The Constitution: Fundamental Law and Theoretical Crystallization of Reform and Opening Up

-Interview with Professor Cheng Enfu, member of Education, Science, Culture and Public Health Committee, NPC

Staff Reporter

Cheng Enfu, male, was born in Shanghai in 1950. He is one of the first batch of academicians of Chinese Academy of Social Sciences (CASS), member of the presidium of Marxist academicians, director of the Research Center for Economic and Social Development, Assistant Director and Chief Professor of the CASS University Academic Committee, and Supervisor of PhD students. He is the chief expert of Central Marxist Theory Research and Construction Project, and serves as the editor-in-chief for the English international journals International Critical Thought and World Review of Political Economy, and for the Chinese journals Journal of Economics of Shanghai School and Study on Marxist Culture. He is mainly engaged in research and teaching of Marxism and its political economy at home and abroad. He also serves as chair of the World Association for Political Economy, the China Association for Political Economy, and the China Society for Study on Foreign Economic Theories, respectively. And he is a member of the Disciplinary Evaluation Group of the State Council, and the honorary professor
or guest professor of over ten universities, including St. Petersburg University. He has published more than 30 works and over 600 articles at home and abroad, has been specially interviewed and reported hundreds of times by domestic and foreign media, and has exerted great influence in Chinese and overseas field of Marxist theory.

On February 24, 2018, the Political Bureau of the CPC Central Committee held its fourth group study session on the Constitution of China and promoting the law-based governance of China in an all-round way. General Secretary Xi Jinping pointed out in his speech, "The Constitution of China in effect has been formulated and improving based on thorough reviewing the socialist revolution, construction and reform in China. It results inevitably from the historical, theoretical and practical logic of the long-term struggle of the people under the leadership of our Party.... The Constitution is the fundamental law of our country, and it is the general basis of various institutions, laws and regulations of the country. Our firm confidence in the path, theory, system, and culture of socialism with Chinese characteristics requires us to keep fully confident in the country's guiding ideology, development road and struggle goal established by the Constitution, in the leadership of the Communist Party of China and the socialist system confirmed by the Constitution of China, and in the advanced socialist culture and the excellent traditional Chinese culture created by the people under the leadership of our Party, which is also identified by the Constitution."

To better understand the Constitution of China as the fundamental law and theoretical crystallization of the 40-year reform and opening up, and to discuss relevant theoretical and practical issues, we interviewed Professor Cheng Enfu of the Chinese Academy of Social Sciences.

§ 1. The Constitution and Its Amendment Epitomize the Process and Guidelines of Reform and Opening Up

talk about how China keeps pace with the times and constantly improves the Constitution over the past 40 years of reform and opening up.

(The Interviewee, hereinafter shortened ase): The first Constitution of the People's Republic of China adopted in September 1954 safeguarded and boosted the consolidation of the socialist political power and socialist construction. It also laid a foundation for the formulation and improvement of China's Constitution implemented in the new period of reform and opening up. The Third Plenary Session of the 11th Central Committee of the CPC ushered in a new historical period of reform and opening up. The 1982 Constitution was the first constitution after China adopted the policy of reform and opening up to the outside world, which established the line, principles and policies after the Third Plenary Session of the 11th Central Committee of the Party, and provided a strong legal guarantee for reform, opening up and socialist modernization drive. Since then, five amendments have been made in 1988, 1993, 1999, 2004 and 2018, respectively. All these five constitutional amendments reflect the inherent need, development course and guidelines of reform and opening up, epitomizing governance of China based on the Constitution and laws.

With regard to the new situation of the rising private sector of the economy in the reform, the Amendment to the 1988 Constitution added, "The state permits the private sector of the economy to exist and develop within the limits prescribed by law. The private sector of the economy is a complement to the socialist public economy. The state protects the lawful rights and interests of the private sector of the economy, and exercises guidance, supervision and control over the private sector of the economy." Such stipulation provides legal guarantee for the development of private sector of the economy. When land started to enter the market with the development of commodity economy, the 1988 Amendment to the Constitution made the amendment that "the right to the use of land may be transferred in accordance with the law". This amendment commercialized the right to the use of land, and legalized the lease and sale of land, adapting to the growth of the real estate industry and development zones.

In 1992, the 14th National Congress of the Communist Party of China clearly pointed out that the goal of China's economic restructuring was to
establish a socialist market economy system. Accordingly, Article 15 of the 1993 Amendment to the Constitution was amended to read, "The state practices socialist market economy." "The state shall enhance economic legislation and improve macro-control of the economy." "The state shall, in accordance with the law, prohibit disturbance of the socioeconomic order by any organization or individual." The revision laid a legal foundation for China's transformation from a socialist planned economic structure to a socialist market economic structure, and emphasized the improvement of national macro-control and maintenance of socioeconomic order.

A paragraph was added in the 1999 Amendment to the Constitution, which reads, "The People's Republic of China exercises the governing of country according to law, making a socialist country ruled by law." To add the law-based governance of the country in the Constitution shows that China is a socialist rule of law country with the core of governing the country according to the Constitution, which also laid the foundation for incorporation of "human rights" into the Constitution in the future. In addition to the state leaders and ministers, members of special committees of the National People's Congress swore to the Constitution while the National People's Congress was held in 2018. I am honored to be among the oath takers.

In 2004, the Amendment to the Constitution added a new clause that "the State respects and guarantees human rights", and Article 13 of the Constitution was revised to read, "The lawful individual property of citizens shall not be infringed upon." "The state protects citizens' right of individual property and right of inheritance in accordance with the law." "The state may practice expropriation or requisition over the individual property of citizens and compensate them in accordance with the law for the needs of the public interest." It made the legal provision for the widely involved issues of human rights, public interests and individual property in the reform and opening up.

The 2018 Amendment to the Constitution revised "All administrative, judicial and procuratorial organs of the state are created by the people's congresses to which they are responsible and by which they are supervised" into "All administrative, supervisory, judicial and procuratorial organs of the state are
created by the people's congresses to which they are responsible and by which they are supervised." The revision fully reflects the great importance attached to the work of the state supervisory organs since the 18th National Congress of the Communist Party of China. The Fifth Amendment to the Constitution contains the largest number of revised provisions, including many new ones or amendments, which are to be mentioned below.

§ 11. Marxism and Its Sinicization Theory Have Made Significant Achievements in Guidance of the Development of Reform and Opening Up

£: Prof£ Cheng, we have noticed that in the seventh paragraph of the Preamble to the Constitution, "under the guidance of Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory and the Theory of Three Represents" has been revised to "under the guidance of Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, the Theory of Three Represents, the Scientific Outlook on Development and Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era." Would you please tell us about what achievements have been made in economic and social development in the past 40 years under the guidance of the leading thoughts of the state stipulated in the Constitution?

•: We have incorporated Deng Xiaoping Theory into the Constitution in 1999, the Theory of Three Represents in 2004, the Scientific Outlook on Development and Xi Jinping Thought of Socialism with Chinese Characteristics for a New Era in 2018, thus fully establishing the guiding position of Marxism and its sinicization theory in the political and social life of our country.

Under the guidance of Marxism and its sinicization theory, China's economy, although having experienced certain fluctuations, has maintained a high-speed growth on the whole for nearly 40 years since the reform and opening up, thus "creating a miracle as the longest high-speed economic growth for a country since the end of the Second World War"! Calculated at constant prices, China's gross

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1 Xi Jinping, "Speech at the Seminar of Major Provincial and Ministerial Officials on Learning and Implementing the Spirit
domestic product in 2016 was 32.3 times that in 1978, and its gross national income in 2016 was 32.2 times that in 1978. China's population increased from 960 million in 1978 to 1.39 billion in 2017 while the per capita GDP in 2016 was 22.4 times that in 1978. From 1979 to 2016, China saw a 9.6% annual growth rate in gross national income. These statistics show that China's sustained and rapid economic growth rate in the past 40 years is indeed a miracle in the world history.

The foreign trade witnesses a dramatic soar in the scale of trade both in goods and in services. In terms of trade in goods, the total export volume increased from RMB 16.76 billion in 1978 to RMB 15.331 trillion in 2017, and the total import volume from RMB 18.74 billion in 1978 to RMB 12.462 trillion in 2017. As for trade in services, the total export volume rose from USD 2.6 billion in 1982 to RMB 1.5407 trillion in 2017, and the total import volume from USD 1.9 billion in 1982 to RMB 3.1584 trillion in 2017.

In regard to industrial structure, the proportional relationship among the three industries has been gradually optimized. With respect to the output value, the percentage of primary industry's output value to GDP has gradually changed from 27.7% in 1978 to 7.9% in 2017, that of secondary industry from 47.7% to 40.5%, and that of tertiary industry from 24.6% to 51.6%. On employment, the percentage of primary industry in total employment dropped from 70.5% in 1978 to 27.7% in 2016 while that of secondary industry increased from 17.3% to 28.8%, and that of tertiary industry from 12.2% to 43.5%.

The infrastructure construction has seen an upsurge in major scale indicators. In transportation, the density of railway network aspired from 53.9 kilometers every 10,000 square kilometers in 1978 to 129.2 kilometers in 2016, and that of highway network from 927 kilometers to 4,892 kilometers in 2016. In the area of post and telecommunications, telephone penetration (including mobile phones) surged from 0.4% in 1978 to 110.5% in 2016, and that of mobile phone from

1 All the statistics for 2016 and the previous year are cited from China Statistical Yearbook (2017) and http://www.stats.gov.cn/tjsj/ndsj/2017/index.html if not specially indicated.
6.7% in 2000 to 102.5% in 2017.

In people's livelihood, substantial progress has also been made in major indicators of life quality. The average life expectancy of the population went up from age 67.77 in 1980 to age 76.34 in 2015. Among them, the average life expectancy of men ascended from age 66.28 to age 73.64 in 2015, and that of women from age 69.27 to age 79.43 in 2015. The incidence of rural poverty (standard in 2010) dropped from 97.5% in 1978 to 49.8% in 2000, and then to 3.1% in 2017. In residents' consumption, the urban and rural residents' consumption has maintained a relatively high growth rate. The consumption level of urban residents in 2016 was 10.6 times that of 1978, and that of rural residents was 12.5 times. According to preliminary statistics, the per capita consumption expenditure of residents in the whole country actually grew by 5.4% in 2017 with the price factor deducted. Among them, the actual growth of per capita consumption expenditure of urban residents increased by 4.1%, and that of rural residents by 6.8%.

In the field of science, education, culture and health, tremendous improvement has been made in major scale and quality indicators. With respect to science and technology, the ratio of internal R&D expenditure to GDP mounted from 0.89% in 2000 to 2.12% in 2017. Culturally, the radio population coverage went up from 77.4% in 1994 to 98.7% in 2017, and that of television from 83.3% in 1994 to 99.1% in 2017. In 1978, 46 art films were produced while in 2017, 798 story films and 172 popular science, documentation, animation and special films were produced. The book variety increased from 14,987 in 1978 to 499,884 in 2016, and that of journals from 930 to 10,084. Especially since the 18th CPC National Congress, the guiding position of Marxism in the ideological field has become more distinct, the core socialist values and fine traditional Chinese culture have been widely promoted, and cultural undertakings and industries have continued to develop healthily.  

Educationally, the net enrollment rate of primary school-agers increased from 95.5% in 1978 to 99.9% in 2016; the rate of primary school students upgrading to junior high schools increased from 87.7% in 1978 to 98.7% in 2016, the rate of junior high school students to senior high schools from 40.9% in 1978 to 93.7% in 2016, and the rate of senior high school students to colleges and universities from 73.2% in 2000 to 94.5% in 2016. In terms of health, the number of practicing (assistant) physicians per 10,000 population rose from 10.8 in 1978 to 23.1 in 2016, and the utilization rate of sickbeds in medical institutions increased from 60.8% in 2000 to 85.4% in 2015, and 85.3% in 2016.

§ III. Achievements in Economic and Social Development before and after the Reform and Opening Up Cannot Be Mutually Negated

"#: The Constitution points out that in the 30 years before the reform and opening up, "major successes have been achieved in economic development. An independent and relatively comprehensive socialist system of industry has basically been established. There has been a marked increase in agricultural production. Significant advances have been made in educational, scientific and cultural undertakings, while education in socialist ideology has produced noteworthy results. The life of the people has improved considerably." In your opinion, are there any statistics to verify this evaluation?

#: Statistics show that the socialist construction in about 30 years before the reform, with undeniable historical achievements, was also a world miracle. First, the data of the GDP growth show that China took the lead in the world in terms of economic growth in 30 years before the reform. In 1952, China's GDP was RMB 67.9 billion, which mounted up to RMB 364.52 billion in 1978. From the perspective of the same-year growth rate, although the years 1960, 1961, 1962, 1967, 1968 and 1976 due to various reasons, saw a decline in economic growth, China's nominal GDP still grew at an average annual rate of up to 6.68% from 1952 to 1978. China's per capita GDP was RMB 119.4 in 1952, and RMB 381 in 1978, with an average annual growth rate of per capita GDP as high as
4.56% between 1952 and 1978. During these years, China's real GDP grew at an average annual rate of 6.15%, and the real per capita GDP at 4.05%. As the world economy grew at an average rate of 3% in the same period, China's growth rate was more than twice that of the world.¹

Second, the data of economic structure show that China took the lead in the world in terms of economic growth in 30 years before the reform. In 1952, the primary industry accounted for 51.0%, and the secondary industry 20.9% in China's GDP. In 1953 when the first Five-Year Plan started, the proportion of the primary industry was 46.3% while the secondary industry was 23.4%. The year 1958 witnessed the primary industry, making up 34.4%, was overtaken by the secondary industry, which accounted for 37.0% in China's GDP. In 1978, the proportion of the secondary industry rose to 47.9%, while that of the primary industry declined to 28.2%. As is shown from the statistics, China had accelerated its industrialization.

In the early 1950s, China ranked far behind the world's industrial countries in the output of all major products. However, by 1978, its steel output surpassed that of Britain, France and Italy, and China became the fourth country following the United States, the Soviet Union and Japan. Known as a big country poor in oil in the past, China had leaped to the eighth oil-producing country in the world, allowing itself basically self-sufficient in oil. At the same time, China's raw coal vaulted into the third place, cotton yarn production the first, power generation the seventh, grain production the second, and the cotton production the third. From scratch, China had established large-scale systems of aviation, aerospace, atomic energy and military industry complete in range, and made tremendous achievements in these areas which laid a foundation for China's status as a major power. By the time Mao Zedong died, China had developed from an agricultural country into an industrial power that could manufacture everything from jet planes, carrier rockets, nuclear submarines, complete sets of industrial equipment and all agricultural machinery. In 1976, China came first on the list among the developing countries in terms of industrial category, technological level and development capacity, and in some areas it was close to or even reached

the level of the developed countries in general.

.6.: What about the development of social construction in education, health and livelihood?

- It had also made remarkable achievements in development. Firstly, education developed rapidly. The primary and secondary school education and kindergarten education, in particular, achieved high-speed growth. The number of students in universities also increased considerably. On March 24, 1950, the 25th Meeting of the Government Administration Council adopted the Decision on Unified Management of Fiscal Revenue and Expenditure in 1950, initially forming a guarantee system for the investment of educational funds in the People's Republic of China, aiming to establish a free education system. According to the statistics of the 2000 Fiscal Yearbook of China, the proportion of public financial expenditure on education in GDP had remained relatively stable from 1952 to 1978, basically fluctuating between 2% and 3%. In particular years, such as 1960, it reached up to 3.18%. In 1952, China's net enrollment rate of primary school-agers was 61.7%, the rate of primary school students upgrading to junior high schools was 44.2%, and the rate of junior high school students to senior high schools was 39.7%. In 1975, the net enrollment rate of primary school-agers reached 96.8%, creating a historical high. The rate of primary school students upgrading to junior high schools was up to 90.6%, and the rate of junior high school students to senior high schools was up to 60.4%.

Secondly, medical and health undertakings have developed rapidly. In 1949, there were 3,670 health institutions of various kinds in the country as a whole, including 2,600 hospitals, 769 outpatient departments, 9 maternal and child health hospitals, and 11 specialized prevention and treatment hospitals. In 1978, the number of health institutions in China reached 169,732, an increase of 166,062, or 4,524.9% over 1949, and 117,694 or 226.2% over 1953. The number of hospitals reached 9,293, an increase of 6,693 or 257.4% over 1949, and 5,811 or 166.9% over 1953. The number of outpatient departments reached 94,395, an increase of 93,626 or 12,175.0% over 1949, and 55,408 or 142.1% over 1953. The number of specialized prevention and treatment hospitals reached 887, an increase of 876 or 7,963.6% over 1949, and 632 or 247.8% over 1953.
There were 2,989 centers for disease prevention and control, an increase of 2,676 or 855.0% over 1953. In addition, 55,018 health centers had been set up in the vast land of rural areas.

Thirdly, social security and welfare construction had developed from scratch. During the period of planned economy, a relatively stable and institutionalized national social welfare system was established for the first time in Chinese history. In rural areas, the establishment of the government relief system and the rural "five guarantees" system, relying on state aid and collective economy, ensured social welfare for the elderly, the weak, the sick, the disabled and those with special difficulties in living in rural areas of China. In urban areas, due to the establishment of the social insurance system for urban workers and various measures to improve the welfare of workers, in about 1956, China had initially established a welfare guarantee system in the charge of the state covering employees in state organs and state-owned enterprises and institutional organizations.

Finally, life span of the Chinese people increased from 36 in 1950 to 57 in 1957, 15 years longer than the average life expectancy in low-income countries at that time. According to statistics from the World Bank, the life span of the Chinese people was higher than Brazilians (age 59.9) in 1971 and the people of the ROK (age 64.3) in 1976. It reached age 65.5 in 1978 and the life expectancy of the ordinary Chinese people had increased by 29.5.

6: Some public opinions hold that no great achievements were made in the economic and social development before China adopted the reform policy; and the economic and social successes achieved since the reform and opening up are not the result of the guidance of Marxism and Its Sinicization theory, but the result of the influence of Western neo-liberalism and democratic socialism on China. Prof Cheng, how does the Constitution evaluate the achievements we made before the reform?

In the past 40 years, not only did the Resolution on Certain Questions in the
History of Our Party since the Founding of the People Republic of China, of which the writing was presided over by Deng Xiaoping and passed by the Party Central Committee, set a high value on the achievements made in the times of Mao Zedong, but the Constitution has always given them objective and affirmative appraisals, "After the founding of the People's Republic of China, China gradually achieved its transition from a New-Democratic to a socialist society. The socialist transformation of the private ownership of the means of production has been completed, the system of exploitation of man by man abolished and the socialist system established. The people's democratic dictatorship led by the working class and based on the alliance of workers and peasants, which is in essence the dictatorship of the proletariat, has been consolidated and developed. The Chinese people and the Chinese People's Liberation Army have defeated imperialist and hegemonist aggression, sabotage and armed provocations and have thereby safeguarded China's national independence and security and strengthened its national defense. Major successes have been achieved in economic development. An independent and relatively comprehensive socialist system of industry has basically been established. There has been a marked increase in agricultural production. Significant advances have been made in educational, scientific and cultural undertakings, while education in socialist ideology has produced noteworthy results. The life of the people has improved considerably." From the historical process of China's modernization drive, the achievements of socialism with Chinese characteristics have been made under the guidance of Marxism.

It can be seen that General Secretary Xi Jinping's thought that the two periods before and after the reform should not be negated one another is extremely objective, and it is also a way to set things to rights in understanding, because under the guidance of Marxism and its sinicization theory, China has achieved "two major achievements" in economic and social development and created "two economic miracles" before and after the reform. As emphasized in the repon to the 19th CPC National Congress, we have been "steadily progressing toward prosperity and strength" since the founding of the People's Republic of China!

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§ IV. The Basic Task of the State and the Most Essential Feature of Socialism with Chinese Characteristics

£: The Constitution points out, "Our country will be in the primary stage of socialism over a long period of time. The basic task before the nation is the concentration of efforts of socialist modernization construction along the road of building socialism with Chinese characteristics." Would you like to explain its complete connotation, Prof. Cheng?

=: We must attach importance to the concise summary and complete formulation of the basic task of the state in the Constitution. The complete formulation includes: First, the "four perseverances", i.e., under the leadership of the Communist Party of China and the guidance of Marxism Leninism, Mao Zedong Thought, Deng Xiaoping Theory, the Theory of Three Represents, the Scientific Outlook on Development, and Xi Jinping Thought of Socialism with Chinese Characteristics for a New Era, the Chinese people of all ethnic groups will continue to adhere to the people's democratic dictatorship and the socialist road and to uphold reform and opening up to the outside world, and steadily improve socialist institutions. Second, the "three developments", i.e., we should develop socialist market economy, develop socialist democracy, and improve the socialist legal system. Third, "three implementations", i.e., we should implement the new development philosophy, and rely on our own efforts and hard, bitter struggle. Fourth, the "four modernizations", i.e., we should modernize the country's industry, agriculture, national defense and science and technology step by step. Fifth, the "five civilizations", i.e., we should promote the proportionate and coordinated growth in every material, political, cultural and ethical, social, and ecological dimension. Sixth, the "modernized power", i.e., we should develop China into a great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious, and beautiful, and realize the national rejuvenation of the Chinese people.

The above new expressions are more comprehensive than the previous ones such as "the basic task of the primary stage of socialism is to develop the productive forces", or "the principle of ‘one central task and two basic points'".
among others. They should be carried through systematically in writing textbooks and other works and in our practical work.

A.: We have noticed that the Constitution amended this year adds the following sentence, "The leadership of the Communist Party of China is the most essential feature of socialism with Chinese characteristics." Academically, it has been differently interpreted. What do you think?

•: Exactly. One point of view holds that since the most essential feature of socialism with Chinese characteristics is just the leadership of the Communist Party of China, we need only to uphold the leadership of the Communist Party in the Four Cardinal Principles, while "keeping to the socialist road, upholding the people's democratic dictatorship and Marxism" are dispensable non-essential features. It does not matter even if the non-public sector of the economy is predominant. In my opinion, however, the essential composition of socialism with Chinese characteristics and "upholding the Four Cardinal Principles" are an integral and indispensable totality. The essence of socialism with Chinese characteristics politically requires that we uphold the leadership of the Communist Party, economically that we keep public ownership predominant and seek common prosperity, and culturally that we adhere to the guidance of Marxism and its Sinicization theory. All these constitute a complete socialist system and road with Chinese characteristics. In the sense that politics is the concentrated reflection of economy, the leadership of the Communist Party is the most essential among the essential features. According to the principle of the materialist conception of history, generally the economic base determines the political and cultural superstructure, while the latter reacts back to the former, and even decisively under certain conditions.

Therefore, Marx argued, "relationships which are built by people in the production of the society in which they live, certain, necessary and not subject to their will, or production relations that adapt to their material productive forces at a certain development stage. The sum of these production relations constitutes the economic structure of a society. Such economic structure has legal and political superstructure on top and a real foundation to which definite forms of social consciousness correspond. The mode of production of material
life restricts the whole process of social life, political life and spiritual life. It is not the consciousness of men that determines their being, but, on the contrary, their social being that determines their consciousness. At a certain stage of their development, the material productive forces of society come in conflict with the existing relations of production, or what is but a legal expression for the same thing with the property relations within which they have been at work hitherto. From forms of development of the productive forces these relations turn into their fetters. Then begins an epoch of social revolution. With the change of the economic foundation the entire immense superstructure is more or less rapidly transformed." Nor should we forget and deny Deng Xiaoping's famous argument about the essence of socialism with Chinese characteristics, "The essence of socialism is liberation and development of the productive forces, elimination of exploitation and polarization, and the ultimate achievement of prosperity for all."

§ V. The Basic Economic System of Socialism with "Two Dominant Systems" and "One Leading Force"

**A:** Article 6 of the Constitution provides, "During the primary stage of socialism, the State adheres to the basic economic system with the public ownership remaining dominant and diverse sectors of the economy developing side by side, and to the distribution system with the distribution according to work remaining dominant and the coexistence of a variety of modes of distribution." And Article 7 of the Constitution reads, "The state-owned economy, i.e., the socialist economy with ownership by the people as a whole, is the leading force in the national economy. The state will ensure the consolidation and development to the state-owned economy." There is still much controversy about the ownership structure. What is your comment, Prof. Cheng?

- First, in the provisions of the Constitution, the public ownership and the private ownership are different in terms of position and role in the national economy. Since the public ownership remains dominant, the private ownership can

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be nothing but supplementary as an important component part. It is impossible that both are dominant, or the private ownership becomes a mainstay. Therefore, it is unconstitutional for some writings to advocate that "the private sectors of the economy remain predominant". Second, the Constitution scientifically formulates, "The system of socialist public ownership supersedes the system of exploitation of man by man; it applies the principle of 'from each according to his ability, to each according to his work.'" That is to say, the private sectors of the economy which are of private ownership by nature contain exploitation. Third, the public ownership remaining dominant determines the dominant position of the distribution according to work, and they are interdependent to each other. Nonetheless, the distribution according to capital determined by the private ownership can only be subsidiary. Fourth, the Constitution provides, "The basis of the socialist economic system of the People's Republic of China is socialist public ownership of the means of production, namely, ownership by the whole people and collective ownership by the working people." "The ownership by the state is the ownership by the whole people." That is to say, the private ownership of the means of production is not the basis of the socialist economic system, but only one of various economic systems or components of socialism. It is a wrong idea to hold that socialist state-owned enterprises are not enterprises which are of the ownership by the whole people. Fifth, the protection of public and private property is not characterized coincidently. As expressed in the Constitution, "Socialist public property is inviolable....The lawful individual property of citizens is inviolable. The state protects citizens' right of individual property and right of inheritance in accordance with the law. The state may practice expropriation or requisition over the individual property of citizens and compensate them in accordance with the law for the needs of the public interest." Sixth, it is extremely wrong to advocate the abolition of the ownership classification in the Constitution and the viewpoint of ownership neutrality (as shown by the relevant departments' incomplete statistics of the ownership proportion). Recently, an economic forum publicly trumpeted that the ownership classification of state-owned, private and foreign-funded enterprises should be gradually diluted and abolished in the long run; that in the future, we should downplay ownership and strengthen property rights, for if we always argued over ownership, it would be difficult to break through the ideological constraints like public ownership and private ownership. The …
dominant systems" and "one leading force" are stipulated in the Constitution, clearly indicating that ownership must be classified and that ownership is not neutral. If some reform measures are influenced by the Western neo-liberalism, we must adjust the ownership proportion according to the Constitution instead of returning or changing the basic economic system of "two dominant systems" and "one leading force" of the basic economic system in the primary stage of socialism to the "semi-socialist" economic system with a mixture of public and private sectors, i.e. the mixture system with five economic components in the transition to the socialist society at the early stage of the People's Republic of China. The main sign for judging the new democratic economic system and the basic economic system in the primary stage of socialism is whether the public ownership and the state ownership can become "dominant" and "leading force" rather than the abstract "controlling power" of the state-owned economy. The socialist state-owned economy formed by confiscating the bureaucratic capital in the early stage of the People's Republic of China had "controlling power", but neither the Constitution nor the documents of the Party at that time acknowledged that we had already entered the socialist society or its primary stage.

.6.: Then, in the process of promoting high-quality development by building a modern economic system, do we need to build a modern property right system which is of the nature of socialism with Chinese characteristics?

-: Of course we do. Both building of a modern economic system and turning it to the high-quality development necessarily have a close relationship with building a property right system which is of the nature of socialism with Chinese characteristics. That is to say, in the aspect of property right, we need to uphold and improve the property right system with the public ownership as the mainstay, the state ownership as the leading force, and a variety of ownerships developing side by side. We need to correctly handle the relationship between the dominant public economy and the supplementary non-public economy, and lay a solid basic economic system for enhancing the comprehensive competitiveness of China's economic system.

In China's socialist market economy, the relationship between the dominant public economy and the supplementary non-public economy is a dialectical
relationship of opposition and unity. Their unity is reflected in their common development and win-win cooperation in China's primary stage of socialism. In China's economic system which is of socialist nature and type, the public economy and the non-public economy are a common community complementary and interdependent for development. As Xi Jinping pointed out, the public and private sectors of the economy should be mutually reinforcing and beneficial; there is no need for conflict or strife. Both public and non-public sectors of the economy are the forms of ownership in correspondence with the situation of the productive forces in China's primary stage of socialism. As both of them can compete fairly in areas other than the scientifically formulated negative list of market access, we should focus on developing a multi-form mixed ownership economy with public capital holding the controlling share.

Their opposition is reflected in the important difference in their status in the national economy and the Constitution. Xi Jinping pointed out that the public sector, having made a monumental contribution to China's development, national defense and security, and improvement in the people's standard of living, is an invaluable asset belonging to all Chinese. Obviously, the public sector of the economy plays a decisive role in all the major areas of national economy and people's livelihood. The vast majority of Chinese enterprises in the world's top 500 are state-owned enterprises. The public sector has also made strategic contributions to national security in the special areas involved by the negative list of market access such as national security. Meanwhile, the public sector has laid the material and institutional foundation for prosperity for all the people. Specifically, by adhering to the principle of distribution according to work, China has eliminated the system foundation for exploitation. By reasonably determining the proportion of accumulation and consumption, we can also assign a higher proportion of labor remuneration in the initial distribution. As dominated by the rule of private surplus value, the principle of distribution according to capital in the distribution of non-public economy will inherently lead to polarization between the rich and the poor, which is not conducive to prosperity for all the people and the steady operation of the national economy. In addition,

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the dominant position of public ownership has created a greater institutional space and formed a stronger capacity for coordinating the relationship between government and market and better playing the role of government. Therefore, the modern property right system of "two dominant systems" and "one leading force" stipulated in the Constitution of China is completely correct.

..A: What should we focus on when implementing the provisions of the Constitution on ownership in practice?

- At the enterprise level, we should systematically enhance the innovation and competitiveness of all kinds of enterprises, and form an innovative community in which large state-owned enterprises, private enterprises and small- and medium-sized enterprises support and cooperate with each other. We should strengthen the competitive advantage in independent intellectual property rights aiming at controlling core technologies and famous brands, and cultivating the state-owned enterprises into the world-class enterprises with global competitiveness.

On the basis of win-win cooperation, we should prioritize the development of the mixed economy with public capital holding the controlling share, and building the development and innovation communities of national enterprises. We should also encourage, support and guide the development and innovation of private enterprises, especially the small- and medium-sized ones, promote the benefit sharing mechanism in which their employees hold shares, and build the reward and punishment mechanism for credible operation so as to regulate and stimulate the orderly vitality and creativity in non-public sectors of the economy. With respect to agriculture and rural areas, we should truly implement what the Constitution provides that "the rural collective economic organizations practice the two-tier management system that integrates unified and separate management with the household contract management as the basis". The best model is Daicun Village, Shandong Province, which received high praise from General Secretary Xi Jinping: After "separation of three powers", the land is taken over by the village for collective management so as to achieve the goal of prosperity for all villagers through strengthening the public collective and cooperative economy.

In the process of promoting high-quality development by building a modern economic system, do we need to build a modern distribution system which is of the nature of socialism with Chinese characteristics?

- Definitely we do. At the distribution level, in order to promote high-quality development by building a modern economic system, we need to center on the construction of an efficient and fair distribution system, focus on straightening out the relationship between the dominant distribution according to work and the supplementary distribution according to capital, and thus promote the rational distribution of wealth and income with high quality, safeguard social fairness and justice, and lay a solid cornerstone of distribution system for all the people to move towards common prosperity.

In China's socialist market economy, the relationship between the dominant distribution according to work and the supplementary distribution according to capital is a dialectical relationship of opposition and unity. They are unified because both are the ways to materialize efficiency of distribution. Distribution according to work realizes both the short-term and the long-term efficiency of distribution. As the basic distribution mode for the public sector of the economy, the principle of distribution according to work bases the distribution on the laborers' labor amount in production and operation. On the one hand, it can fully reflect the labor differences of laborers in production and operation so as to distribute the short-term efficiency which promotes the enthusiasm of laborers; on the other, it can maintain a larger share of the labor remuneration in the initial distribution, fundamentally alleviate the contradiction between the unlimited production and operation expansion and the shrinking affordable demand of the working people, and thus realize the distribution of long-term efficiency. The basic content of distribution according to property rights of factors in a narrow sense (excluding labor elements) is distribution according to capital, namely; convening or quantifying elements such as money, real estate, technology, information and knowledge into a certain amount of capital or equity, and then basing the distribution of profits or incomes of surplus value and its transformed forms on the capital owner's share of capital in production and operation units. Distribution according to property rights of factors in a broad sense contains labor, the most important distribution factor, and bases the distribution of remuneration on the
amount of labor put by laborers in production and operation. By the way, it is obviously unfounded and illogical for western economics and its believers to hold that distribution according to capital is based on the contribution of capital as well as on the property rights of capital, because the so-called distribution according to capital refers to distribution among capital owners according to the amount of their capital, and there is no the so-called contribution other than the amount of property rights of capital.

They are in opposition to each other because they are fundamentally different in realizing a fair distribution. The market-oriented distribution according to work in the public sector of the economy can fully reflect the substantial contribution of laborers in production and operation by maintaining a comparatively large share of laborers’ remuneration in the initial distribution, and thus achieve fairness in distribution. Affected by the law of private surplus value, distribution according to capital focuses on maintaining a comparatively large share of private surplus value in the initial distribution, and therefore it cannot achieve a comparatively large share of laborers’ remuneration in the initial distribution. Dynamically, distribution according to capital tends to widen the income distribution gap between capital owners and laborers, so it cannot lead to a fair distribution.

A: What should we focus on when implementing the provisions of the Constitution on distribution in practice?

$: Firstly, public-owned production organizations (including those with controlling share held publicly) should uphold and improve the principle of distribution according to work. On the one hand, the proportion between accumulation and consumption should be reasonably determined in general to maintain a comparatively large share of laborers’ remuneration in the initial distribution; on the other hand, the labor differences among laborers should be scientifically distinguished and fully reflected, especially the contribution of scientific research, management and high-skilled labor to production. Secondly, we should uphold and improve the institutional mechanism of distribution according to property rights of factors. On the one hand, we should safeguard

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1 See Cai JimiDg, “China's Distribution Theory Innovation and Distribution System Reform since Reform and Opening Up,” *Journal of Shenzhen University (Humanities & Social Sciences)*, No. 7 (2018).
the reasonable property rights and interests of investors in domestic and foreign enterprises according to law; on the other hand, we should safeguard the rights of laborers in domestic and foreign private enterprises (including enterprises with controlling share held privately) to obtain reasonable labor remuneration and enjoy labor welfare according to law. Thirdly, we should uphold and improve the government's regulation system on redistribution of wealth and income. On the one hand, the government should constantly improve the social equity and security system that underpins economic development; on the other hand, the government should improve tax and other systems to regulate the excessive income (flow) and wealth (stock), raise the income of low-income groups by improving the social security system and the transfer payment system, and eliminate illegal income by improving the legal system.

§ VI. Great Importance Should Be Attached to the Theory of Class Struggle in Socialism with Chinese Characteristics

A.: The Constitution makes the following judgment, "The exploiting classes as such have been abolished in our country. However, class struggle will continue to exist within certain bounds for a long time to come. The Chinese people must fight against those forces and elements, both at home and abroad, that are hostile to China's socialist system and try to undermine it." How do you understand this controversial issue, Prof. Cheng?

B.: These words are the article that has constantly been affirmed in the Constitutions after reform and opening up. We must attach great importance to the class theory of socialism with Chinese characteristics. Deng Xiaoping earnestly and tirelessly instructed us, "Class struggle exists objectively in socialist society. It should be neither underestimated nor exaggerated. Otherwise, as practice has shown, we shall make serious mistakes." On April 2, 2001, Jiang Zemin emphasized in his speech at the National Conference on Social Security, "Under the influence of various factors at home and abroad, special forms of class struggle within a certain scope not only still exist now, but will also persist for a long time, and sometimes the struggle will be a very intense one." Meanwhile, he admonished,

"We will not repeat the past mistake taking class struggle as the key link, but in reality there are special forms of class struggle within a certain scope, that is, the struggle against the enemy under the new situation, which comrades of the whole Party must not take lightly." In February 2014, Xi Jinping clearly pointed out in his "February Address", "We must uphold the political standpoint of Marxism. The political standpoint of Marxism is first of all the class standpoint and to practice class analysis." In regard to the issue of class struggle, the Constitution of the Communist Party of China has always clearly pointed out since the adoption of reform and opening up, "Owing to both domestic circumstances and foreign influences, class struggle will continue to exist within a certain scope for a long time and may possibly grow acute under certain conditions, but it is no longer the principal contradiction." It can be seen that the thought of the Party Central Committee with Comrade Xi Jinping as its core is of very important practical significance and objectivity in class standpoint, class analysis and possibility of class struggle growing acute.

As is known to all, Marxism holds that class is mainly determined by property rights and political relations, and can be further divided into multiple strata, which is essentially different from the idea of the Western sociology that class or stratum is determined by occupation and income. The theories of class and class standpoint, analysis and struggle are important components of Marxism and Its Sinicization theory. They are one of the main clues to observe and deal with important contradictions at home and abroad. To realize economic, political, cultural, social, and ecological progress, and the "Four-Comprehensiveness" strategic goal in an all round way, actively promote modernization of state governance system and governance capacity, and constantly improve and develop socialism with Chinese characteristics, these theoretical and practical issues are unavoidable.

As the academic circles and other social circles failed to seriously study and attach great importance to the Constitution of China, the Constitution of the Party and the Party Leaders' relevant important researches and judgments,

1 Selected r.hofJiang Zemin, Volume 3 (Beijing: People's Publishing Howie, 2006), 222.
it evoked tremendous repercussions and controversy when Professor Wang Weiguang published the article "It's Not Wrong to Uphold the People's Democratic Dictatorship." The article points out that China, a socialist country with Chinese characteristics, is still in the historical epoch determined by the classical Marxist writers, an epoch in which the two prospects, paths, fates and major forces of socialism and capitalism are having a life-and-death fight. The main clue of the class struggle between the proletariat and the bourgeoisie, socialism and capitalism still runs through this epoch, which determines that internationally class struggle is impossible to extinguish, so is in China. In such an international and domestic context, the people's democratic dictatorship is absolutely irrevocable, and on the contrary, it must be upheld, consolidated and strengthened. Otherwise, we cannot resist the attempts of foreign reactionary forces to westernize, differentiate, privatize and capitalize China, nor can we suppress the domestic hostile forces for their collaborative destruction with forces from without. This article is a scientific statement and explanation of the state theory of Marx and Engels, relevant historical resolutions of the Communist Party of China, and relevant speeches of the state leaders. It elucidates some principled issues of socialist democracy with Chinese characteristics, clarifies theoretical misunderstandings in the ideological field of China, and has been affirmed by the central leadership. Before and after the publication of this article, Many well-known professors including Liu Guoguang, Wu Xuangong, Tian Xinming, Li Chongfu, Liang Zhu, Zhou Xincheng, Mei Rongzheng, Liu Shulin and Hou Huiqin have published articles on class struggle and analysis in relevant documents like the Constitution of China and the Constitution of the Party, and these articles are worth learning.

§ VII. Other Issues Deserving Special Attention

In your opinion, Prof Cheng, what are other theoretical issues in the Constitution that should be paid special attention to?

The Constitution is a theoretical treasure-house, in which many very important theoretical issues were not paid enough attention to in the past. Firstly, the Constitution points out, "The state initiates the core socialist values;
it advocates the civic virtues of love of the motherland, of the people, of labor, of science, and of socialism; it educates the people in patriotism, collectivism, internationalism, and communism and in dialectical and historical materialism; it combats capitalist, feudal, and other decadent ideas." That is to say, the state initiates the core socialist values, advocated the "five civic virtues of love" and "education on six isms", and opposes capitalist, feudal and all other decadent ideas. However, such dissemination, education and research are obviously inadequate, and as a result, many officials and masses are incapable of discriminating the essential difference and manifestation forms between the decadent ideological culture of capitalism represented by the United States and the progressive ideological culture of socialism with Chinese characteristics.

Secondly, the Constitution confirms, "The state promotes the development of art and literature, the press, radio and television broadcasting, publishing and distribution services, libraries, museums, cultural centers and other cultural undertakings that serve the people and socialism." "Serving the people and socialism" is the provision made for the purport and objective of national cultural development. Cultural development should prioritize the dominant social benefit and subordinate the supplementary economic benefit. The unhealthy market-oriented culture which mainly pursues audience ratings, box office, circulation, and winning Western prizes is very likely to lead to popularity of vulgarity and kitsch, running counter to both the principle of serving the people and socialism and the advanced socialist cultural values guided by Marxism. In the development of cultural industry and undertakings in contemporary China, we must combine critical inheritance and modern transformation of traditional Chinese culture, objectively analyze and dialectically absorb the Western culture, and scientifically deal with the historical status and interrelationship of the Chinese learning, the Western theories, and Marxism. At present, we should particularly strengthen the encouragement, support and guidance of socialist culture with Chinese characteristics. We should not lose confidence in culture, and give a chance to the decadent and backward Western culture to erode China's cultural undertakings.

1 See Du Yunhui, “The Past Centenary Mainstream Schools of Study on Marxist Culture in China,” Study on Manxian...
Thirdly, the Constitution requires, "The state promote socialist labor emulation." However, for a long time, in the process of developing socialist market economy, we only advocate the market competition which selects the superior and eliminates the inferior instead of advocating and practicing the socialist labor emulation of which the main content is contending, learning, overtaking and offering assistance. In my opinion, while implementing the market-oriented economic structure and mechanism of the nature and type of socialism with Chinese characteristics, we should promote the mutually reinforcing and beneficial labor emulation and market competition.

Fourthly, the Constitution proposes that one of the "five perseverances" in China's foreign relations is that "China consistently opposes imperialism, hegemonism and colonialism, works to strengthen unity with people of other countries, supports the oppressed nations and the developing countries in their just struggle to win and preserve national independence and develop national economies, and strives to safeguard world peace and promote the cause of human progress." Internationalism is included in the six-ism education mentioned above. Nevertheless, even in the academic circles for free exploration, these constitutional provisions are little mentioned and emphasized in works, dissemination and education except by a few Marxist scholars. Many scholars also hold that it is unnecessary to talk about imperialism, hegemonism and internationalism. As a result, China is vilified by the American and other Western public opinions, such as neo-imperialism and hegemonism, as "Chinese hegemony", "Chinese empire", and "new colonialism in Africa", and even Trump openly attacked socialism and communism at the United Nations General Assembly in 2018. One of the reasons why the West is stronger than China in international discourse power is that we are too confined to "defense of public opinions".

More generally, we must respond positively to General Secretary Xi Jinping's call to "strengthen constitutional learning", enhance constitutional awareness, and take the lead in respecting, learning, observing, safeguarding and applying the Constitution. "More stress must be laid on giving play to the important role of the Constitution."

(Editor: Zhang Jiangang)