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# MAO ZEDONG'S A CRITIQUE OF SOVIET ECONOMICS

## Bringing the “Political” Back into “Economy”

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**Abstract:** Since its inception, Marxism has showcased the scientific superiority of political economy over economics. This article argues that Mao Zedong played an important role in demonstrating this superiority. In his *A Critique of Soviet Economics*, Mao criticised Soviet political economy for its economic focus, which underestimated the importance of politics and ideology. It was essential, Mao argued, to explore how the political and ideological superstructure affects the economic base. Only then can political economy scientifically understand the processes of socio-economic development, most notably the socialist revolution and period of socialist construction. This article argues that Mao’s arguments retain key insights for the study and development of Marxist political economy today. They remain especially important in the People’s Republic of China. By upholding and enriching Mao’s insights into the critical role of politics and ideology under socialism, the Communist Party of China has ensured the successful development of socialism with Chinese characteristics.

**Key words:** Mao Zedong; China; Soviet Union; political economy; Marxism

Since its inception, Marxism has showcased the scientific superiority of political economy over economics. Political economy has been more successful in predicting, understanding, and addressing key socio-economic developments, and Marxist political economists have led the way. A major explanation for this is that political economy is a more comprehensive methodology. Whereas economics focuses exclusively upon economic phenomena, in abstraction from the other social spheres, political economy recognises the interdependence of economics

and politics. This distinction has enabled political economy to develop a more scientific analysis of society.

This article argues that Mao Zedong played an important role in demonstrating this distinction. In his *A Critique of Soviet Economics*, Mao criticised Soviet political economy for its economic focus, which underestimated the importance of politics and ideology (Levy 1975, 97, 100, 101; Gittings 1975, 31; Ehrenberg 1981, 301). It was essential, Mao argued, to explore how the political and ideological superstructure affects the economic base. Only then can political economy scientifically understand the processes of socio-economic development, most notably the socialist revolution and period of socialist construction. This article argues that Mao's arguments retain key insights for the study and development of Marxist political economy today. They remain especially important in the People's Republic of China. By upholding and enriching Mao's insights into the critical role of politics and ideology under socialism, the Communist Party of China (CPC) has ensured the successful development of socialism with Chinese characteristics.

To develop these arguments, this article begins by outlining the historical context, contents, and ideological perspective of Mao's *A Critique of Soviet Economics*. It then examines the work itself, focusing on Mao's arguments concerning the relationship between the economic base and political–ideological superstructure in the study of political economy, specifically as they relate to the processes of social change, socialist revolution, and socialist construction. Finally, the article argues that Mao's arguments provide contemporary insights into the theory and study of political economy, the socialist revolution, and the successful construction of socialism in modern China.

### **The Historical Context, Contents, and Ideological Perspective of Mao's *A Critique of Soviet Economics***

Mao began his *A Critique of Soviet Economics* in 1958, when the Communist Party of China promoted its second five-year plan, otherwise known as the Great Leap Forward. This was an economic and social campaign to transform the country from an agrarian economy into a communist society (Knight 1985, 104). During this campaign, which lasted until 1962, Mao and the party called for a dramatic increase in economic production output, especially grain yields, in addition to the industrialisation and collectivisation of the countryside. Prior to the Great Leap Forward, some of China's economic policies, systems, and structures were based upon the Soviet model. As Sayer (1979, 113) argues, however, the Great Leap Forward “saw Mao's definitive abandonment of Soviet development strategies,” as he looked for alternative strategies that suited China's national conditions (see also Knight 1985, 94). In response, the Soviet Union withdrew its

economic aid from China in 1960, and the Sino–Soviet split widened. Furthermore, from 1957 to roughly 1959, Mao also launched the Anti-Rightist Campaign to purge the Rightists within the party who supported capitalism or opposed collectivisation. The Great Leap Forward, “especially the campaign of anti-rightists, led the national economy into recession. This harsh reality forced Mao to rethink the road of socialist construction and the problem of enterprise management” (Dong 2014, 480). As a part of this rethink, Mao examined several key texts of Soviet political economy. His aim was to plumb what was useful and what wasn’t useful for China’s economic development during the Great Leap Forward. One of these texts was *Economic Problems of Socialism in the USSR*, a 1951 work by J. V. Stalin. The second text was *Political Economy*, an official publication of a textbook by the Institute of Economics of the Academy of the USSR. Soviet researchers began writing this book in 1951, and it was first published in 1954. Mao read a Chinese translation of the third edition, which was published in 1959 (Gittings 1975, 30). In November 1958, Mao delivered a speech on “Concerning *Economic Problems of Socialism in the USSR*.” In 1959, he developed a more detailed written critique of the same text, titled “Critique of Stalin’s *Economic Problems of Socialism in the USSR*.” Finally, in 1960, Mao made his notes on the *Political Economy* textbook, under the title “Reading Notes on the Soviet Text *Political Economy*” (*Guangming Daily* 2017). In 1977, Monthly Review Press published an unofficial English translation of these works, which this article utilises.

There are qualitative and quantitative differences between *Economic Problems of Socialism in the USSR* and the *Political Economy* textbook. These differences are essential to understanding Mao’s treatment of the two works. Turning first to their qualitative differences, *Economic Problems of Socialism in the USSR* appeared whilst Stalin was General Secretary of the Communist Party of the Soviet Union (CPSU), whereas the *Political Economy* textbook appeared after Stalin’s death, when Nikita Khrushchev was General Secretary (Schiffer 1980, 99). This is important because in 1956 Khrushchev denounced Stalin’s alleged deviations from Marxism-Leninism during his “secret speech” to the Twentieth CPSU Congress. Khrushchev’s subsequent de-Stalinisation campaign introduced a series of political, economic, social, cultural, and ideological reforms in the Soviet Union, which were implemented in the name of restoring Marxism-Leninism. However, many communists described these reforms as revisionist departures from the fundamentals of Marxism-Leninism, fundamentals that Stalin had safeguarded. Mao was among these observers. He was one of the first communist leaders to denounce Khrushchev’s revisionism and uphold Stalin’s legacy. Of course, Mao was not uncritical of Stalin. He recognised that Stalin made some mistakes, and that some of his theories and policies were flawed. Nevertheless, Mao thought of Stalin as a great leader overall, who established Marxism-Leninism

and built a powerful socialist state. By contrast, Mao and the Communist Party of China thought of Khrushchev and his successors as revisionists, who violated Marxism-Leninism with anti-socialist reforms (Editorial Departments of *Renmin Ribao* and *Hongqi* 1965).

Accordingly, Mao was mostly supportive of *Economic Problems of Socialism in the USSR*, whereas he was mostly opposed to the Soviet *Political Economy* textbook. In his view, Stalin's work was Marxist-Leninist, and it therefore had substantial value, whereas the Soviet textbook was revisionist, and therefore less valuable. Mao offered a more substantive critique of the Soviet textbook, and he was more critical of it than he was of Stalin's work. Whereas Mao took issue with most of the principles outlined in the *Political Economy* textbook, he approved many of Stalin's. This becomes clear from both the tone and content of Mao's respective analyses.

With regards to their quantitative differences, *Economic Problems of Socialism in the USSR* is shorter than the *Political Economy* textbook. The former comprises just over a hundred pages, whereas the latter is over 850 pages. Stalin's work is a brief discussion of a few choice topics in political economy, whereas the Soviet textbook is an exhaustive guide, covering most aspects of the discipline in detail. Accordingly, Mao's analysis of *Economic Problems of Socialism in the USSR* is briefer than his critique of Soviet *Political Economy*. The former consumes 19 pages of Mao's *A Critique of Soviet Economics*, whereas the latter comprises 96 pages. Most of Mao's insights into the meaning of political economy come from his critique of the *Political Economy* textbook.

That said, Mao's critique of both Stalinist and Khrushchevite political economy did advance some common themes. This article focuses upon one of them: Mao's emphasis upon the causal power of politics and ideology in relation to the economic base. This theme permeates his entire analysis. It is important to recognise that Mao's *A Critique of Soviet Economics* was not his first work to highlight this theme. Since his early days as a Marxist revolutionary, Mao had been interested in the relationship between being and consciousness, base and superstructure. For Mao, a communist leader, these theoretical questions were not of purely intellectual interest. They were indissolubly connected to China's revolution:

Not only did Mao have to evaluate the strength of the state against which he would put his revolutionary forces, and the consciousness of groups among the Chinese people, he also had to determine the ideological and political influence exercised by other political parties. A correct assessment of the role and causal effectivity of superstructural elements thus constituted an urgent practical task, one that necessitated a theoretical response to the problems of economism and reductionism of orthodox Marxism. (Knight 1990a, 18)

As early as the Yan'an period (late 1935 to early 1947), i.e. before the Chinese communists took power, Mao already devoted substantial attention to the significance of politics and ideology. This theme is prominent in works such as *On Contradiction*, *On Practice*, and his lecture notes on dialectical materialism, all of which Mao wrote in 1937. In a general sense, Mao's thoughts on politics and ideology in his *A Critique of Soviet Economics* were a continuation of these prior works.

There were differences, however. Mao placed even greater emphasis on the role of politics and ideology during the Great Leap Forward, most notably in his *A Critique of Soviet Economics* (Knight 1985, 104–105). He did not do so unconsciously. Mao intentionally highlighted the importance of these factors with a specific goal in mind: the liberation and development of China's productive forces.

To explain: when the Communist Party of China won political power in 1949, it presided over an economically backward nation, one in which millions of peasants and workers were impoverished and poor. Acknowledging China's extreme poverty and economic underdevelopment, Mao wanted to raise and develop the productive forces with the aim of improving living standards and bringing greater material prosperity to the masses. This was by no means an arbitrary goal. Material abundance was an essential characteristic of communism, the end goal of Marxism-Leninism. It would be impossible to build communism with an impoverished society. As such, Mao launched the Great Leap Forward in 1958 to increase productivity as much as possible. In doing so, however, he recognised that political economy needed to provide the correct theoretical foundation for this productive increase. Marxism identified political economy as the science that analysed and guided economic development. As such, if political economy adopted a faulty conceptualisation of the relationship between politics and economics, then it could hamper and undermine the speed of economic growth. By contrast, if political economy had a scientific perspective on politics and economics, then it could liberate the productive forces to the full, thereby maximising economic development.

### **Bringing the “Political” Back into “Economy”**

Considering this historical context, it makes sense that the relationship between politics and economics in the study of political economy is a core theme throughout Mao's *A Critique of Soviet Economics*. On this point, Reglar (1987, 208) claims that “Mao inherited a conception of political economy from Stalin which saw the object of political economy enquiry as relations of production.” This view is false. In “Concerning *Economic Problems of Socialism in the USSR*,” Mao (1977, 130) criticised Stalin for speaking “only of the production relations, not of the superstructure, nor of the relationship between superstructure and economic base.” Likewise, in his more detailed “Critique of Stalin's *Economic Problems of*

*Socialism in the USSR*,” Mao’s (1977, 135) first words were that “Stalin’s book from first to last says nothing about the superstructure. It is not concerned with people; it considers things, not people.” It is revealing that Mao began his critique of Stalin’s political economy analysis with this point. Evidently, Mao thought that it was essential for political economy to highlight the significance of politics and ideology, or in other words, the “superstructure,” in addition to the economy, which includes production relations and the productive forces. Mao thought that Stalin neglected superstructural phenomena in his *Economic Problems of Socialism in the USSR*, his influential theoretical treatise on the subject, and it was therefore important to highlight the defect. Accordingly, there is no basis for the reductionist view that Mao thought of political economy only as the study of production relations. He explicitly rejected this view.

In fact, Mao thought that the overemphasis on economics was more apparent in the *Political Economy* textbook. He highlighted this issue repeatedly. Whilst discussing the Soviet notion of large-scale industry as the foundation of socialist transformation, Mao argued that:

This textbook addresses itself only to material preconditions and seldom engages the question of the superstructure, i.e. the class nature of the state, philosophy, and science. In economics the main object of study is the production relations. All the same, political economy and the materialist historical outlook are close cousins. It is difficult to deal clearly with problems of the economic base and the production relations if the question of the superstructure is neglected. (Mao 1977, 51)

In this revealing passage, Mao distinguished between economics, the main study of which is “production relations,” and political economy, a broader methodology that is indissolubly connected with the Marxist theory of historical materialism. A major discovery of historical materialism was that the economic base, in the final analysis, shapes and determines the political and ideological superstructure. In other words, economics determines politics and ideology. However, Marx and Engels consistently warned against interpreting this relationship in a reductionist manner. After Marx’s death, when his followers caricatured historical materialism by treating it as a form of economic determinism, Engels emphasised the importance of the superstructure, and argued that the superstructure has the autonomy to react back upon, and even transform the economic base (Engels [1890] 2001, 60). Historical materialism maintains that political and ideological forces have a relative independence that enables them to have significant effects upon economics. As such, by describing political economy as a “close cousin” of historical materialism, Mao insisted that political economy had to recognise the power of the superstructure. Most importantly, it had to examine the class forces



involved in the state and the struggle over state power. Which class was in control of the state, how did it use the state to achieve its economic objectives, and which classes lacked political power? Mao argued that it was essential for political economy to tackle these questions. His argument was in full accordance with the teachings of Marx and Engels.

Mao returned to this point later in his critique of the *Political Economy* textbook. Whilst reiterating his view that political economy includes the study of production relations, he argued that to understand “clearly the production relations it is necessary to study concomitantly . . . the positive and negative effects of the superstructure on the production relations.” This was something that the textbook failed to do. “The text refers to the state but never studies it in depth.” The emphasis was instead upon production relations (Mao 1977, 82).

After saying that, Mao appealed for balance. On the one hand, he rejected the notion that politics and ideology were all-important in the study of political economy. On the other hand, he rejected the vulgar materialist notion that the productive forces and relations of production were all-important. Marxists had to recognise the importance of both. As Mao himself expressed it, “in the process of studying political economy, the study of the productive forces . . . should not become overdeveloped,” for such an analysis will focus too much on “technology and natural science.” At the same time, “[i]f the study of the superstructure goes too far,” then political economy “becomes nation-state theory, class struggle theory,” which cannot explain economic developments. In other words, it is unscientific and undialectical to place a one-sided emphasis on either economics or politics in the study of political economy. It is essential to study both in tandem; and recognise the power that each wields in the structure and development of society. In the Soviet case, however, Mao thought that economics received more attention than politics. Because of this, he stated that it was essential for Marxist political economy to study “theories of class struggle, theories of the state, theories of revolution and the party, as well as military strategies and tactics, etc.” (Mao 1977, 82). Essentially, Marxist political economy had to augment its economic analyses with a thorough analysis of the various forms of political class struggle.

At this point, the reader may have the impression that Mao's political economy endorsed philosophical idealism, the doctrine that ideas not only exist independently of the world, but also have the power to determine the world itself. In this view, human consciousness can make and shape the material environment at will. Idealism is the philosophical foundation of voluntarism, the political doctrine that sheer subjective willpower can overcome any obstacles, including economic phenomena. Voluntarism maintains that political forces can achieve anything regardless of the prevailing economic conditions, so long as they possess the necessary will and determination.



Not only are voluntarism and idealism unscientific ideas, they are non-Marxist ideas. Nick Knight (1990a) shows that Westerners have frequently portrayed Mao as an idealist and a voluntarist, chiefly with the aim of showcasing his departure from Marxism. In his own examination of Mao's philosophical works, most notably *On Contradiction*, *On Practice*, and his lecture notes on dialectical materialism, Knight (1986, 16; 1990a; 1990b, 10–11; 1993, 56–57; 2007, Ch. 6) convincingly rejects this interpretation. Knight shows that Mao did not deviate from the scientific principles of Marxism.

In terms of his philosophical foundation, Mao argued that objective universal laws governed both nature and society. He noted that none of these laws were human creations, but were instead the material laws of the universe (Knight 2005, 165, 167). At the same time, however, Mao affirmed “the capacity for human agency in an apparently deterministic universe” (171). In doing so, he reconciled “determinism and action” (173).

Turning first to the relationship between being and consciousness, Mao rejected idealism and defended materialism, “the foundation of Marxist determinism” (Knight 2005, 174). He argued that everything in the universe was constituted of matter, and that consciousness emerged only when matter developed to a certain stage (174). As such, Mao presented human thought as a reflection of objective reality, but this was not, in his view, a direct, passive reflection. Instead, thought gradually neared objective truth via human practice (176). In their attempt to understand reality, humans changed reality itself. For Mao, therefore, it was essential not only to understand and explain objective laws, but to also apply the knowledge of these laws to change the world. Humans were not only the object of history, but its subject too. The balance between the objective conditions and human subjectivity depended upon an “activist epistemology,” one that recognised and mediated the influence of both factors (177).

As for the relation between the base and superstructure, Mao rejected voluntarism in favour of historical materialism. Under normal conditions, the economic base determined the superstructure. However, this formulation did not preclude the superstructure affecting the base. In historically particular situations, Mao argued that the superstructure could become a principal and decisive force. Specifically, ideas and politics became decisive during those historical moments when they impeded the further development of the economic base. During these moments, the superstructure assumed a dual and contradictory function, that of obstructing and facilitating change (Knight 2005, 180). On the one hand, the superstructure impeded the base's development, thereby showing its causal significance in situations where economic changes outpaced the superstructure. The superstructure's capacity for generating change emerged as the result of the economic base's development. Thus, struggles within the superstructure generated by

an impulse for change within the economic base could, in certain situations, become crucial to resolving the contradiction between the base and superstructure. Consequently, the superstructure mattered as an arena for struggle and change. On the other hand, Mao recognised that the superstructure had limitations. The superstructure could not autonomously create its own socio-economic context. As such, the superstructure was influential in social change, but this influence was, in the broad historical sweep, less significant than the impulses for change generated within the economic base. This meant that the superstructure could be pivotal in certain historical circumstances (181). Mao believed that China during the Great Leap Forward was one such circumstance. Human effort could be impactful in China, and it was essential for political economy to exploit that possibility to the full. The masses, when armed with the correct understanding, could contribute to the resolution of China's contradictions and channel social forces in ways that facilitated the country's momentum towards communism. Mao defended this view of political-ideological power whilst retaining "the notion of ultimate economic determination" (182, 183).

Knight's analysis makes it abundantly clear that the base-superstructure dialectic informing Mao's political economy is neither voluntarist nor idealist. It is instead rooted in the Marxist-Leninist tradition of dialectical and historical materialism. This tradition can be traced right back to Karl Marx himself. In his 1843 critique of the idealist philosopher G. W. F. Hegel, Marx rejected the idea that criticism alone could abolish oppression. It was also necessary for communists to smash the material fetters of oppression. Ideas in themselves could change nothing. At the same time, Marx ([1844] 1975, 182) said that "theory also becomes a material force as soon as it has gripped the masses." In other words, once the masses grasped scientific ideas, they could use these ideas as an instrument of change. This meant that ideas mattered. V. I. Lenin ([1902] 1977, 369) elevated the significance of this Marxist proposition in his 1902 book *What Is to Be Done?* when he said that "without revolutionary theory there can be no revolutionary movement." Although Lenin recognised that the economic base shaped ideas, he argued that ideas guided the social movements that in turn transformed economic phenomena. Stalin codified this proposition as a core principle of Marxist-Leninist philosophy in his 1938 work *Dialectical and Historical Materialism*. Here, Stalin affirmed that ideas played an essential role in advancing society once the economic base brought them into being. There were moribund ideas that retarded social development, and advanced ideas which facilitated this development. Both were significant in determining economic change (Stalin 1979, 467–468). Although, in *Economic Problems of Socialism in the USSR*, Stalin may have emphasised the economic base, he never denied the relative power of ideas. The same was true for Mao. Even though, in his *A Critique of Soviet Economics*, Mao

placed an unprecedented emphasis on politics and ideology in the study of political economy, he was working within the framework of dialectical and historical materialism that he inherited from Marx, Engels, Lenin and Stalin. This framework gave politics and ideas an important role within an objective economic structure that was, in the final analysis, the determining force.

## The Role of Politics and Ideology in the Socialist Revolution

Upon the basis of establishing the importance of politics and ideology in the study of political economy, Mao criticised the Soviet conceptualisation of the socialist revolution. In his comments on the *Political Economy* textbook, in the section “Is Large-Scale Industry the Foundation of Socialist Transformation?,” Mao criticised the Soviet proposition that the development of large industry provided the foundation for building a socialist economy. Mao commented that this perspective ignored the role of politics and ideology. The history of revolutionary movements demonstrated that “the full development of new productive forces is not the prerequisite for the transformation of backward production relations.” The Chinese “[R]evolution began with Marxist-Leninist propaganda, which served to create new public opinion in favour of the revolution.” Furthermore, “it was possible to destroy the old production relations [in China] only after we had overthrown a backward superstructure in the course of revolution” (Mao 1977, 51). To be clear, Mao agreed that the development of the productive forces aided socialist revolutions. However, he argued that this development was not always an essential factor. The Chinese Revolution began not with the developed productive forces, but with Marxist-Leninist propaganda, a form of communist ideology. It was the dissemination of Marxist ideas that played the key role in facilitating the Chinese Revolution, not economic factors. Furthermore, the Chinese masses could replace the moribund relations of production only after they had overthrown the moribund superstructure. The revolution occurred in the superstructure first, not the economic base. According to Mao, therefore, the order of causation between economic and political change in the Chinese Revolution was the opposite of that promoted by Soviet political economy. The Soviet textbook maintained that economic change always preceded political change during revolutions, but in China political change preceded economic change. If there had been no Marxist ideology, then the Chinese people would not have arisen to overthrow the oppressive political system or its production relations. The Chinese Revolution discredited the Soviet notion that the productive forces were always the fundamental factor in socialist revolutions.

In connection with this, Mao also criticised the *Political Economy* textbook for neglecting the role of the Marxist-Leninist party in the socialist revolution. Whereas the textbook said little on the subject, Mao argued that the

Marxist-Leninist party was “a most important condition” in the success of the socialist revolution, including the Chinese and Russian revolutions. In Russia, the Bolsheviks participated in the 1905 democratic revolution and proposed a political programme distinct from the bourgeoisie. The Bolsheviks went on to lead the 1917 October Socialist Proletarian Revolution. Likewise, after its founding in 1921, the Communist Party of China immediately joined the democratic revolution and formed its vanguard (Mao 1977, 37–38). It was the Marxist-Leninist party, and not economic factors, which played the critical role in bringing the masses to power in China.

### **Socialist Revolutions Are More Likely in Economically Backward Countries**

Elsewhere in his comments on the *Political Economy* textbook, Mao dealt with another question of the socialist revolution. In section 14, titled “Is Revolution Harder in Backward Countries?,” Mao questioned the Soviet notion that socialist revolutions were more likely to occur in the economically advanced countries, rather than the economically underdeveloped ones. This view was again based upon the conviction that the productive forces were always the primary driver of social change, and that the more developed the productive forces were, the closer countries got to revolution. Mao argued that this view again ignored the role of ideology. In the Western capitalist countries, where the productive forces were highly developed, capitalist propaganda was a “great obstacle” to beginning the socialist revolution, since this propaganda “penetrated each and every corner” of society. By contrast, in the economically backward countries, capitalist ideology had developed to a lesser degree, and was less pervasive. Whereas the Chinese bourgeoisie had existed for merely three generations, the English and French bourgeoisie had “a 250–300-year history of development and their ideology and modus operandi have influenced all aspects and strata of their societies.” This difference, in turn, explained why the working-class majority in these Western developed countries followed the reformist social democratic parties, instead of the Marxist-Leninist parties. Mao proceeded to reference a quotation from Lenin claiming that the socialist revolution would be more difficult for the more backward countries. Although, according to Mao, this view was correct when Lenin expounded it in the late nineteenth and early twentieth centuries, it had become obsolete by the mid-twentieth century. In fact, the opposite proposition was now true. The socialist transition was now less difficult in more backward economies, for the poorer the people were, the more they wanted a revolution. In the Western capitalist countries, there were relatively higher employment and wage levels, which meant that many workers were satisfied with their conditions. The Western workers were also deeply under the bourgeoisie’s influence, and so they were not in a strong ideological position to undertake a socialist revolution. Since, moreover, Western

nations already featured high levels of mechanisation and productive development, the major challenge after the “successful revolution would not be advancing mechanization but transforming the people” (Mao 1977, 50). Mao had China in mind when he made this statement. China was a semi-colonial, semi-feudal society at the time of its revolution. The productive forces were underdeveloped, and yet, despite this economic handicap, the masses were able to undertake a socialist revolution. This was because, unlike the Western workers, who were under the thrall of capitalist ideology, the Chinese masses were sceptical of their fledgling bourgeoisie, and more sympathetic to communist ideas.

In making these points, Mao argued that the socialist revolution occurred firstly in the superstructure, and as such it would more easily occur in the countries with weak and vulnerable superstructures—or what Lenin called the “weakest links” in imperialism—the colonies, former colonies, and less developed countries (Sakellariopoulos 2021). In the developed capitalist countries, by contrast, Mao thought that the revolution would arise in a more traditional orthodox Marxist fashion, from the forces of production bursting forth and destroying outdated production relations (Levy 1975, 108, 117).

### **The Role of Politics and Ideology under Socialism**

In his *A Critique of Soviet Economics*, Mao used his conception of political economy to advance a third major criticism, concerning the role of politics and ideology under socialism. Once again, Mao accused both Stalin and his successors of placing too much emphasis on economic factors, whilst underappreciating the importance of political and ideological forces. Thus, in his comments on Stalin’s *Economic Problems of Socialism in the USSR*, Mao observed that “Stalin emphasized only technology, technical cadre. He wanted nothing but technology, nothing but cadre; no politics, no masses. This . . . is walking on one leg!” (Mao 1977, 129). In his second critique of Stalin, Mao reiterated this point. Whilst claiming that the Soviets walked “on one leg,” he said that the Chinese walked “on two,” since they saw the value in not only economic forces, but political and ideological forces too. Stalin, Mao argued, was mistaken in thinking that “technology decides everything.” This view gave too much attention to the economic “expert” under socialism, and insufficient attention to the “red,” the communist political leader (135).

In his comments on the *Political Economy* textbook, Mao advanced this critique more forcefully. In section 65 of his comments, titled “The Text’s General Point of View,” Mao noted that the textbook had “certain fundamental arguments that are in error. ‘Politics in command’ and the ‘mass line’ are not stressed” (Mao 1977, 107). In other words, the textbook put economics and economic personnel in command under socialism, when in fact it was essential for political leaders and the masses to

guide economic development. It was especially important, Mao argued, to rely upon the masses under socialism. In section three of his critique, titled "Relying on the Masses," Mao quoted Lenin's view that socialism arose from the masses' creative activities, and that the communist organisational principle of democratic centralism encouraged the local creativity and initiative of the masses. Mao said that China's Mass Line upheld this Leninist principle. It was manifested, for instance, in the fact that the Chinese masses created the people's communes, which formed the basis of China's socialist democracy. According to Mao, Stalin always relied on the masses, but after his passing, the CPSU became less reliant on them (119).

Elsewhere in his comments, Mao noted the Soviet proposition that the fundamental contradiction in the transition economy was the one between capitalism and socialism. Mao endorsed this view, but at the same time, he argued that the passage expressing it spoke

only of setting struggles in motion to see who will emerge the victor in all realms of economic life. None of this is complete. We would put it as follows: a thoroughgoing socialist revolution must advance along the three fronts of politics, economics, and ideology. (Mao 1977, 47–48)

Essentially, political and ideological factors were as important as economic ones in the process of socialist transformation. Ignoring them would result in a disaster. On the basis of this political economy position, Mao criticised the Soviet views on the construction of socialism and communism in several specific respects.

### **The Law of Value**

One such criticism concerned the law of value under socialism. In section three of *Economic Problems of Socialism in the USSR*, titled "The Law of Value under Socialism," Stalin insisted that this law, which dictated the value of commodities, operated in the Soviet Union. The reason for this was that wherever commodities and commodity production existed, so too did the law of value. In the Soviet Union, Stalin explained that the law of value extended, firstly, to commodity circulation, to the exchange of commodities through purchase and sale. These consisted chiefly of articles of personal consumption. In this sphere, the law of value played a regulatory function. Second, Stalin explained that the law of value extended to production. Whilst not regulating socialist production, the law of value influenced it, and the producers could not therefore ignore this law. In the Soviet Union, socialist production created consumer goods, which existed as commodities subject to the law of value. In this connection, considerations of accounting and profitableness, production costs, prices, etc., were important (Stalin 1979, 557–561).

In his comments on Stalin's *Economic Problems of Socialism in the USSR*, Mao agreed that socialism inherited the commodity form from capitalism, which it would retain during the initial stages of socialist construction. Mao also endorsed Stalin's view that the "commodity exchange laws governing value" did not regulate socialist production in China. However, Mao did not finish there. He added that the regulatory role in production was "played by planning, by the great leap forward under planning, by politics-in-command." The shortcoming of Stalin's formulation was that it ignored these political and ideological forces. He spoke "only of the production relations, not of the superstructure, nor of the relationship between superstructure and economic base" (Mao 1977, 130). By contrast, Mao pointed out that Chinese cadres and workers were not the passive subjects of dominant economic forces. They participated consciously in socialist production and management, and by doing so, they were able to direct socialist economic construction:

Sending cadres down to lower levels to be tempered, discarding old rules and regulations—all these pertain to the superstructure, to ideology. Stalin mentions economics only, not politics . . . The role of people, the role of the labourer—these are not mentioned. If there were no communist movement it is hard to imagine making the transition to communism. (Mao 1977, 130)

Mao criticised Stalin for placing undue emphasis on the law of value, since it ignored the role of conscious human planning and the leading role of politics under socialism. To speak only of the law of value, which related to production relations, was to neglect the importance of the political and ideological superstructure in regulating and fulfilling this law. Mao (1977, 136, 147) emphasised that the law of value could operate only through the planned actions of the masses, the people, and that only an ideologically conscious communist movement could construct communism.

Mao reiterated this point in his critique of the *Political Economy* textbook. Here, he said that "a plan is an ideological form. Ideology is a reflection of realities, but it also acts upon realities." In other words, although the socialist economic base shapes ideology under socialism, it is not a unilinear relationship—as ideology influences the socialist economic base in turn. As an illustration of this point, Mao argued that China's past economic plans prohibited the construction of new industries along the coastline, and so prior to 1957 there was no construction in this zone, and national economic development was slight. In 1958, however, the new economic plan stipulated that major construction would begin on the coast, and this produced significant achievements. This example from the Great Leap Forward showed that "ideological forms such as plans have a great effect on economic development and its rate" (Mao 1977, 76).



### Industry and Ideology

Mao criticised the *Political Economy* textbook for positioning the development of large-scale industry as the bedrock of socialist economic development. This, he argued, was insufficient. In China, besides developing large-scale industry, communists “still had to continue transforming the production relations and ideology” (Mao 1977, 51). Transformations in production and ideology had to occur simultaneously, and it was important not to neglect the latter. One nourished the other.

In section 20 of his comments on the *Political Economy* textbook, titled “The Socialist Transformation of Agriculture Cannot Depend Only on Mechanization,” Mao examined a different element of the same issue. He expressed his frustration with the Soviet emphasis on the role of machinery in promoting socialist development in the agricultural sphere. “Again and again,” he noted, “the text emphasizes how important machinery is for the transformation. But if the consciousness of the peasantry is not raised, if ideology is not transformed, and you are depending on nothing but machinery—what good will it be?” Mao argued that it was essential to imbue the peasants with communist ideology to develop a socialist agriculture. If the peasants lacked this ideology, they would show little interest in making the most effective use of the technologies placed at their disposal. They would lack the positive, socialist attitude to work. The education of the peasantry was an important task in China, which had a predominantly peasant population at the time of the revolution. More generally, Mao stressed that “*the transformation and re-education of people*” was one of “the major questions for China” (Mao 1977, 55; italics in the original). It was a question that political economy could not ignore.

### Economic and Political Rights

Mao criticised the Soviet *Political Economy* textbook for privileging economic rights over political rights. In section 24, titled the “Rights of Labour under Socialism,” he noted that the textbook recognised labour rights under socialism whilst ignoring “labour’s right to run the state, the various enterprises, education, and culture.” These were labour’s greatest rights under socialism, without which there could be no economic rights (Mao 1977, 61). “The paramount issue for socialist democracy” was as follows: did “labour have the right to subdue the various antagonistic forces and their influences?” Could the workers and peasants control the means of communication, media, and cultural dissemination? Worded differently, did the working masses wield supreme political control over the various forms of power? If an opportunist minority held political power, then the working masses comprising the majority of the population would be powerless. By contrast, if Marxist-Leninists were in political command, then they could guarantee the majority’s rights. As such, the ideological character of the force in political control of a country’s institutions and enterprises had a tremendous influence

upon the people's rights, which were not founded upon the rights of labour. It was essential that "the people must have the right to manage the superstructure," and not just the economic sphere (61).

### **Economic and Ideological Incentives**

On the subject of the role of ideology and politics under socialism, Mao devoted significant attention to the question of economic incentives. In section 40 of his critique of the *Political Economy* textbook, titled "Politics in Command and Material Incentive," Mao noted that the textbook repeatedly encouraged the use of economic incentives. In doing so, it gave the impression that economic interests were the primary factor in inspiring the masses' creative activity under socialism. This view, in turn, was founded upon the assumption that economic factors always played the primary role in socialist construction. In Mao's view, the Soviet prioritisation of economic incentives suggested that many Soviet leaders failed "to emphasise political-ideological work" in production. Mao pointed out that a core economic slogan of socialism was "from each according to his ability, to each according to his labour." The first half of this slogan meant that the workers had to contribute as much as they could to production, in accordance with their abilities. In Mao's view, the Soviets ignored this principle and focused upon the second half of the slogan, "to each according to his labour," which concerned economic incentives. By focusing purely on economic incentives, the socialist producers would not work as hard as their abilities permitted. This, in turn, would make it more difficult to abolish capitalism and build socialism (Mao 1977, 79).

Mao examined the same issue from another angle in section 42, titled "Material Incentives." Here, Mao approved the Soviet notion that there were two groups of producers under socialism, the majority who performed their duties and the minority who did not. Mao argued that to win over the latter, material incentives alone would not suffice. It would also be necessary "to criticise and educate them to raise their consciousness" (Mao 1977, 83). Under socialism, the workers with more "diligent and positive" outlooks produced more. Their diligence and enthusiasm reflected their high "political consciousness," not their "level of technical or cultural expertise." Some with technical and cultural expertise were "neither diligent nor enthusiastic," whilst others, who had less expertise in these areas, were "quite diligent and enthusiastic." The reason for this was that the latter workers were more politically conscious (83).

The *Political Economy* textbook claimed that economic incentives were a decisive factor in increasing productive output and the development of production. Mao took issue with this statement, by pointing out that it was dangerous to rely too heavily upon economic incentives, which could not always be guaranteed. In difficult times, when the state may have to reduce or limit economic incentives, it

will be essential for the people to maintain a high productive output regardless. As such, the one-sided reliance on material incentives failed to recognise the importance of raising the workers' consciousness (Mao 1977, 83).

Furthermore, Mao continued, the notion that economic incentives determined production failed to explain why workers earning the same wage displayed different productivity levels. According to Mao, these varying productivity levels reflected differences in "political ideology." The politically conscious workers were more productive than those who were less politically conscious, even when they earned the same wage. Although, therefore, material incentives were important, "it is never the sole principle. There is always another principle, namely, spiritual inspiration from political ideology" (Mao 1977, 83).

Whilst noting that the *Political Economy* textbook made some good points on socialist emulation, Mao criticised the text for ignoring politics. It was essential, he argued, to ensure that the people had "some consciousness." The textbook pinned the future prospects of socialism on the success of material incentives and individual interests, whilst ignoring the role of socialist collectivist ideology and politics. The people would build socialism not only by thinking of their individual economic interests, but by working for the good of the people and the collective. Mao pointed out that collective interests influenced even bourgeois democratic revolutions. "During the era of bourgeois revolutions, a number of bourgeois revolutionaries made heroic sacrifices for the interests of their class and future generations of their class, but certainly not for immediate individual interest" (Mao 1977, 84). Mao pointed to the Chinese Revolution as further evidence. During the War of Liberation, the Chinese communists in the base areas produced and distributed their goods according to need, not according to individual work done, and there was no struggle for preferential treatment. Essentially, the "people lived an egalitarian life, working hard and fighting bravely, without the least dependence on material incentives, only the inspiration of revolutionary spirit." The victories and defeats during the Chinese Revolution therefore had nothing to do with material incentives. They "had to do with whether or not our political line and our military line were correct." Mao argued that these historical experiences were of paramount importance for the tasks and challenges of socialist construction (85).

To highlight the dangers of over-relying on material incentives, Mao pointed to the experience of Socialist Poland. Under the leadership of Wladyslaw Gomulka, the Polish United Workers' Party initially prioritised material incentives. The party raised workers' wages whilst neglecting their ideological consciousness. Resultantly, many workers cared only for making money and did not adopt a socialist mentality in performing their tasks. Wage increases outstripped rises in productivity, and wages ended up eating capital. This contradiction persuaded the Polish United Workers' Party to oppose material incentives and instead

“champion spiritual inspiration.” Drawing a general lesson from this experience, Mao noted that the overreliance on economic incentives never ended well. Such incentives kept the high salaried minority content, but “when the workers and peasants want to cash in and find they cannot, the pressure to go to the ‘spiritual’ is no surprise” (Mao 1977, 98–99).

### **Politics, Ideology, and the Great Leap Forward**

Mao’s *A Critique of Soviet Economics* paid special attention to the role of politics and ideology under socialism for a specific reason: he thought that these factors would aid the liberation of China’s productive forces during the Great Leap Forward (Mao 1977, 34–35, 51). Mao believed that the productive forces could leap forward only after superstructural changes. He derived this view not from abstract theory, but from his observation of the concrete course of China’s revolution, which had been propelled by politics and ideology (Knight 1985, 104).

As Knight explains, superstructural changes were also more practical and suited to Chinese conditions. Unlike economic changes, they could proceed cheaply and with little capital investment, since they involved ideological and political phenomena. This is why Mao perceived the changes required for the Great Leap Forward in ideological, rather than technological terms. China lacked the wealth and capital to pursue the Soviet path of development, in which gigantic capital investments fuelled an industrial base. China did, however, have large numbers of people. Through a reorganisation of the masses, and a transformation in their ideology, Chinese political economy could create the conditions for the transition to communism. Knight argues that this was a major difference between Stalin’s and Mao’s Marxism. Under Stalinism, the guiding assumption in Soviet political economy was that the communist transition required first and foremost the development of the country’s productive forces, including an industrial base and technological infrastructure. Through this change in the productive forces, changes would result in other areas of society (Knight 1985, 104). Mao saw the process differently, at least during the Great Leap Forward. In his view, it was necessary, after small advances in the productive forces, to radically reshape political–ideological relations within society to build communism. Political and ideological changes would produce the developments in productive forces necessary for a transition to communism. Mao emphasised the human aspect of social development, rather than the technological dimension. In his view, an overemphasis on productive forces ignored the fact that superstructural transformations facilitated radical changes in productive forces. Mao founded the Great Leap Forward upon this view of socio-economic development (105).

## **The Contemporary Relevance of Mao's *A Critique of Soviet Economics***

Mao's *A Critique of Soviet Economics* played a significant role in the development of China's Marxist political economy. Prior to Mao's intervention, the Communist Party of China based much of its political economy upon Soviet texts. Mao's critique encouraged the party to depart from the Soviet approach more completely, and thereby develop an independent Marxist approach to political economy. Upon the basis of Mao's insights, and under his leadership, the CPC was able to chart its own course of economic development, one that more accurately reflected the application of Marxism-Leninism to China's unique circumstances.

Mao's *A Critique of Soviet Economics* is not only of historical significance. It also contains several lessons for political economy today. Mao offers insights into the essence of political economy, the conditions for the socialist revolution, and the successful construction of socialism and communism. The following sections examine each of these in turn.

### **Mao's Insights into the Essence of Political Economy**

First, Mao's *A Critique of Soviet Economics* offers a key insight into the essence of political economy. Mao shows that politics is the starting point for a scientific political economy approach, and that it is politics that determines the methodological specificity of the discipline. Mao's critique highlights the importance of recognising the role of the ideological and political superstructure in the process of socio-economic development. If these factors are ignored, and if economic factors receive undue attention, then the resulting analysis will offer an incomplete picture of reality. If analysts focus purely on the productive forces and relations of production, then explanations will be faulty, predictions will become inaccurate, and analyses will be one-sided. Whilst the economic base is of paramount importance in understanding the structural socio-economic development of society, political economists should remember that ideas and political forces play a key role too, and they are not merely the passive reflections of economics. To this day, mainstream economics fails to take this into consideration, and as a consequence, its advocates routinely fail to explain key events, processes, and phenomena in the socio-economic development of society (Nicholas 2012; Grieve 2017). It is well known, for instance, that anti-Marxist economists have a poor record of predicting capitalist economic crises, explaining these crises, and proposing effective solutions to these crises. These faults result from their undue emphasis on abstract economic models, which ignore the influence of political and ideological class forces.

Thomas Piketty's (2014) *Capital in the Twenty-First Century* exemplifies this tendency. In this book, which has received widespread acclaim in the West, the French economist argues that capitalism is increasing wealth inequality. Piketty claims that this wealth inequality has purely economic causes. His central argument is that the difference between the rate of return on capital is greater than the rate of economic growth, which results in the concentration of wealth in a few hands. As Piketty's critics have argued, however, economic inequality depends more on structural political institutional factors than it does on economic ones. For example, in describing how American inequality lessened from 1945 to 1970, Piketty ignores the rise of the Soviet Union and Eastern Bloc, which provided their workers with substantial economic and social rights, including full employment, universal healthcare, and housing. These rights were cemented in the respective socialist constitutions; and were therefore guaranteed by politics and the law. These political factors "pressurised capitalists in the West to improve workers' welfare and benefits." After the collapse of the Soviet Union and Eastern Bloc, advanced Western economies used this political transformation as an opportunity to curtail workers' rights and welfare, resulting in dramatic rises in inequality (Chen 2014, 418–419).

Second, Piketty also ignores the role of the state of monopoly capital in protecting, facilitating, and enabling the capitalist exploitation of the working class. Capitalist inequality "is a political and cultural inequality" (Delaunay 2017, 117). Piketty's postulations "are unhelpful as a guide to understand the past or predict the future because they ignore the central role of political . . . institutions in shaping the evolution of technology and the distribution of resources in a society" (Acemoglu and Robinson 2015, 3).

Third, Piketty's reformist solutions to combat inequality and redistribute wealth "are imaginary ones," because the ruling political forces of imperialism will disregard his "utopian wishes" (Delaunay 2015, 426; Wei 2016, 442). As Ross (2015) argues, Piketty's theoretical shortcomings derive from his failure to read Marx's *Capital*, which offers a scientific analysis of capitalist inequality based upon a political economy approach.

Marxism avoids Piketty's shortcomings because it recognises the reciprocal interrelation between politics and economics, which constitutes the heart of political economy. The recognition of this reciprocal relation finds one of its clearest expressions in Mao's *A Critique of Soviet Economics*.

### **Mao's Insights into the Conditions of the Socialist Revolution**

Mao's *A Critique of Soviet Economics* provides a profound insight into the role of politics and ideology in the socialist revolution. In contrast to the Soviet notion that economic factors determine the outbreak and outcome of the revolution, Mao argued that political and ideological forces are also essential. This element of his

critique remains convincing today. In the history of socialist revolutions, economic forces have rarely been the only important forces. Ideas and political forces have also been crucial. Socialist revolutions occur only when the popular masses become ideologically opposed to capitalism. If they do not undergo this ideological change, then they may not even struggle against imperialism, let alone attempt to abolish it. Even if the economic conditions for the socialist transition are ideal, it is equally essential, if not more essential, for the working masses to be armed with socialist ideology. The history of socialist revolutions has validated this proposition. Socialist revolutions have stormed to success upon the back of socialist ideology. They have failed to materialise when the masses have opposed socialist ideas. As such, instead of focusing upon economic factors in the manner of bourgeois economics, political economy must also pay substantial attention to the role of ideology in socialist revolutions.

Second, Mao demonstrated that socialist revolutions have only succeeded where the masses have adopted effective political strategies and formed disciplined political organisations. Specifically, for the socialist revolution to be a success, the working masses must wage their struggle under the leadership of a working-class party armed with Marxist-Leninist theory. This is not a dogmatic assertion, but an empirical observation. Historical experience has shown that socialist revolutions have only been successful in the countries where Marxist-Leninist parties have played a leading role. Without the leading role of the vanguard Marxist-Leninist party, the socialist revolution will probably fail. Mao made this observation in his *A Critique of Soviet Economics*, and it remains true to this day. As such, political economy must consider the role of the Marxist-Leninist party in its analyses of socialist revolutions, and it should not just focus on economics.

In connection with this, Mao supported Lenin's view that the socialist revolution will occur in the countries constituting the weakest links of the imperialist chain, not the strongest ones. In making this point, he emphasised that revolutions sometimes begin in the political and ideological superstructure before extending to the economic base. For the most part, this principle remains true. Most socialist revolutions have occurred in countries with relatively low levels of economic development and/or weak superstructures. Today, the developed Western capitalist countries are the countries least likely to undergo socialist transitions, precisely because they have developed pervasive capitalist ideologies and resilient political systems. The socialist movements are at their weakest in these countries, since many of the workers support capitalist ideology, and because the political systems are durable. By contrast, the socialist movement has been stronger and more successful in Latin America, where the living standards are lower due to slower economic growth, and where the political systems are fragile and corrupt. In these countries, the masses have been more supportive of socialist ideologies.



Accordingly, when examining the prospects of socialist revolutions in the near future, political economists should focus their attention upon the countries with slow economic growth and weak superstructures, and not the countries of the developed capitalist world. In the short term, the future spread of socialism will occur first in the developing Global South, rather than the developed Global North. Mao Zedong was a leading proponent of this idea.

### **Mao's Insights into the Construction of Socialism**

Mao's *A Critique of Soviet Economics* offers several insights into the conditions for the success of socialism. At the general level, his critique expresses the fact that socialism cannot rely upon economics alone. Socialism will not arise only upon the back of productive growth and economic development. Ideological and political forces play a significant role too. Many analysts have focused too much upon economic factors in explaining the rise and fall of socialism. Several studies claim that the Soviet Union and Eastern European socialist countries collapsed primarily because of economic reasons. Essentially, they argue that stagnant economic growth and empty supermarket shelves caused the people to lose faith in socialism, since their material living standards did not rise quickly enough (Rutland 1993; Brzeski 1999). These simplistic explanations exemplify the shortcomings that Mao exposed in his critique of Soviet political economy. By utilising the same Marxist principles that Mao used in his critique, Chinese political economists have developed a more sophisticated explanation for the socialist collapse. Whilst noting that economic factors played a role, they argue that political and ideological factors were even more important. The ideological factor was that the ruling Marxist-Leninist parties degenerated into revisionism. The political factor was that the ruling Marxist-Leninist parties abandoned their leading role (Li 2011; Cheng and Liu 2017, 304–306).

Turning first to the rise of revisionism, after Khrushchev took office, the CPSU began abandoning the core tenets of Marxism-Leninism, by neglecting the importance of communist ideological education and introducing ideological liberalisation. By relegating communist ideology and permitting the dissemination of liberal ideas, the CPSU made unpopular domestic and foreign policy decisions that detached the party from the masses and decreased its support (Li 2011; Cheng and Liu 2017, 304–305). Similar processes occurred in the Eastern European socialist states during the period of de-Stalinisation. These ideological factors played a key role in the collapse of the Soviet Union and Eastern Bloc. Economic analyses ignore this fact.

Turning now to the party's leading role, after Khrushchev took office, the CPSU began to weaken its leading role in society, and it neglected the tasks of party building. This also resulted in the party's distancing and alienation from the

masses. When the CPSU lost its leading role, the Soviet Union collapsed instantaneously (Li 2011; Cheng and Liu 2017, 305–306). Again, a similar process occurred in the Eastern European regimes. This political factor played a major role in the collapse of these socialist states. Economic analyses also ignore this fact.

In connection with these two factors, the most important methodological error of Soviet political economy was that it viewed the socialist economic structure as a system of objective production relations. This view overlooked the fact that social relations in the Soviet economy were not production relations, but volitional, ideological relations. Soviet political economy failed to recognise this, and instead interpreted the strong-willed, command–administrative relations that dominated the Soviet economy as objective production relations. This was not only a theoretical mistake, but also a serious political mistake, one that led to an underestimation of the economic significance of political power in a socialist society. By contrast, Mao Zedong called by their proper names what Soviet political economy tried to hide.

The remaining socialist states—China, Cuba, Vietnam, Laos, and North Korea—have survived the Soviet collapse and have flourished precisely because they have not underestimated the role of politics and ideology in the process of socialist and communist construction. Whilst recognising the importance of economic factors, including the productive forces and relations of production, these countries have also sought to develop strong and stable political systems, whilst imbuing the people with socialist ideology. These two factors—politics and ideology—have been key to the successful functioning and development of the modern socialist states. They have developed their economic systems not in isolation from the political and ideological superstructure, but instead under the close guidance of this superstructure. Once again, this is something that economic analyses have failed to recognise.

The rise of the People's Republic of China is a testament to Mao's view that ideology and politics are fundamental to the success of socialism. Although Mao died in 1976, the Communist Party of China has immortalised his legacy, by upholding Mao Zedong Thought as a fundamental component of its Marxist-Leninist ideology (Cheng 2018). By adhering to Mao Zedong Thought in the construction of socialism and communism, the Communist Party of China has inherited and developed Mao's insights in his *A Critique of Soviet Economics*.

The CPC has consistently maintained Mao's principles of "politics in command" and the "mass line" as core characteristics of socialism with Chinese characteristics. Since Mao's death, the CPC has taken seriously the tasks of party building, as well as the principle of enhancing the party's leading role in every sphere of society. The CPC's emphasis on developing its leadership capacity is rooted in Mao's legacy. During every moment of economic development, and at every stage of the gradual reform and opening of China's economic system, the

CPC has led the process, and has retained total oversight over the structural economic development of Chinese socialism. At no point has the CPC decided that economic forces should dominate the political ones in the stabilisation and growth of its socio-economic system.

Alongside enhancing the party's leading political role, the CPC has also maintained the importance of ideological education. Instead of relying overwhelmingly upon economic incentives to boost productive growth, the party has supported a combination of economic and ideological ones. Through consistent propaganda, delivered via the state-owned media, as well as primary, secondary, and further education, the party has continually imbued the people with a socialist ideology, one that has strengthened their commitment to the construction of socialism and communism. Ideological education has remained particularly important within the party itself. Since the creation of Mao Zedong Thought, the party's successive leaders have developed Deng Xiaoping Theory, the Three Represents, the Scientific Outlook on Development, and Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era (Yu 2019, 575). Each of these theories has enriched Marxism-Leninism with new ideas in accordance with China's changing conditions, whilst ensuring that the party has remained committed to socialism and communism. By maintaining the importance of ideological education within the party and society, the CPC has used communist ideology to support economic development. China's gigantic economic achievements testify to the success of this strategy, which draws upon Mao's approach to political economy.

If Soviet society had managed to preserve a powerful willpower factor associated with the political superstructure, as happened in China, then the economic difficulties of the 1980s would not in themselves have posed a mortal threat to the Soviet system. The Chinese experience of economic reforms shows that in the presence of political will, a socialist society, in principle, is capable of successfully solving any economic problems. This shows the decisive role in the political-economic system of socialism of the volitional factor associated with the political superstructure. It was none other than Mao Zedong who highlighted this role. In connection with this, an objective dialectical analysis of the outstanding historical role of Mao Zedong in the creation and development of the socialist China is given in the "Resolution of the CPC Central Committee on the Major Achievements and Historical Experience of the Party over the Past Century," adopted at the Sixth Plenary Session of the 19th Central Committee of the CPC on November 11, 2021 (Communist Party of China 2021).

Mao's *A Critique of Soviet Economics* also illuminates the essence of socialism and communism. In contrast to the Soviets, who viewed economic factors as the primary indicators of socialism, Mao argued that the political factors are just as essential. This insight remains relevant today. Since Deng Xiaoping began China's

economic reforms, Western analysts have accused China of abandoning socialism for capitalism. They claim that China is a capitalist country, rather than a socialist one, because it contains private enterprise and markets. This widespread perspective is founded upon the erroneous tendency to define socialism in purely economic terms. As Mao established, however, socialism is not a purely economic phenomenon. Socialism is also fundamentally a political phenomenon. It entails the political supremacy of the working class, in addition to its economic supremacy. Once the political aspect is considered, it becomes evident that China is in fact a socialist country, since supreme political power is in the hands of one class, the working class, with the Communist Party of China as its leading representative. In China, the working class wields supreme political power, and it uses this political power to regulate and direct the economic sphere of society. As such, there is no basis for the view that China has abandoned socialism for capitalism. This claim is false in both the economic and political senses (Boer and Yan 2021).

In addition to providing contemporary insights, Mao's arguments concerning the role of politics and ideology under socialism also contain limitations. Like Soviet political economy, Mao's one-sided analysis underestimated the importance of socialist commodity–production relations.

To explain: under socialism, the producers consciously mediate the objective dependence of the production relations upon the development level of the productive forces. In doing so, society recognises, realises, and perpetuates this objective economic necessity. The political superstructure determines the extent to which people are aware of this necessity. The masses can identify what relations of production correspond to the development level of the productive forces only with political guidance. The political superstructure plays a leading role in developing such an awareness. In doing so, it enables socialist society to transform what was once a blind objective necessity into a consciously used productive force. This, in part, explains the unique significance of the political superstructure for the socialist economy. Mao had a strong grasp of this significance.

However, in scientifically advancing the political economy of socialism in theory and practice, it is not only essential for politics to identify which production relations correspond to the development stage of productive forces. It is also necessary to show how a socialist society can best consciously use the objective economic laws immanent to it for the further development of the productive forces. To do this, it is essential to discover society's objective economic laws before formulating policy, since these policies can be truly scientific only when they comply with the laws of society. Under socialism, economic theory becomes political economy in the full sense of this concept, since it examines not only the objective economic laws, but also society's conscious application of these laws. As such, the political economy of socialism is a theory of action, designed to help

socialist society create qualitatively new combinations of socio-economic forces, allowing the masses to subjugate and consciously use their own production relations in the same way as an engineer creates new combinations of natural forces. Mao paid insufficient attention to these considerations.

As such, Mao's approach and Soviet policy shared the same fundamental error—they both underestimated the importance of commodity–production relations. In the Soviet case, this error had grave consequences. It contributed to economic stagnation and the collapse of socialism. In the case of China, Mao's error was not fatal to socialism, though it was a factor in the Great Leap Forward's failure to advance China's economy as successfully as possible. Of course, the CPC recognises that mistakes were made during that period (Communist Party of China 2021). Thankfully, however, Deng Xiaoping corrected Mao's errors when he took office. Whilst upholding Mao's achievements, Deng showed a greater appreciation for the importance of objective factors in the development of socialist society associated with the dialectics of productive forces and production relations. And now, in a new era of socialism with Chinese characteristics, China clearly demonstrates the creative synthesis of Mao Zedong's ideas aimed at strengthening political power, and Deng Xiaoping's ideas related to the conscious use of commodity–production relations for the development of the productive forces of a socialist society.

## Conclusion

Mao's *A Critique of Soviet Economics* represents a classical demonstration of the scientific superiority of political economy over economics. In his critique of Stalin and Soviet economists, Mao highlighted the dangers of placing a one-sided emphasis on economic factors, whilst marginalising the role of politics and ideology. Mao sought to bring politics back into economics, thereby showcasing the richness of political economy as an integrated methodology in social science. Mao demonstrated that economics by itself cannot provide a scientific understanding of the socio-economic life of society. Only political economy can provide such an understanding.

Mao defended his *A Critique of Soviet Economics* not with abstract principles, but by advancing a concrete analysis of modern society, and by pointing to the actual historical experience of socialism, especially the development of socialism in China. His defence of political economy has been vindicated by the success of the Communist Party of China, which has managed to produce the most rapid economic growth in human history. The CPC achieved this growth by retaining the principle of politics in command, by relying on the masses, and by utilising the power of socialist ideology to solve the tasks of communist construction. These

principles of political economy draw directly upon Mao's intellectual labours; and will guarantee the future prosperity and success of China.

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