

# People-centered: Innovation and Development of Marxist Political Economics in Contemporary China

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**Abstract:** *General Secretary based on the general trend of China's development and the overall situation of economic development, takes the main contradictions of socialism with Chinese characteristics as the logical starting point, adheres to the value line of "people-centered", innovates and develops Marxist political economics, and forms a rigorous and prudent economic thought theory system. The innovations of this economic thought theory system are mainly manifested in: new development concepts, basic economic mediation systems, supply-side structural reforms, ecological economic theory, and the idea of a community with a shared future for mankind. Under the new situation of the development of socialism with Chinese characteristics in the new era, General Secretary's economic thought is not only the key to solving major problems in China's economic development and reasonably solving the main contradictions in our society, but also makes important theoretical contributions and provides practical guidance for promoting the sound and rapid development of China's economy.*

**Keywords:** Marxist political economics; Principal contradiction; People-centered.

## 1. INTRODUCTION

Since the Third Plenary Session of the 11th CPC Central Committee, China's economic development has been unstoppable, and China has leapt to the throne of the second largest economy in the world. Today, China has completed the goal of building a moderately prosperous society in all respects, and on this basis is moving towards the direction of building socialist modernization. In the new era, facing new historical tasks, new contradictions and challenges, new theoretical guidance that adapts to the changes in China's actual situation has become necessary. Xi Jinping's economic thought is deeply rooted in the fertile soil of Marxist political economics. It accurately locates China's economic development status and the main needs of the people with a high degree of history. On the basis of adhering to the value orientation of "people-centered", it innovates and develops Marxist political economics, and deserves to become the Marxist political economics in the development of the new historical period. This economic thought provides a fundamental guideline for getting rid of the "capital" logic, preventing the fall into the maze of "seeing things but not people", and then realizing the healthy and sustainable development of China's economy and better meeting people's expectations for a better life.

## 2. THE MAIN SOCIAL CONTRADICTION: THE SELF-CONSISTENCY BETWEEN XI JINPING'S ECONOMIC THOUGHT AND THE LOGICAL STARTING POINT OF MARXIST POLITICAL ECONOMICS

The logical starting point of Marxist political economics is commodities. A deep understanding of the connotation of commodities provides us with important ideas for exploring the logical starting point of Xi Jinping's economic thoughts. It also lays a solid foundation for better understanding the profound connotation of Xi Jinping's economic thoughts.

Through his study of the capitalist mode of production, Marx took commodities, the material that carries capitalist economic activities and embodies the main contradictions of capitalist society, as the logical starting point of political economics, and constructed a rigorous and prudent theoretical system of political economics. Looking through the phenomenal level of the capitalist mode of production, Marx discovered the essence of the main contradiction in capitalist society, and then predicted the historical destiny of capitalism's inevitable demise. The main contradiction inherent in capitalist society is manifested as the contradiction between the two major classes, the working class and the bourgeoisie. However, the hidden nature of this contradiction makes it impossible for us to directly reach it through intuition or abstraction. It can only be intuitively understood through the mapping of material carriers that can bear capitalist economic relations and social contradictions. Through the analysis of the

contradiction system of capitalist society and the revelation of the laws of motion of the mode of production, Marx abstracted the product of commodities, which is also the eye of the storm where the main contradiction of capitalist society and other specific contradictions derived from it are concentrated. As a medium that carries various contradictions, commodities themselves contain the main social contradictions and other specific contradictions derived from them. "Commodity relations completely replace the social and economic relations between people" [1]. Looking through commodities also means looking through the contradictions between people and various economic relations that exist in capitalist society, which in turn provides a basis for analyzing other contradictions that exist in capitalist society and further revealing the laws governing the operation of the capitalist mode of production. As Marx said in *Capital*: "Our study begins with the analysis of commodities." [2]47 Given the special role and function of commodities, it is only natural that they become the logical starting point of Marxist political economics.

Today, China's economic development has entered a new stage, and "the main contradiction in our society has transformed into the contradiction between the people's growing needs for a better life and the unbalanced and inadequate development" [3]. This main contradiction is the most abstract and concrete summary and expression of the many contradictions and problems existing in China's economic development. Resolving contradictions and satisfying the people's yearning and pursuit for a better life are the starting point and end point of our party's formulation of policies and guidelines. Compared with the implicitness of the main contradiction in capitalist society, which needs to be revealed with the help of commodities as a material intermediary, the main contradiction in the primary stage of socialism is more straightforward. The reason why the road to revealing the main contradiction in capitalist society is tortuous is that this main contradiction is hidden behind the commodity economic relations and its economic activities. There is a "break" between the main contradiction in society and the purpose of production, and the intermediary to make up for this "break" is commodities. In the primary stage of socialism, the principal contradiction in society is precisely aligned with the purpose of production. Production is no longer guided by the "capitalist" logic of profit maximization, but rather by a "humanistic" logic aimed at satisfying the people's needs for a better life. Production and demand are connected, and resolving this principal contradiction also means resolving the other specific contradictions deriving from it. This naturally provides a clear direction for formulating policies, ideological lines, and constructing a theoretical system. Xi Jinping's economic thought, such as the new development philosophy, the basic economic conditions mediation system, supply-side structural reform, and high-quality development, addresses the specific contradictions manifested in the economic sphere based on the principal contradiction. This is a scientific system formed through condensation and abstraction, taking the principal contradiction as its logical starting point and continuously answering the questions of the times in practice.

Therefore, Xi Jinping's economic thought takes the main contradiction of socialism with Chinese characteristics in the new era as the logical starting point, which reflects the continuity and consistency of Marxist political economics in taking commodities as the logical starting point of capitalist social relations and main contradictions. This is not only the self-consistency of the logical starting point of Xi Jinping's economic thought and Marxist political economics, but also a beacon for better adhering to the value position of "people-centered" and continuously providing high-quality supply to meet people's yearning for a better life.

### **3. PEOPLE-CENTERED: THE PRECISE POSITIONING OF THE VALUE STANCE OF MARXIST POLITICAL ECONOMICS IN THE CONTEXT OF SOCIALIST MODERNIZATION**

The development idea of "people-centered" as the theoretical core of Xi Jinping's economic thought is not only the inheritance and sublimation of Marxist people-centered theory and historical materialism mass historical view, but also accurately anchors the value position of Marxist political economics under the vision of socialist modernization, and condenses the theoretical essence and practical theme of economic development in the new era of socialist modernization. Marxist political economics has always regarded "the free and all-round development of people" as the ultimate direction. In his early years, Marx regarded "the pursuit of human happiness" as the core criterion for career choice. His lifelong study of economics was fundamentally aimed at analyzing bourgeois society and exploring the path of proletarian liberation. He profoundly pointed out that under the capitalist mode of production, the laborers who should have been the main body of history have become vassals of capital, and the products of labor have been alienated into tools for enslaving themselves. The key to breaking this dilemma lies in eliminating alienation through proletarian revolution, returning labor to the essential needs of people, and ultimately establishing a "union of free people". Based on the changes in the main contradictions in society, the

development concept of “people-centered” focuses on the problem of “unbalanced and inadequate development” and people’s multi-dimensional needs. It not only provides a direction for satisfying people’s yearning for a better life, but also strives to free people from the shackles of “material servitude” and realize the free development of individuality. “Adhere to the development concept of people-centeredness and development for the people” [4] 30. This not only continues the basic position of Marxist political economics, but also becomes the value background of Xi Jinping’s economic thought, highlighting the original intention and mission of socialist economic construction.

### **3.1 Institutional Innovation in People’s Livelihood Security: Contemporary Exploration from Theory to Practice**

Marxist political economics believes that the fundamental purpose of social reproduction is to meet human needs, and the superiority of the socialist system lies in transforming “human needs” into a feasible livelihood security system through institutional design. In the socialist modernization construction, China has transformed the value position of “people-centered” into concrete practice through institutional innovation of livelihood security, which not only continues the core proposition of Marxism on “the free and all-round development of people”, but also gives it a new era of practice.

The “Opinions on Promoting the Construction of a Basic Elderly Care Service System” (hereinafter referred to as the “Opinions”) issued by the State Council in 2023 provides a vivid footnote to this proposition. The “Opinions” clearly proposes to “build a basic elderly care service system that covers all elderly people, has clear rights and responsibilities, appropriate guarantees, and is sustainable” [5]. By establishing a diversified supply mechanism of “government-led, social participation, and market operation”, basic elderly care services are included in the national economic and social development plan, solving the structural contradiction of “difficult elderly care” in an aging society from an institutional level. The innovation of this institutional design lies in: it not only adheres to the principle of “the distribution of total social products should give priority to meeting people’s livelihood needs” in Marxist political economics, but also realizes the contemporary development of socialist distribution theory in the field of people’s livelihood through specific paths such as “combining fiscal investment with social capital” and “connecting home-based elderly care with community-based elderly care”, so that “old age care” is transformed from an abstract concept into a quantifiable and assessable institutional practice.

### **3.2 Practical Breakthroughs in Income Distribution Theory: Innovative Inspiration from the Sanming Medical Reform**

Marxist political economics regards income distribution as an important part of production relations, emphasizing that “the mode of distribution is determined by the mode of production and in turn affects production efficiency” [6]. Under the socialist market economy, how to balance “efficiency and fairness” through the reform of the distribution system is an important exploration area of Xi Jinping’s economic thought on Marxist political economics. The practice of medical reform in Sanming, Fujian, provides a typical example for this exploration.

Since 2012, Sanming City has been promoting medical system reform. Through the “three medical linkage” (coordinated promotion of medical, medical insurance, and pharmaceutical reforms), it has broken the traditional model of “using drugs to support doctors” in public hospitals: on the one hand, by canceling drug markups and standardizing medical service prices, the cost of medical treatment for the masses has been reduced (data from 2023 show that the per capita hospitalization cost in Sanming City has dropped by 34% compared with before the reform); on the other hand, by improving the remuneration of medical staff (the proportion of public hospital staff funds has increased from 30% before the reform to more than 40%), the rational allocation of medical resources has been achieved. [7] The deep significance of this reform lies in that it breaks through the logic of “capital-led distribution” in the capitalist medical system and incorporates the “right to health” into the connotation of socialist income distribution - it not only indirectly increases residents’ disposable income by reducing medical expenses, but also embodies the principle of “distribution according to work” by reasonably increasing the remuneration of workers (medical staff), forming a virtuous cycle of “reducing the burden on the masses, increasing medical and nursing income, and sustainable funds”.

From a theoretical perspective, the Sanming medical reform has innovated the practical form of socialist income distribution theory: it has proved that under market economy conditions, “distributive justice in the public service field” can be achieved through institutional design, which not only avoids the inefficiency of “egalitarianism” in the planned economy era, but also overcomes the drawbacks of “capital squeezing out labor remuneration” in the

capitalist market economy. It is a creative development of the Marxist theory of "the dialectical relationship between production and distribution" in the field of people's livelihood.

### **3.3 Practical Path of the "People's City" Concept: Urban Governance Lessons from the Hangzhou Asian Games**

The concept of "the people build the city, and the city is for the people" is the contemporary development of the Marxist theory of "urbanization of people" in Xi Jinping's economic thought. Marx once pointed out that "the city is the product of social productivity at a certain stage of development" <sup>[8]</sup> and should become a space for the free development of people. However, capitalist urbanization often falls into the alienation trap of "capital-dominated spatial production" (such as housing speculation and privatization of public space). The construction of "people's cities" in the process of socialist modernization is precisely the transcendence of this alienation.

The preparation and hosting of the 2023 Hangzhou Asian Games has provided a vivid practice for the concept of "people's city". Hangzhou has organically combined "hosting games" with "benefiting the people" to link the construction of Asian Games venues with the upgrading of urban public services: after the games, all 56 competition venues will be open to the public, the renovated and upgraded "Three Rivers and Two Banks" greenway will become a new space for citizens to relax and exercise, and the optimization of the intelligent transportation system will increase the city's commuting efficiency by 20%. <sup>[9]</sup> The common logic of these practices is to deeply bind "urban development" with "people's needs", promote the upgrading of urban infrastructure through major events (productivity level), and ensure that the fruits of development are shared by the people by opening up public resources to the public (production relations level). From a theoretical perspective, the practical path of the Hangzhou Asian Games has verified the scientific nature of the concept of "people's city": it breaks through the logic of "growth for growth's sake" in capitalist urbanization, takes "people's feelings" as the core indicator to measure urban development, and makes urban space a carrier of "people's free and all-round development". This is the specific application of the principle of "productive forces and production relations are adapted to each other" in Marxist political economics in the field of urban governance.

In the construction of socialist modernization, Xi Jinping's economic thought takes the main contradictions in society as its logical starting point and anchors the fundamental position of the people as the subject. It is a continuation and development of Marx's historical materialism and the thought of human liberation. In the face of the contradiction between the development of productivity and the upgrading of people's needs, only by adhering to the "people-centered" approach and taking the continuous leap of productivity as the material carrier can we reach the end of the free and comprehensive development of the people. The social nature of our country determines that economic development must rely on the people and be for the people. As General Secretary Xi Jinping emphasized, "improving people's livelihood is the fundamental purpose of development." <sup>[10]</sup> This thought is based on the solid foundation of people's labor, which is very different from the capital logic of capitalism that "only sees things but not people". It enables people to gradually become the possessors of their own essential power and enjoy the sense of value brought by their labor. It inherits and innovates the criticism of capitalist alienation by Marxist political economics, incorporates it into the theoretical system of socialist economy with Chinese characteristics, and provides a fundamental guideline for preventing people from falling into the maze of "GDP-only theory". The starting point and goal of China's economic development is to "better meet the people's growing needs in economic, political, cultural, social and ecological aspects" <sup>[2]</sup>, and to promote development and seek happiness for the people while resolving social contradictions.

## **4. XI JINPING'S ECONOMIC THOUGHT: ADHERE TO THE PEOPLE-CENTERED APPROACH, INNOVATE AND DEVELOP MARXIST POLITICAL ECONOMICS**

The development idea of "putting people at the center" is not only a theoretical expression at the ideological level, but also an organic unity of theoretical expression and practical orientation, a dialectical unity of productivity and production relations, and a unity of fundamental tasks and ultimate goals. The new era needs to be based on the fundamental interests and actual needs of the people and implement this theory in reality. Xi Jinping's economic thought is based on the value position of "putting people at the center". It not only innovates and develops the theoretical system of Marxist political economics, but also effectively transforms this concept into practical practice. Looking at the new concepts and new ideas in economic thought, their starting point and destination are all people-centered, which also leads the overall pattern of socialist modernization, provides practical value for

realizing common prosperity for all people, and points out the direction for socialist modernization.

#### **4.1 New Development Concept: Innovation and Development of the Theoretical Framework of Marxist Political Economics**

Marxist political economics penetrates the essence of the contradictory movement between productivity and production relations through the appearance of the capitalist mode of production, aiming to promote the development of productivity and realize the liberation and development of people. When Marxism was first introduced to China, insufficient attention was paid to productivity, and the material roots of social development were not deeply explored. It once fell into the misunderstanding that the superstructure determines the economic base. It was not until the reform and opening up that China realized the importance of productivity to economic and social development. Through reform and opening up, productivity was liberated and developed, and the economic base once again dominated the superstructure, bringing new opportunities for socialist development.

The Fifth Plenary Session of the 18th Central Committee of the Communist Party of China creatively proposed the new development concepts of innovation, coordination, green development, openness, and sharing. These concepts precisely address the challenges and contradictions of China's economic development and align with broader domestic and international development trends. These five concepts embody the dialectical unity of productive forces and production relations. Innovative development is the primary driving force for development and is crucial to the growth rate and sustainability of China's vast economy. Scientific and technological innovation, as the primary productive force, is a new engine of economic development. We should accelerate the transformation of science and technology into productive forces and narrow the technological gap with developed countries. Coordinated development focuses on the overall situation, optimizes the allocation of factors, narrows regional and urban-rural economic disparities, and promotes comprehensive progress. Green development is a necessary condition for sustainable development and reflects people's aspirations for a better life. It aims to achieve a balance between economic development and ecological protection. Open development focuses on addressing internal and external linkages, adhering to both "bringing in" and "going global" strategies, enhancing China's productivity in the global market while contributing to the global economy. Shared development focuses on production relations, addresses the distribution of material wealth, promotes social equity and justice, and achieves common prosperity. The five concepts "reflect our party's deepening understanding of the laws governing economic and social development, and are also proposed in response to prominent contradictions and problems in China's development" <sup>[11]</sup>. They constitute a new theoretical framework of "putting people at the center" and provide guidance for high-quality economic development and common prosperity.

General Secretary Xi Jinping emphasized that achieving carbon peak and carbon neutrality is an inherent requirement for implementing the new development concept and promoting high-quality development, and is a major strategic decision. The dual carbon goal is committed to "striving to reach the peak of carbon dioxide emissions before 2030 and strive to achieve carbon neutrality before 2060" <sup>[12]</sup>. This goal expands the connotation of the green development concept and is a deepening and sublimation of the green development concept in the new era. It focuses the coordination of economic development and ecological protection on carbon emissions, sets quantitative targets and time nodes for green development, and requires the entire process of economic activities to be oriented towards reducing carbon emissions and achieving carbon neutrality.

China has built a sound policy system around the "dual carbon" goal. The "1+N" policy system has been gradually implemented, from top-level design to specific implementation, to provide guarantees for the realization of the goal. Various places have actively practiced, such as Yulin, Shaanxi, promoting the construction of an energy revolution innovation demonstration zone to promote the application of renewable energy; the proportion of renewable energy installed capacity in the country has continued to increase; the construction of the national carbon market system has been accelerated, and the carbon emission rights trading market and the voluntary greenhouse gas emission reduction trading market have been launched successively, controlling carbon emissions through market-based means. These practices demonstrate the positive results of the "dual carbon" strategy in promoting green development. It is an innovative application of the theory of sustainable development in Marxist political economics, injecting new impetus into the high-quality development of China's economy and leading China to move forward steadily on the path of green development.

#### **4.2 Basic Economic Regulation System: Innovation and Development of the Resource Allocation Method of Marxist Political Economics**



The basic economic mediation system primarily manifests itself in the relationship between government and the market. Marx's analysis of the inevitability of the emergence, development, and demise of capitalism is, in effect, equivalent to an analysis of the inevitability of the emergence, development, and demise of the market economy. However, China's social reality seems to contradict the logic that eliminating capitalism means eliminating the market economy. How is it possible to develop a market economy under the conditions of the primary stage of socialism in China? According to Marx's vision, the demise of capitalism should manifest itself in two ways: first, the simultaneous demise of the market economy and the capitalist economy; second, the demise of capitalism while the market economy still has room to develop. However, Marx's vision of socialist society primarily reflects the simultaneous demise of the market economy and the capitalist economy. In other words, the construction and development of socialism with a market economy was temporarily "suspended" in Marx's vision. Therefore, at the current stage, when socialist construction still requires the development of a market economy, simply resorting to the theoretical principle that socialism can only be established after the elimination of the market economy has the potential to lead to disastrous consequences.

"The general laws of the market economy in Capital have great guiding significance for the development of the socialist market economy in China" <sup>[13]</sup>. However, the fact that capitalist countries frequently suffer from economic crises just shows that the market is not omnipotent. Although Marx did not design a clear blueprint for the socialist market economy, he has pointed out the direction for the socialist market economy when analyzing capitalist society. The capitalists who used to occupy a dominant position in the competition will be replaced by the collective enterprises of the workers. The capitalists are forced to settle for second best in this competition and no longer occupy the initiative. The basis for the existence of the socialist market economy will be the competition between the collective enterprises of the workers. Therefore, under the actual conditions of the primary stage of socialism, Xi Jinping's economic thought believes that we must adhere to the general direction of the socialist market economy and adhere to the "two-handed approach", that is, adhere to the socialist market economic system in which the "invisible hand" and the "visible hand" cooperate with each other, so that the market can obtain the key to regain vitality and play a decisive role in resource allocation. The direction of government efforts is reflected in achieving "better" quality rather than "more" quantity. This is the correct direction that China should adhere to in its economic development and will help deepen our understanding and recognition of the basic economic system, with public ownership as the mainstay and multiple forms of ownership coexisting. Through the mutual coordination and promotion of government and market forces, we can promote high-quality economic development, enhance people's well-being, and ultimately achieve the goal of common prosperity for all, based on a people-centered value proposition. General Secretary Xi Jinping's correct understanding and handling of the relationship between government and market embodies the unity of fundamental tasks and production objectives. This, to a certain extent, fills a gap in Marx's theory on the development of a market economy in the primary stage of socialism and enriches the resource allocation approach of Marxist political economy.

#### **4.3 Supply-side Structural Reform: Innovation and Development of the Theory of "social reproduction" in Marxist Political Economics**

Supply-side structural reform, as one of the primary approaches to building a modern economic system, advocates addressing the supply side and striving to improve the quality of supply. This represents a further development of the Marxist theory of "social reproduction" in political economy. In his study of the question of "supply and demand," Marx, based on the principle of product use, divided the total social product into two categories: means of production and means of consumption. This resulted in the formation of two major sectors in society: those producing the means of production and those producing the means of consumption. The prerequisite for rational resource allocation is the balance of supply and demand within and between these two sectors, both in terms of total volume and structure. The prerequisite for maintaining expanded social reproduction is that the production supply of sector I meets the production demand of sector II, or vice versa. When the supply and demand structure of sector II approaches equilibrium, the social economy achieves stable operation.

At a time when the digital economy is booming, optimizing the supply system has become the key to promoting high-quality economic development, and has also given new connotations and vitality to the supply-side structural reform. The "14th Five-Year Plan for Digital Economy Development" <sup>[14]</sup> clearly pointed out that it is necessary to take the deep integration of digital technology and the real economy as the main line to promote the transformation and upgrading of traditional industries, cultivate new industries, new business forms and new models, and strengthen China's digital economy. Digital technology empowers the upgrading of traditional industries in many aspects. Taking the construction of Zhejiang's "Industrial Brain" as an example, Zhejiang has a developed private economy and a prominent "block economy" feature. For example, the pump and valve industry in Yuhuan,

Taizhou, has a water heating valve output value of nearly 50 billion yuan, accounting for a quarter of the national low-pressure pump and valve industry. However, with the acceleration of the digitalization process, problems such as product homogeneity and single sales channels have become increasingly prominent. In 2021, the Yuhuan Municipal Bureau of Economy and Information Technology joined forces with multiple parties to build the "Pump and Valve (Water Heating Valve) Industry Brain". The industry brain integrates government policy data, enterprise operation and production data, and the massive industry data accumulated by the JD Cloud Industry Collaboration Platform to build a data integration center for the entire industry chain. Through technologies such as big data and cloud computing, typical scenarios such as industrial ecology and new intelligent manufacturing applications are formed. After connecting to the Industrial Brain, Stant Valve Company reduced its digital transformation implementation costs by 50%, lowered its product defect rate, and increased production efficiency by over 20%. In terms of raw material procurement, the Industrial Brain's "Valve Capital" online platform, through centralized purchasing, saved the company 1.5% in raw material costs and increased its profit margin by 3 percentage points. Digital applications have also reshaped corporate financial credibility. Taizhou Dingya Machinery secured financing from China Zheshang Bank through the Industrial Brain. Furthermore, Zhejiang Jinyuan Copper Industry leveraged the Industrial Brain's big data analysis to launch a C2M floor drain, achieving a shift from homogeneous products to customized services. In the digital economy era, data has become a key production factor, driving the integration and optimal allocation of resources on the supply side. Zhejiang's "Industrial Brain" integrates industrial data, breaking down corporate data silos, promoting collaboration and cooperation among enterprises, promoting specialized production, extending the industrial chain, and forming a data value chain. The "14th Five-Year Plan for Digital Economy Development" emphasizes the use of digital technology to carry out all-round and full-chain transformation of traditional industries and improve the level of industrial digitalization. Zhejiang's "Industrial Brain" is a vivid practice of this policy. It uses digital means to solve the bottlenecks and difficulties in the development of traditional industries, and promote the digital transformation of industries from "platform empowerment" to "ecological construction".

China's economy has entered a new stage of development. The improvement of productivity and opening up to the outside world have not only increased people's consumption demand in terms of quantity, but also increased their requirements for quality. In the past, supply could not meet people's needs for a better life. General Secretary Xi Jinping pointed out that the key problem lies in "the structural problem of supply and demand in social production" [2], and proposed "supply-side structural reform". Supply-side structural reform is a key measure to adapt to and lead the new normal of economic development and meet people's growing needs for a better life" [6]. By "adding" to the quality of supply and factor inputs and "subtracting" in ineffective and low-end supply, we can achieve the liberation and development of social productivity, promote the improvement of economic development quality, and achieve a balance between supply and demand structure. This not only points out the direction for China's high-quality economic development, but also is a new interpretation of the "social reproduction" theory of Marxist political economy. The optimization of the supply system in the digital economy era is an important practice and expansion of this interpretation at present. Through the deep integration of digital technology and supply-side structural reform, we can inject continuous power into the high-quality development of the economy and promote China's economy to achieve a new leap in the new era.

#### **4.4 Ecological Economics Theory: Innovation and Development of the Production Factor Theory of Marxist Political Economics**

Natural resources play an irreplaceable role in production. For this reason, they are considered one of the most important production factors in Marxist political economics. The ecological environment, as a crucial production factor of natural resources, has a significant impact on improving production efficiency and promoting smooth production. However, this has often been overlooked by classical Marxist authors, and the importance of the ecological environment to production has been overlooked to such an extent, let alone incorporated into economic theory. Marxist political economics places great emphasis on the dialectical unity between humanity and the natural environment. While nature has its own laws of development and operation, humans, through their subjective initiative, can deeply understand these laws. While utilizing and transforming nature, they also develop both nature and themselves, creating conditions conducive to human survival and development within the limits of nature's tolerance. Conforming to the laws of nature is a prerequisite and necessity for achieving sustainable development. The natural environment is the material foundation of economic development, and its quality has a significant impact on its efficiency. Damage to the ecological environment will sooner or later threaten production and economic development. Protecting the ecological environment is also protecting humanity itself. While preserving green mountains and clear waters, we are also creating mountains of gold and silver. We should care for the ecological environment as we care for our own eyes and lives. While reconciling with nature, we should also

reconcile with humanity itself, and realize a prosperous scene where "everywhere you look there is beauty."

General Secretary Xi Jinping has a profound understanding of the indispensability of ecological environment as an important element of natural resources. On the basis of continuing to develop the basic theories of Marxist political economics, he insists on the dialectical unity of ecological environment and economic development. He not only puts forward the concept of "ecological economy" in theory, but also emphasizes "promoting the 'green revolution' of the economy and society, building a market-oriented green technology innovation system, and developing green finance and other reform plans" [7]. Green development is not only based on the sustainable development of contemporary people, but also leaves precious resource wealth for the continued development of future generations of mankind; it is based on the optimization and upgrading of China's economic system and contributes to the well-being of the people of the world. General Secretary Xi Jinping's thoughts on ecological economy emphasize the importance of ecological environment and the irreplaceable nature of natural resources. He clarifies the dialectical relationship between economic development and natural environment protection, and between man and nature. He incorporates natural resources as production factors into the socialist economic system with Chinese characteristics, makes ecological assumptions for the free and all-round development of man, and deepens the production factor theory of Marxist political economics.

#### **4.5 Community of Shared Future for Mankind: Innovation and Development of Marxist Political Economics on International Economic Relations**

Marx rejected the "false community" between people in capitalist society and emphasized the "real community" based on the nature of human beings. On the one hand, the relationship between people in capitalist society is essentially isolated, tense and hostile. Under the seemingly harmonious appearance, it hides the selfishness and indifference of people based on interests. This harmony is also an illusory harmony between people under the halo of the capitalist system. Due to the selfishness of individuals, others are not the purpose of the self, but become tools and means to maximize self-interest. The capitalists who represent the interests of a few people have turned their own interests into representatives of the overall interests of society. The exploited proletariat seems to be "meticulously cared for" by the capitalists, but in fact they have neither freedom nor interests, and have become abstract machines and alienated people. Capitalist society ignores not only the interests and freedom of individuals, but also the freedom and demands of other nations driven by interests. Marx was well aware of this fact and pointed out the direction for the "real community". Human activities, with the help of society, realize human freedom and sustainable development. Individual liberation relies on the liberation of the real social community. This is a thriving trend that can only be presented in a socialist society. On the other hand, with the rapid development of science and technology, resources and factors are flowing internationally, and economic globalization and political multipolarization are developing rapidly, which shortens and even blurs the traditional boundaries between countries. Countries are interdependent and closely connected, becoming a community. The gradual replacement of national history by world history is unstoppable. Against this background, it is a pipe dream for capitalism to attempt to be arbitrary and act alone.

The idea of building a community with a shared future for mankind is a unique view on the issue of global governance based on the background of economic globalization and the unprecedented changes that China is facing. It is a response to and concern for the peace and development issues of various countries. It is a vivid manifestation of Marx's community thought in the contemporary era, in line with the common interests of all countries in seeking development, and reflects the determination of world peace. General Secretary Xi Jinping pointed out: "Everything we do is to seek happiness for the people, rejuvenation for the nation, and world peace."

[15] It can be seen that China is not only focusing on the development of the self, but also standing on the height of the world perspective, adhering to the sense of responsibility of "helping others to succeed when we want to succeed, and helping others to succeed when we want to succeed". "China will firmly support multilateralism, actively participate in promoting reforms in the global governance system, build a new type of international relations, and promote the building of a community with a shared future for mankind." [16] The report to the 19th CPC National Congress outlined a beautiful vision of a community with a shared future for mankind: "We call on the people of all countries to work together to build a community with a shared future for mankind and to build a world of lasting peace, universal security, common prosperity, openness, inclusiveness, cleanliness, and beauty." [17]40 A community with a shared future not only pursues the development of all countries as a whole, but also pays attention to the development of individuals. This corresponds to the concept of "association of free men" mentioned by Marx in *Capital*, which emphasizes the independence of individuals while highlighting the common values of a community, and emphasizes freedom while highlighting the unity of an association.



Under the current international situation, global economic development has both opportunities and challenges. In terms of geopolitics, the Ukrainian crisis, the Israeli-Palestinian conflict, the United States's disruption of the Asia-Pacific pattern and African security issues have caused damage to the world economy; in terms of economy, the global economic growth forecast for 2025 is lower than the pre-pandemic level, but the process of digitalization is accelerating, new technologies are emerging, and global trade volume will hit a new high in 2024 and may break the record again in 2025. Regional free trade agreements will promote the structural adjustment of economic globalization. In this context, "it is urgent to transcend civilization barriers through civilization exchanges and transcend civilization conflicts through civilization mutual learning" [18]. China adheres to the concept of win-win cooperation and injects vitality into economic globalization by implementing global development initiatives, jointly building the "Belt and Road", joining relevant alliances, expanding opening up and promoting cooperation with many countries. The idea of a community with a shared future for mankind fully reflects China's firm determination to follow the path of peaceful development, its clear position of promoting common prosperity among countries, and its responsibility as a major country. It is a response to the trend of world history and forward-looking thinking, and it has innovatively developed relevant views of Marxist political economy.

## 5. CONCLUSION

Xi Jinping's economic thought is based on China's specific national conditions and practice, takes the main contradictions of socialism with Chinese characteristics as the logical starting point, and accurately positions the value subject status of the people in the perspective of modernization. It not only correctly grasps the main contradictions of Chinese society and the new stage of economic development, but also integrates the new perspective of Marxist political economics. It is a correct theoretical thought to guide the development of socialist economy with Chinese characteristics.

In the new development stage, the innovative application of this concept is particularly significant. The new "dual circulation" development pattern transcends the geographical limitations of traditional world market theory, taking the domestic circulation as the main body and mutually reinforcing the domestic and international dual circulations. This not only fosters endogenous driving forces based on the domestic market, but also integrates into the global division of labor through a higher level of openness. This is a creative development of Marxist world market theory in the contemporary era. The construction of demonstration zones for common prosperity deepens the concept of "people-centered" from a practical perspective. By exploring replicable paths to common prosperity in local areas, it transforms abstract value pursuits into concrete policy practices, highlighting the essential characteristic of the socialist system that the fruits of development are shared by the people. As an extension of the concept of a community with a shared future for mankind, the Global Development Initiative, through practical cooperation projects, has forged international consensus in areas such as poverty reduction, environmental protection, and infrastructure, promoting the concept's transformation from theoretical conception to global action and injecting development momentum of shared consultation, joint contribution, and shared benefits into the international community.

Overall, Xi Jinping's economic thought represents a new interpretation of the theoretical framework of Marxist political economics, resource allocation methods, social reproduction theory, production factor theory, and international economic relations. It represents the Sinicization of Marxist political economics. It provides fundamental ideas and guidance for achieving healthy and sustainable economic development in China, securing the great victory of socialism with Chinese characteristics in the new era, satisfying people's aspirations for a better life, and ultimately realizing the free and all-round development of human beings.

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