On the contrary, the group ownership of state-owned capital does not have clear individual property rights. The change of the voice, status and power of individuals in this group is not achieved through market behavior, but through the change of power within the officialdom, which is operated by canvassing votes (it is said that a senior official's son died in a car accident while racing with a beautiful woman in the middle of the night, which led to obvious changes in the personnel arrangements of the officialdom at the 18th National Congress). Moreover, this voice, status and power cannot be legally sold to the outside world, cannot be legally cashed out, and therefore cannot be protected by the "Property Law". This is a fundamental difference between private capital and state-owned capital or capital within and outside the system. Although the government is not a monolithic entity, China's centralized system ensures the consistency of government behavior, and there will not be too serious public confrontations between central and local officials.

In addition to this, the bourgeoisie also includes small and medium-sized capitalists, who may be in the majority, such as entrepreneurs employing fewer than a hundred people, or a new type of 'homeowners', the profit-making class, who rely on property-like rentals. This group has yet to be analysed. However, they do not seem to have a clear, separate political position from that of private big capital, apart from the Western concepts of 'democracy' and 'freedom' (even in the case of anti-monopoly demands, they seem to be aimed only at government monopolies, not at all private capital).

Recognising the existence of the two major capital forces of state-owned capital and private capital and recognising the difference between these two forces is the key to insight into many important issues in today's Chinese society. Otherwise, we cannot effectively use Marxism-Leninism-Maoism to explain a series of issues, such as: the essence of the debate on "private capital advances and state capital retreats" or "state advances and private capital retreats", the root cause of the obvious difference between China's deformed capitalism and other capitalist countries, the fundamental reason for China's rapid economic development in recent decades, the nature of China's "rise", the nature of the colour revolutions in Eastern Europe and Central Asian countries, the origin of the slogan of "transformation and preparation for war, anti-corruption and eradication of traitors, rectification of the party and salvation of the country", etc.

### **Characteristics of State capital**

China's state monopoly-bureaucratic capital group is characterised not only by its state ownership, not only by its monopoly, not only by its bureaucratic nature, but by the unity of its regime, its monopoly and its bureaucracy.

In terms of state ownership, the nature of Western SOEs is very different from that of Chinese ones. There, since the government officials are paid by private capital to serve private capital, the ownership of Western SOEs does not belong to the local government bureaucrats (who are not an interest group), but indirectly to the whole bourgeoisie on the basis of the principle of one dollar, one vote, one share. That is to say, within the bourgeoisie, the real ownership of state-owned enterprises is determined by the amount of capital owned by each capitalist. This is the essence of Western democracy. In contrast, the ownership of Chinese SOEs belongs only to the state capital group, not to the Chinese bourgeoisie as a whole, and private capital cannot effectively intervene in the functioning of SOEs through 'democratic' means. The bureaucratic nature of the state-monopoly bureaucratic capital group is also completely different from the bureaucratic capital of the past. The capital controlled by individual bureaucrats using their own power, as long as they have the say, is not part of state capital, but part of private capital. For example, the property owned by the four big families before the liberation was not the property of the Kuomintang government, nor was it jointly owned by the Kuomintang bureaucratic group, but it was formed by these bureaucrats by using their official positions to favour private interests under false pretences, and in terms of the actual operation of the capital it could be seen that it was entirely their personal property. There are many similar phenomena in other developing countries. There, too, a few big families often control the local power, and these bureaucratic capitals are still private capitals, only that the bureaucratic capitals have more control over the government than other private capitals, so they are called bureaucratic capitals. Bureaucrats in China today also have private property, such as the \$2.7 billion of the Wen family.<sup>13</sup> In terms of the actual operation of capital, these properties are also personal properties, protected by the property law, and not properties of state-owned capital. Thus, the 'bureaucrats' of the state monopoly of bureaucratic capital in this context refer only to the owners of this capital group, in order to make it clear that the ownership of state-owned capital belongs to the bureaucratic group as a whole.

The monopoly of this state-monopolistic bureaucratic capital group in China is also a unique form of monopoly. It is a command monopoly of the planned economy. Through the so-called "grasping the big and letting go of the small" in the 1990s, on the one hand, a large number of state-owned enterprises in competitive fields were privatised, and on the other hand, natural monopolies and state-owned monopolies in key sectors of national economy and people's livelihood were retained. It has gradually evolved into the monopoly position of state-owned capital in the current market. Among the new private monopoly capitals formed in the process of privatisation, as long as the state does not hold a controlling stake, such as Haier, Huawei, Sany Heavy Industry, etc., they are not state-owned capital. **Therefore, we say that the attributes of this state-monopolistic bureaucratic capital are not only "state-owned", not only monopolistic, and not only bureaucratic, but a unity of political power, monopoly and bureaucracy.**

But the monopolistic nature of China's state capital group is not ironclad. It is different from either a highly centralised single monopoly capital group or a loose cartel-like monopoly alliance. It is a form of monopoly in between. It has two main categories: central and local state-owned enterprises, and state-controlled, joint venture and other types of joint-stock companies. At the same time, it understands the disadvantages of a monopoly. Even among state-owned capitals in the same industry, there is often competition between them. For example, in the telecommunications industry,

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<sup>13</sup> Wen Jiabao's family was reported to have accumulated assets worth at least US\$2.7 billion during his time as Premier. His wife amassed a personal fortune through a jewellery business and trade in diamonds. Their son Wen Yunsong co-founded a private equity firm, New Horizon Capital through which he grew very wealthy.



Unicom, Mobile and Telecom are all state-owned, but they all compete with each other to a limited extent. The same applies to the financial, energy and transport sectors.

There are also various family forces in the state capital of central enterprises, for example, it is said that Li Peng's family's power is mainly in electric power, Wang Zhen's family's power is mainly in communications, Chen Yun's family's power is mainly in finance, etc. The interests here are intricate and complicated, but they are also general. The power of a family must not go against the overall interests of the group. Regardless of the power of a family, the highest decision-making power remains with the centre of the group. This is the source of the monopoly of "characteristics" capital.

The competitiveness among local state-owned enterprises is greater than their monopoly. This is the case with the steel industry. This industry includes central enterprises, local state-owned enterprises, and private enterprises. The overcapacity in the steel industry is because the monopoly of this industry is not high enough, especially the fierce competition among local state-owned enterprises. Provincial steel enterprises in various places are the source of local finances and the backing of power. The State-owned Assets Supervision and Administration Commission ordered local governments to close small and medium-sized steel enterprises in order to ease overcapacity. In the name of renewal and transformation, local governments borrowed heavily to expand the scale of local (state-owned and private) steel enterprises. As a result, the more they rectified, the more overcapacity there was, making the profit of the entire industry almost zero in 2012. Even so, a large number of loss-making steel enterprises are still unwilling to go bankrupt and unwilling to withdraw from their existing market share. On the one hand, they are looking forward to the improvement of the market, and on the other hand, they are trying every means to expand their market through methods such as "going out" and hoping to survive the "darkness before dawn."

From this we can see that the dynamics of capital expansion are not altered by the 'state-owned' nature of an enterprise. The formation of this kind of state-owned capital group in China has its own peculiarities, rare in the world, and must be made possible by special historical circumstances, such as the metamorphosis and degeneration of the former socialist state regimes. This is because the restoration of capitalism in the former socialist countries involved the transformation of the assets that were previously owned by the whole people into the assets owned by the ruling groups by depriving the people of their right to be masters of their own house. Once the people lost their right to be masters of their own house, the system of universal ownership ceased to be universal ownership and became the ownership of the ruling clique. The capitalist-roaders' rise to power completed this transformation.

### **Characteristics of private capital**

China's private capital can also be divided into several relatively clear categories, the main ones being (i) private capital belonging to individual bureaucrats, (ii) other domestic private capital of varying sizes, (iii) foreign private capital belonging to or dependent on the powers (such as South Korea), and (iv) private capital belonging to Hong Kong, Macao, and Taiwan (strictly speaking, it should not be considered foreign capital). The first two are often considered domestic private capital, while the latter are often considered foreign capital. Among these four types of private capital, the private capital of individual bureaucrats belongs to the nouveau riche of Chinese capital. They have inextricable links with state-owned capital, foreign capital, and Hong Kong, Macao, and Taiwan capital. Domestic private capital is extremely envious and indignant about the path these bureaucratic capitals took to make their fortunes, calling the latter "powerful capital," and the contradiction between the two is quite acute. However, the bureaucratic private capital's voice in officialdom and national policy will not be strengthened as its private capital expands, unless it is

through power-for-money transactions. Instead, it may become a handle for political opponents (under the pretext of anti-corruption) to attack.

China's tycoons are representatives of the country's private capital, mostly made up of the heads of private monopolies such as Alibaba, Tencent, Haier, Sany Heavy Industries and Huawei. These private capitals have extremely close ties to the bureaucracy. Some enterprises, such as Haier, were originally local state-owned enterprises, but through various restructurings, the management took over the enterprises at a very low price and gradually became their owners. The voice of these private capitalists increases as their economic power rises.

The position of foreign investors in China is not as high as some leftist figures have portrayed, and they do not control the economic lifelines of China. The expansion of foreign investment in China since the Re-opening of the People's Republic of China was not under the pressure of the great powers, but was actively invited in by the Chinese authorities. The relationship between them is one of mutual exploitation, of 'husband and wife' (Wang Yang's term)<sup>14</sup> rather than of rape. In order to develop capitalism and to take full advantage of the latecomers, the state-owned capitalist groups were counting on the strategy of 'market for technology', of imitation or outright copying in order to improve their technological level. To this end, they have set strict restrictions on the scope of foreign investment in China. There are detailed regulations on which industries are allowed to enter and which are not (the pilot of the Shanghai Free Trade Zone only lists the industries that are not allowed to enter, the so-called "negative list", and the rest are allowed to enter). Therefore, foreign investment has two forms: joint ventures and wholly-owned enterprises. The most important form of joint ventures is joint ventures with state-owned capital (such as the automobile manufacturing industry), which is a joint venture form that foreign investment has to take. The wholly-owned form is strictly limited by the government to non-critical industries (such as daily chemical products). For its own interests, state-owned capital often takes care of the interests of foreign investment in China, but which interests are worth taking care of and which are not worth taking care of depends entirely on the interests of the state-owned capital group itself and the consideration of promoting the development and rise of Chinese capital.

Hong Kong, Macao and Taiwan's investment in mainland China is larger than other foreign capital (for example, in 2012, according to official statistics, direct investment from Hong Kong, Macao and Taiwan accounted for more than 60 per cent of the total foreign capital, of which Hong Kong alone accounted for 58 per cent, so it is very likely that this includes various kinds of domestic capital that invests in Hong Kong and Macao first, and then switches to mainland China in order to obtain the preferential policies of the governments of various regions). As there is no strong backing, the real power of Hong Kong, Macao and Taiwan capital in China is far less than that of foreign capital.

### **(iii) Analysis of factions within the ruling class**

In terms of the struggle between the two major capital forces in China, state-owned capital is the ruling group, and private capital is the "opposition" force (the Southern Newspaper Group is one of their spokespersons). Their struggle is manifested in the so-called "private sector advances and state sector retreats" or "state sector advances and private sector retreats" debate (the "opposition" here

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<sup>14</sup> On July 10th, 2013, at the China-US Economic Dialogue held in Washington, China's Vice Premier Wang Yang burst into laughter and he gave an off-script speech and said: "The economic relationship between China and the United States is a bit like husband and wife, we live on the same earth, you have me, I have you, although there are quarrels and differences, but we must enhance understanding, enhance mutual trust, and cultivate a common foundation for life. Our two families can't go the road of divorce, like Wendi Deng and Murdoch, the cost is too great."

refers to the "opposition" like the "opposition parties" in other capitalist multi-party countries. It does not mean that they have no voice, but that they are not in power). This is because the private capital forces that have become stronger in the market are increasingly dissatisfied with the gap between their political status and their economic status, and are stepping up to put pressure on the state-owned capital group. This is the fundamental motivation for them to emphasize "private sector advances and state sector retreats." It is precisely because the former has monopolised the key sectors of national economy and people's livelihood, such as finance, energy, transport, communications, metallurgy, electromechanics, assembly, and so on, that the latter is so indignant that it always wants to break the monopoly of the former and take its place. But to the people, no matter who has the monopoly, it makes little difference to the people. For example, the railway in China, whether it is a government monopoly or a private monopoly, is more or less the same to the people. The difference is that when the Ministry of Railways raises prices, it is the government's act, and the people's anger will be focused on the government; when the railways are corporatised and prices are raised, it is the market's act, and it is more likely that the people's anger will be focused on their dissatisfaction with the corporations, which is relatively less threatening to the government, which may even come out to reprimand the railways and act as a 'saviour' to the people when the people's anger rises too high. Therefore, the separation of government and enterprise in the railways was more favourable to the ruling class\*.

[\*Some of our leftists regard the separation of government and business as privatisation, which is a bit premature. They are not yet ready to list the railway company. Even if the railway company is listed, state-owned capital will not give up its controlling position. Our opposition to privatisation is not to speak for the authorities, but to defend the interests of the people. At least before privatisation, the people ostensibly had a say, but after privatisation, the people will have no say at all, and the company's behaviour will be entirely 'market'. The rightists seem to be saying that private monopoly is better than official monopoly, but in fact, it does not make sense, for private monopoly is still monopoly. In China, if private monopolies are allowed to emerge, foreign capital will quickly take control of these monopolies and create monopolies of an even larger scale than before, without benefiting the people in any way. This is why we oppose privatisation. ]

One of the differences within the left is that some people divide the Chinese bourgeoisie into bureaucratic compradors on one side and national capital on the other. However, they are not very clear about the definition of the distinction between the two. Is the state-owned economy national or comprador? If it is national, then are joint ventures between state-owned and foreign capital national or comprador? What about other joint ventures? Furthermore, are those that rely on imports and exports national or comprador? If those that mainly rely on the international market are compradors, then how many Chinese companies have little to do with the international market? Which category does Lenovo, which acquired IBM, belong to? If the state-owned economy without joint ventures is national, then which so-called "comprador" behaviour in China is not personally formulated and promoted by the state-owned capital ruling group that controls the state-owned economy?

Others distinguish capital interest groups according to their political views or ideas, and propose distinctions between "red factions" and "universal factions" or "conservatives" and "reformists". This is actually mistaking the red-faced and black-faced people within the ruling class as representatives of different economic interests, just like the Democratic Party and the Republican Party in the United States as representatives of different interest groups. This is an idealist way of division. Political factions within the bourgeoisie and economic interest groups are not necessarily one-to-one.

Take the Democratic Party and the Republican Party in the United States as an example. Both parties serve the financial oligarchy represented by Wall Street. Moreover, the government officials of the two parties are from Wall Street or recognized by Wall Street. The difference between the two parties is that they have different ideas on how to maintain the rule of this interest group. In the face of various contradictions at home and abroad, one faction believes that returning to the traditional small government with low taxes and low welfare is good, while the other faction believes that only a large government with high taxes and high welfare can deal with modern problems; one faction believes that the rich should pay less tax in order to encourage capital investment to develop the economy, and focuses on making the cake, thinking that making the cake bigger can ease various contradictions, while the other faction believes that the rich should pay more tax in order to ease the social conflicts caused by polarisation, and focuses on dividing the cake, thinking that under the premise of not damaging the fundamental interests of capital, doing a good job in the game of dividing the cake can ease various contradictions. Their differences are just like this.

But there is no doubt that the two major parties in the United States currently represent the interests of the financial oligarchy. The reason is that financial oligarchic capital such as Wall Street investment banks is the emperor of American capitalism. Before the American Civil War, northern capitalists mainly invested in industry, while southern plantation capitalists mainly invested in slaves and agriculture. Therefore, there were indeed two different interest groups from domestic affairs to foreign affairs. Today, the American capitalist class basically invests in the stock market, and most of them are extremely dispersed in various companies and funds. Therefore, except for corporate executives, large financial groups do not care much about whether individual companies or industries are profitable. For relatively unprofitable companies, they either advocate the reorganization of senior executives or advocate divestment. Financial oligarchic capital (not the "Masonic Core Alliance" mentioned by conspiracy theorist He Xin)<sup>15</sup> has financialized almost all industries in the United States, and the total amount of financial derivatives far exceeds the total amount of the real economy. Therefore, it firmly controls the centre of gravity of American capitalism and kidnaps the overall interests of the entire American bourgeoisie.

Thus, in the United States, the power of an interest group representing a single sector, such as industry, agriculture or services, is far less powerful than that of financial oligopoly capital. Even the Bush family, for example, which represents the oil interests, came to power only because it represented the needs of the financial oligarchy to maintain its world hegemony. Although the competition between these financial giants is sometimes fierce, they are united in maintaining the absolute domination of the financial oligarchy. Even within individual capitalist groups, there are supporters of both parties at the top. Therefore, we say that both parties in the United States represent the overall interests of the financial oligarchic capital group in the United States, rather than the representatives of the interest alliances of the two financial oligarchs that are confronting each other. For example, it is not that the Democratic Party represents the alliance of those financial groups headed by the Lehman Brothers financial group that collapsed in 2008, and the Republican Party represents the alliance of those financial groups headed by the Goldman Sachs financial group that did not collapse. If the Democratic and Republican parties really represent different interest groups, the civil war in the United States may have started long ago. On the contrary, in dealing with

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<sup>15</sup> He Xin is a non-Communist member of the Chinese People's Political Consultative Committee. As recently as 2021 he was expounding his view that "There is a core Union of Freemasonry in the basic system of the West. At the top of this core alliance is the family lineage, which is extremely stable, with a system of aristocratic royal and banking families that have been passed down for thousands of years. But developing countries don't have this." He claims that Freemasons have infiltrated China via the World Bank and other channels, are pushing the privatisation of the railways and other measures.

the financial crisis in 2008, the Republican and Democratic parties had a seamless connection on how to rescue the market, through the seamless connection between Bush and Obama, which clearly shows that the fundamental interests represented by the two parties are completely consistent.

Similarly, if there are so-called "red-singing factions" and "universalists" within the Chinese ruling class, then both of them can only represent a faction within the same state-owned capital group. If there are differences between them, they are mainly about how to maintain the rule of this interest group and the future development direction of this group. Although the connection between each official and private capital within this group is not exactly the same, they are basically consistent in maintaining the absolute rule of this group. Otherwise, a collapse similar to that of the Soviet Union would have occurred long ago.

In the face of the attacks by the forces of private capital in terms of public opinion (such as the 'reform offensive', the opposition to the so-called 'powerful capital', the opposition to monopoly and the demand for privatisation), in terms of the economy (such as the property speculation syndicate in Wenzhou, the coal speculation syndicate in Shanxi, the loan sharks spreading throughout the country and the recent financial impact of Internet 'baby' payments), in terms of politics (such as the '08 Charter', the demand for the 'nationalisation of the army') and so on, they are pressing the state-owned capital groups every step. The changes in the international environment have led to an unprecedented and increasingly strong challenge to the governing capacity and legitimacy of the current regime. What is the way out?

The so-called 'universalists' or 'reformists' (or more accurately, the 'constitutionalists') believe that only complete privatisation can lead to a way out, and that it is only in this way that the 'hearts and minds' of officials at all levels and private capital can be stabilised and the regime consolidated. They advocated that the conflicts within the bourgeoisie and between the state capitalist groups and the foreign powers should be eased through the incorporation of private capital into the ruling group (that is to say, the realisation of Western democracy) and through the privatisation of state-owned enterprises. But they could not say how to privatise 'fairly'. There is a great deal of disagreement within the bloc about how to privatise, and it is the unequal distribution of the spoils that is the source of the controversy over 'corruption' and the so-called 'loss of state capital'. Especially at the top of this group, those in power, such as party and political leaders and senior military generals, will not be willing to accept privatisation if they do not benefit from it, and will be reduced from being a member of the ruling group of state capital to being a servant of private capital, especially those who are in charge of the military (as is the case with the current political turmoil in Egypt). The collapse of the Soviet Union demonstrated that a 'fair' privatisation programme was unlikely to be possible in a system dominated by the state capital bloc, and the rise to power of Vladimir Putin shows that senior officials in charge of the country's violent institutions are not willing to be reduced to the status of mere servants of private capital. They want to be masters of state capital.

This is different from fully privatised capitalism. There, party, government and military officials, as well as executives of private enterprises, are all servants of capital, paid by the bourgeoisie, and any attempt by such servants to usurp the ownership of capital by its owners will be ruthlessly suppressed by the hired thugs of these capitalists. This is the essence of the nationalisation of the armed forces<sup>16</sup>, and why the capitalist countries emphasise the loyalty of the military to the

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<sup>16</sup> "Nationalisation of the military" was proposed by bourgeois constitutionalists within China. It was rejected by Xi Jinping. The official position according to the baike.baidu.com website is: "Nationalisation of the military" is a deliberate attempt by hostile forces to disrupt the relationship between the party, the state, and the

constitution, that is, to the constitutional principle of defending private ownership; and this is also the fundamental reason why the ruling party in China now opposes the nationalisation of the armed forces and emphasises that the party commands the guns. Without the absolute command of the armed forces by the ruling party, the dominance of the state-owned capitalist groups cannot be guaranteed. To this end, they are also applying the slogan of the proletarian political party commanding the guns of the people's army, which they insisted on in the era of Mao Zedong. The so-called 'red-singing faction' or 'conservatives' (or more precisely the 'characteristics' faction) realise that if they carry out complete privatisation in China, they will not be able to achieve the 'Chinese dream'. They see the danger of the imperial powers and believe that the only way to survive is to continue to wear the red vests of the ruling party, otherwise the end of the former Soviet Union awaits them. This is the fundamental difference between the two.

Just as revolutionaries struggle between two lines for a common goal, there will be line struggles within the bourgeoisie, even within the same interest group, for a common goal. We cannot regard the two different propositions within the bourgeoisie as representing two different interest groups, especially we cannot mistakenly believe, as some theorists do, that during the upsurge of the revolution, one faction of the bourgeoisie will unite with the working class to deal with the other faction of the bourgeoisie, or even expect that during the climax of the revolution, the proletariat will seize part of the local power and share the central power with a certain group of the bourgeoisie, or at the very least, form a certain form of bourgeois central power under the control of the proletariat. This is absurd, incredible and extremely dangerous nonsense!

At a time when the class contradiction between employers and employees has become the main contradiction in society, the proletariat's attempt to unite with one section of the big bourgeoisie to oppose the other section of the big bourgeoisie is nothing but a fool's dream, and its implementation would be a traitor's act. No matter how acute the contradictions between the bourgeoisie are, they are never as strong as those between them and the proletariat. The former defends private ownership, while the latter seeks precisely to overthrow it. The Paris Commune started because the French bourgeoisie preferred to become slaves to the country rather than to unite with the working class in Paris to fight against the invasion of Prussia (Germany). Chiang Kai-shek was also in favour of the idea that 'to fight for the outside world, we must pacify the inside world', because, unlike the Communists, Japanese imperialism at least protected private ownership. On the contrary, in the face of the upsurge of the workers' movement, the two wings of the bourgeoisie were never far apart on how to suppress the working class: one was for shooting and the other was for burying them alive. If there is a real alliance between one part of the workers' movement and one wing of the bourgeoisie, then this movement must be reformist, a movement that betrays and sells out the long-term interests of the working class, and not a revolutionary movement of the working class in favour of the overthrow of the private system.

**On the rise of "characteristics" capital and the path to the re-liberation of the Chinese working class**

**Chapter 3: Characterising the Nature of Chinese Society**

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military, to set the military's political attributes against its state attributes, to negate the military's political attributes by using its state attributes, and thereby to negate the party's absolute leadership over the military. This is not only politically harmful, but also theoretically untenable and even more unworkable in practice. "Nationalisation of the military" is just as much of an illusory paradox as "depoliticisation of the military" and "de-partyisation of the military", and is the most deceptive.



## **China today is a great capitalist industrial power on the rise and bound for social-imperialism.**

What kind of country is China at present? Is it a semi-colonial, semi-feudal country, a second-rate capitalist country, or is it a rising capitalist country that is inevitably heading towards social-imperialism? On this question, there are serious differences among the so-called leftists.

### **(1) Refuting the Theory of China's Return to Semi-Colonialism and Semi-Feudalism**

A representative viewpoint of the leftists is that China is now a semi-feudal and semi-colonial country, and that there is a tendency for it to fall into vassalage and a danger of being colonised.

One of their reasons is the control of China by foreign capital (for example, 21 out of 28 industries are controlled by foreign capital). Regardless of the truth or falsity of their evidence, the mistake of this argument is that they have confused the essential difference between heavy and light industries in the national economy, and thus they have completely ignored the control of state-owned capital over the core industries of national economy and people's livelihoods, such as finance, energy, transport and communications. They fail to realise that the so-called industries 'controlled' by foreign capital are not the key industries that have a bearing on the lifeblood of the national economy. For example, according to the 'e-centrists', South Korea should be the world's hegemon because Samsung has overtaken Apple as both the largest mobile phone maker and the largest memory producer. But Korea is clearly not.

The second of their reasons is the so-called (and emphasised by the second revolution theorists) Chinese autocracy. They see it as a remnant of feudalism. Some of those who hold this view even deny the socialist nature of the Maoist era. They do not realise or are unwilling to admit that the nature of capital does not care whether it is an 'authoritarian system' or a 'democratic system', but that both are means of domination, both depend on the bourgeoisie's need to maintain its domination, and both are the result of the struggles of the different interest groups within the bourgeoisie. Both are means of rule. The term 'autocracy' is regarded as a characteristic of feudalism only, not realising that autocracy has always been practised within the capitalist bloc!

More importantly, because the dictatorship of the proletariat cannot be realised through a multi-party parliamentary system, a regime that has degenerated from a socialist country ruled by a proletarian one-party must first appear in the form of autocracy, otherwise it will be powerless to face the resistance of the people. The "June 4th Incident" is a typical example. Misjudging such a regime as a feudal remnant regime completely ignores this historical fact.

The feudal system of land ownership, the self-sufficient natural economy and the antagonism between the landlord class and the peasant class were the main features of feudal society. After 30 years of socialist construction and 30 years of capitalist development, China has long since lost the feudal system of land ownership, produces half of the world's steel and 60 per cent of the world's cement, and has the world's largest industrial capacity. The natural economy has long since disappeared, and the landlord class was eliminated as early as during the period of the land reforms, so how can there be any trace of feudalism? If we take the existence of a feudal culture as the basis of a semi-feudal society, it is even more absurd, because the existence of the Queen in Britain and the Emperor in Japan is not the basis of a semi-feudal society in these countries? This is obviously wrong.

China is a permanent member of the United Nations with nuclear weapons. Since the reform and opening up of China, the introduction of foreign capital has been carried out under the leadership of the Government, and the process is completely controllable, and it is not at all the case that foreign

capital has been brought in by means of strong ships and sharp cannons, so where are the shadows of colonisation and the dangers of colonisation? To say that China is a semi-colonial and semi-feudal country or in danger of becoming semi-colonial and semi-feudal is no more outrageous than this.

## **(2) Refutation of the theory that China is a somewhat socialist country**

Another viewpoint is that China is still more or less a socialist country, or not fully capitalist, because the 'state-owned' or 'public-owned' economy still occupies an important part of the national economy.

Based on this, they only judge how many "elements" of socialism there are based on some superficial phenomena, such as whether the original welfare is preserved, whether there are workers' congresses, trade unions, etc. In their view, the focus of domestic contradictions is the struggle between "socialist roaders" and "capitalist roaders", which is manifested in the struggle between "state advances and private sector retreats" and "private sector advances and state retreats", so their efforts are focused on trying to force the regime to "turn left".

The mistake of these 'leftists' was that they did not understand the nature of power in terms of class analysis, and did not recognise that power was an instrument of repression of one class by another (see Lenin's *State and Revolution*). They regarded the regime as a force above all classes, a force to mitigate class conflicts. Mistakenly believing that the nature of the regime is determined by the subjective choices of those in power rather than by their class interests, they repeatedly hope that there will be some ideological figures at the top of the government to change the direction of China. Therefore, they do not agree with Chairman Mao's argument that 'the rise of revisionism is the rise of the bourgeoisie', and they regard the formal 'state ownership' as a component of socialism. They looked only at the form but not the content, saw only the phenomenon but not the essence, and talked only about quantitative change but not qualitative change.

According to the surface phenomenon, the sun obviously revolves around the earth, the Polish Solidarity Union obviously opposes the socialist government, and the June 4th crackdown obviously suppressed the right-wing students. These people unconsciously put themselves in opposition to the people and were fooled by the Polish and Chinese authorities. The Polish Solidarity Union did not oppose the socialist government where the working class is in charge, but a reactionary government where the state-owned capital group is in power and the people are the enemy. The armed suppression on June 4th was not against the right-wing students, but against the Beijing people, who were mainly composed of the working class, who dared to question the authorities (here we have to analyse the essence of June 4th from the question of who the authorities' violence was aimed at. After the authorities' tanks arrived at Tiananmen Square, all the right-wing students were let go, which shows that the authorities were not afraid of the right-wing students but the Beijing working class).

These leftists do not understand, or are unwilling to admit, that the most fundamental sign of socialism under the dictatorship of the proletariat is the control of the proletariat over the political power, which is mainly reflected in the power of the masses to be the masters of their own affairs, rather than in the issue of the amount of welfare. For example, it is very likely that some workers in monopoly enterprises only see their own immediate interests and do not expand their horizons to the entire working class. They will definitely be used by the rulers, and the rulers will definitely use the various contradictions within the working class to consolidate their own political power.

Therefore, we cannot simply use the amount of welfare of employees in individual enterprises to measure the nature of a political power.

These leftists do not understand, or are unwilling to admit, that the rise to power of the capitalists is the rise to power of the bourgeoisie, and that more than 30 years ago, they already achieved the restoration of capitalism. Since then, the state-owned capitalist interest group, which is composed of the Party, the government, the military and enterprises, has virtually transformed the original state-owned assets under the ownership of the whole people into state monopoly bureaucratic capital of a capitalist nature, and it has taken them more than 20 years to complete the transformation of capitalism by 'groping for stones to cross the river'<sup>17</sup>. This process of transformation is not a process of restoration. Only when restoration is complete can transformation be possible, just as it took seven years from the liberation of 1949 to 1956 to gradually complete the socialist transformation of China's economy during the Mao Zedong era, but the nature of the regime had completely changed since 1949, not in 1956. In today's China, after more than 30 years of privatization, a large part of state-owned capital has been further transformed into private capital. Therefore, in essence, China's "state-owned enterprises" do not have any socialist nature. Only non-Marxist-Leninist-Maoists who do not want to see which class is in power can talk about the struggle between the so-called "socialist roaders" and "capitalist roaders" in the ruling party where the bourgeoisie is in power.

### **(3) Refutation of the theory that state capitalism is a progressive state form superior to private capitalism**

This view agrees that the ruling class in China today is the bourgeoisie and that the Chinese bourgeoisie practices state capitalism. However, for the working class, they believe that this is a form of government superior to private capitalism and a progressive state form. Therefore, on the one hand, they regard "privatisation" and "colour revolution" as the most dangerous outcome for the working class. On the other hand, they look down on the Chinese bourgeoisie and always talk about it in a frivolous tone, as if it is about to end and needs the help of the left. Little do they know that this regime is cannibalistic. They do not understand the significance of the workers and peasants' urgent demand for political freedom and democratic rights today. They are always afraid that the masses will be deceived and would rather praise Bo Xilai.

They do not see, or do not want to recognise, that state capitalism, in which the working class is not in power, is the most vicious form of capitalism, i.e. social fascism, because it seeks to deprive the working class of all means of resistance, directly and completely, by means of the state apparatus (even the right-wing figure Zhang Qianfan<sup>18</sup> can see the essence of the authorities' "red" fascism, but

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<sup>17</sup> "Crossing the river by feeling the stones" is a Chinese folk-saying that originally meant that in the absence of previous experience, ready-made bridges and boats, in order to cross the river, one must test the water and move forward. After the founding of the People's Republic of China, on April 7, 1950, Chen Yun, then Deputy Prime Minister of the Government Affairs Council, said: "Rising prices is not good, but falling prices are also bad for production. To cross the river by feeling for the stones, it is better to be cautious." The same saying was said many times by revisionists wanting to hold up the advance along the socialist road, and was also attributed to Deng Xiaoping to justify his abandonment of Mao's policies of socialist development.

<sup>18</sup> Zhang Qianfan, from Shanghai, is a constitutional scholar and professor of constitutional law at Beijing University. On September 7 2013 he wrote about Bo Xilai's trial, agreeing that it was a political, not a legal, case, and saying that Bo's political crime was creating "a red fascist empire in Chongqing". He went on to ask: "It is appropriate to describe Chongqing under Bo Xilai's rule as "red fascism"? "Red" is self-evident, but what is "fascism"? The original meaning of fascism is "unity is strength." Its core elements are the high degree of integration of political parties, the state, and ideology, that is, the power structure of the party and the government, the absolute worship of the leader, the super-strong mass mobilization, and the state's ability to

they cannot). They don't see it. In this sense, therefore, there is nothing progressive in this form of power. They do not see, or are unwilling to recognise, that state capitalism is a shortcut for the late-capitalist countries to catch up with the world powers.

The existence of the state-owned capital group is an objective reality, and it is also obvious that it is the ruling group in the Chinese bourgeoisie. Because it is under the banner of socialism, it is more deceptive to the working class than the "Westernization faction", and therefore much more dangerous. On the one hand, it represents a fascist force. It deprives the people of their right to political association and right to speak, and uses surveillance cameras all over the country and an increasingly strict real-name system to monitor the people's every move and every word, but uses the right to privacy to protect officials' corruption such as real estate. Ordinary people are often deprived of their right to petition. On the other hand, it wears a "red" vest, castrates the essence of Marxism-Leninism-Maoism, and stuffs it into the people's mouths like a disgusting steamed bun that has been chewed by its rotten, dirty, and smelly mouth, making the majority of today's working masses mistakenly believe that this extremely powerful spiritual weapon is the official one, and adopt an attitude of keeping a distance from it. It has also hijacked the form of the workers' movement, taking over all the organisational forms that the working class has tried in history, monopolising them, and tampering with their content. When workers want to organise their own trade unions, it uses the existing official trade unions to oppose them. When workers want to organise their own political parties, it uses the existing official political parties to oppose them. As a result, it effectively hinders the rise of the working class in China.

If true revolutionaries fail to see the danger of this group, fail to see that it is the most vicious enemy of the working class, and fail to see the impact of this group on China and even the world (such as the overall difficulties and confusion of the workers' movement), they will make a big mistake in direction. Chairman Mao has repeatedly emphasized since 1962 that once the proletarian party changes colour, it will become a fascist party and the regime will become a fascist regime. There is a reason for this. We should not regard Chairman Mao's warning as a mere bluff. A bourgeois dictatorship without formal democracy within the bourgeoisie is a fascist dictatorship. During the three difficult years from 1959 to 1961, the bureaucratic interest groups that were forming capitalist-roaders used militias to chase and intercept refugees fleeing famine in Xinyang, Henan Province, in order to keep their official hats and cover up the famine caused by their exaggerated and "communist" style. In the first 50 days of the Cultural Revolution, they also carried out fascist repression against the masses who dared to raise objections to the leadership. After they came to power, in addition to eradicating the revolutionaries more viciously than the "Homecoming Corps",<sup>19</sup> they also openly used tanks to deal with the unarmed Beijing people who were "fighting corruption and official corruption", and then disguised their fascist behaviour as so-called "opposition to bourgeois liberalisation". Sadly, some of our kind-hearted people who have read a few original works of Marx, Lenin, and Mao have been confused by the "anti-bourgeois liberalisation" movement they promoted, and have regarded the people's struggle for democracy and freedom to be masters of their own country as merely the influence of Westernisation, and have consciously or unconsciously

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extinguish all doubts and oppositions." He described the Cultural Revolution as "red fascist totalitarianism" but was careful not to mention Xi Jinping.

<sup>19</sup> The "Homecoming Corp" was created during the Chinese Liberation War by the Guomindang. It was a reactionary armed force of landlords and bullies who fled from the liberated areas to the Guomindang-controlled areas. They followed the Guomindang army to attack the liberated areas, looting, burning and killing everywhere, committing all kinds of atrocities.

stood on the opposite side of the people. Some of our other comrades have regarded these fascist characteristics as feudal remnants.

Worse still, against the backdrop of a total blockade of information on the Internet by the authorities by fascist means, some of our so-called 'leftists', instead of fighting against the anti-people and anti-democratic tactics of the authorities, have become their henchmen in dealing with clowns on the right like Mao Yushi.<sup>20</sup> Instead of fighting for the people's freedom of speech that Mao Yushi currently enjoys, they assist the authorities in blocking all "disharmonious" speech, claiming that "the central government needs the masses to do this"! Where is their position?

Reality is merciless. If we do not learn the lessons of history, we will be punished by reality. The original name of Hitler's Fascist political party was translated into Chinese as "National Socialist German Workers' Party" or "National Socialist German Peoples Party"! At that time, Hitler's labelling as socialist, workers', national or ethnic could not change the imperialist nature of the fascists to fight for world domination for the sake of Germany's financial monopoly capital. The reason why the Nazi political party used the banners of socialism and workers was to cover up the intensifying class struggle in the country and to prevent the working class in Germany from moving towards communism.

China's ruling party today should simply be called the "Communist Party"! They also want to use the banner of the nation and the banner of the people to serve their struggle for world hegemony, and therefore are more in line with the interests of Chinese capital than the "Westernisation faction". It can be seen from this that the current slogans of "anti-traitors" by those narrow-minded nationalists are also slogans to cover up the increasingly serious class contradictions in the country, and are slogans that serve the rise of capital.

Judging from the analysis of the "Chongqing Model" and the "Chongqing Incident", and from the attitude towards the "Second Generation of Reds"<sup>21</sup> coming to power, the most fundamental disagreement within the so-called left is how to view the nature of China's current regime. Those non-class views that place the regime above the conflicts between classes, those eclectic views that confuse the class nature of the regime, those views that believe that the direction of the government depends on whether the "capitalist roaders" or the "socialist roaders" are stronger (that is, the views of the left-turners mentioned above), and those views that believe that state capitalism is "progressive" are either confused or have ulterior motives. Lenin has already spoken very insightfully about this issue in "*The State and Revolution*", but there are still people who stubbornly refuse to make a thorough class analysis of China's regime, and still like to be muddled or have an opportunistic attitude.

#### **(4) China is an autonomous, independent and rising capitalist industrial country headed by state-owned capital.**

In the author's view, for more than 30 years China has been an autonomous capitalist country with full sovereignty and in the hands of State monopoly bureaucratic capital. The only thing that has changed in the recent past is that, due to the inevitable logic of capitalist development, it has had to

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<sup>20</sup> Mao Yushi (January 14, 1929 -), born in Nanjing, Jiangsu, is a Chinese economist. He is the honorary chairman of the Unirule Institute of Economics and the chairman of the Humanities Economics Society. His representative works include "The Principle of Optimal Allocation" and "The Moral Prospects of the Chinese". He is one of the representatives of Chinese folk economics research. The think tank he founded is supported by the United States. At the same time, due to his controversial remarks, he has been criticized by official and private opposition media many times. He currently lives in Vancouver, Canada.

<sup>21</sup> See note 6.

move step by step towards imperialism. Here we need to argue three questions: firstly, whether state capital is the 'boss' of the Chinese bourgeoisie, secondly, whether China is a fully sovereign, independent and autonomous state, and thirdly, whether it is on the verge of rising up and inevitably moving towards imperialism. Firstly, it is clear that in China it is state capital, not private capital, that holds the real power.

State capital directly controls the State apparatus and the lifeblood of the economy, that is to say, it controls all the leading bodies of the Party, the Government, the military and enterprises. Relying on state power, this group has monopoly control over the key sectors of national life: finance, energy (petroleum, chemicals, electricity, coal, etc.), transport (aviation, railways, etc.), communications (telecommunications, telephony, networks, etc.), assembly and manufacturing, etc. The ownership and actual use of these sectors, as well as the final decision-making power, are undoubtedly entirely vested in state capital, which is composed of the Party, the government, the military, and the enterprises. According to official statistics, this state-owned capital group employed about 1/4 of the country's labour force in 2005, created about 1/3 of the country's output value, and obtained nearly 1/2 of the profits of large and medium-sized enterprises in the country! In recent years, its relative position seems to have declined: in 2009, it employed about 1/5 of the labour force, created about 1/4 of the national output value and about 1/4 of the profits. However, the profits of PetroChina and Sinopec alone in 2010 exceeded the total profits of the top 500 private enterprises that year! Its concentration and scale are actually constantly increasing, reaching a high degree of concentration that has never been achieved by any other single monopoly group of the world's major powers. The overall strength of this capital group far exceeds any single monopoly capital group in the world (the central enterprises that belong to the state-owned capital group and are on the top 500 in the world have a total capital that is far greater than any other multinational company).

In China, the largest private capital is only in enterprises like Haier, Huawei and Sany Heavy Industry. Other private capital industries that rely on import and export processing are even more secondary. If, as some people believe, the dominant bourgeoisie is the "export manufacturing bourgeoisie", and that "the country's major economic and foreign policies" are formulated by this interest group and that they are the real power holders, there would not be the phenomenon of the continuous appreciation of the RMB in recent years, which squeezes the profits of this industry and forces it to transform and upgrade step by step. There would also not be the phenomenon that the 4 trillion yuan of funds for the rescue of the market in 2008 basically flowed to the "railway, road, and aircraft" controlled by state-owned assets, rather than private small and medium-sized enterprises. Furthermore, over the past decade or so since China's accession to the WTO, it has basically opened up its light industries or competitive industries to the outside world, but it has done little to open up its heavy industries or monopolistic industries. This is because the ruling group is not stupid, and they will not cede state-owned capital, which used to belong entirely to them, to others for nothing. What they will cede and what they will keep are entirely based on their own interests. Therefore, in China, no single capitalist group can compete with the most powerful single capitalist group in the world (the state monopoly bureaucracy). If it cannot be the 'boss' of the bourgeoisie in China, no other group can.

This is the essence of China's 'socialism with characteristics', which is in fact 'capitalism with characteristics'. Its 'special characteristics' lie in the fact that the capitalist groups in power are state-owned capitalist groups rather than private capitalist forces. Because of this, China's 'characteristics' capitalism is a deformed capitalism.

Some narrow-minded nationalists (i.e. those who do not want the people and the working class to be strong, but only want Chinese capital to be strong) regard foreign capital and comprador forces as



the ruling group in China. They mainly look at the problem from the perspective of total volume rather than quality. They like to apply the concepts of traitors and compradors from the colonial era to analyse the economic relations between capitalist countries in today's era of globalization. They do not explain what the definition of compradors and traitors is in today's situation of mutual penetration of capital. For example, are Americans who are supervisors in Japanese-funded enterprises in the United States American traitors (the former director of Sony Corporation in Japan who has retired is an American. According to the definition of these narrow-minded nationalists, this person should be an American traitor serving the Japanese)? Or are Japanese executives working in American-funded companies in Japan Japanese traitors? If the relationship between two countries (such as the United States and Japan) is not that of a sovereign and a colony, the concepts of traitors and compradors would not apply or have no original meaning. Both the United States and Japan are imperialist countries. It's just that the former is a superpower, a hegemonic country, and the latter is a defeated country, so the status of the two is unequal, but this does not mean the relationship between a sovereign and a colony, so there is no so-called traitor and comprador in that sense. Faced with the unequal relationship between the United States and Japan, Japan has "pro-American factions" and "local factions" instead of the original meaning of the "comprador" and "national" interest struggle. If there is, it is also the contradiction between the boss and the second in the empire, not the contradiction between the empire and the oppressed nation. In the struggle between empires, emphasizing national interests is actually serving the bourgeoisie of the country.

Further analysis shows that due to the globalisation of capitalism and the mutual penetration of transnational capital, there is no "comprador" force in the original sense between developed capitalist countries. For example, those who have acquired foreign nationality cannot be considered "compradors". They are managers or agents of foreign capital. The definition of "comprador" is only applicable to the local group in a colonial or semi-colonial country who rely on the power of the great powers and serve the great powers. Therefore, the so-called "big bureaucratic comprador capitalist" is an imprecise term in China today. If there are any, then which bureaucrats are dependent on the great powers and serve the great powers? If there are any, and they are found out, they would have been arrested or fled abroad long ago. We should not regard the party in the ruling party that holds different views as compradors. It is understandable that we sometimes label officials we hate as "bureaucratic compradors" in order to curse them, but this is not rigorous after all. Today, China is not a colonized country, or a country that has been colonized. Instead, it is the most powerful country among all countries that enjoy independent sovereignty except the United States. Therefore, there is no "comprador" or "bureaucratic comprador" class in China. Otherwise, wouldn't all the Chinese private capital or bureaucratic capital that has close ties with foreign capital, is dependent on it, and produces or provides services for multinational companies become "compradors"? In this case, then which of the Chinese bourgeoisie is not a comprador? If all of them are, then none of them are.

Even if there is a group of Chinese working for foreign investors in China today, their nature is very different from that of the early semi-colonial period. Today's foreign investors, in order to find support for their investments in China, often enlist the children or friends and relatives of members of the ruling group as their agents in order to improve their position in China (this is why many of the agents of foreign investors in China are made up of the 'princelings'). But this is actually a manifestation of the relative weakness of foreign capital in China. The only capital of these so-called "compradors" serving foreign capital in China is their personal network with officials within the ruling group. The essence of these people is "whoever gives you milk is your mother". They are not really dependent on foreign capital. When the capital of their Chinese counterparts grows, they will easily

"jump ship" and are not "loyal" to foreign capital. This is very different from the early compradors. This reflects the huge changes in China's international status.

Secondly, China is indeed an independent country with complete sovereignty. Military violence is the state apparatus and therefore the highest expression of state sovereignty. We must first look at the problem from this perspective. Unlike Japan, South Korea, and many countries in the European Union where the United States has troops stationed, there are no foreign soldiers stationed or controlled in China (except Taiwan), so it is independent in terms of military. Only with military autonomy can there be political autonomy. Therefore, China's politics is a politics that does not rely on foreign forces. This is very different from the politics of countries such as Japan, South Korea, and the European Union. Countries that are stationed by the US military must follow the US's lead in politics. Politicians who are unhappy with the United States will not be able to come to power in these countries, or will not stay for long (for example, former Japanese Prime Minister Yukio Hatoyama expressed his desire to be friendly with China after coming to power and revealed the nuclear weapons agreement between the United States and Japan that had been kept secret for more than 40 years. As a result, he was ousted after nine months in office.

China's policy of "hiding its strength and biding its time" is merely a policy of "pretending to be a grandson", not a policy of "actually being a grandson" like Japan. If China were a semi-colony without complete national sovereignty, it would not engage in activities that threaten the world hegemony of the United States. It would not build aircraft carriers, develop aviation and aerospace technology, send armed personnel to participate in joint law enforcement in the Mekong River, send fleets to the South China Sea and the Middle East, etc. In contrast, except for the United States, Britain, France, Russia and other countries, no country has the independent sovereign status of China in military, political and economic terms.

### **Thirdly, China is a rising capitalist industrial power on its way to social-imperialism.**

There are those who doubt or deny the possibility of the rise of China, those who do not see that the rise of China under conditions of bourgeois power means imperialism.

There are many who doubt or deny the possibility of China's rise.

Some believe that the rise of China is unrealistic. The reason is that the ruling group in China is 'corrupt and weak' and 'unpopular'. This group 'talks about the rise of China in order to deceive the people and divert attention'. But those who hold this view only see one side of the story, and do not see or ignore the other side of the reality of economic development in the last ten years, and it is even possible that these people are afraid that if they admit that China is on the rise, then it might prove that the line pursued by the people in power whom they hate is the right one. Consciously or unconsciously, they still look at things from the perspective of Deng Xiaoping's criterion of 'development is the last word'.

There are also those who, on the basis of the world system theory, characterise China as a peripheral or semi-peripheral country, thinking that it is unlikely to be able to break out of the capitalist division of labour in the world, and therefore they think that the Chinese bourgeoisie will not be able to reap excessive profits, and thus conclude that China's 'ascent' will not be successful. Not to mention the fact that whether or not an upward mobility is possible and whether or not it is successful are two different things, and whether or not it is possible to reap excessive profits is not an indicator of whether or not a country is developing in the direction of imperialism. For example, before the Second World War, Germany waged imperialist wars precisely because it could not make excessive profits for the time being, and it therefore fought with other capitalist empires for markets and

resources through wars in order to make excessive profits. From this we can see that excess profits are the result of imperialism's acquisition of world hegemony, not the cause of imperialism.

The world-system theory, like the long-wave theory (which holds that there is a major crisis in the capitalist world every 50 years or so) and the 24 solar terms, is a generalisation and description of phenomena, a typical metaphysics of knowing what is true and not knowing what is not true. Just as the 24 solar terms are not a theory because they do not address the question of who orbits the earth and who orbits the sun, and because they do not apply to the southern hemisphere, the theory of the world system is more or less a description of phenomena, and the causes of these phenomena are not pursued in terms of the internal logic of the development of capitalism as was the case with Lenin in his book *Imperialism, Highest Stage of Capitalism*.

The focus of the imperialist theory is different from that of the centre-state in the periphery-of-centre theory. The former focuses on 'monopoly' and the latter on 'division of labour'. Monopoly is the cause and division of labour is the effect. Monopoly is the essence and division of labour is only a phenomenon. The two are therefore completely different concepts. There is an overlap between the two, but they are not exactly the same. For example, Australia is said to be a centre country, but I am afraid it cannot be compared with China (a semi-peripheral country). The world system theory is more complicated. It talks about division of labour but not only division of labour, and Wallerstein, the founder of the world system theory, also thinks that the US empire is declining, and in the future, there will be several centres of power, that is, the so-called multi-polarity, not the omnipotence of the US empire as claimed by some people. Therefore, the division of labour between the centre and the periphery in the world system is not natural, but is the result of a game played by each party on the basis of the size of its own power, and is therefore not set in stone. To suggest that China will not become an empire is as absurd as fatalism.

The author believes that China not only has the possibility of rising, it has to make efforts to rise, and it is rising! Just like any capital group facing the basic principle of market competition, either expansion or extinction, China's capitalist development to this day is also either rising or collapse (this is why narrow nationalists shouted "the Chinese nation has reached the most dangerous moment"). After 60 years of rapid economic development, China is no longer a poor and backward agricultural country, but a rising industrial country (its agricultural labour force is only a part of the 130 million people who do not go out to work, estimated to be between 10-15% of the total labour force). China's nearly 30 years of capitalist development has forced it to move towards imperialism.

Imperialism is an inevitable trend in the development of capitalism. This is because the expansion of capital requires monopoly, which is the inevitable result of free competition. When a latecomer capitalist country reaches a certain stage of development, that is, the stage of financial oligopoly, it has to face the problem of competing for resources and markets with other early-comer capitalist countries (that is, imperialist countries) which have already developed. This was the cause of World War I and World War II. This is an objective law that cannot be shifted by human will.

On the one hand, the Chinese bourgeoisie is currently facing a serious crisis of overproduction (most notably in iron and steel: around 900 million tonnes of production capacity and a domestic market of only around 600 million tonnes), which it has to alleviate by expanding its own exports and looking for new markets. Already heavily dependent on imports for its resources (e.g. oil, iron ore), it has had to accelerate its investment in and control of the world's resources. It is under great pressure to 'go out'. On the other hand, the state-owned capital group is deeply concerned that its capital power is not comparable to the transnational capital power of the big powers, and it needs to further concentrate and increase its monopoly. This is the trend of state-owned capital reform after the 18th

CPC National Congress: using equity diversification to expand the amount of capital controlled by state-owned capital, so that limited state-owned capital can do more and bigger things through leverage, thus changing the management model of the SASAC<sup>22</sup> from asset management to capital management, and finally transforming it into a giant financial oligarch capital similar to Wall Street investment banks, so as to compete for more voice in the world. Therefore, if China's capitalism wants to develop further in the future, it will have to compete with the world powers for markets and resources to gain its own living space. This is not a question of whether it has the ability, but a question of whether it wants to survive and develop. The conflict between it and the powers is inevitable.

The bourgeoisie of all countries in the world has long since realised what a rising China means: the United States has announced in a high profile that it is reorienting its strategic priorities and returning to the Asia-Pacific region, and scholars in China and the United States are already discussing the so-called 'new type of great power relations' (as if people did not know how to discuss such relations before World War I and World War II). In fact, the so-called 'great power relationship' is the relationship between empires, and the 'new type' is just self-deception), while some of our so-called Marxist-Leninist-Maoists either bury themselves in books or blindly despise their political enemies, do not analyse real problems, and fail to see the tremendous changes in the international and domestic situations.

Whether China is heading towards imperialism is the same as whether China is rising. A China that rises under the rule of the bourgeoisie can only be an imperialist China. It is precisely the development of capitalism that forces it to move towards imperialism. However, since its rise is under the banner of socialism and is presided over by state-owned capital, its future can only be social-imperialism similar to that of the former Soviet Union.

In terms of domestic indicators, apart from the superficial ones such as the second highest GDP and the fact that ICBC<sup>23</sup> has become one of the largest banks in the world, China has more than half of the world's iron and steel production, the world's largest automobile production and power generation, and even the world's largest number of patent applications since 2011. Although in per capita terms, China is still a long way behind the imperialist powers in all these indicators, big countries are different from small ones. For example, although its GDP per capita is much higher than China's, the United Kingdom is considering how to auction off its only aircraft carrier because of its difficulties in financing armaments due to the decline in its overall power, while China has recently become a carrier-owning and -building nation and is doing its best to expand its aircraft carrier fleet. Therefore, we cannot look at everything only from a per capita point of view; aggregates are also meaningful indicators when comparing the strength of countries.

From an international perspective, China has already sent warships to the Middle East to fight the so-called 'Somali pirates'; it has already sent armed forces to the Mekong River for 'joint' patrols; It has begun to invest heavily overseas, and its annual foreign investment will soon catch up with the annual foreign investment in China, for which it has declared its intention to become a 'maritime power'! So, it is rising step by step. Therefore, its much-touted 'Chinese dream' is essentially an 'imperial dream'.

However, it has not yet completed the process of its rise to power, and its 'Chinese (imperial) dream' is still a 'dream' in many respects; it is not yet a full-fledged empire, the export of capital is not yet its

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<sup>22</sup> State-owned Assets Supervision and Administration Commission of the State Council

<sup>23</sup> Industrial and Commercial Bank of China

main aspect, and it has not yet been able to manipulate other countries on the basis of its own economic, financial or political power. Here, qualitative change requires a process of quantitative change. Nonetheless, it has to move towards empire, which is determined by the law of capital expansion.

#### **(5) The secret of the rise of Chinese capital: the dominance of state-owned capital groups in China**

China has, but other developing countries have no chance of rising. The fundamental reason is that they do not have a dominant state-owned capital group like China in their own country. An important part of the US's promotion of neo-colonialism after World War II was to prevent the emergence of financial oligopoly capital that was not controlled by the imperialist powers in developing countries. The privatisation and marketisation of neoliberalism serve this purpose. It has successfully destroyed the state-owned capital of many Asian and Latin American countries. At the same time, it has effectively controlled the private capital of developing countries through infiltration and manipulation, and prevented the emergence of oligopoly capital groups that were not controlled by them in the third world.

But unlike other countries with full sovereignty, such as India or Brazil, the key to China's potential rise lies in the fact that China's capitalist development over the last 30 years has not followed the neo-liberal prescriptions to the letter, and that it has retained a relatively intact group of oligopolistic capital (i.e., state-owned capital). Unlike private capital, China's powerful state capital group has at least two advantages, as it is directly backed by the state apparatus:

First of all, it can disregard the interests of some small and medium-sized private capitals in the country and forcefully expand the interests of state-owned capitals by 'sweeping away all obstacles', so as to carry out the high-speed accumulation of capital in an extremely effective manner. The numerous incidents of forced demolition in various places are a case in point. This high degree of centralisation and unification of political and economic power has also enabled it to use the highly efficient method of 'concentrating superior forces to fight a war of annihilation' to accelerate the improvement and upgrading of China's industrial technology in such heavy industries as high-speed rail, equipment and military industry, and to form a hidden or obvious challenge to the Western powers in the fields of armaments and aerospace industry, etc. The fast-built high-speed railway network across the country fully embodies the characteristics of this kind of state-owned capital and its unique advantages that are beyond the reach of other capitalist countries.

Secondly, the existence of this state-owned capital group directly hinders the penetration and control of Western multinational corporations in China. Regardless of whether the state-owned capital is in good or bad operating conditions, it will not sell if it does not want to sell, no matter how much money is offered. In contrast, private capital can be easily bought at a high price by imperial multinational corporations, or divided and disintegrated. For example, if the government had not used the anti-monopoly law in 2009 to prevent Coca-Cola from acquiring the Chinese private capital Huiyuan Company, the imperialist powers' penetration of the Chinese economy would have been further deepened. But if Huiyuan was state-owned capital, it would not have to worry at all, and there would be no need to mobilize troops. No matter how much money Coca-Cola offered, it would not sell if it did not want to sell!

State capital can even use the profits of some industries or even the state treasury to remedy the losses of other industries, so as not to give the multinational corporations of the Great Powers a chance to take the plunge, and to effectively guard against the manipulation of Chinese capital by the capitals of the Great Powers. This tactic made the imperialist powers very angry and condemned

China for not giving foreign capital a 'fair' competitive platform. More than a decade after China's accession to the WTO, the penetration of foreign capital into key sectors of China's national economy and people's livelihood and heavy industry is still relatively small. The financial, energy, transport and communications sectors are still in the hands of State-owned capital groups.

Which of the developing countries, such as Brazil and India, does not wish to have such military, political and economic sovereignty as China? But precisely because these countries do not have a state-owned capital group like China, their private capital can hardly grow and expand in the face of the disintegration of transnational corporations of the world powers and their individual attacks. In the era of imperialism, the backward capitalist countries, in order to develop their own economies independently and to achieve industrialisation, had to take the road of 'socialism' (in this case, socialism as they understood it meant a high degree of government intervention in the economy). It is precisely because of the existence of this group of state capital that today the Chinese state economy is one of the most powerful among the economic entities that are beyond the control of the great powers. This is why state capitalism is a shortcut for latecomer capitalist countries to catch up with the world powers.

Due to at least these two advantages, compared with private capital, state-owned capital groups have more capital and ability to fight against other powers. This is an advantage that Deng Xiaoping, the "chief architect", and the top leaders of the ruling party have long recognised. Based on the strategic vision of "developing is the last word" and "hiding one's strength and biding one's time", they actively promoted reform and opening up, promoted coastal special economic zones, promoted "large imports and exports, both ends are abroad", promoted the use of "market for technology" to establish joint ventures with multinational capital and fully promoted China's entry into the WTO and other strategic measures. Recently, they quickly established the Shanghai Free Trade Zone. All of this is the path explored by the state-owned capital group in order to lead the rise of Chinese capitalism and dominate the world by "crossing the river by feeling the stones". Without the efforts of the state-owned capital group to "break through the thorns and brambles", there would be no achievements in the development of Chinese capitalism today. Therefore, the state-owned capital group is the core force leading the rise of Chinese capitalism and towards imperialism.

The rise of the state capital bloc is endeavouring to form an increasingly serious threat and challenge to the powers. This is why the US and the World Bank strongly advocate the privatisation of China's state-owned enterprises\*, and why neo-liberals at home and abroad have launched a strong offensive against this group. They know that only the privatisation of state capital can avert the rise of China and its challenge to the current world powers, led by the US.

【Some of us on the left do not have a clear understanding of the current 'privatisation' of SOEs through listing. The listing and privatisation of state-owned enterprises are not the same thing. The so-called 'privatisation' of SOEs controlled by state-owned capital and financed through listing is in fact extremely advantageous to state-owned capital. It can make use of the abundant capital in its possession and use the listing as a means of controlling a larger scale of capital. It is not necessarily good for an enterprise or company to be completely 'state-owned'. As long as the state-owned capital is still the controlling capital after the listing (it does not need to be an absolute 50%+1 shareholding, but only a relative shareholding), it can control capital several times larger than its own through the means of listing. This is the usual practice of the world's monopoly capital groups. China's state-owned capital has only just begun to emulate this tactic. This is completely different from the privatisation of Chinese state-owned enterprises, which the World Bank has strongly advocated. The privatisation that the imperial powers wanted was the complete sale of state-owned



enterprises, which is what was done in the early days of state-owned enterprise restructuring. But this is not what state capital is doing now. Selling its existing monopoly capital will not do it any good. On the contrary, it will go public to attract more capital to serve it. In the future, once most of the SOEs are listed, the demands of the imperial powers may change from the privatisation of SOEs to the withdrawal of state capital in order for them to control the lifeblood of China's economy. Only the latter is true privatisation in the interests of the powers].

### **Vulnerability of the state capital group system**

While the above analyses show its strengths, this modern system of state capital also suffers from serious vulnerabilities. It is precisely because the groups in power in China are state-owned that capitalism with Chinese characteristics is a deformed and fragile form of capitalism. Although this form of rule, which integrates the party, the government, the military, and the enterprise, is favourable to the rise of upstart countries, it has an inherent contradiction that makes it impossible for it to survive as a stable form in the long term. The main manifestation of this inherent contradiction is that the power of the members of the bureaucracy to divide the wealth of the society is not as certain as it would be under full private ownership.

First of all, as mentioned earlier, the 'group ownership' of state-owned capital is not as clear-cut as the individual ownership of private capital, and there is no guarantee of the individual's status within this system; factional struggles can easily lead to the loser losing everything, as in the case of Bo Xilai, and thus the bureaucracy lacks overall cohesion, which is manifested in the emergence of corrupt officials, big spenders, and big shots, as well as the emergence of large groups of overseas emigrants, and naked officials. The lack of overall cohesion in the bureaucracy is reflected in the emergence of corrupt officials, big money and bigwigs, hordes of overseas emigrants, and a large number of naked officials.<sup>24</sup>

Secondly, compared with the rules of the game in the market, the rules of the game in the officialdom, apart from the behind-the-scenes power and money transactions, still have numerous subterfuges, and they vary from person to person (which is determined by the bureaucratic system of upward accountability and downward irresponsibility). There are no written rules for the transfer of power in the bureaucracy, and it is mainly up to those in power to choose their successors within the system, and this subterfuge can only be understood, but not communicated, so there is no platform to balance the different interest groups like in Western 'democracy', which results in the bureaucrats spending more of their energies on fighting each other than on private capital, which is the main focus of their energies. Therefore, there is no platform like Western "democracy" to settle different interest groups, which causes the bureaucrats to spend more energy on intrigues, rather than on manipulating the market like private capital. In particular, the accountability system can easily make officials of all sizes panic in the face of resistance from the people, and they will be afraid of everything, which will further intensify the contradictions. The uncertainty of the rules of the game makes members of the bureaucracy lack a sense of security.

Third, the qualification of a member of the bureaucratic system is not easy to inherit, and the "second generation of officials" is not as legitimate as the "second generation of rich people". Therefore, the state-owned capital group that integrates the party, government, military and enterprises is very unconfident and fragile (hence the self-deception of the three "confidences" of

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<sup>24</sup> Naked officials refer to public officials whose spouses and children have settled abroad or become foreign nationals, often creating opportunities for corrupt officials to flee overseas to join them. For example, In April 2012, Wang Guoqiang, former secretary of the Fengcheng City Committee of the Communist Party of China, fled to United States with 200 million yuan.

"path, theory and system"),<sup>25</sup> and this form of rule is likely to be abandoned by the entire ruling class. Therefore, the group ownership of state-owned capital is both its strength and its weakness. On the one hand, it can overcome the frequent wrangling between capital interest groups in countries where private capital is in power (common to India, Europe and the United States), and can vigorously promote the construction of infrastructure that is conducive to long-term economic development. On the other hand, due to the artificiality of the rules of the official game, officials of all sizes are in danger, so it has no cohesion, and no official will risk bankruptcy to defend this political system. This is in sharp contrast to the Western capitalist system.

The most typical example of the fragility of this kind of group ownership was the collapse of the Soviet Union. The Soviet Union, one of the two hegemonic superpowers, was not defeated by the other hegemony, the United States, but rather the ruling clique of Soviet state capital, which, due to the development of deep-rooted internal contradictions, eventually lost all cohesion and, shaken by a small political crisis, could no longer maintain this externally strong behemoth, and collapsed on its own. This was the root cause of the collapse of the Soviet Union. Therefore, although China is making efforts to rise, there is still a great deal of uncertainty as to whether it will be able to realise its rise and fulfil its dream of becoming an empire in competition with the great powers.

The key here is whether the state capital bloc can maintain its rule. If it collapses due to a lack of cohesion, as happened in the former Soviet Union, then China's dream of a rising empire will go down the drain. This is why the royalists and narrow nationalists (i.e. those who do not desire the rise of the working class, but only the rise of the current ruling class in China) see this group as the only hope for the 'rejuvenation of China', and as the representative of the 'healthy' forces. In order to prevent the end of the Soviet Union from repeating itself in China and to fulfil their dream of China's rise, they have put forward the slogan of 'transforming and preparing for war, combating corruption and traitors, and rectifying the Party to save the country', and they have touted Bo Xilai, who was originally a member of the State-owned capitalist group, as their spiritual leader (and who, when he was in power in Liaoning, pushed hard for the restructuring of State-owned enterprises, resulting in the layoff of millions of workers), as if he were a 'rectifying the Party'. They regarded the so-called 'Chongqing model' as a hope for the regime to regain cohesion, and tried to change the nature of the bourgeoisie which is profit-oriented through 'rectifying the party' as if they were counting on the dog to eat the dog's shit, and to alleviate the class contradictions in the country through improvement, so that their 'sustainable exploitation' can be guaranteed and maintain the rule of the state-owned capitalist groups.

Whether the bourgeoisie will be obliged to introduce 'colour revolutions' due to a lack of internal cohesion is a question they have to weigh up. On the one hand, if the dominant ideology of the working class is that of the bourgeoisie and the petty bourgeoisie, then bourgeois democracy is the most effective political system to maintain its rule (as in the United States and Western Europe). On the other hand, if there are many people in the working class who do not agree with private ownership, the bourgeoisie would probably prefer to keep the 'authoritarian system' rather than to 'democratise' it, for fear that the masses will not respect the 'sanctity' of individual property. For example, at the time of the disintegration of the Soviet Union, although the people had already

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<sup>25</sup> Following Xi Jinping's rise to overall leadership in 2013, he claimed that the "three self-confidences" of the path, theory, and system of socialism with Chinese characteristics were the most valuable experiences for "building the road to a strong country, the foundation of national rejuvenation, and the foundation of the country". By "path" he meant the road of socialism with Chinese characteristics. By "theory" he meant the application of "Marxist" theory to new practice and new development. By "system" he meant integrating the fundamental political system with the basic economic system.

suffered from the oppression of the bureaucratic monopoly capitalists in their own country, they still harboured illusions about private ownership and they still identified with private ownership, thus making the Western form of democracy, as Friedrich Engels put it, an effective tool for the domination of capital. But today the Chinese people's illusions about private ownership have been shattered by the reality of the past 30 years or so. Therefore, if the Chinese bourgeoisie wants 'democracy', they have to fear the 'tyranny of the majority', which denies private ownership, just as the capitalist world spoke with one voice against the referendum of the Greek people during the Greek bond crisis because it was one person, one vote, not one dollar, one vote. The former is likely to result in a 'tyranny of the majority' for the people. The former could result in an 'irresponsible' rejection by the people of a 'bailout' programme to save capital.

It is unfounded that some leftists who call themselves Marxist-Leninist-Maoists generally regard the 'colour revolution' as the worst possible outcome. On the one hand, these people can see the consciousness of the Chinese working class, especially the consciousness of the so-called 'old workers', but on the other hand, they are strongly opposed to the outcome of the 'colour revolution', which is really puzzling. If the 'colour revolution' is really the most dangerous outcome for the working class, then the likelihood of this outcome being realised is the greatest, and on the contrary, it is the most favourable to the rule of capital. This is because the essence of the so-called 'colour revolutions' is either due to the intensification of internal conflicts within the ruling class and the growth of the power of private capital, which is eventually capable of replacing the state-owned capital group, or due to the intensification of the two major class conflicts between labour and capital in the country, which makes it impossible for the state-owned capital group to continue to maintain the rule of capital. They need to launch a 'colour revolution' to achieve a 'change of leadership' and to maintain their class rule. This was the reason for the 'colour revolutions' in the countries of Eastern Europe after the revisionists came to power.

Whether or not the ruling class in China will use 'colour revolution' to defend its own rule depends on two aspects: firstly, the degree of intensification of the internal contradictions of the ruling class, and secondly, the degree of intensification of the contradictions between the two major classes in the country. Therefore, whether or not the bourgeoisie will launch a 'colour revolution' in China can be said to be an indicator of the level of struggle of the Chinese working class. The reason why the Solidarity trade unions in Poland failed to overthrow the rule of capital and became the main force of private capital to overthrow the state-owned capitalist groups was that, although they had organisational capacity and fighting strength, they lacked class consciousness. This is very different from the Chinese working class which has experienced the Cultural Revolution. It is precisely because of the strong 'anti-rich' mentality of the Chinese people that if a faction of the Chinese bourgeoisie dares to launch a 'colour revolution', it is more likely that we can make use of the situation to push the working class to expand its room of activity in the midst of the internal bourgeois chaos. Those who fear a 'colour revolution' in China are in fact consciously or unconsciously fearful of the collapse of the dream of a Chinese empire, not of the blow that this event will deal to the working class.

The rule of state capital in China is currently more stable than in the former Soviet Union; after all, it is integrated into the world capitalist system. Private capital, despite its grievances, is also dependent on it and cannot leave it for the time being. The change can only be slow, and sudden changes are less likely. Therefore, there is no market for colour revolutions in China for the time being. If a colour revolution emerges in China, it will only be the last resort of the bourgeoisie when it cannot rule any longer. Such a situation is more likely to lead to a revolution. But even if there is a change of colours, it will not be as disastrous as in the Soviet Union. After all, the unified market of Chinese capitalism is

already in place, and there is no need to change the relations of production, only to fine-tune them at the most.

Some of us who claim to be Marxist-Leninist-Maoist say that we have to oppose Western democracy, we have to oppose the 'colour revolution', and we have to guard against the rise to power of the Westernisation faction, but the case of Bo Xilai is precisely a preview of bourgeois democracy, and it is precisely the fact that Bo Xilai has adopted the tactics of bourgeois politicians of fooling the people that have won him the goodwill of the general public. Instead of guiding the people on how to identify and guard against bourgeois politicians on the basis of the revolutionary principles of Marxism-Leninism-Maoism, we, the verbal revolutionaries, have become the lobbyists and drummers of these politicians, and their accomplices in deceiving the people!

The actions of these leftists, narrow-minded nationalists and opportunists, who are most afraid of a 'colour revolution' in China, are precisely paving the way for a 'colour revolution'. The probability of a 'colour revolution' is greatest when the masses place their trust in saviours, elites and iron-fisted figures, that is, 'good' politicians, rather than in their own organisational and fighting capacity. Bo Xilai and Boris Yeltsin have one thing in common: they are both challengers of the previous system that won the hearts and minds of the people.

When we Marxist-Leninist-Maoists, who are committed to the rise of the Chinese working class, make a class analysis of the various political ideas in China, we must start from the economic basis of the current reality of the ruling clique of state-owned capital, and carefully analyse the conditions for the survival of this clique and the choices they face. Otherwise, we will not be able to explain why the current nationalist sentiment is higher than it was 20 years ago, and what its economic basis is. This group is currently facing a choice: either to compete with the great powers within its capabilities like Russia, and "not to compete for hegemony as a grandson", which is the proposition of the Chinese strong country faction, hegemony faction or "characteristics" faction; or to "be a grandson and not to compete for hegemony, and do whatever the United States says" like Japan, which is the proposition of the Chinese pro-American faction, universalist faction or constitutionalist faction. At present, the former is getting stronger and stronger, while the latter's ideas (except for the hardcore pro-American faction) are also changing. Even the opposition, the universalist faction or constitutionalist faction represented by the Southern Newspaper Group, are excited about the improvement of China's military capabilities. It can be seen that they are committed to the rise of Chinese capital and have the same goal.

## **The Rise of 'Characteristics' Capital and the Road to the Re-liberation of the Working Class in China**

### **Part 4: The Main Contradiction and the Problem of the International Situation**

#### **Chapter 4: The main contradiction in Chinese society today is the class contradiction at home, not the contradiction between the imperial powers and China.**

##### **(I) Evidence and Analysis of the Main Contradiction**

On the central question of what is the main contradiction in Chinese society today, there are also serious differences within the left.

Based on the above analyses of the various classes in Chinese society and the nature of Chinese society, what are the basic contradictions in Chinese society? We can see the following: (1) contradictions within the people, such as those caused by the household registration system (including contradictions between people of different nationalities in China); (2) contradictions between the big and small bourgeoisie, such as those arising from the urban-rural nexus, such as real

estate development and demolition, and between urban management and vendors; (3) contradictions between state capital and private capital within the ruling class (including contradictions between different ethnic bourgeoisies in China); (4) contradictions between the Chinese and foreign bourgeoisie, i.e., contradictions between countries, or the so-called 'national contradictions' between the imperial powers and China; (5) contradictions between the bourgeoisie and the working class.

The so-called major contradictions of a society are also the most intense contradictions that dominate that society, that is, the contradictions that a regime responds to by using the state violence (military and police) at its disposal.

So which is the main contradiction in Chinese society today? Of the above contradictions, the first two are caused by the bourgeoisie, and these contradictions are generally not fierce. The contradictions among the people are at most quarrels, and the contradictions between ethnic groups were not confrontational during the Mao Zedong era. The intensification of ethnic contradictions in China today is the product of capitalist development and a reflection of class contradictions. Except for very few exceptions, the contradictions between the big and small bourgeoisie, such as urban management and street vendors, generally do not require the mobilization of armed police. The third contradiction, that is, the contradiction within the bourgeoisie, can only become the main contradiction of a society like during the American Civil War. The contradictions between the bourgeoisie of different nationalities in China sometimes intensify into confrontational contradictions, but they are still a long way from the main contradiction. The fourth contradiction, that is, the contradiction between Chinese and foreign capital, will only become the main contradiction in Chinese society when the empire tramples on China's territorial sovereignty.

Thus, the main contradiction in Chinese society has long been the contradiction between the working class and the bourgeoisie, who make up the vast majority of the population, as reflected in the fact that the hostile force that the regime fears the most is the working class in China, in the huge expenditure on 'stabilisation', in the ever-increasing size of the state apparatus, and in the ever more comprehensive surveillance of the people. It is clear that it is exclusively the Chinese authorities, and not the US soldiers, the Japanese military police or any other foreign soldiers or police officers, who are currently using force to suppress the Chinese workers' movement at the drop of a hat.

Therefore, the main enemy of the Chinese people at present is the "lackeys" who serve capital rather than the "traitors" who serve foreign capital. Some narrow nationalists who use the banner of "Mao Zedong Thought" call other Marxist-Leninist-Maoist who oppose the authorities the "Left leading the way Party". These people arbitrarily believe that the main contradiction at present is the national contradiction, and the infiltration, control and manipulation of China by US imperialism is the main danger at present, and class contradictions should be relegated to a secondary position. They believe that due to the global strategy of US imperialism, the United States hopes that China will be in chaos and that China will be torn apart. Therefore, they simply believe that all actions against the Chinese authorities are actually serving the US imperialism and are objectively helping US imperialism.

Even if their analysis of the main contradiction is correct, their conclusion is still against Mao Zedong Thought. According to their logic, in 1931, Japan had already begun to occupy the Northeast of China, so did not the armed struggle led by Chairman Mao in the Central Soviet Region in the South become an act of the 'leftist leading the way Party', and did it not objectively help Japan? What is the difference between their arguments and the attacks on the Communist Party by the Guomindang opposition? What is the difference between their argument of 'stability overrides everything' and Chiang Kai-shek's argument that 'to resist foreign aggression, we must first pacify the interior'? Even

when national conflicts were in the forefront, Chairman Mao still opposed the Wang Ming line of 'everything through the united front', and he also opposed class capitulationism and emphasized the independence and autonomy of the masses. This is because if the war of resistance at that time really relied on the Guomindang and Chiang Kai-shek, then the end of the war of resistance would have been like that in India. Even if Japan surrendered, China would still not be free from the manipulation and control of imperialism. Therefore, even when national conflicts have become the main contradiction, the masses still cannot place their trust in the reactionary authorities for the leadership of the anti-imperialists. Moreover, there is no evidence that the main contradiction in Chinese society is between the imperialist powers and China. If there is, since when did it become the main contradiction? These narrow-minded nationalists have never discussed this.

## (2) Refuting narrow nationalism

China today is not in danger of becoming a colony or being colonised. On the contrary, the so-called 'national contradiction' is the contradiction between the rising Chinese monopoly bourgeoisie, represented by state-owned capital, and the imperialist powers. No matter what the subjective wishes of these narrow-minded nationalists are, objectively speaking, they are playing the role of 'royalists', defending the interests of the Chinese monopoly capital represented by state-owned capital. Some of them even hope that China can replace the United States as the new hegemon of the world, thinking that in this way, they can also be as rich as imperialist citizens, hoping to get some more leftovers from the feast of China's world domination.

However, they do not understand, do not realise or are unwilling to admit that 'patriotism', which is dedicated to the 'rise of a great nation' for the sake of capital, is hypocritical, reactionary and serves the interests of a handful of ruling classes. These narrow-minded nationalists will ask, 'If you do not love your country, do you want to sell it?' Let us think about this: Is it 'patriotic' to defend China's investments in the Middle East and Africa (for example, in South Sudan's oil)? Is supporting the people of the Middle East and Africa in their struggle against the oppression of Chinese capital a 'traitorous' act? The patriotism of an oppressed people resisting the aggression of a foreign enemy on its own soil is progressive and just, but the 'patriotism' of expansion in search of resources and markets outside its own territory is a reactionary imperialist behaviour. At the beginning of the Chinese capital's massive entry into Africa, the local people warmly welcomed it. But soon they realised that Chinese capital was not so different from that of the West, and the revolt of the African people became more and more violent. Are these narrow-minded Chinese nationalists supporting the revolt of the African people, or are they siding with Chinese capital and defending its interests? The answer is obviously the latter. In fact, these narrow-minded nationalists do not have any right to criticise the war of aggression against China by the Japanese imperialists, because their 'patriotism' is a 'patriotism' that lacks the objective criterion of distinguishing between justice and injustice, and it is self-centred. What is in my interest is 'just', otherwise it is 'unjust' patriotism, the 'patriotism' of safeguarding the interests of one's own capital. It is 'patriotism' to defend the interests of one's own capital. These narrow-minded nationalists are essentially big-nation chauvinists, or social chauvinists in the name of socialism.

They do not understand, do not realise or are unwilling to admit that only the just and unjust patriotism analysed by Chairman Mao during the war of resistance is patriotism with objective criteria. That is to say, the patriotism of the oppressed nations is anti-imperialism and patriotism for national independence, which is the first condition for the liberation of the working class of these nations, and which serves the masses of the people, and which is therefore progressive or revolutionary; the 'patriotism' of the developed countries which oppress the other nations is the 'patriotism' of the reactionary fascists, which is the 'patriotism' of the developed countries. The



'patriotism' of the United States, Europe and Japan is the 'patriotism' of reaction and anti-communism. This kind of 'patriotism' is reactionary because it serves the expansion of the country's monopoly capital, and it is a 'patriotism' that serves to divert the spearhead of the struggle of the working class at home. With wars of aggression abroad, these empires can hope to overcome overproduction, transfer the domestic crisis, divert the attention of the people at home and suppress the rise of the working class in their own countries. Isn't the 'patriotism' promoted by our narrow-minded nationalists today the latter?

They do not understand, do not realise or are unwilling to admit the price of the imperial dream: the people of the imperialist countries in the First World War killed each other and suffered heavy casualties under the call of their respective 'patriotism'. In the Second World War, the people of Germany and Japan once again paid a heavy price for the hegemony of their ruling classes over the world under the call of 'patriotism'. After the Second World War, the people of the United States, under the call of 'patriotism', kept on serving as unnecessary cannon fodder in the battlefields of Korea, Vietnam, Iraq and Afghanistan for the hegemony of American imperialism in the world.

These narrow-minded nationalists do not understand, do not realize, or are unwilling to admit that during the "rise of great powers" more than a hundred years ago, the technologically advanced imperialist countries faced feudal dynasties like the Qing Empire that were as corrupt and vulnerable. The world today is no longer the same as it was before the First and Second World Wars, when the world was divided up among various empires. After World War II, especially after the collapse of the Soviet Union, the United States has become a super nuclear power dominating the world. Under these conditions, the imperial dream of replacing the hegemony of the declining but still strong capitalist power of the United States with a monstrous, bloated and strong capitalist power like China can only be realised by traversing the ruins of the nuclear war, crossing the sea of blood all over the world, and climbing over mountains of corpses. Moreover, a ruler capable of hegemony at the international level is even more capable of suppressing working class resistance at home. Therefore, for the Chinese working class, the imperial dream of these people will be a real disaster, a real catastrophe.

These narrow-minded nationalists do not understand, realise, or are unwilling to admit that American imperialism will prove to be the last empire in human history. What they advocate is to use the Chinese people as cannon fodder to realise their imperial dream. Some of them may very likely ruin their own imperial dream in order to prevent the rise of the working class, and in the near future, become accomplices of the Chinese big bourgeoisie in suppressing the working class.

For the sake of their own imperial dream, these die-hard monarchists warned the people with alarmist words that if everyone did not support the monarchy and the ruling party collapsed, China would be torn apart and the people would suffer. They only used the disintegration of the Soviet Union as an example, but completely ignored the fact that the Soviet Union was a multi-ethnic republic and that the Russians were a minority in other republics. In China, on the one hand, except for Tibet and Xinjiang, Han people accounted for the majority in other minority areas. On the other hand, today's China has become a unified economy with serious economic dependence among various regions. This is completely different from the economic basis of warlords fighting each other during the Guomindang rule. In an agricultural country based on a small peasant economy, the size of the territory (except for the impact of war) has little impact on the economy, so there is the possibility of warlords fighting each other. In today's China, the market is nationwide (especially for large enterprises, there are few capital forces that rely solely on local markets for survival), and resources are nationwide (such as the heavy reliance of the economically developed eastern and southern regions on energy from the western and northern regions). Local independence is almost

impossible and does not conform to the interests of the bourgeoisie, so the outcome of fragmentation is almost impossible. Even if there is, it can only be temporary. According to the logic of the royalists, the Northern Expedition should not have been fought, the War of Liberation should not have been fought, and the American Civil War should not have been fought, because once a war is fought, the people will suffer. They do not understand the law of class struggle at all. The current ruling party may be fragmented in the future and become several competing parties, but all parties are fighting for a unified country, not a small country to be divided and ruled. Russia did not split again after the disintegration of the Soviet Union, and other Eastern European countries with a single ethnic group as the main body after the "colour revolution" did not split into five pieces, which is proof (the former Yugoslavia, Czechoslovakia and Ukraine are not countries with a single ethnic group as the main body, so their disintegration has no reference significance for China).

On the question of the main contradiction in Chinese society today, on the surface it seems that the main difference is between the Marxist-Leninist-Maoists and the narrow-minded nationalists, but the confusion within the leftists, including those who claim to be Marxist-Leninist-Maoists, is in fact rooted in the divergence in the understanding of the main contradiction in Chinese society due to differences in standpoints, worldviews and methodologies. It is precisely because of the ambiguity of many people about the main contradictions that there is the problem of not being able to distinguish between friend and foe, the problem of not knowing how to differentiate between a united front and the use of contradictions, and the problem of a wrong understanding of the improvement of the situation.

Having made a correct class analysis, understood the nature of Chinese society and the main contradictions in Chinese society, we must also make a correct judgement on the international situation before we start discussing the rise of the working class.

### **Chapter 5 We are in an era of global crisis of capital, eve of imperialist rivalry and proletarian revolution**

Just as we cannot talk about China in isolation from the relationship between Chinese capital and world capital, we cannot talk about the rise of the Chinese working class in isolation from the crisis of capitalism worldwide. Therefore, we must first of all understand the ins and outs of the capitalist economic crisis, imperialism and capitalist globalisation, and then carefully analyse the relationship between the current international situation and the class struggle at home.

(1) Overproduction remains the fundamental cause of the capitalist crisis and the emergence of the modern capitalist empire.

The root cause of the capitalist economic crisis is overproduction, and not others such as the resource crisis or the ecological crisis.

This is because capital is produced for profit. But the profits of the bourgeoisie as a whole are only possible if the total output of social production is greater than the total consumption of the working class (one can disregard the bourgeoisie's luxury consumption, the depreciation of fixed capital, the need to maintain the capitalist state apparatus, etc., as these can be seen as discounts to output). In other words, the output of all the workers must add up to more than the sum of the products purchased by all the workers in order for the bosses to make a profit. The difference between the output produced by the workers as a whole and the consumption of the workers as a whole is the profit of capital as a whole, and the greater the difference, the greater the profit. But this profit can only be realised if it leads to investment in expanding production, otherwise it is a pile of unsold goods. This is overproduction.

Since the beginning of time, human beings have been underconsumers; only overproduction is a phenomenon specific to capitalism. The cyclical economic crises of capitalism are not caused by a decline in consumption, but by the fact that the growth of output exceeds the growth of consumption, and often the products in excess are not consumer goods. If the capitalist system had been able to coordinate the simultaneous growth of output and consumption in a planned and proportional way, it would have been possible to avoid crises of overproduction (as in the Soviet Union after Khrushchev's rise to power and in the period of the planned economy prior to its dissolution). But capitalism is generally not a monolithic, single-group state monopoly capitalism (the collapse of the USSR demonstrated that single-group state monopoly capitalism is unstable capitalism). Unless there is a special need (e.g. in times of war), the bourgeoisie does not automatically co-ordinate its production with each other, and the expansion of production by individual capitals does not generally lead directly to a surplus of their products. On the contrary, capitalist groups that adopt new technologies and techniques for large-scale expansion tend to reduce the costs and prices of their individual products, thus making the products of the relatively under-expanded capitalist groups uncompetitive and surplus to the latter, and thus crowding out the latter. This is the result of competition between capital groups. Overproduction in individual industries is thus a means of competition among capital groups.

But the 'rational' behaviour of individual capitalist groups within industries becomes the 'irrational' behaviour of capitalism as a whole. In order to survive, each individual capitalist group tries desperately to expand its scale of production, which results in the expansion of the overall scale of capitalist production. But this overall expansion can only be accompanied by an increase in the overall profitability of capital if it is higher than the increase in the overall consumption of the working class. Thus capital, on the one hand, is constantly expanding the difference between the total output produced by the workers and the total consumption of the working class in order to increase its profits. But on the other hand, it is only through a further expansion of production that capital can sell off the surplus, convert the surplus into profit, and prevent the difference between output and consumption from becoming overproduction. But this increase in the scale of production will make the crisis of overproduction even more serious in the future. As soon as capital loses confidence in the conversion of the surplus into profit in the future, that is to say, in the bubble-like expansion of production capacity, an economic crisis is inevitable. This is the fundamental contradiction between the social nature of capitalist production and the anarchy of production, and the root cause of capitalist crises.

There are several ways to alleviate the crisis of overproduction: either by opening up new markets to absorb the excess capacity (e.g. by discovering new continents or by bringing China into the world capitalist system), or by reducing the excess capacity through the elimination of the old fixed capital by new technologies (e.g. the TV almost eliminated the cinema for a while, the mobile phone almost eliminated the landline, the digital camera basically eliminated the film camera or the automobile and the aeroplane basically eliminated the train in the USA, etc.), or by destroying the excess capacity through natural disasters (direct destruction of capacity) or through war (Japan and Germany were in ruins after WWII). If there are no new markets, no new technologies, no natural disasters or wars, then excess capacity can only be solved by an economic crisis. Weak capitalist groups had to go bankrupt during the economic crisis, which made it possible to eliminate a large amount of excess capital and to rebalance production capacity and markets. Imperialism was originally created to relieve domestic overproduction. By dumping and plundering its colonies, it opened up its own market, acquired new resources and relieved domestic overproduction. Thus imperialism was an inevitable trend in the development of capitalism (it was only in the later stage of imperialism that the development shifted from the export of commodities to the export of capital).

The neo-colonialism of the United States also began with the manipulation of the politics and economies (markets) of other countries in order to create new investment opportunities and to dump its own surplus products, thus transferring the crisis of domestic overproduction.

The globalisation of capitalism has further expanded the market and temporarily alleviated the crisis of overcapacity in the empire (China's entry into the world capitalist system delayed the overall crisis trend that began in the mid-1970s, represented by the oil crisis, and did not significantly ease until the mid-1980s, until 2008 when it broke out again). The result is a worldwide overcapacity with endless consequences! Without major new technologies in the near future to open up new markets or to force the elimination of large amounts of old fixed capital (if steel could be completely replaced by a new chemical material, or if photovoltaics became so cheap that they could almost completely replace oil, gas and coal, these new technologies would eliminate a large amount of old fixed capital in industries like steel or energy), the world's overcapacity would only be destroyed by a deeper economic crisis in order to restore the balance between capacity and markets. But the contradictions between the capitals of the various countries, which wish to alleviate their own overcapacity by destroying the capacity of others, are becoming more and more acute. It is war that is the central expression of the crisis of capital in the age of imperialism. This is one of the fundamental reasons why imperialism means war.

On the contrary, resource depletion and ecological damage do not cause capital crises, but rather create new investment opportunities. The crazy expansion of China's wind power, photovoltaic and other industries in the early stage and the serious overproduction in the past three years are precisely because the ecological crisis has not arrived "in time". From this point of view, resource depletion itself is a contradiction between people and nature, which will affect the contradiction between people, but not directly between people, and therefore will not directly threaten capitalism, just as the great earthquake in Japan in 2011 did not threaten Japanese capitalism. In fact, the British magazine "Economist" has long said sarcastically that the end of the Stone Age was not due to the exhaustion of stones at that time, so they are not worried about the oil crisis and believe that new energy will definitely replace oil. Similarly, the current severe smog all over North China will create new opportunities for eliminating heavily polluting industrial production capacity and investing in smog control, thereby saving the current capitalist crisis. It can be seen from this that capitalism on a global scale will not end because of any resource shortage or ecological damage.

(II) The globalisation of capitalism does not ease the struggle for hegemony between empires, it only changes the scope and form of hegemony between empires

Imperialism is not a conspiracy; it is the inevitable result of the development of capitalism. Competition between capitalist groups makes them fight for markets and resources in order to survive. Sooner or later, this struggle for markets and resources leads to war.

Since the Second World War, there has been no war on a global scale for nearly seventy years. This is not because of the advent of peace and prosperity in the world, or because the globalisation of the economy and the interpenetration and interdependence of capital have made wars between empires a thing of the past, but because at present, apart from the Soviet Union, which became a superpower at the same time as the United States after the Second World War, no other capitalist country is strong enough to be able to compete with the United States.

The United States has been a world hegemon for more than 60 years and the largest industrial country for more than 100 years. It is unlikely that it will be able to maintain world hegemony for another half century. The decline of the United States is inevitable. Because of its hegemonic

position, it could reap huge profits from its financial hegemony, so it stopped engaging in the industrial economy and put all its production in other countries; it had become hollowed out, so its economic power had long since declined, and it relied more and more on its own financial hegemony and military hegemony to safeguard its world hegemony. The 2008 financial crisis fully reflected its rottenness and vulnerability, and the fact that it later relied on indiscriminate money printing to survive further demonstrated its parasitism.

The hegemony of the United States upholds the interests of American capital rather than the common interests of global capital in the abstract. International organisations such as the IMF and the World Bank, which symbolise the global capitalist system, are ostensibly institutions for coordinating the divergent interests of capitalist countries, but the essence of these institutions is to serve the US hegemony of the world. The rules of the game defended by the United States are formulated in its own interests, and they change according to changes in its interests. For example, after the Second World War, when the fixed exchange rate was favourable to the US, it promoted the fixed exchange rate, but in the early 1970s, when the fixed exchange rate could not be supported, it abolished the fixed exchange rate without authorisation and accused other countries of manipulating the exchange rate instead. When the US economy was still relatively strong in the 1950s and 1960s, it pushed hard for free trade, but once other countries like Japan became economically strong, the US emphasised 'fair' competition, forcing Japan to 'consciously' restrict its car exports to the US in the 1980s. In the 1980s, the US forced Japan to 'consciously' limit its exports of automobiles to the US. Later on, it also forced Japan to accept a drastic appreciation of the yen, which led to the economic collapse of Japan in the past 20 years or so. The most fundamental reason why it can do so is that the United States has stationed troops in Japan. Japan dared not raise its voice in anger. In the economic crises faced by other countries such as those in Latin America and Asia in the 1990s, the United States, through the IMF and the World Bank, pushed through the policies of raising interest rates, reducing government deficits and privatisation in these countries, opposing the bailout by these governments. However, when it was confronted with the financial crisis in 2008, it instead lowered the interest rate, increased government expenditure, took over bankrupt capital as state-owned, and rescued the market with all its might. Nowadays, there is no institution that has a greater influence on the world economy than the Federal Reserve, but the Federal Reserve has never considered economic issues solely in the interests of the United States and Wall Street. At present, the United States can print money indiscriminately for the benefit of Wall Street, but Japan has just tried to imitate the United States in printing money, and the United States is very dissatisfied with it. The G20 crusaded against Japan's monetary policy, but no one in the G20 dared to accuse the United States of its quantitative easing policy. The United States has all along been enforcing the double standard of allowing the officials to set fire to the people but not the people to light the lamps, and this is the hegemony of imperialism.

In addition to political and economic means, the United States ultimately needs to rely on its military hegemony to defend the investments of American capital throughout the world and the world capitalist system from which it benefits, otherwise it would not have spent huge sums of money every year on military expenditure to maintain its military power. Conversely, the United States military, nuclear weapons and aircraft carriers must act in the interests of Wall Street, not in the interests of London, Paris, Berlin, Tokyo, Moscow or Beijing. The United States is particularly concerned about this. Even with its closest NATO allies, it has made it a rule that American soldiers can only be under the command of American officers, and that officers from other EU countries have no right to command American soldiers. Some of us are deluded by illusions. They think that since today's capitalist world is dominated by mega transnational corporations with worldwide production, worldwide markets, and investors from all over the world, capital has no homeland. However, this is

an illusion. Although the fact that capital investment has no borders is a result of capitalist globalisation, it would be totally wrong to assume that capital has no motherland on this basis.

The nationality of a capital group is not determined by the nationality of its directors or controllers, or by the location of its headquarters, but by the location of the centre of gravity of its capital investments, and ultimately by the regime of the country that will use force to defend the interests of the capital group (not only does international capital have a nationality, but even domestic capital has a place of origin. For example, when Shanxi Province forcibly acquired small coal mines in the province for state ownership, it was the Zhejiang Provincial Government that came forward to negotiate with the Shanxi Provincial Government on behalf of the interests of the Wenzhou coal speculation group!)

Therefore, the globalisation of capitalism does not abolish the motherland of capital, nor does it eliminate the nation-state! The capitalist world is not a monolithic one, and each country's capital has its own agenda. Globalisation has not made Lenin's thesis of imperialism obsolete. On the contrary, it has further validated Lenin's incisive insight and vision based on dialectical materialism.

It is precisely because capital has a fatherland that the European Union, despite the repeated opposition of the United States, is trying to strengthen its armed forces through its own independent navigation system and its aeronautical production (Airbus); that Japan is trying to use the conflict over the Diaoyu Islands as a pretext to regain its military strength and independence and to escape from the military and political control of the United States; and that China is engaged in the development of aeronautical, aerospace, navigational and aircraft carrier technologies. All of these are aimed at safeguarding their respective investments around the world and expanding their voice in the world capitalist system (for example, before the Libyan war in 2011, if China had been able to anchor even one aircraft carrier in the Middle East, the outcome of the war would have been very different, and China would not have suffered tens of billions of dollars in losses in its investments in Libya).

Thus, on the one side there is the relatively strong industrial European Union, a rising China, a resurgent Russia and a Japan that does not want to be 'grandchildren' forever, while on the other side there is a declining but still hegemonic United States. The conflicts and struggles between them (through arms races, localised frictions and proxy wars on the fringes of their spheres of influence) will only intensify. The transformation of the world from a world dominated by the United States to a pluralistic world is in fact a prelude to imperialist wars. Lenin's assertion that as long as there is imperialism, there will be wars is not outdated at all; it is only a matter of time. The crisis in Ukraine has already set in motion a prelude to imperial rivalry. The existence of nuclear weapons only changes the form of this imperial war. At the end of the day, the American empire will have to use all its military power to defend its hegemony in the world at all costs. We cannot have any illusion about this.

In the face of these facts, some of our self-righteous theorists blithely assert that 'Lenin's assertions about imperialism in his time are no longer applicable today. Today there is only one global imperialism, or imperialist system', and "the structure and characteristics of the global imperialist system today are completely different from those of Lenin's time, so many of Lenin's ideas about imperialism are no longer applicable to today's realities, for example, imperialism means war". What can we say to these people who have been deluded by superficial phenomena, other than hoping that they will wake up quickly and stop dreaming?

(3) U.S. imperialism is the last world hegemony of mankind



Although the United States is still the most powerful world hegemony in the history of mankind, we can also assert that it is the last world hegemony. Unlike the United States, which replaced Britain after the Second World War, and Britain, which replaced the Netherlands earlier, it is unlikely that a new superpower will replace the United States as the new world hegemon. For one thing, the United States is in possession of nuclear weapons that can level the world several times over, and it will make a last-ditch effort to do so. Secondly, the globalisation of capitalism has rapidly increased the proportion of the working class in the population of all countries in the world, and the rapid development of the productive forces in the last half century has reached a level that can satisfy the needs of all human beings (i.e., material goods have become 'extremely rich'), especially the information revolution represented by the Internet that has the characteristic of subverting the system of private ownership (e.g., open-source software, information sharing, etc.). This has brought people from all over the world into a 'global village'. The conflict between productive forces and relations of production has never been more acute. Under these circumstances, the peoples of the world will not wait for the end of hegemonic struggles and the arrival of a new hegemon.

War is the concentrated expression of the crisis of capital in the age of imperialism. Nothing is more cruel than war, but nothing is more educational. It exposes the ugly face of the financial oligarchy, which is willing to destroy all humankind for the sake of its personal interests or those of a small group, and it demonstrates the ugliness and absurdity of capitalism in its fullest splendour. If mankind wants to avoid the ravages of war, it must overthrow imperialism, and if it wants to overthrow imperialism, it must fundamentally bury capitalism. In the face of the threat of nuclear war by the empire, communism is the only option for mankind to survive!

Imperialism can be defeated only if the people of the world unite against the hegemony of the American Empire and that of any other country. This war for world hegemony will educate the people of the world, including the American people. Just as the women's liberation struggle educated the men and the black human rights movement educated the whites, the American people will sooner or later be educated to the extent that they will eventually pay a heavy price if they try to defend American hegemony in the world.

The people of the United States have many merits, the most important of which are their lack of hierarchy and servility, their lack of superstitious belief in authority, and their strong sense of defence of rights. At present, the people of the United States still agree with the system of private ownership, and they are still unable to see the imperialist nature of the United States. They also have a strong spirit of heroism and a sense of justice, and they are good at fighting injustice and doing what is right. These are precisely what the American empire needs. As long as it can deceive the people of the United States and demonise its rival, it can encourage the people of the United States to serve its imperialism. Therefore, any country competing with the United States for hegemony is more likely to make the American people cannon fodder for the American empire's hegemony, and to make the American people as united as they were in the Second World War. It is only when the people of the world unite against the hegemony of the United States that the American people will be educated and awakened, as they were in the war against Vietnam.

The United States could not fight in Vietnam in the 1970s not because it did not have enough weapons or determination, but because the war of aggression against Vietnam was unpopular. It was only after the American soldiers had witnessed the unanimous resistance of Vietnamese men, women and children and destroyed the lie that they were helping the Vietnamese people to fight against the 'expansion of communism' that they were awakened, and that made the war unsustainable. Sooner or later, the people of the United States will wake up in the struggle against hegemony by people all over the world, and they will not allow the United States imperialists to

threaten the people of the world with nuclear weapons. Once the people of the United States have awakened and risen to power, those nuclear weapons will be useless and the hegemony of the United States empire will collapse.

Similarly, the Chinese people will be educated by the rise of Chinese 'characteristics' capital and the struggle for imperial supremacy. This is because, on the one hand, the people of the world are not only against the hegemony of the American empire, but they are also against any form of hegemony, and they will never allow a new super-empire to take the place of the United States as the new hegemon of the world after an old hegemony has been overthrown. Their struggle against hegemony will educate the Chinese people. On the other hand, a regime which has no cohesion other than nationalism, which does not even dare to practise bourgeois democracy, which relies solely on the strict monitoring of its people's every move, word and deed to maintain its dominance, and which is extremely fragile and self-confident, will not be able to mobilise its own people to serve as cannon fodder for its hegemony. Sooner or later, in the course of its struggle for hegemony, the people will ask: Why is the rise of capital the only thing permitted and not the rise of the people? Why should the people's ability to defend their rights and interests be suppressed?

Therefore, it is only when the Chinese people, the Japanese people, the Vietnamese people, the Filipino people and all other people in the world join hands that the hegemony of the United States empire in the world can be defeated and mankind be liberated from the slavery of capital. Historically speaking, the First World War created the October Revolution, the Second World War created the socialist camp, and the next imperial struggle for supremacy must bury capitalism. From this, we can conclude that American imperialism is the last world hegemony of mankind.

The general trend of the next half century will be the intensification of the struggle for world hegemony between empires and the resistance of the world's people, the rise of the working class and the revolution of the proletariat. In the end, as Chairman Mao said, either war causes revolution or revolution stops war. The Internationale, which says, 'This is the last struggle,' has finally arrived! The day of the end of US imperialism will be the day of the arrival of socialism and the march towards communism throughout the world!

**On the rise of "characteristic" capital and the road to the re-liberation of the Chinese working class**

**Part V: The rise of the working class**

**Chapter 6: The re-emergence of the working class**

(I) The leadership of anti-imperialism and anti-hegemony belongs to the rising working class

Only the rise of the working class can defeat imperialism. The growth of other capitalist forces will only destabilise the world hegemony of the US empire, but imperialism will still rule the world. In this global struggle against imperialism and hegemony, the working class must of course make use of the struggle for hegemony among the great powers to build up its strength. However, if we hand over the leadership of the struggle against the US empire to the other great powers that are fighting against the US empire, for example, to the rising capital with 'special characteristics' in China, and expect it to lead the struggle against US imperialism, then we will only get a catastrophe that will exterminate the human race.

Once a working class, rather than a 'characteristics' capital, has risen to power, it must be an anti-hegemonic, rather than a hegemonic, power. It will compete with the world powers not for markets and resources but for the people's right to self-liberation. It will unite the people of the world into a broad united front against imperialism and hegemony. The anti-hegemonists, like Mao Zedong, seek

to 'establish the Chinese nation among the peoples of the world', propagate the principle that the proletarians can only liberate themselves by liberating the whole of mankind, fight against the strong and help the weak, and resolutely support the people of all countries in their anti-imperialist and anti-American struggles, as well as in their anti-hegemonic struggles. On the Middle East issue, for example, the anti-hegemonists will not allow the US imperialists to intervene in the internal affairs of the oil countries under the banner of the United Nations.

The struggle of the Chinese people against the United States and in favour of Korea in the 1950s proved that only a staunch internationalist like Mao Zedong can be a true patriot. China, which was not rich at that time, first fought a far-reaching battle against the world hegemony led by the United States on the Korean battlefield, then gave full support to the anti-American struggle in Vietnam and selflessly assisted in the construction of the Tanzanian Railway, and so on, which won the love and support of the people of the Third World countries and made it the spokesman of the Third World countries in the United Nations.

The Chinese hegemonists are just the opposite. They are arrogant upstarts. Unlike the rulers of Japan and Germany, the rise of Chinese capital has been smooth sailing and has not suffered a major setback, so they do not yet understand the price of fighting for hegemony. These hegemonists advocate the "rejuvenation of the Chinese nation" and hope that the daughter-in-law will become the mother-in-law, the oppressed will turn over and oppress others, and they will become the boss. They prioritise narrow national interests, bully the weak and fear the strong, and bully others at home. They gloat over the misfortunes of other nations and take advantage of the situation. They say verbally that they will "never seek hegemony", but what they think and do in their hearts is to hide their strength and bide their time before seeking hegemony. For example, on the issue of the Middle East, today's hegemonists will collude with Western powers, acquiesce in the hegemonic behaviour of the imperialists, and prepare for their own hegemony in the future.

Today, this self-proclaimed 'peaceful, amiable and civilised lion' has announced that it has 'woken up'. But a 'civilised' lion will only eat meat, and it will only be 'peaceful' when it has had enough. Even the people of Taiwan feel threatened by the expansion of capital on the Mainland, and have risen up against the neo-liberal 'trade in services agreement' (TISA).

Therefore, the hope of humanity lies in the rise of the working class, especially the resurgence of the Chinese working class, the largest in the world.

## (2) Some characteristics of the Chinese working class

Since the majority of China's population is working class, and since the main contradiction in Chinese society is between the two major classes, the working class and the bourgeoisie, the ultimate aim of all our work as Marxist-Leninist-Maoists should be to serve the re-emergence of the working class. If the working class is to rise, it must improve its class consciousness, organisational capacity and combativeness. These three points are both our short-term and long-term goals. In the short term, without these three points, the workers' movement cannot develop. In the long run, without these three points, even if it temporarily seizes power, it will lose power again, just as it did in the former Soviet Union or China after the capitalists came to power.

In particular, the working class in China used to be a class that was actually the master of its own house\*. It was only because it failed to eradicate in time the bureaucratic privileges on which the capitalist factions depended for their survival, a special form of bourgeois right, and because it did not correctly understand and deal with the relationship between its own class and its political parties, and thus failed to make semi-independent mass organisations such as those that emerged

during the Cultural Revolution a regular form of supervision over the leaders at all levels, that it eventually lost its position as the head of the household. Therefore, from its own experience, the Chinese working class has learnt the hard way that it is more difficult to take power than to seize it. In order to regain power, it is impossible to do so for long without a high degree of class consciousness, organisational ability and combativeness on the part of the class, or the tragedy of history will repeat itself.

【\*There are at least three pieces of evidence here: First, the working class in Mao Zedong's era had iron rice bowls and ate from the same pot. Contrary to the propaganda of the past 30 years, this is the necessary condition for the masses to be masters of their own affairs. Otherwise, workers who give opinions to leaders may have their bonuses and wages deducted, or even be fired. But iron rice bowls alone are not enough to prove the status of the working class as masters of their own affairs. Therefore, the second piece of evidence is the Anshan constitutional principle of "two participations, one reform, and three combinations"<sup>26</sup> widely implemented in Mao Zedong's era, which more directly proves the status of the working class as masters of their own affairs. But the most direct and obvious evidence of this class being masters of their own affairs is the factional fighting during the Cultural Revolution. Although it is not good to fight faction wars, it shows on the contrary that the working class in China does have the desire to be the master of its own house, has had the right to be the master of its own house, and has taken action to be the master of its own house. If the working class did not have this right, it would not have the qualifications to fight a faction war, nor would it have a faction war to fight! But the rightist refutation that 'because Mao Zedong gave that right to the working class, he can take it back at any time, and therefore the working class has not become master of its own house' does not stand up to scrutiny. This argument essentially assumes that in a class society, a class can come to power without its own political party, and that the people can come to power without their own leaders. In fact, if Chairman Mao had not started the Cultural Revolution at that time, he would not have been worthy of being the leader of the working class, and there would have been no way to talk about Maoism.]

Looking back on the history of working class struggles over the past 30 years or so, the struggles of the 1990s during the restructuring of state-owned enterprises had a more distinctive political and combative character, but that struggle was a war of retreat and has basically come to an end, with most of the so-called 'old workers' having already withdrawn from the field of production. Therefore, in terms of analysing the struggles of the working class, the division between new and old workers may have been valuable in the 1990s, but today the division between workers in state-owned enterprises as 'old workers' and workers in private enterprises as 'new workers' is no longer very meaningful. Today's industrial workers are basically divided into regular workers, contract workers, dispatched workers, and so on. The question of solidarity among the working class should also be discussed on this basis.

The current resurgence of the Chinese working class seems to be basically starting from scratch in terms of organisation, but in terms of ideology, theory and experience, it stands at a commanding height of the world workers' movement. It is not only about how to regain power, but also about how to prevent the tragedy of history from repeating itself. It understands that class consciousness and class organisation alone are not enough to achieve class rise and liberation. If the working class

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<sup>26</sup> The "two participations, one reform and three combinations" refer to the participation of cadres in production and labour, and the participation of workers in enterprise management; "one reform" refers to the reform of unreasonable rules and regulations in the enterprise; the "three combinations" refer to the implementation of leading cadres and technicians in enterprises in the process of technological innovation and technological revolution

wants to be liberated, it must overthrow capitalism. This is what we call militancy. Otherwise, like the trade unionists, they recognize the distinction between labour and capital, but advocate harmony and win-win between labour and capital, and guide and limit the class consciousness and organisation of the working masses in the workers' movement to the game of dividing the cake, thus failing to achieve the liberation of the working class.

Therefore, the kind of socialism in which the working class is to be the master of its own house again can only be achieved by a proletarian revolution that overthrows private ownership, and not by a so-called 'revival'. The latter is merely a replica of the 'peaceful transition'.

But the class consciousness, organisational capacity and combativeness of the working masses can only be raised through a long and unremitting struggle with the bourgeoisie in the political, economic and cultural spheres, and the problem cannot be solved by one or two major economic crises. Therefore, the re-emergence of the working class is still a long process. There are a number of inevitable stages in this process.

### (3) Stages in the process of the rise of the working class

Generally speaking, the workers' movement moves first from individual to collective resistance, then from spontaneous to organised collective resistance, then from organised collective resistance against individual capitalists to class resistance against the whole bourgeoisie, organised in the form of proletarian political parties, and lastly, from resistance against the oppression of the bourgeoisie to the duel with it to establish a class dictatorship of the proletariat's common ownership \* in order to pave the way for the final elimination of all class oppression. All these stages are the process of the workers' class constantly increasing its class consciousness, organisational capacity and combativity.

[\*Common ownership, or ownership by all the people, can be manifested in the form of state-owned public ownership under the condition that the people are the masters of the country, but "public ownership" when the people are no longer the masters of the country is not common ownership, such as the current state-owned assets. I hope that the left will no longer use the vague definition of "public ownership" to make a fuss in the future, and will not unintentionally help the authorities deceive people.]

We are currently in the stage of moving from spontaneous collective resistance to organised collective resistance.

At this stage, the labour movement is not lacking in militancy (as evidenced by the upsurge in strikes). Reformism does not seem to be the main danger for the workers' movement at the moment (although the fact that the labour movement can only take up the cause of reform today does not mean that those who work in the labour movement identify themselves with reformism. Even so, we must be wary of the problem of one tendency overshadowing another). However, we can see from the movement that reformism is the main tendency of the petty-bourgeois 'left'.

### **The rise of class consciousness among the working masses**

How to raise the class consciousness of the working masses is now the primary issue. Compared to the pre-liberation Chinese workers, the working class nowadays does not lack culture (there are many talented people who can write and sing), knowledge (at least junior high school, and more and more university students), or information (mobile phones are widely used to access the Internet, and information is readily available). What they lack, relatively speaking, is a sense of consciousness, especially among the new generation of workers, a sense of revolution, a sense of class, and a sense

of self-liberation. Because the bourgeoisie and petty bourgeoisie's idea of achieving personal liberation through personal struggle still holds a dominant position among the working class, most of them still cannot see the power of unity, the power of the class, especially many workers of the new generation do not even consider themselves members of the working class. Many people still have hope of starting a business, and they keep working to earn money - starting a business - going bankrupt - working again - starting a business again - going bankrupt again - working again. Therefore, their struggles often remain at the stage of individual resistance, and have not yet risen to the stage of universal collective resistance. This is one aspect.

On the other hand, the new generation of the working class has its own particular struggles. In order to make a living, they have been uprooted from their homes and even separated from their families, and they hate their present situation. They are militant, they jump from one job to another if they are not satisfied with their bosses, they are constantly looking for a way out, they are not afraid of being fired by their bosses, they are not afraid of not being able to find a job for the time being (the worst thing is to go back to their homes to farm), and as a result, they force the employers to hold them hostage by withholding their wages. (Compared to the workers in other developed capitalist countries, who do not dare to fight against the employers in this way because of the fear of not being able to get any income from their resignation or receive any unemployment benefits from their strikes).

Through their own personal experiences, these workers gradually realised that all crows are black, and gradually became unwilling to pay the high cost of each job-hopping. They realised that it was better to change the status quo than to change jobs, and realised that to change the status quo, they must unite and work together, so more and more spontaneous collective struggles broke out. Some of the leaders here thought that they would not work here anyway, so they led everyone to make a fuss before leaving to disgust the boss, so they were not afraid to show up and dare to fight against the boss.

But this approach is not conducive to the establishment of permanent workers' organisations. For such organisations to be established, grassroots workers' leaders must have the protection of the mass of workers. Therefore, until such workers' organisations gain legitimacy, they must be able to remain hidden among the workers for a long time. Legitimacy can also only be gained if the majority of workers are not afraid to go on long strikes in defence of their leaders. This requires an increase in the class consciousness of the working masses. This class consciousness can be achieved in small ways. For example, those organisers who are deeply involved in the workers' movement can do something about the details of their daily lives, such as to make sure that when one person is in trouble, everyone helps out. Through these small things, workers in the neighbourhood can experience the power of solidarity. When workers have trust in each other, they have more confidence in dealing with the bosses collectively. This is the first step in the sublimation of class consciousness.

### **Improvement of the organisational capacity and combativeness of the workers**

The rise in class consciousness of the working masses is accompanied by an increase in their organisational capacity and combativeness. Thus, the first step in the rise of the working class is the movement from individual and spontaneous collective resistance to organised collective resistance. This step is typified by the formation of trade union-like workers' organisations based on production units. Trade unions are the most basic organisations for workers' struggle against capital. This is the basic experience and the basic law learnt from centuries of working class struggle in the world. Some of us Marxist-Leninist-Maoists are very wrong to dismiss it lightly. In a capitalist society, it is capital



that organises the workers into teams to serve it. Workers' resistance to capital takes the form of both individual and collective behaviour. The most direct and widespread form of collective behaviour is collective resistance against specific capitals. In order to make collective resistance more effective, the working class can only initially set up its own rights organisation in the form of a team. Whether this organisation is called a trade union, a workers' committee, a workers' congress, or something else is of little importance, but the point is that it must be an organisation of the workers themselves.

Cross-industry organisations and even political parties of their own cannot be separated from the workers' rights organisations that are naturally formed in the daily production process of the working class. The question is not whether there should be trade union organisations based on production units. The question is how to ensure that the trade unions represent the interests of the workers and are their own trade unions. In the absence of organised collective struggle and defence of the rights of the working class in China today, trade unionism is a step forward. It at least understands that workers must organise themselves even for their own immediate economic interests. Those who only emphasise individual struggle and spontaneity, or those who only emphasise economic interests and ignore organised collective struggle, are not even as good as the trade unionists.

Since the official government has monopolised all nominal trade unions in an authoritarian form, the basic organisational form of collective struggle and defence of the rights of Chinese workers is either to take back the leadership of the trade unions or to set up their own trade unions that are independent of capital.

The answer to this question can only be explored in future practice. In addition to workers' organisations based on production units such as trade unions, the working class will also form other mass rights protection organisations based on workers' residential communities and focusing on specific social problems faced by workers in the struggle against the bourgeoisie (such as laid-off workers' rights protection organisations, migrant workers' children's education rights organisations, etc.), or various mass organisations aimed at improving the class consciousness of the working masses (including social groups such as red song parties and anti-GMOs<sup>27</sup>), as well as various network circle-style organisations using modern communication means. Here, Marxist-Leninist-Maoists should also use all legal channels to improve the class consciousness, organisational ability and combativeness of the working masses through learning, exercise, and even entertainment activities, and through economic and political struggles.

In other words, wherever there are masses, there is room for Marxist-Leninist-Maoists to work. But the bourgeoisie will never wait for the emergence of workers' organisations that resist capital; they will do everything they can to eliminate them.

The minimum sign of workers' organisation is the emergence of leaders. The bourgeoisie's usual method of dealing with these workers' leaders is to bribe and repress them by both hard and soft means. They understand the dangers of workers' organisation, especially the ruling party, which started out by organising the workers. Therefore, in the face of the upsurge of the workers' movement, they would rather sacrifice some immediate interests and temporarily satisfy the economic demands of the workers, but they will never allow class-conscious workers' organisations to emerge, grow and flourish.

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<sup>27</sup> Like other people throughout the world, Chinese consumers are questioning the health benefits of genetically modified foods and have created anti-Genetically Modified Organisations (anti-GMOs).

Let us take a look at how Bo Xilai, who is regarded by some leftists as the 'leader of all progressive forces', dealt with the labour movement.

The sensational labour unrest in Liaoyang in 2002 is an excellent example. After years of increasingly intense struggle by the workers, the authorities, on the one hand, made major economic concessions and 'repaid most of the hundreds of millions of dollars owed to the workers, including wages, labour insurance, etc., and also repaid large sums of money owed to the workers for medical treatment, which had been owed for a long time and which individual veteran workers had no hope of repaying even after they died'. On the other hand, the Government arrested a number of workers' leaders who had come forward. The decision to sentence workers' leaders Yao Fuxin and Xiao Yunliang to prison terms for "subversion of state power" was said to have been made by Bo Xilai, who defied bureaucrats up and down the hierarchy.

It is reasonable to say that since the authorities have been able to satisfy the economic demands of the workers almost completely, and since a number of corrupt officials have thus fallen into disgrace, it means that their demands are entirely reasonable and their struggle is meritorious, but why did the authorities of Liaoning Province headed by Bo Xilai have to sentence those workers' leaders to imprisonment instead of treating them as meritorious officials? This is the crux of the matter. The far-sighted and intelligent rulers, in the face of the upsurge of the labour movement, would rather make economic concessions than bury their long-term interests. On the contrary, the immaturity of these workers' movements is also reflected in the fact that they are less determined to defend their right to organise and their leaders than they are to defend their immediate interests. It is precisely this fatal weakness in the ranks of the working class that the cadres of the ruling clique like Bo Xilai have identified, and by means of satisfying their economic demands but eliminating their organisational capacity, they have divided the working class and disintegrated it, and the government has effectively destroyed the revolt of the working class by spending only a few hundred million yuan. This is one of the main reasons why the struggle between the so-called 'old workers' and the state-owned capitalist groups is a war of retreat. Economically they have won, but politically they have failed miserably because the workers' organisations for the defence of their rights have been destroyed. They have buried their long-term interests for their own immediate interests. But some of our short-sighted leftist netizens are still very vocal in their appreciation of Bo Xilai with their sermon that 'most workers are satisfied with the aftermath of this labour dispute' and that Bo Xilai didn't try to make a profit for himself in the restructuring of the state-owned enterprises.

Bo Xilai had the same vision in dealing with the Chongqing taxi drivers' strike: meet the economic demands of the working masses, but eliminate the organisations and leaders of the workers' struggle in the name of eliminating the Triads of the underworld.

This is also the consistent method of the bourgeoisie: to treat the organisation and leaders of the workers' rights protection movement as the underworld. As for what the underworld is, Chongqing officials have long explained profoundly: the underworld is the one who opposes the government. This is just like the peasant uprisings of previous dynasties which were regarded as bandit underworld by the imperial dynasty, and Yuan Wencai and Wang Zuo of Jinggangshan were regarded as bandit underworld by the Guomindang regime. Li Qiang, who "incited" the Chongqing taxi drivers' strike, was identified as an underworld force by Bo Xilai and sentenced to fixed-term imprisonment on nine charges including "gathering a crowd to disturb traffic order, gathering a crowd to disturb social order, and gathering a crowd to disturb public order". These offences are the typical offences used by the ruling class against striking workers. To the working class, whether those who organised the taxi drivers' "riots" are triads is a secondary issue, an internal issue of the working class, not an issue to be resolved by the bourgeois regime, just as no matter how dark the Saddam regime in Iraq

is, it is an issue to be resolved by the Iraqi people, not an excuse for invasion by the US empire. Throughout the history of the world workers' movement, the bourgeoisie has always treated working class organisations that oppose the government as a triad, whether they are or not, and Bo Xilai, a member of the ruling class, is no exception.

The fact that Chongqing's 'law and order' has greatly 'improved' after Bo Xilai's 'crackdown' does not tell us anything. Where the ruling class is strong, especially when an 'iron fist' comes to power, 'law and order' is certainly 'better', but it may not necessarily be good for the people, as in Germany after Hitler came to power. There are many examples in the world of big hooligans suppressing small hooligans. The law and order situation in Chongqing has 'improved', but what evidence is there to show that the ability of the people to organise themselves to defend their rights has improved? This is the crux of the matter.

We should not only look at the immediate interests of the people, but we should also look at the long-term interests of the people at all times. The realisation of this long-term interest can only be achieved by the increase in the class consciousness, organisational capacity and combativeness of the masses. It is the revolutionary working class that is the most feared force of the ruling class. On the one hand, Bo Xilai said that "the people are reasonable" and advocated the establishment of a "Taxi Drivers Association" to facilitate communication between the government and taxi drivers. On the other hand, he suppressed people like Yao Fuxin, Xiao Yunliang and Li Qiang who took the lead in "making trouble". The purpose was to kill the chicken to scare the monkeys and let the people know that they can "talk nicely" in the future, but should not organize themselves to oppose the government.

But the only power of the working class is the power of solidarity, and without its own organisations, solidarity is nothing but empty words. Therefore, the rise of the working class is only possible if it regards its own organisation as the same as its own life.

On the question of how to deal with the rise of the working class, can we not see from the above two incidents that Bo Xilai, a cadre of the ruling clique and a politician, has shown a hideous face that has a brilliant vision for the interests of the ruling clique and a grand personal ambition, but treats the people with an extremely insidious, cunning and treacherous face that hides a knife in a smile? We cannot be so stupid as to think that 'good things' are done by 'clean officials' and bad things are done by corrupt officials, and that we can simply attribute the government's fulfilment of the economic demands of the working masses to a Bo Xilai-type figure, while blaming others for the government's suppression of the leaders of the workers' struggles and for the banning of working-class organisations, or for the fact that the government has not been able to do so? Some of our leftists who can only see the trees but not the forest are really blind! They are not as good as the trade unionists whom they denounce! At least the latter understand the fundamental truth that the organisation of the working class is the life of the working class.

The above examples show that the improvement of the organisational capacity and combativeness of the working class will be a difficult process.

#### (4) Problem of unity among revolutionaries

This is a question of how to deal with comrades who hold different views, or what to do once there are differences in line, or how to deal with factionalism. If we talk about unity, we must talk about struggle; unity is the purpose of struggle, and unity is the result of struggle. This seems to be a contradiction, but it is in fact a unity of opposites. Unity without struggle is not unity, it is mud-

slinging. If we do not share the same views and are not allowed to debate them, we will not be able to achieve the goal of unity.

Unity is only powerful when it is achieved through a struggle, even a fierce struggle along a common line. But if the method of struggle is not right, if it is not based on the desire for unity and on the aim of educating people, but on the aim of expressing and exalting oneself, then unity will not be achieved either. The method of struggle is itself an expression of class struggle. The proletariat can liberate itself only by struggling for the truth, for the elimination of the class society of oppressors and for the liberation of all mankind, so sectarianism is incompatible with this; the bourgeoisie and petty bourgeoisie fight to be the best, to get ahead and to be in charge, so sectarianism is rampant. But there are still some differences between the bourgeoisie and the petty bourgeoisie. While big capitals must engage in 'joint ventures', the petty bourgeoisie makes a living by 'going it alone' and even takes pride in doing so. This petty-bourgeois 'single-handedness' is reflected in the revolutionary ranks in the form of 'mountain-topism', or 'going one's own way', or 'doing things one's own way'. Looking at the factional battles between mass organisations in the Cultural Revolution or the sectarianism of the Trotskyist groups in the International Communist Movement, it is obvious that the purpose of their struggles was not to eliminate the oppressive class society but to become the bosses, not to pursue the truth but to elevate themselves, not to liberate the whole of mankind but to become outstanding, and thus they did not obey anyone. If people like them cannot be the leader in a big circle, they will find a small circle to be the leader, and if they cannot be the leader in a small circle, they will find a micro-circle to be the leader. Anyway, they will not give up until they have found a circle in which they can be the leader, and they will think that they are proud of themselves even if they are 'single-handedly doing it'. Is not Zhang Guotao, who went from being a renowned revolutionary to a traitor, exactly this kind of person? Were not the leaders of the various parties who were busy fighting sectarian battles during the Cultural Revolution people of this kind? Will the many 'polemicists' who spend all their time on the Internet nowadays follow the same path of Zhang Guotao and the leaders of the Cultural Revolution?

How should we deal with differences among comrades? The answer is that, firstly, we should not cover up or avoid conflicts, and secondly, we should not regard comrades holding different views as class enemies. As long as there is no clear act of betrayal, as long as there is no traitor, differences among revolutionary comrades, even serious differences of line, are non-confrontational contradictions, contradictions within the people and among revolutionaries. Ultimately, these contradictions can only be resolved by means of democratic centralism. This is the principle of the three dos and three don'ts mentioned by Chairman Mao, that is, Marxism-Leninism rather than revisionism, unity rather than division, and openness rather than conspiracy and subterfuge. As long as both sides in the struggle still adhere to Marxism-Leninism-Maoism, we cannot be divided, but those who engage in conspiracies and tricks cannot be genuine Marxists-Leninists-Maoists.

Here we need to distinguish between the struggle of lines under common goals and the struggle of roads with inconsistent goals. The former is a contradiction among the people, while the latter may be a contradiction between the enemy and ourselves. The struggle of lines is a matter of principle. We must never compromise, but we must never split. How to act can only be resolved in accordance with democratic centralism. On the contrary, democratic centralism is of no help in the struggle of roads. However, the difficulty in solving the unity lies in correctly distinguishing the struggle of lines between Marxist-Leninist-Maoists with the same goals and the struggle of roads between true and false Marxist-Leninist-Maoists with contradictory goals. The latter often appears as an illusion of a route struggle, and the revisionists and opportunists of pseudo-Marxist-Leninist-Maoism are sure to conceal their real goals. Therefore, the dispute over the path between the true and the false Marxist-

Leninist-Maoist tends to appear at first as a line struggle, and the distinction between the two types of conflicts is often not clear at first. This can only be distinguished in practice by looking at who they rely on, who they unite with and who they fight, and whether their methods of struggle are based on the desire for unity and whether they are honourable and upright. On how to deal with the differences among revolutionaries, we must at the same time sum up the experience of the struggle of our revolutionary predecessors in the past hundred years.

At present, many revolutionaries, both at home and abroad, are very fond of Lenin's sharp style of writing, and all of them, no matter whether they are good or bad, have learnt to criticise other people's viewpoints as he did without mercy. But there is the question of how to unite comrades who hold different views. Although we should severely criticise comrades who have made mistakes, and it is not too much to say that we should be sarcastic, bitter, ridiculing, and even venting our personal anger against opportunists, we should not make personal attacks against comrades, nor should we treat them as our enemies, nor should we push them towards our enemies. The latter is a mistake of principle.

Frankly speaking, some of the ironic, sarcastic and derisive statements made by Lenin in his criticism of Luxembourg are uncomfortable to read. Lenin was superhuman in his ability to see things sharply, but not as methodical as Chairman Mao. The blue from the indigo plant is bluer than the plant.<sup>28</sup> Chairman Mao's theory and practice of line struggle was more mature than that of Lenin. During the 20-odd years from the founding of the Party to the Yan'an Rectification Campaign, Chairman Mao was in the minority for a long time and was often suppressed and ostracised, just like the Monkey King who gained his fiery eyes in the alchemy furnace, and Chairman Mao's experience really sharpened his level of struggle.

Compared with Lenin, Stalin was a big step backward. His struggle against the Trotskyists was very brutal.\* Although Stalin insisted on Lenin's theory of party building and defended the Soviet Union's socialist construction, which was correct, and the Trotskyists' demand to abolish the proletarian party and replace it with a formally democratic trade union and their crazy sectarian activities were extremely wrong and reactionary, Stalin was not able to unite the vast majority of comrades who wanted to make revolution as Chairman Mao did with Wang Ming and Zhang Guotao, and did not educate and unite the large number of people who held Trotskyist views and wanted to make revolution through criticism and self-criticism and rectification. Stalin often treated internal contradictions among the people as enemy contradictions, and treated many outstanding revolutionaries who were willing to revolutionise but guilty of Trotskyist petty-bourgeois ideology as spies, traitors and enemies, thus splitting the revolutionary ranks and causing great losses to the communist movement in the USSR and all over the world. If Stalin had treated the representatives of a series of wrong lines in the Party, from Zhang Guotao to Deng Xiaoping, with the same breadth and level of mind as Chairman Mao did, then perhaps Trotsky would have been the only one who betrayed the Revolution, and the Trotskyists would not have been able to gain any power. (Of course, the Trotskyists' ideological basis for their opposition to the Party and to the "bureaucrats" was the small-scale production, and therefore they had a strong market among the petty bourgeoisie.)

[\*In fact, Lenin had foreseen this conclusion. Before his death, he said: "Stalin is too rude and this defect, although quite tolerable in our midst and in dealing among us Communists, becomes intolerable in a Secretary-General. That is why I suggest that the comrades think about a way of removing Stalin from that post and appointing another man in his stead who in all other respects differs from Comrade Stalin in having only one advantage, namely, that of being more tolerant, more

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<sup>28</sup> This is a Chinese idiom meaning that the pupil surpasses the master.

loyal, more polite and more considerate to the comrades, less capricious, etc. This circumstance may appear to be a negligible detail. But I think that from the standpoint of safeguards against a split and from the standpoint of what I wrote above about the relationship between Stalin and Trotsky it is not a minor detail, but it is a detail which can assume decisive importance." (See Lenin's "Letter to the Congress" on December 25, 1922). Isn't the candidate that Lenin hoped for as "more tolerant, more loyal, more polite and more considerate to the comrades, less capricious, " someone like Chairman Mao? ]

The struggle within the Party after the liberation of China was also very different from that before the liberation. The one-size-fits-all outcome of Gao Gang and Peng Dehuai was obviously due to Liu Shaoqi's mischief. The one-size-fits-all outcome of labelling Liu Shaoqi a renegade, traitor, and scab, was also related to Lin Biao's ambition. In dealing with this type of problem, due to the unprecedentedly strong influence of the capitalist-roaders, the distinction between the enemy and the contradictions among the people was extremely unclear. Chairman Mao could not, as he did before the liberation, completely regard the struggle between the lines within the Party as contradictions among the people. When the struggle between the lines (of common goals) and the struggle between the roads (of capitalist and socialist roaders) was not very clear, he had to make many compromises, and was often very passive. Even so, Chairman Mao was infinitely superior to Stalin. If we had followed Stalin's approach, the likes of Liu and Deng would have been shot a long time ago, but this would not have educated the people, nor would it have prevented the restoration of capitalism. Deng's comeback proved Chairman Mao's brilliance. Chairman Mao did not regard Deng Xiaoping as an enemy, but gave him a way out. It was Deng Xiaoping who exposed himself. Although the Cultural Revolution failed, Deng's performance fully exposed the nature of this kind of person and provided a perfect specimen for future generations to recognise the capitalists.

Therefore, we have to learn from Chairman MAO that we should not push those characters holding wrong views and opinions towards the enemy, and even if there are bad guys here, we should not treat them like the enemy until they are thoroughly exposed. We must make a clear distinction between the enemy and ourselves. Zhang Guotao was expelled from the Party only after his defection. Treating these people as enemies before they have completely betrayed the Party is not conducive to uniting revolutionary comrades who hold similar erroneous views; on the contrary, it will encourage sectarianism and division.

#### (5) The question of the road to the re-emergence of the working class

With regard to the future situation of China, the pro-royalists and the opportunists who claim to be Marxist-Leninist-Maoist are exactly the opposite. The royalists are afraid that the world will be in chaos, for if it is in chaos, their dream of empire will be in vain. The opportunists are afraid that the world will not be in chaos, for only when it is in chaos can they hope to share the power of the Central Government with a certain group of the bourgeoisie (such as a Bo Xilai-type figure). If this is not possible for the time being, it is entirely possible that, 'drawing on the experience of Chongqing', in the midst of the chaos, the 'leftists' (i.e. themselves) 'will be the first to achieve victory in a number of regions and provinces'. Unwilling to do the hard, long-term and meticulous work of educating, mobilising and organising the working class, these opportunists want to find shortcuts, and therefore hold on to the Chongqing model and Bo Xilai.

Instead of making use of the contradictions within the ruling class to fight for space for the working class, these opportunists are counting on the promotion of certain elites like Bo Xilai within their ranks to change the situation of the working class, and are repeatedly hoping for a leftward turn of



the Party Central Committee of the ruling clique. How far these people have fallen! Instead of exposing the ruling class, they are speculating and doing them a favour.

But it is not true that the working class in China has never held state power. These opportunists completely ignore this historical fact, do not talk about how the working class can re-organise itself, do not use revolutionary criteria to guide the people in identifying and guarding against bourgeois politicians like Bo Xilai, but only care about how a small number of elites (the so-called 'leftists' like them) can come to power, fearing that the working class will no longer regard people like Bo Xilai (and people like them) as 'the leaders of all progressive forces in China' once they have raised their class consciousness. Therefore, they have endeavoured to confuse the class nature of the Bo Xilai incident, and strive to become the lobbyists and drummers of these politicians. How poisonous are their intentions! If these rapidly degenerating opportunists do not pull back from the brink, they will soon become accomplices of capital with Chinese characteristics in fooling the ordinary people!

The political programme of the true Marxist-Leninist-Maoist is not a programme of speculation, it is not a programme of seeking trouble, it is not a programme of seeking chaos. The crisis of capitalism is the result of its own contradictions, not a deliberate fabrication or creation by anyone. The Marxist-Leninist-Maoist view of chaos has always been about the cause of the chaos, about who is in chaos. The proletariat does not want chaos, but it is not afraid of chaos. If it is a great chaos like the imperial rivalries of World War I and World War II, the proletariat is resolutely opposed to it. If the 'chaos' is caused by the intensification of class contradictions, and the ruling class dares to resort to repressive measures in the face of the working class's movement for the defence of its rights, the responsibility lies with the ruling class rather than the working class, whose rights have been infringed upon and deprived of, and who of course have to rise up to fight against it.

#### (6) Strategies in the re-emergence of the working class

There were no roads on Earth in the first place, and all the roads in the early days were made by people. Throughout history, from slave societies, feudal societies to capitalist societies, the power of the people was often gained through 'illegal' struggles. For example, the right to strike can only be obtained through illegal strikes, the right to form associations can only be obtained through illegal associations, the right to relocate can only be obtained through illegal relocation, the right to speech can only be obtained through illegal speech, and the right to publish can only be obtained through illegal publication. The number of people fighting for these rights is small at first, but as long as the people have the desire to fight for these rights, more and more people will fight for these rights, and in the end, the illegitimate may become legitimate, and legitimate struggles are, in general, only possible in defence of what is already in place. This is why the legitimate must be combined with the illegitimate in order to defend the existing power and to fight for more power.

Precisely because there are constitutionalists and specialists in the ruling party, our counter-measures should also be flexible. We have to make use of the red vests of the ruling party to promote the study of Marxism-Leninism-Maoism, and expose the hypocrisy of the red vests in the course of defending the rights of the workers by using the red vests, just like what we did to deal with the constitutionalists by using the democracy of the bourgeoisie to expose the hypocrisy of the bourgeoisie's 'democracy'. But like the leftists, we cannot expect the official authorities to implement their slogans, and we cannot expect that we have any power to 'force the ruling party to serve the workers'. At the same time, we cannot be like those who were confused by Deng Xiaoping's campaign of 'opposing bourgeois liberalisation', who absurdly thought that 'today, when the bourgeoisie has become the ruling class, democracy has become a tool of neo-colonialism, with no progressive significance or validity whatsoever'.

The struggle of workers for democratic rights is part of the rise of the working class. It is precisely in the struggle for these democratic rights that the class consciousness of the working masses is raised. The workers' struggle for democratic power was at first mainly expressed in the struggle for the right to organise themselves in trade unions, for the right of self-association and the right of expression. It is these substantive powers that the bourgeoisie is most afraid of the workers acquiring, and therefore they can only be expected to be acquired if the masses of workers identify themselves with private ownership (which is why the vast majority of workers in the West identify themselves with private ownership, and therefore appear to have this power). The more the workers do not agree with private ownership, the more difficult it will be for them to obtain these rights, and the easier it will be for them to see through the mask of bourgeois 'democracy'.

At present, although the royalists and opportunists have their own objectives in supporting the pro-Beijing movement, the pro-Beijing movement still has its progressive significance and has room for exploitation by the working class. It gives us the opportunity to make use of the contradictions, and is conducive to exposing the inner workings of the ruling class regime and targeting the authorities. As a matter of fact, the Bo Xilai incident has indeed educated a lot of people, giving them a rare glimpse of the truth about the hypocrites of the so-called 'clean officials', and how easily they can use public office to benefit their own interests, how easy it is for them to engage in power and money transactions, and how easy it is for them to cover up their own behind-the-scenes operations.

The problem is that in the past two years, the vast majority of 'leftist opinion' has been devoted to examining how to support Bo Xilai rather than how to make use of contradictions. This is a fundamental mistake. What we should be discussing is how the working class can make use of the Bo Xilai incident to strengthen its class ranks and raise its class consciousness.

#### (7) The role of leftist intellectuals in the labour movement

All our efforts as leftist intellectuals should start with how to promote the rise of the working class. To this end, we must look downwards, at the working class, at how to raise the class consciousness, organisational capacity and combativity of the masses of workers, rather than upwards, placing our hopes in the elites, as the opportunists and political speculators do.

Some of our young intellectuals are very enthusiastic about revolution and aspire to read the classics of Marxism-Leninism-Maoism, but even if they have read these classics thoroughly, if they do not have a change of stance, they are only scholars of Marxism-Leninism-Maoism and not Marxism-Leninists-Maoists. A change of stance cannot be achieved by study alone. That is why an intellectual has to go to the working class and join the workers' movement in order to put his feelings and position and starting point on the side of the working class, and only in this way can he become a true Marxist-Leninist-Maoist. Some Marxist-Leninist-Maoist scholars on the Internet who have read a few classics are not willing to commit themselves to the workers' movement, are not willing to integrate with the working class, and spend all their time on the Internet, busy on the Internet trying to find out who is better than who in the debates, rather than seeing whether these debates will help to raise the revolutionary nature of the masses, and thus the most they can do is to act as catalysts for the workers' movement. These people are the backward elements of the proletariat.

The task of us leftist intellectuals is to spread Marxism-Leninism-Maoism to the working class, that is, to turn Marxism-Leninism-Maoism into the dominant ideology of the workers' movement in the process of the rise of the working class. The working class itself will hone its leaders through its own struggles. Those 'cyber-revolutionaries' who hope to gain the leadership of the workers' movement

will be abandoned by history. We can only fight for the position of Marxism-Leninism-Maoism as the guiding ideology of the workers' movement, not for our own leadership.

In the course of its rise to power, the working class will produce millions of Mao Zedong-type figures. He is an outstanding combination of standpoint, ideology and ability, that is, an outstanding representative of the combination of proletarian standpoint, Marxist-Leninist theoretical level and personal talent. There are many talented people, such as Chiang Kai-shek and Lin Biao. There are also many people with Marxist-Leninist theoretical skills, such as Liu Shaoqi, Chen Boda and Wu Jinglian<sup>29</sup>. It is said that the latter could memorise the theory of capital. These people understand the logic of Marxism-Leninism, but they do not agree with it. There were also many people with a proletarian position, such as many Party members and cadres in the early days of the Party. But there were very few, too few, who combined all three. The rise of the working class and the victory of the socialist revolution can only be finally consolidated when there are tens of millions of Maoist revolutionaries, and when figures combining the three like Mao Zedong become so common that they are no longer great men. On the basis of the above analysis, the important tasks for the Marxists-Leninists-Maoists on the ideological and theoretical front in the future will be to expose and criticise narrow-minded nationalism, to expose and criticise the 'leftist theory of conversion', and to expose and criticise opportunism in all its forms and manifestations. Of these, narrow nationalism is probably the one that has had the greatest impact on the masses.

Exposing the deception of narrow nationalism is therefore an important task for Marxist-Leninist-Maoists in the future. Several characteristics of the leftist narrow nationalists:

1. Apparently, they sympathise with the disadvantaged, but they preach an elitist ideology, asking the people to pin their hopes on a wise ruler and a saviour, and trying to weaken the revolutionary spirit of the masses.
2. They say that they are defending the achievements of the Mao Zedong era, but they only regard Mao Zedong as an anti-imperialist national hero, denying the strong anti-feudal connotation of Mao Zedong's thinking and the relationship between Maoism and Marxism-Leninism in succession.
3. They defend traditional Chinese culture without making any analysis, saying that they advocate 'cultural renaissance', but they are using the reactionary, corrupt and backward feudal culture to oppose capitalist culture, using the middle way to oppose dialectics, using the feudal hierarchical notion of keeping one's own life in peace and contentment to oppose the individual struggle of capitalism, and using Confucianism to oppose profit-oriented thinking.
4. At the same time, they are unanalysed in their opposition to Western culture in order to hide their reactionary nature against Marxism-Leninism-Maoism. The behaviour of these so-called 'Maoist communists' reminds us of the Communist Manifesto's critique of reactionary feudalism: 'In order to win the people over, the aristocrats wave the begging bags of the proletariat as banners. But whenever the people follow them, they find the old feudal coat of arms on their rumps, so they laugh and disperse.' Here, if we replace the word 'aristocrats' with 'elites', we will be describing today's seemingly progressive but actually reactionary 'cultural revival' trend.
5. They are only against corrupt officials but not against the 'emperor', the ruling party and those in power, that is, the State-owned capitalist groups that uphold the private ownership system, and thus

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<sup>29</sup> Liu Shaoqi and Chen Boda are both relatively well-known. Wu Jinglian was born on January 24, 1930 in Nanjing, Jiangsu Province. He is a leader in China's economic circles, one of the most influential economists in contemporary China, and a chief exponent of the so-called "socialist market economy".

they have put forward the slogan of 'opposing traitors', which is a diversion from the general direction of the struggle. The real reason why these hardcore royalists have made opposition to corruption the slogan and programme of their present struggle is to preserve the rule of the state capitalist groups in order to realize their dream of empire.

To this end, we must analyse nationalism in two parts, distinguish the anti-imperialist passion and hegemonic arrogance in nationalism, publicise the former to oppose the latter, and publicise the idea of anti-imperialism for the sake of anti-hegemony, not anti-imperialism for the sake of hegemony.

### **Conclusion**

Imperialism is the inevitable result of the development of capitalism, and as capitalism continues to train its own gravediggers, the demise of imperialism and the emancipation of the working class are both inevitable. This is the environment in which the re-emergence of the Chinese working class will take place, and it will therefore be an unstoppable historical trend.

The re-emergence of the Chinese working class today is taking place on the eve of the world struggle for supremacy by the capitalist powers, and also in the country after the restoration of capitalism. The capitalist forces it is facing are those led by the state-owned capital group under the leadership of the ruling party. This state capitalist group is both the central force leading the rise of Chinese capitalism and its march towards imperialism, and the most vicious enemy of the Chinese working class. The inability to see, realise or admit this nature of the state capitalist group is the central manifestation of the current confusion in the thinking of the left.

The re-emergence of the working class is indeed a long and arduous task, but it is of great significance. China currently has the largest working class in the world, and its history has experienced many major ups and downs. In particular, it has experienced the tempering of the Cultural Revolution and the destruction of more than 30 years after the restoration of capitalism. It has accumulated extremely rich experience and lessons. Therefore, it will definitely learn how to better utilize the contradictions between capitals, rather than being exploited by capital; it will definitely learn how to unite with the proletariat of the world to deal with the globalised capitalist forces, rather than being used as cannon fodder for hegemony; it will definitely learn how to better identify all kinds of opportunism, revisionism and reformist sophistry, rather than being fooled by them; it will definitely be better able to overcome the various bourgeois and petty-bourgeois ideas in its own team, and achieve great unity within the class through struggle, rather than being divided and disintegrated by the capitalist forces. Therefore, it will definitely be able to successfully complete the mission entrusted to it by history. Just as the Russian working class was once the vanguard of the world's people's anti-imperialism and anti-hegemony, the Chinese working class will also become the vanguard of the world's people's anti-imperialism and anti-hegemony. Its resurgence will inevitably smash the old world of capitalism and, together with the people of the world, open up a brilliant new world without class oppression and exploitation.

The long road ahead is as hard as iron, but we will start over again!

First draft in May 2013

Second draft in December 2013

I would like to thank you for your criticisms and suggestions on the preliminary draft and would like to commemorate the 120th anniversary of the birth of Comrade Mao Zedong, the great leader of the global proletarian revolution, with this humble piece of work, which is a patchwork of personal ideas

and plagiarised views from Internet users, with little theoretical attainment and unclear logical thinking.

Third Draft March 2014