
The socialism and the integral model of the economy of China

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Abstract

The report is dedicated to different interpretation of the economic arrangement in China and founds the position of the author. The main conclusion is that China are not destroyed socialist planned economy but added to it market-capitalist regulators.

In view of the impressive success that China has been demonstrating, the interpretation of its "economic miracle" are increasing in number. Some explanations come down to the fact that the country has accomplished a transition from planned economy to the market one, from socialism to capitalism. American Nobel laureate Ronald Couse asserts about "capitalism with Chinese characteristics". Chinese leaders and theoreticians continuous speak about "socialism with Chinese characteristics". In fact, China maintains the fruitful symbiosis of both systems. They have actually formed a convergent or integral society. It makes the society more synergetic. Deng Xiaoping and his followers did not destroy the planned economy, but carried democratic reforms and added market regulators to it. As a result, the country has demonstrated crises-free economic development and high growth rates for 40 years in a row.

Speaking at the UN General Assembly in autumn 2015, Xi Jinping, President of the People's Republic of China stressed that every prosperous economy must use not only the "invisible hand" of the market, but "visible hand" of state regulation as well. The report that Professor Yang Jianhua, Secretary of the Central Committee of the Chinese Communist Party, made at the World Congress of Marxism taking place in October 2015 in Beijing contained the following line; "The core of Chinese way lies in finding the right balance between socialism and capitalism. In term of economics, it means identifying reasonable proportions between administrative and market relations..." (World Congress of Marxism 2015. Marxism and the Development of the Human Race. October 10-11, 2015 Beijing, p. 39).

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