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# Lenin's New Economic Policy and Its Enlightenment to Contemporary China

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Abstract-Lenin's new economic policy proposes a series of new ideas that various economic components can coexist. It is a great exploration and innovation of the theory of socialist construction, and it also has great enlightenment for China's socialist construction, especially during the period of construction in the new era of the socialism with Chinese characteristics. Lenin's new economic policy has influenced traditional Marxist ideas to a certain extent and also played a pioneering role in the development of socialist modernization with Chinese characteristics. This paper provides an experience for better building socialism with Chinese characteristics in the new era by analyzing new economic policies and combining the relevant characteristics of socialism with Chinese characteristics in the new era.

Keywords—New Economic Policy; China; Economics; Enlightenment

## I. INTRODUCTION

The new economic policy is Lenin's great exploration and practice of socialist construction. He believes that a variety of economic components can coexist, providing valuable experience for China's socialist development. To a certain exten ,the introduction of Lenin's new economic policy is an impact on the traditional Marxist concept and a pioneering role in the development of socialist modernization with Chinese characteristics. From a certain perspective, the concept of China's reform and opening up is also the inheritance and development of Lenin's new economic policy. However, after 40 years of reform and opening up, China's reform must be richer and more lively [4]. At the same time, Lenin's experience in the new economic policy also shows that in the process of building socialism in contemporary China, we must combine our own national conditions and build socialism with Chinese characteristics in line with our national conditions.

## II. BACKGROUND OF NEW ECONOMIC POLICY IMPLEMENTATION

## A. International background

After the victory of the October Revolution in Russia, the bourgeois government was overthrown and the world's first socialist state, the Russian Soviet Socialist Republic was established [5]. The existence of the political power of the socialist countries threatened the dream of the imperialist powers to dominate the world. Therefore, the reactionary forces of foreign countries jointly strangled the Soviet regime and had a tremendous impact on the Soviet socialist revolution.

## B. Domestic background

Food shortage makes it difficult for people to survive. Under such circumstances, the Lenin-led Soviet government proposed to shift the focus of domestic work to the wartime track and implement the wartime communist policy.

The wartime communist policy concentrated the domestic manpower, material resources and financial resources to a maximum extent in a short period of time, and played a great role in the extraordinary period of the war. The surplus grain collection system advocated by the wartime communist policy requires farmers to hand over all the surplus grain to the government, and the government will then carry out a unified level-by-level distribution [6]. The grain collection system played a huge role in the war period, but its long-term levy of grain on the middle peasants and rich peasants damaged the interests of the middle peasants and rich peasants, and the surplus grain collection system was levied the surplus grain in the early stage of implementation. The policy has required farmers to turn over all the food in the later stage. This has long been a cause of dissatisfaction among the people. After the victory of the Russian Civil War in 1920, the communist policy was still being implemented, leading to a huge economic and political crisis in 1921. Russia's attempt to use the wartime communist policy to directly transition to socialism ended in failure, and wartime communist policies were also shifting toward new economic policies.

The infiltration of foreign reactionary forces and the failure of wartime communism made it necessary for Russia to proceed from reality and gradually realize that it is necessary to move toward socialism through market relations, thereby starting to implement new economic policies within the national scope, from trade, Business, industry, agriculture and other aspects have achieved great results, and the level of development has also improved significantly.

## III. MAIN CONTENTS OF NEW ECONOMIC POLICY

# A. Agricultural policy

The grain tax of the new economic policy has replaced the surplus grain collection system of the wartime communist policy. The amount of the surplus grain collection system is stipulated by the government. In many cases, the amount of

surplus grain has exceeded the actual range of farmers, and some farmers need to turn over. The food necessary for life is enough to damage the interests of the peasant masses. The grain tax is the amount and method of paying the grain in the next year, so that farmers can expand the output according to actual needs, so as to ensure that after the food has been turned over, there is still enough food to meet daily needs or trade. In addition, the state has also strengthened macroeconomic regulation and control of agriculture and formulated a number of measures to help farmers solve practical problems. The implementation of agricultural policies has effectively guaranteed the fundamental interests of the peasants. Agricultural plantings in 1925 increased by 7 million hectares compared to 1920, and food production is also increasing. Agricultural production and rapid economic growth have laid a solid foundation for industrial and commercial development.

## B. Industrial policy

In the industrial sector, the new economic policy transforms enterprises into privatized enterprises or state capitalist enterprises, and implements economic accounting systems for state-owned enterprises. The state conducts unified accounting and macro-control of enterprises, but the day-to-day operation of some purchases and so on is managed by the enterprise [2]. In addition, it is necessary to develop a multiownership economy on the basis of ensuring the status of the public ownership. The specific approach is that enterprises that are related to the economic lifeline of the country are owned by the government, some enterprises are restored to the private sector, and some enterprises even operate in the form of rent lending.

## C. Commercial circulation policy

On the commercial side, allowing the commodity economy and a range of free trade is one of the elements of the new economic policy [3]. As the lifeblood of national economic development, and the exchange of agriculture and industrial goods, it is also carried out through business. Its importance is self-evident.At the same time, it can also strengthen the relationship between urban and rural areas, consolidate the alliance of workers and peasants, and promote the development of national productivity and economy.After the implementation of the new economic policy policy, Russia issued a series of decrees to legalize domestic private business, but it is necessary to strengthen the state's macrocontrol of commerce, and regulate and supervise the development of commerce to ensure the orderly and healthy development of commerce. Lenin's new economic policy to use the market to develop the commodity economy not only promoted the development of the Russian economy, but also enriched Marx's theory of socialist economic development.

## D. Foreign policy

In terms of diplomacy, it changed the policy of economic closure in wartime communism and advocated the introduction of foreign capital. Lenin believes that in order to avoid foreign capitalism's impact on the Russian economy, it is necessary to vigorously develop foreign trade on the premise that the state has foreign trade, and to maintain good foreign trade relations with some capitalist countries.

Lenin' s new economic policy is actually his decision to get rid of the wartime communist policy during the national crisis. Utilizing the development experience of capitalism, we first resorted to the transition from the market to the stage of liberal capitalism, then strengthened the state's macroeconomic regulation and control, marched toward the stage of state capitalism, and finally realized the transition to socialism. State capitalism is actually a form of combining state and capital, and its nature is also determined by the nature of the state.In capitalist countries, state capitalism is against the proletariat, supporting the bourgeoisie, and actually serving monopoly capitalism. But in a socialist country, state capitalism is a means of developing a socialist economy. Although the new economic policy has utilized the construction experience of capitalist countries, it actually combines the realities of the Soviet Union at that time, combining the proletarian regime with state capitalism to establish a mixed economy to guarantee socialism.

## IV. THE ENLIGHTENMENT OF LENIN'S NEW ECONOMIC POLICY TO CONTEMPORARY CHINA

In carrying out socialist construction, China needs to learn from the successful experience of the Soviet Union, combine the practical experience of China, stand at the historical starting point of the new era, and adopt the Marxist theory as a guide to formulate policies in line with China's national conditions.

## A. Agricultural policy

The core of the new economic policy is to replace the surplus grain collection system with grain tax. At the time, the wartime communist policy was successful during the war,but the food harvesting system it advocates does not take into account the actual situation of the peasant masses ,also harms the interests of the people. In contrast, the new economic policy is after farmers pay a certain amount of grain, they can control the surplus food in their own hands, exchange or other consumption, which guarantees the interests of the peasants and consolidates the Soviet regime. Therefore, agriculture is a fundamental issue related to the lifeline of the country. In the process of China's development, we must also deal with the relationship between agriculture, rural areas, and peasants, and adhere to the basic status of agriculture.

At the present stage, since the reform and opening up, China's economy has developed rapidly, but the income of urban and rural residents has also been expanding. The income of urban residents has grown rapidly and is higher than that of rural residents.This requires us to take the fundamental interests of the people as a starting point when developing the socialist economy with Chinese characteristics.We will narrow the income gap, coordinate urban and rural development, solve people's practical problems, and constantly improve the people's economic level.

## B. Industrial policy

Lenin's new economic policy advocates economic accounting for state-owned enterprises, allowing multiple economic components to coexist, in line with the actual Soviet Union at that time, so that the Soviet economy has developed rapidly. Therefore, after the Third Plenary Session of the 11th Central Committee of China, combined with China's national conditions, we have established a road to adhere to the common development of various economic components based on public ownership. However, it is necessary to clarify the main status of the public-owned economy, ensure the absolute superiority of public assets in the total assets of the society, ensure that the state-owned assets hold the economic lifeline of the state, adhere to the nature of the main body of socialism, and ensure the sustainable and healthy development of socialist construction.

## C. Commercial circulation policy

Lenin's new economic policy advocates free trade to develop a commodity economy, which has restored the national economy and changed the prejudice that the market economy is capitalism and opposed to socialism. In the process of implementing the new economic policy, Lenin did not argue about the issue of the name "capital" or the surname "socia" of certain policies. Instead, it proved through practice that the new economic policy and economic construction are centrally correct. Lenin believes that some things must proceed from reality, guided by Marxism, combined with Russia's specific national conditions, in the search for a path suitable for Russia's development.In the 13th National Congress, the Chinese Communist Party proposed a center and two basic points. The so-called center refers to economic construction as the core of all work, all work must be served and obeyed by economic construction. In the early days of reform and opening up, socialism with Chinese characteristics was at an early stage, and the nature of many strategies within the party regarding reform and opening up also caused controversy. In 1992, during the national inspection, Deng Xiaoping put forward the "no argument" view, did not argue against the nature of reform and opening up measures, but boldly tried in reform and opening up.Summarize experience in the process of social practice, and answer the question of surname "social" or surname "capital" with social development and achievements. Therefore, in the process of building socialism with Chinese characteristics, it is necessary not only to strengthen the country's macroeconomic regulation and control, but also to play a decisive role in the allocation of resources in the market, to use the market, and to exert the vitality of socialist economy with Chinese characteristics.

## D. Foreign policy

Lenin's new economic policy has changed the practice of economic closure, recognizing that only by strengthening external ties can the rich and the strong be strong.Deng Xiaoping proposed a comprehensive reform and opening up at the Third Plenary Session of the 11th Central Committee. This reform and opening up is based on the four basic principles. Opening up is not only a kind of reform, but also a comprehensive opening of reforms. The purpose of opening up is to learn and use the advanced experience, technology and knowledge culture of capitalism, so that all means beneficial to social development can be utilized. Of course, our study and use are not directly used, but rather to foster strengths and avoid weaknesses, combined with China's specific status quo, to screen them..Therefore, in the process of socialist construction, China must adhere to all-round opening up and establish friendly cooperative relations with all countries on the basis of adhering to the Five Principles of Peaceful Coexistence [1]. It is also necessary to adhere to the path of peaceful development, continuously promote the construction of the "Belt and Road", strengthen external relations, and promote the building of a community of human destiny.

#### V. CONCLUSION

In summary, Lenin integrated the principles of Marxism into the new economic policy based on the study of Russia's national conditions.Breaking through the shackles of traditional ideas, it provides a powerful reference for the corresponding socialist construction, and carries out creative research and analysis on a series of major theoretical and practical issues in socialist construction.In the alliance of workers and peasants proposed by Lenin, the continuous development of the commodity economy, the idea of the development of state capitalism as a corresponding guide, laid a solid material foundation for the Soviet-Russian transition to socialism.

From Lenin's new economic policy to the reform and opening up in the 1970s, to the new development concept to the present, Xi Jinping's new era of socialism with Chinese characteristics, etc., these are different from the capitalist socialist development path with national characteristics. With the development of the times, Marxist theory is constantly enriching and developing, and we must stand on the new historical starting point, draw on the valuable experience of socialist development, and open up a socialist road with Chinese characteristics.

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