POLITICAL ECONOMY OF STRONG POWER

Formulation of The Problem

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Abstract: The article is devoted to the methodological problems of the political economy of socialism. It provides a categorical distinction between the structural and dynamic dependencies of the political-economic system. On the one hand, structural dependence has an object–subject direction, ascending from productive forces to production relations and from them to state power. On the other hand, the direct opposite, subject–object direction is inherent in dynamic dependence, descending from state power to production relations and the conscious use of their objective laws for the development of productive forces. This subject–object dependence reaches its fullest embodiment under conditions of strong power, the standard of which is the political-economic system of contemporary China.

Keywords: methodology; political economy; innovative Marxism; strong power; CPC

Background

All the numerous schools and directions of economic thought, from mercantilism to the contemporary neoclassical “mainstream,” in one way or another inevitably touch upon the problems of the government’s economic policy. Moreover, the “mainstream” of modern economic theory includes a special section specializing in the analysis of the influence of political factors on the government’s economic strategy. Neoclassicism calls this section “political economy,” thus giving this name an extremely narrow meaning. Since this examines primarily the negative impact of political factors on the economic decisions of the government, it is not
difficult to conclude that it is better for the government to intervene in the economy as least as possible.

In approximately the same negative way, neoclassical microeconomics tends to perceive various forms of market power of private and corporate subjects in situations of monopoly, monopolistic competition and oligopoly. Microeconomic analysis aims to show the harm of these manifestations of market power, which cause the economy to deviate from the ideal model of perfect competition and reduce its effectiveness.

The institutional concept of the separation of power from property in large corporations (Berle and Means [1932] 1991) became no less widely popular in the twentieth century. It was further developed in the theory of the “new industrial society” by John Galbraith. The bearer of real power for J. K. Galbraith (1967) appears to be the technostructure of large corporations, whose goals in some way coincide and in other ways may not coincide with the interests of society. According to Galbraith, state power should intervene when these goals do not coincide (Galbraith 1973, 1984). A similar logic is characteristic of his earlier work, *American Capitalism: The Concept of Countervailing Power* (Galbraith 1956). The government is seen here as a “countervailing power,” which is called upon by its intervention to compensate for the actual imbalance in power of such economic actors as, for example, farmers and large corporations. With this approach, the power of corporations and, above all, of the corporate technostructure is the primary, starting point, and only a secondary and compensating role is assigned to state power.

Economic theory today has an extensive scientific literature in which the economy is studied as a system of power (Bocage 1985; Takata 1995; Lukes 1974; Papandreou 1994; Bardhan 1991, 265–277; Dugger 1989; Clegg 1979; Russell 2000; Schutz 1995, 1147–1170). However, in most cases, the concept of power is considered in approximately the same logical sequence as in J. K. Galbraith’s works, that is, first of all, in relation not to the government, but to other economic subjects, both individual and institutional, and only secondarily in relation to the government. The objective historical basis of such a logical sequence is rooted in the very political-economic structure of capitalist society and its characteristic liberal government, which is by no means inclined to the exercise of strong political power. The method is determined by the object in the sense that the analysis of capitalist society as a system of power as a whole adequately reflects the objective historical features of the bourgeois state.

On the other hand, in the literature on political science and jurisprudence, the focus is primarily on the purely external, legal forms of state power, while not enough attention is paid to its real political-economic content. Thus, in general, in the scientific literature on economic theory, political science and jurisprudence, it is difficult to find a meaningful definition of strong power, which is necessary for political economy.
The situation is somewhat different in sociology, which, starting with Max Weber, has tended to distinguish relatively consistently between the concepts of legitimacy and legality. Weber used the concept of legitimacy to characterize the social order, which, thanks to its prestige, establishes a pattern of behavior and dictates mandatory requirements for individuals (Weber [1921] 2019). Thus, Weber distinguishes legitimacy as the real significance of the social order for the behavior of people from legality as a purely formal compliance with the laws of a country. Later, this concept of legitimacy was actually assimilated by sociology (for example, Parsons [1951] 1991; Schmitt [1932] 2004).

In the second half of the twentieth century, the problem of the crisis of legitimacy became the focus of neo-Marxist social philosophy. The most striking examples are the works of Jurgen Habermas, The Structural Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society (Habermas [1962] 1989) and Legitimation Crisis (Habermas 1976). However, Habermas reduces the problem of legitimation to the question of critical public discussion of the values that legitimize the social order. This formulation of the legitimation problem logically leads ultimately to the liberal-democratic concept of the so-called “communicative action” (Habermas 1984).

Thus, in general, in the literature of the twentieth century, it is rather difficult to find ideas that would become the methodological sources of the Marxist theory of strong power. It is much easier to find them in classical Marxist heritage and, above all, in Engels’s reflections on the active influence of state power on the economic basis of society. In 1890, in a letter to Conrad Schmidt, Friedrich Engels wrote: “Otherwise why should we be fighting for the political dictatorship of the proletariat if political power is economically powerless? Might (i.e., state power) is also an economic force!” (Engels 1890 [2010], 63).

Of course, this thought of Engels is not accidental. Marxist theory logically leads to the understanding that strong power in reality is a political power that, thanks to its real unity with the people, makes it a collective subject of its history. This opens up a methodological opportunity to use the understanding of society as a collective historical subject for a categorical analysis of the real political-economic content of strong power, based on the fact that, as the modern Chinese philosopher Yang Geng noted, “people who carry out practical activities, united in a team, an organization, group, constitute a collective subject” (Yang 2019, 88).

Methodology: The Odessa School

In his speech “Opening Up New Frontiers for Marxist Political Economy in Contemporary China,” General Secretary of the Central Committee of the Communist Party of China (CPC), Xi Jinping, said: “Though there is now a rich diversity of economic theories, our study of political economy must be based on
Marxist political economy and not any other economic theory.” But at the same time Xi Jinping noted: “For Marxist political economy to remain vital, it must evolve with the times” (Xi 2020). The creative achievements and new ideas of modern Chinese economic science, which is successfully developing along the path of innovative Marxism, clearly demonstrated the relevance of the methodology of Marxist political economy, which is the scientific basis for the continuous improvement of the theory and practice of the socialist market economy and socialism with Chinese characteristics.

This does not only apply to Chinese economists. The practical experience of China in recent decades is of worldwide historical significance. It is not surprising, therefore, that the historical fact of the unprecedented pace and scale of the development of the socialist market economy in China compels us to turn to the most fundamental methodological foundations of political economy, especially since in world literature the Marxist methodology never ceases to be criticized for its allegedly inherent economic and technological determinism. This accusation has become a “commonplace” in non-Marxist literature. It seems that for a convincing answer to this criticism, it is possible to successfully use the methodology of the constant delineation in the structure and dynamics of the political-economic system developed by the Odessa school of political economy (Pokrytan 1978, 1985).

To provide some background: the starting point of the scientific school that emerged in Odessa in the second half of the twentieth century was the methodology of a kind of “dissection” of economic phenomena and processes by means of consistent differentiation of their formal and real sides (Zveryakov 2018, 15–19, 2021; Boldyrev 2000, 17–18). First of all, we are talking about the consistent delineation of the legal form and the objective economic content of property (Pokrytan 1971; Kasatkina 1979; Boldyrev 2008, 15). Following the methodology of property analysis in Capital, the Odessa school considers the economic content of property as a system of objective production relations. Thus, it “dissects” the phenomenon of ownership, consistently separating the objective content from volitional relationships that represents the legal form of ownership. At the same time, only the economic content refers to political economy, and the legal side of the property is taken out of political-economic analysis (Pokrytan, Kasatkina, and Mazur 1964; Pokrytan 2002). Similarly, when analyzing state power, its legal form, which is the object of jurisprudence, is methodologically separated from the real political-economic content that is directly related to the object of political economy.

However, the logic of a consistent dialectical ascent from the abstract to the concrete, immanent in Marxist political economy, presupposes that such an analytical distinction should be followed by a synthesis of the objective and volitional sides of a single political-economic system. The Odessa school has developed a methodological basis for this synthesis, connected with a sharp delineation of the
system’s structure and dynamics, which makes it possible to integrate logically and consistently the will factor into the object of political economy. This dialectical unity of analysis and synthesis makes it possible to understand the process of the consistent historical development of the dynamic side of a political-economic system, which reaches its highest stage under socialism with Chinese characteristics. Therefore, the methodology of differentiating the structure and dynamics of the political and economic system allows the Odessa school to categorically formulate its own view of the process of China’s rise.

In this article, a core methodological feature of the Odessa school will be deployed. Thus, the classical object–subject dependence of “productive forces—production relations—state power” is the core of the political-economic system, revealing its internal structure at the certain moment of the unfolding of the historical process. At the same time and in the opposite direction, the active-practical, subject–object dependence of “political power—production relations—development of productive forces” is considered as a characteristic of the dynamic side of the political-economic system. It is revealed most fully in the process of modern Chinese economic development, which opens up the opportunity to make conscious use of the objective economic laws of commodity–production relations for the development of productive forces.

This is because, thanks to the leadership of its political vanguard, socialist society acts as a single historical subject. However, the practical actions of this historical subject can be different: it can either refuse to actually use commodity–production relations, and, on the contrary, make conscious use of them for the development of its productive forces. In the first case, the Soviet model of socialism is obtained, in the second, socialism with Chinese characteristics, which presupposes a socialist market economy.

Thus, with a consistent delineation of the system’s structure and dynamics, everything logically falls into place. History appears as a multivariate process, and all grounds for accusations of determinism completely disappear. Indeed, what kind of determinism can we talk about it, with such an active-practical approach, strong political power is the starting point of dynamic dependence, which dialectically complements the structural side of the political-economic system? The point is, first of all, that the specific forms of action of the objective economic laws of commodity production and, ultimately, the development of productive forces largely depend on the subjective factor, represented primarily by political power. The only problem is that traditional Marxism is not always inclined to consistently distinguish between the structure and dynamics of the political-economic system.

As is known, when carrying out a theoretical study, much always depends on which side of its object the analysis is directed. So, the question of whether in each

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specific case the structural or dynamic aspect of political-economic system is the object of scientific analysis is especially important.

Of course, when considering the political-economic system at a certain moment in time, its structural side naturally comes to the fore. It is characterized by structural dependence: “the objectively achieved level of development of the productive forces—production relations—political power.” In this case, the dynamic side of the economic system may temporarily be relegated to the background.

On the contrary, when considering the process of economic development, the dynamic side comes to the fore. It is characterized by dynamic dependence, which can unfold in the opposite direction—from political power through the conscious use of objective production relations and economic laws immanent to them to the planned, systematically organized development of productive forces. Fully developed dynamic dependence is connected with the conscious use of objective economic laws by socialist society for the planned development of its productive forces. It should be borne in mind that the strong-willed relations that form the superstructure of socialist society are not reduced to a passive reflection of the historically formed objective reality. They presuppose a constant, transformative change in social life in the process of the systematically organized development of the productive forces.

It is this dynamic, active-practical approach that is truly dialectical. From such an active-practical point of view, strong power is power over history, which presupposes the conscious management of the process of socialist society’s historical development in accordance with objective laws. So, the best epigraph to this article would be Engels’s observation that with the transition to socialism “will man himself, with full consciousness, make his own history” (Engels [1878] 1987, 270).

Thanks to strong power, socialist society acts as a single historical subject and has the opportunity to make conscious use of objective economic laws for the development of its productive forces, just as people purposefully use the objective laws of nature in the labor process. This active, practical, dynamic aspect of socialist society is most fully realized in the process of the managed economic development of modern China. Xi Jinping observes: “We call our economy a socialist market economy because we are committed to maintaining the strengths of our system while effectively avoiding the deficiencies of a capitalist market economy” (Xi 2020). The methodology of differentiating the structure and dynamics of the political-economic system helps us to comprehend theoretically the unprecedented historical rise of socialism with Chinese characteristics.

Of course, the above is only a summary of this approach. In the following sections, we will consider the methodology for distinguishing more thoroughly between the structural and dynamic sides of the political-economic system, and then we will seek to apply this method to a comparative analysis of various economic systems and,
most importantly, for considering the real political-economic content of state power in the context of socialism with Chinese characteristics.

System Structure and Dynamics

Marxist theory refers to a number of dependencies that characterize the internal structure of the economic system. First of all, there is the dependence of production relations on the achieved level of the productive forces. As a result, the relations of production acquire their material and objective character, forming the economic basis of society, above which rises the political and legal superstructure, which includes relations of political power. Recognition of the objective nature of production relations and the economic laws immanent to them is the most important “demarcation line” that separates Marxist methodology from institutionalism in all its varieties, including the “old” institutionalism and neo-institutionalism.

Thus, in the overall political-economic system, structural dependence has an object–subject direction “from the bottom up,” leading from productive forces to production relations and from them to political power. The discovery of this structural dependence became the starting point of the scientific knowledge of society, and its methodological significance can hardly be overestimated. Such a scientific approach allows the researcher to obtain, as it were, a snapshot or, more precisely, an X-ray image of any political-economic system, revealing its internal structure at a certain stage of historical development.

At the same time, Marx discovered dynamic dependencies in the political-economic system, characterized by the opposite direction “from top to bottom” and leading from production relations to the productive forces of society. First of all, we are talking about the active influence of capitalist production relations on the development of industrial productive forces in the process of the real subordination of labor to capital, starting with simple capitalist cooperation and manufacturing in the direction of large-scale machine production. This is a clear example of the reverse influence of industrial relations. It is dialectically included in the action of the law of conformity of production relations to the level and nature of the development of productive forces, which covers not only direct, but also inverse connections between productive forces and production relations.

The issues of the reverse active influence of government on the economic basis of society, connected with the spontaneous or consciously controlled nature of the effect of objective economic laws, are also sufficiently developed in Marxist literature. At the same time, the twentieth century’s “Western Marxism” is characterized by a completely different turn. In a number of works, the Italian Marxist philosopher Domenico Losurdo points out “Western Marxists” grew suspicious of the forces of production, science and technology, and state power. By contrast, it was
precisely in the context of anti-colonial struggle for national liberation that all three became seen as vitally important. State power is particularly noticeable, since it was through state power that colonial depredations could be overcome, economies could be developed and socialist systems constructed (Losurdo 2014; Boer 2020). On the other hand, Bob Jessop and Ngai-Ling Sum’s work (Jessop and Sum 2006), some of Jessop’s other works on the theory of the state (Jessop 1989, 2002, 2007), and *Geopolitical Economy* by Radhika Desai (2013) argue that the state has always been important in the development of capitalist countries, and that even in neoliberal contexts, the state has become even more important. However, it always seeks to remain behind the scenes, “managing” the economy while never “directing” it.

Of course, the active economic role of the bourgeois state does not change the immanent nature of the objective economic laws of capitalism, acting blindly behind the backs of economic entities and turning them into agents of production relations alienated from them. Only a socialist society is capable of acting as a single consolidated entity, consciously using objective economic laws for the planned development of its productive forces. We are not talking about the volitional influence of state power on production relations, but about the conscious use by socialist society of objective economic laws immanent in these production relations for the development of its productive forces. Marxist thought has, for a long time, analyzed in-depth and quite fully developed, at empirical and theoretical levels, the active influence of state power on the institutional forms and nature of the action of objective economic laws and, through them, ultimately, on the development of productive forces. The only problem is that Marxist theory is not always inclined to distinguish between the structure and dynamics of the political-economic system as consistently as is found with the Odessa school of political economy.

For theoretical analysis of the political-economic system, it is also important to take into account the consistent categorical differentiation by the Odessa school of the legal form and the economic content of property; the delineation of the formal and real sides of transformation processes; the delineation of the productive forces of a simple labor process and the productive forces of society, etc.

Take, for example, the distinction between the productive forces of a simple labor process and the productive forces of society. In this case, we are talking about the fact that commodity–production relations, while fully preserving their materiality, immanent in production relations, at the same time can act as the productive forces of society. This happens, for example, when the objective economic laws of commodity–production relations are purposefully used by society to develop the productive forces of a simple labor process, including the means of production and people with their knowledge and experience. In this case, socialist society as a whole, acting as a single historical subject, has the opportunity to make conscious use, within the framework of such a subject–object social
relationship, of the objective economic laws of commodity production, just as an individual subject can expediently use various machines according to a similar subject–object principle mechanisms and other technical means of production in a simple labor process. As Stalin noted:

Society is not powerless against laws, that, having come to know economic laws and relying upon them, society can restrict their sphere of action, utilize them in the interests of society and “harness” them, just as in the case of the forces of nature and their laws. (Stalin [1951] 2018, 27)

Contemporary China is the most striking example of such a subject–object social relationship. Modern Chinese experience clearly shows that a socialist society, in principle, can make conscious use of the objectively necessary commodity–production relations and the economic laws immanent within them. It acts as a single historical subject, consciously using objective production relations for the development of its productive forces.

By contrast, the Soviet experience has shown just as clearly that society, even when it acts as a single historical subject, cannot consciously create a new system of production relations by itself, since these relations are objective. The underestimation of the objective nature of production relations lies at the root of the failure of the Soviet experiment.

This tragic experience shows that the historical subject should not aim at a mistaken goal, so as to avoid political and economic catastrophe. However, this example still leaves open the other, positive side of the problem: it does not answer the question of what a society, acting as a single collective subject, can actually achieve.

The materiality of production relations and the objective nature of economic laws are determined by their dependence on the level and nature of the productive forces achieved by a certain society. People cannot arbitrarily choose their production relations at will, because the latter are determined not by their will, but by the level of development of the productive forces achieved at that moment. No matter how much a consolidated socialist society acts as a single volitional subject, it cannot simply jump over this objective dependence of production relations on productive forces without causing dangerous consequences for itself (as the Soviet experience has shown).

But what can it do then? What are the objective limits of its capabilities as a single and consolidated subject of history? The Chinese experience of recent decades has most clearly demonstrated a comprehensive answer to this question. It has shown that it can still make significant achievements. Acting as a single historical subject, socialist society can successfully use objective economic laws immanent in commodity relations for the development of its productive forces.
Thus, it actually transforms these relations of production into its own productive forces, into the productive forces of society, of which it makes conscious use for the planned development of the productive forces of the simple labor process.

At the same time, it should not be forgotten that the objective basis for the successful use by a socialist society of the economic laws immanent in the production relations is the correspondence of these production relations to the achieved level of the productive forces development. Thus, the objective–subjective structural dependence of production relations on the productive forces is a necessary condition for a dynamic subject–object dependence, in which socialist society makes conscious use of objective economic laws to develop its productive forces.

This point reveals the unity of the structure and dynamics of the modern socialist system. At the same time, it is a unity of opposites, since the object–subject direction of the structural dependence “bottom-up” (along the line: “productive forces—production relations—state power”) is the opposite of the subject–object sequence that characterizes the dynamic side of the political-economic system and unfolds in the direction leading from state power through objective production relations and economic laws immanent to them to the development of productive forces.

Thus, the subject–object model of managed historical development, taken in the unity of its structure and dynamics, appears as a unity of structural and dynamic dependencies of the political-economic system that move in opposite directions. In modern China, economic policy becomes an organic part of the system itself, acting as a unified political-economic system, and this is what primarily gives the system that tremendous dynamism that never ceases to amaze people in the twenty-first century.

The Chinese experience shows that the unity of the structural and dynamic dependencies of the political-economic system is achieved when a strong political power becomes the starting point of dynamic dependence, which opens up the opportunity for socialist society to make conscious use of commodity–production relations with the aim of the planned development of productive forces. In this case, the subject–object dependence between all three structural levels of the political-economic system (including strong power, production relations and the development of productive forces) is directly opposite to the object–subject direction characteristic of structural dependence. It is this “mirror symmetry” of the two opposite sides of the political-economic system that has been achieved in modern China.

**Economic Development Models**

This methodological approach opens up new opportunities for a comparative analysis of various models of economic development, for example, for comparing the industrial development of the modern Chinese economy with the classical model of industrialization of the English type.
According to Karl Polanyi, government power generally had a restraining effect on the process of initial capital accumulation in England. Moreover, Polanyi shows that not only the government, but also local institutions at the parish level purposefully slowed down the subsequent process of converting the workforce into commodities in order to prevent a revolutionary explosion in England (Polanyi [1944] 2001, 175–189).

In addition, the inhibitory effect of state power on the process of formation and development of industrial capital was exhaustively disclosed by David Ricardo, not only at a purely practical level, but also at the deepest theoretical level. In his famous book—On the Principles of Political Economy and Taxation—Ricardo demonstrates the economic harm of “grain laws,” which contributed to an artificial increase in the share of land rent due to high prices for bread and respectively reduced the share of profits in national income, thereby inhibiting the industrial development of England (Ricardo [1817] 2015). All the pathos and iron logic of Ricardo’s main work are directed against government policy, which hindered the process of industrialization of the English economy. According to Marx, in a later period a similar inhibiting effect on industrial development was exerted by “harmful restrictions” connected to Peel’s Bank Charter Act of 1844, which corresponded to the interests of bank capital, but not industrial capital, since it allowed commercial banks to maintain high-interest rates.

In the classical model of spontaneous industrialization of the English type, the subjective factor of state power faded into the background compared to the powerful spontaneous impact that the new production relations had on the development of the technological structure of production. Under these conditions, the starting point of dynamic dependence was objectively not state power, but the capitalist production relations themselves. The new production relations spontaneously, without the active assistance of state power, became the main driving force behind the industrial revolution of the late eighteenth and early nineteenth centuries, which created an adequate technological basis for capitalism. This “sagging” of the subjective factor meant the absence at that time of “mirror symmetry” of oppositely directed dependencies that formed the structural and dynamic sides of the political-economic system.

Understood in this sense, “symmetry” was outlined in Soviet society during the New Economic Policy, when the government successfully used the objective economic laws of commodity–production relations to restore the destroyed national economy. However, modern China in its conscious use of commodity–production relations has gone much further. It covered not only the recovery, but also the reconstruction period, when the main source of growth was no longer the use of existing production facilities, but the creation of new industrial enterprises. If the Soviet experience of the New Economic Policy was limited by the narrow time
frame of the recovery period, then the Chinese economy in the new historical context revealed tremendous possibilities of using the subject–object model of managed development for the purpose of technological modernization and restructuring of social production.

By contrast, the industrial reconstruction of the Soviet economy in the 1930s followed the specific historical trajectory associated with the creation of the Stalinist model of socialism. The main problem of the modern post-Soviet economy is related to the fact that the transition from this command system to a market economy did not follow the path of returning to the subject–object model of managed development, which by that time had already successfully worked in China, but in the direction of applying here a long-obsolete object–subject model of spontaneous development, characteristic of the capitalist economy.

Stalin’s forced industrialization is directly opposite in its nature to the spontaneous industrialization of the English type. If in the English model everything was built on the spontaneous action of objective economic laws immanent in capitalist production relations, and the government did not play a decisive role in this, then in the process of Soviet industrialization, on the contrary, everything was decided by the will factor associated with political power.

China synthesized elements of these opposite models of industrial development, combining in practice the strong power of the CPC with commodity–production relations on the basis of the conscious use of commodity–production relations by socialist society and the objective economic laws immanent within them. It managed to create a true “symmetry” and in this sense developed deeply harmonious political-economic system, unprecedented in its effectiveness. The dynamic and structural aspects of this political-economic system is a unity of dependencies moving in opposite directions, and thus symmetrically covering all three of its structural levels. Such a “code of success” is fully consistent with both the dialectical unity of opposites, and, on the other hand, the universal harmony to which Chinese thinking is inclined.

“Mirror symmetry” means that the mechanism of development of the political-economic system “in a mirror” encompasses all its structural levels, taken in the subject–object sequence directed “from top to bottom” and inversely to the object–subject orientation “from bottom to top” that is characteristic of structural dependence. This is the categorical “success formula” of socialism with Chinese characteristics. At the same time, this is a historical lesson for other, less successful countries, including Ukraine.

If any of the structural levels of the mechanism (outlined above) for the development of a political-economic system based on subject–object dependence “subsides” or drops out, then this sharply reduces the efficiency of the system. Therefore, this approach opens up new opportunities for categorical analysis of
the process of competition between different political-economic systems, which takes place according to the “challenge-response” principle formulated by Arnold Toynbee ([1934–1961] 1987).

For example, the Soviet system could not find an adequate response to the American challenge, since it actually dropped out of commodity–production relations and the objective economic laws immanent within them. By contrast, an effective historical answer was found by China, refusing to follow the Soviet model and including in the mechanism of its economic development the conscious use of the objective economic laws of commodity production by a socialist society. Now the United States is trying, but cannot find an adequate response to the Chinese challenge, because its political-economic system is actually dropping the upper, initial level of dynamic dependence that is directed “from top to bottom” and connected with political power.

In order to consider from a broader historical context the aggravation of the struggle of various social systems for global leadership in the twenty-first century, it is necessary to take into account the main trend of historical development, leading in the future to the predominance of free subject–subject communication between people. This subject–subject historical trend is based on the creative transformation of the content of the human activity, and today it is still difficult to predict how long this fundamental historical process may take. Therefore, the question naturally arises about the political-economic forms of this long transformational process that are most adequate to the current level of social development. The impressive experience of China in recent decades, with its unprecedented growth rates, shows that the optimal variant of such a transitional form for the twenty-first century is the subject–object model of managed economic development. This model presupposes a strong political power, which gives socialist society the character of a single collective subject of its history, consciously using commodity–production relations and the objective economic laws immanent within them for the development of its productive forces.

The Content of Strong Power

Historical experience shows that much depends on the subject of history. If there is a clear subject of historical development, a country can improve (such as China); if not, a country will decline. The subjective factor is a necessary link in the chain of historical events: if this link falls out, then the whole chain of events collapses, and the forward movement can change its direction to the exact opposite.

In China, the subjective factor represented by the Communist Party of China and its leading role is organically integrated into the objectively necessary chain of events, and the country is rapidly moving along the ascending trajectory of
historical development. On the contrary, if a country lacks a subjective factor (which is objectively necessary for its development) and there is no driving force of economic development, then the country inevitably moves in a downward historical trajectory.

According to Georgy Plekhanov, the subjective factor, represented primarily by a specific historical person, is not capable of fundamentally changing the course of history, which is ultimately determined by the development of productive forces (Plekhanov [1898] 1961). The opposite point of view was presented by Georg Lukács in his famous book—*History and Class Consciousness*—(Lukács [1923] 2000), which became for many years a source of inspiration for the Frankfurt School and all neo-Marxisms. However, Lukács goes to the other extreme, making absolute the possibilities of the historical subject. Nevertheless, there is a grain of rationality in his criticism of historical objectivism. The subjective factor can indeed change the direction of the historical process, since different scenarios for the development of events depend on one or another action or inaction by their participants. But this happens precisely because the subjective factor is objectively integrated into the chain of events and is necessary for its historical development. “Men make their own history, but they do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given and transmitted from past” (Marx [1852] 2010, 103).

The object–subject model of spontaneous development is inherent in capitalism, in which economic subjects are isolated from each other by private property and therefore become agents of their own social relations alienated from them. Therefore, capitalist development does not in principle need a collective historical subject at all. Here everything happens spontaneously under the influence of the market forces.

However, by the twenty-first century it has become clear that such a development model is hopelessly outdated. China clearly demonstrates to the whole world the advantages of the subject–object model of managed development, which is characteristic of modern socialist society as a single collective subject of its history. Thus, the dominance of object–subject relations of production is a characteristic of capitalism, moving along a downward historical trajectory and gradually receding into the past. On the other hand, the dominance of relations of free subject–subject communication, which are immanent within creativity, refers to a rather distant future. The level of productive forces reached in the twenty-first century does not yet give people a practical opportunity to abandon commodity–production relations.

At the same time, it allows people to free themselves from blind obedience to these objective production relations, from following the object–subject principle, which turns economically isolated private subjects into agents of capitalist production relations alienated from these relations. Moreover, the level of productive
forces as currently achieved objectively requires society to make conscious use of commodity–production relations for the further development of productive forces within the framework of the subject–object model of managed development. This approach is characteristic of modern socialism.

Thus, if the object–subject principle is inherent in capitalism, and the subject–subject model of social relations corresponds to future society, then for modern socialism the subject–object model of managed historical development is objectively necessary, and this presupposes the conscious use of commodity–production relations for developing productive forces. The consistent emancipation of people from the objective necessity of commodity–production relations presupposes a long process of development of the productive forces, passing through a number of regular stages in its historical development. In the twenty-first century, people are not yet ready to free themselves completely from commodity–production relations, but they can and must make conscious use of these objectively necessary production relations for the further development of productive forces in the direction of building the technological basis of a new society. That is why today, in the twenty-first century, the subject–object model of managed historical development, inherent to socialism with Chinese characteristics, comes to the fore in world history.

Under the conditions of modern socialism, a “top-down,” active-practical, dynamic dependence acts as an economic realization of strong political power and embraces the entire system of planned development of the socialist economy. Such an expanded dynamic dependence comes to the forefront of the political-economic system of socialist society and becomes the main, system-forming social relation of modern socialism. At the same time, the unity of the structural and dynamic aspects is not violated, but is harmoniously maintained and reproduced in the process of historical development in the context of socialism with Chinese characteristics.

From this point of view, the most important methodological error of the Soviet political economy becomes obvious. By analogy with the analysis of the objective relations of production of capitalism, it assumed the same objective nature of the economic structure of socialism. In reality, and in contrast to material relations of production, social relations between people in the Soviet economy did not correspond to the objective needs of the development of productive forces, but to ideological dogmas that denied the possibility of building a socialist market economy. By their nature, these were mainly strong-willed, ideological relations, and not production relations. However, the Soviet political economy mistakenly interpreted these strong-willed, command–administrative relations that dominated the Soviet economy as objective production relations.

This was not only a theoretical but also a serious political mistake. Considering the economic structure of Soviet society as purely objective, political economy was unable to reveal adequately the subject–object nature of genuine socialism.
The methodological basis for this dangerous theoretical and practical error is to ignore the top-down dynamic dependence of the socialist political-economic system. This misunderstanding of the subject–object nature of socialism led to an underestimation of the economic significance of political power in a socialist society. As for Soviet political economy, it turned out to be methodologically incapable of finding in the theoretical model of socialism an adequate theoretical place for the relations of commodity production on the one hand, and for strong political power on the other hand. So the Soviet political economy cannot clearly reveal the role of political power in the economic development of a socialist society. The habit of relying entirely on objective economic laws has played a cruel joke on the political economy of socialism. It was unable to oppose anything, either theoretically or practically, to the weakening of political power in late Soviet society.

Due to its lack of understanding of the subject–object nature of socialism, the economic theory that developed under Soviet conditions was not and methodologically could not be the political economy of a strong power. The absence of a scientific theory of strong power was especially evident during the period of the so-called “restructuring” of Soviet society. To a certain extent, this contributed to the fact that the transition to a market economy was accompanied by a catastrophic collapse of socialism. The Soviet political economy of socialism found itself in a kind of methodological trap, historically prepared for it by the object–subject nature of capitalism. The essence of the problem is that political economy was unable to creatively use the methodology for analyzing capitalist society, presented in Capital, which is adequate to this object–subject nature, and tried to transfer it mechanically to socialism.

But the special significance of dynamic dependence—which is active and practical in its nature—for a socialist society does not mean at all that it is possible to discount its opposite, the object–subject structural dependence. In reality and as shown above, without the dialectical unity of structural and dynamic dependencies, a “mirror” harmony of the socialist political-economic system is impossible. Thus, real socialism in its modern understanding means the full deployment of the “mirror symmetry” of structural and dynamic dependencies, covering all three levels of the political-economic system, including productive forces, production relations and strong political power. It is precisely because of this that socialism with Chinese characteristics is a social system that is most adequate to the objective needs of the development of productive forces in the twenty-first century.

In this historical context, the real political-economic content of strong power is precisely that it connects the structural and dynamic dependencies of the political-economic system, taking a central place in the mechanism of their interaction. It forms the upper level of object–subject structural dependence, directed “from the bottom up” in the sense that strong political power expresses the objective
historical need for the development of productive forces and production relations in the twenty-first century.

But the matter is not limited to the fact that strong power forms the upper, final point of the structural dependence of the socialist system. Acting as the final point of this structural dependence, it is at the same time the starting point of an active, practical, dynamic dependence directed “from top to bottom” and realized in the conscious use of commodity–production relations by a socialist society for the development of productive forces.

Thus, and thanks to strong political power, structural dependence dialectically turns into a dynamic dependence of the socialist political-economic system, encompassing all three of its structural levels in the opposite direction: “state power–production relations–productive forces.” Thus, in the modern socialist system, the interaction between structural and dynamic dependencies reaches the highest stage of its development, since the “mirror symmetry” of fully developed structural and dynamic dependencies encompasses all three structural levels.

If at its “top” point this chain of dependencies is completed by strong political power, then in the opposite direction “from bottom to top,” the “lower” turning point is connected with productive forces. The development of the productive forces acts as the final point of dynamic dependence, which is realized in the process of the conscious use of commodity–production relations by a socialist society. At the same time, this level of development of the productive forces, achieved in the process of such a complete development of dynamic dependence, in turn dialectically becomes the starting point of structural dependence, directed “from the bottom up” in the sense that the productive forces determine the relations of production, and these relations of production determine the strength of the relationship.

Such a reverse dialectical transition from dynamic dependence to structural dependence at the “lower” turning point, mediated by the development of productive forces, occurs in any society due to the action of the general economic law of conformity of production relations to the level and nature of the development of productive forces. On the contrary, the “upper” turn of this historical spiral presupposes a special kind of strong political power, immanent within socialism with Chinese characteristics, and by no means present in every society.

The working masses act as a personal, subjective factor of production that forms the main productive force of any society. But only under the conditions of modern socialism with Chinese characteristics, thanks to the strong power of the CPC, do they become, in a dialectical manner, a collective subject of their own history, consciously using commodity–production relations for the development of productive forces with the aim of their own planned self-development as the main productive force of society (based on the planned and proportional development of the material elements of the productive forces).
Therefore, such an “upper” point of joining structural and dynamic dependencies into a single spiral of controlled historical development presupposes the strong power of the CPC in Chinese society, and this is by no means universal. It has a historically specific character, largely determining the Chinese specificity of modern socialism. It is largely due to this that it acts as a historically concrete socialism with Chinese characteristics.

At the same time, thanks to the strong power of the CPC, socialism with Chinese characteristics has a strictly concrete character in a more precise dialectical sense: it presupposes a synthesis of a directionally opposite and a fully developed dynamic and structural dependencies of the political-economic system of socialist society. Without such a strong power and the corresponding dialectical synthesis, structural and dynamic dependences are still, in a certain sense, abstract and one-sided in nature, since they correspond separately only to one of the sides of a single political-economic system.

We see that strong power unites the structural and dynamic dependencies of the modern socialist system into a single chain, acting at the same time as a spiral of a consciously controlled historical process. Initially, in its “structural section,” this chain stretches “from the bottom up” from the achieved level of productive forces to strong-willed relations, and reaches the level of strong political power. Then it turns and moves in the opposite direction “from top to bottom,” from state power through the conscious, purposeful use of objective production relations to the development of productive forces. Having reached the level of productive forces, it again unfolds at the “bottom” point in the “bottom-up” direction, thereby again passing into the structural dependence of the political and economic system. Thus, a single spiral chain of structural and dynamic dependencies of the historical process consistently passes through all three levels of the modern socialist system in two opposite directions.

It must be said that the political economy of capitalism adequately reflects the incomplete spiral chain of the historical process, which actually encompasses only two structural levels of the capitalist system: productive forces and production relations. Since, in this case, the political economy operates in strict accordance with the specific characteristics of its subject, this approach is strictly scientific. It acts in terms of any scientific method, since a truly scientific method is always determined by an object.

Unfortunately, this cannot be said about the Soviet political economy of socialism, which tried to blindly copy the method of Capital and apply it to the analysis of socialism. The result was an inability to express at a theoretical level the nature of a socialist economy, as already presented above. As a result, Soviet society missed a historic chance to use for its development the main contradiction of socialism as the subject–object system that is dual in nature. It was only later that
socialism with Chinese characteristics brilliantly took advantage of this historic opportunity and made this contradiction an unprecedented source of power for its successful economic development.

The most important economic law of socialism with Chinese characteristics is the conscious use of commodity–production relations for the development of productive forces in order to fully satisfy the material and cultural needs of people and the all-around development of the human person. Thus, in a socialist market economy, the immanent subject–object nature of true socialism is practically realized. It manifests itself in the fact that socialist society acts as a single historical subject, as a subject of its own history, in contrast to capitalist society with its object–subject structure, in which individual subjects act as agents of the production relations that they are alienated from.

In contrast to both the Soviet system and capitalist society, the “mirror symmetry” of socialism with Chinese characteristics means a complete three-level deployment and dialectical mutual transition of structural and dynamic dependencies that form a single spiral chain of consciously managed historical development. This “mirror symmetry” ensures a dynamic balance and lasting stability of strong political power and the entire political-economic system of modern socialism.

On the contrary, the absence of such a strong power is expressed in the disequilibrium and internally unstable nature of the capitalist political-economic system. It is characterized by the absence of complete “mirror symmetry” covering all three structural levels. In the capitalist system, “symmetry” is capable of embracing, at best, only two structural levels: productive forces and production relations. At the same time, the production relations of capitalism—manifested as class conflict—objectively determine the liberal nature of political power, in which bourgeois society is practically unable to act as a single historical subject, consciously using commodity–production relations for the planned development of its productive forces.

Such an incomplete dynamic dependence can cover only two structural levels of the capitalist political-economic system: productive forces and production relations, and even then only if capitalist relations do not hinder, but stimulate the further development of productive forces. This dynamic dependence was most clearly manifested at the early stage of capitalist development, when production relations, new for that time, completely restructured the technology of production in the direction of creating an adequate technical basis for capitalist society. We are talking primarily about the process of real subordination of labor to capital, which was accompanied by the process of capitalist socialization of production and the transition from simple capitalist cooperation and manufacture to large-scale machine production of a factory type.

We can distinguish between structural and dynamic dependence in relation to the capitalist system. On the one hand, the structural dependence of the capitalist
system includes all three structural levels; on the other, the dynamic dependence only covers two of them—productive forces and production relations. In terms of dynamic dependence, the upper level connected with state administration and in the conditions of bourgeois liberalism “sags” due to the absence of a strong power. Therefore, it is not a strong political power that directly acts as the starting point of active-practical, dynamic dependence, but capitalist production relations.

As a result, a systemic “asymmetry” of structural and dynamic dependencies develops in capitalist society, since one of them includes all three structural levels, while the other is capable of embracing only two of them within the framework of capitalism. This systemic “asymmetry” is manifested in the object–subject model of spontaneous economic development, which is characteristic of the capitalist system and is the source of its instability.

In the introduction to Volume 2 of Enfu Cheng’s book *The Creation of Value by Living Labour: A Normative and Empirical Study*, Alan Freeman, based on a comparative analysis of growth rates, shows that China’s average growth rate, since 1980, has always been higher than that of the North (the “global North” is the so-called “developed” countries). Moreover, the gap has a counter-cyclical component, tending to increase during slumps in the capitalist world and decrease during its booms. China’s growth, this suggests, has a major autonomous component, “de-linking” it from the increasingly traumatic crises afflicting the global North (Cheng 2019, 4–5). Such an autonomous component can be viewed as an exact quantitative expression of the historical advantage of the organized and sustainable economic development that is inherent in socialism with Chinese characteristics.

As for the Soviet model of socialism, its internal instability is explained by its own specific causes. As noted above, both the structural and dynamic dependencies here also cover not all three structural levels of the political-economic system, but only two of them—government power and productive forces. At the same time, the relations of production that are objectively necessary at this stage of the historical development of the productive forces, namely, commodity–production relations, “drop out” and are actually replaced by volitional, command–administrative relations. This objective need for the conscious use of commodity–production relations, historically necessary for the development of productive forces, largely determines the internally unstable nature of the Soviet model of socialism.

Such integration of commodity–production relations into the political-economic system can occur in two directly opposite ways. One of them is associated with the restoration of capitalism, and the other, on the contrary, with the further development of socialism in the direction of creating a socialist market economy. In the first case, the transition occurs to an internal non-equilibrium system of peripheral capitalism, which has been historically incapable of successful development. In the second case, socialist society moves to an unprecedentedly dynamic political-economic system,
the internal stability of which is ensured by an expanded “mirror symmetry” of structural and dynamic dependencies. This path is immanent to socialism with Chinese characteristics, which continues to amaze the whole world with the stable nature of its economic development.

The most important cause for this obvious historical contrast is strong power, or rather its preservation in one case and its practical absence in the other. Strong power is a necessary condition for the subject–object model of consciously managed historical development, while the absence of such political power inevitably leads to an object–subject model of spontaneous development, which in the twenty-first century is already uncompetitive.

At the same time, there is a constant danger of deviations in one direction or another from the optimal political balance, which expresses the subject–object nature of socialism. If the absolutization of the subjective factor is characteristic of the left slope, then its underestimation can lead to the right slope. The collapse of the Soviet system clearly demonstrated the real danger of such a right imbalance under socialism.

This was a natural result of the historically consistent destruction of one after the other of both sides of the subject–object model of development, which began to take shape in the 1920s. At the beginning, in the 1930s, Stalin practically destroyed the objective side connected with the ability to use commodity–production relations for the development of productive forces.

At the theoretical level, the question of commodity production under socialism, posed by Stalin in 1951 (Stalin [1951] 2018), was widely discussed in the literature over the following decades. But in reality, the Soviet economy remained largely non-market. Although the Soviet Union was experimenting with some form of market economy in the 1960s, by the 1970s it had retreated to a fully planned economy and did not by any means go as far as Hungary or Yugoslavia, which went much further than the Soviet Union in their attempts to create a socialist market economy, far from that envisioned by orthodox Marxist theory.

The results of these market experiments have been critically studied in China so as to learn what was useful and what mistakes to avoid. The development of China along the path of a socialist market economy has led to a grandiose historical synthesis of a powerful subjective factor with the use of commodity–production relations for the development of productive forces. This dialectical unity of opposites became the main source of the unprecedented rise of socialist China.

On the contrary, in Soviet society there was a gradual self-destruction of the powerful subjective factor of socialism, which gives the socialist society the character of a single historical subject. A series of heavy ideological blows against socialism continued for several decades, starting with the 20th Congress of the
CPSU. This undermining of the subjective factor from the inside ultimately led to the rejection of socialism.

In itself, Stalin’s destruction of the objective side of the subject–object model did not yet pose a mortal threat to the Soviet system. Such a danger is not serious for socialism if it can preserve this subjective factor, inseparably connected with strong power, as happened in China. The Chinese experience of economic reforms clearly demonstrates that the objective side of the subject–object model can in principle be recreated if its subjective side is preserved. This shows the decisive role of the subjective factor of this political-economic model, connected with strong political power.

**Conclusion**

The political-economic content of strong power always has a concrete historical character. In the process of historical development, it is dialectically enriched with new dimensions. At this historical stage of development, strong power appears in its real content as political power, which is economically realized in the conscious use of commodity–production relations for the purpose of the planned development of productive forces. Therefore, the modern standard of strong power is the “mirror symmetry” of the political-economic system, in terms of the structural and dynamic dependencies achieved under socialism with Chinese characteristics. Modern China represents a real-world standard of strong power, since the structural and dynamic dependencies of its political-economic system are absolutely symmetrical like Yin and Yang.

Such “mirror” symmetry is achieved only when the “top-down” dynamic dependence includes all structural levels of the political-economic system in the sequence of political power–objective relations of production–productive forces of society. If one of these three structural levels noticeably “sags” or drops out of the “chain” of dynamic dependencies altogether, this means a relative weakness of political power, which manifests itself in its inevitable inconsistency with the political-economic requirements of modern development and in the inability to find adequate answers to historical challenges.

Only in the context of modern socialism is dynamic dependence able to cover all three structural levels thanks to the strong political power of the CPC, which, through the conscious use of commodity–production relations, organizes the planned development of the productive forces. This is how the process of successive historical development of the dynamic side of the political-economic system reaches its fullest subject–object deployment in the context of socialism with Chinese characteristics. It covers all three structural levels, including productive forces, production relations and, most importantly, strong political power.
The subject–object content of strong political power, adequate to this historical stage and inherent in socialism with Chinese characteristics, is directly opposite to the object–subject content of private ownership of the means of production, which is inherent in capitalist production relations. If bourgeois private property is a legal expression of the human’s economic isolation from each other, then the strong power of the CPC, on the contrary, is capable of politically uniting people as part of a single historical entity, consciously using objective production relations for the development of the productive forces. Thanks to its role as the political vanguard, the entire socialist society as a whole represents a single collective subject of managed historical development and becomes a real subject of its history.

Therefore, for an adequate theoretical reflection of the subject–object essence of modern socialist society, it is necessary to proceed from the fact that the real content of state power is not purely economic, but political-economic in nature. By its nature, it is not purely objective, but subject–object. This feature of modern socialism largely determines the methodological specificity of its political-economic analysis.

As is known, in *Capital* research begins with the commodity relation, which is the initial relation of the fetishist, object–subject structure of capitalism. This logic of analysis is fully adequate to the object–subject nature of capitalist society transforming people into agents of social relations alienated from them.

At the same time, modern socialism presupposes the conscious use of commodity–production relations for the development of productive forces. So, the study of the subject–object dynamic dependence of the socialist system in the dialectical unity with its object–subject structural dependence, should come to the fore. Human consciousness not only reflects the objective world, but also creates it. Therefore, in contrast to the political economy of capitalism, a theoretical analysis of the socialist market economy must begin with a consideration of strong political power, which is the starting point of dynamic dependence, and with its economic implementation in the subject–object nature of socialism with Chinese characteristics.

Thus, it is methodologically wrong to underestimate the importance of a dynamic political-economic dependence directed “from top to bottom,” which moves to the forefront of socialist society. At the same time, the structural dependence, which has the opposite object–subject orientation “from the bottom up,” fully retains its meaning. It is expressed in the objective historical necessity of commodity–production relations and their conscious use for the development of modern productive forces. Therefore, the advancement of subject–object dependence in the socialist market economy takes place in the dialectical unity and interaction with the structural dependence of the political-economic system, which has an object–subject direction. Such a dialectical unity of the political-economic
system structural and dynamic aspects is not violated, but is harmoniously main-
tained and reproduced in the process of the managed historical development of
socialism with Chinese characteristics.

This article has sought to describe only some of the methodological founda-
tions for the development of the political economy of strong power, but, of course,
an explanation of the whole system remains to be presented. The main content of
this theory, its logical structure and categorical apparatus goes far beyond the
scope of a single article. However, the methodological outline presented here may
be sufficient to formulate this theoretical problem and initiate preliminary critical
discussion in scientific literature. In light of positive results arising from this sci-
entific discussion, it is hoped that this political-economic concept can be devel-
oped more fully in the process of theoretical research based on the methodology of
the Odessa school of political economy (see above). Over time, it may be possible
to develop an integrated and systemic description of all the economic categories,
taking into account the criticisms and proposals that emerge in the process of
discussion.

It should also be borne in mind that the categorical understanding of great his-
torical events can be facilitated by a certain distance, which makes it possible to
look at things as if from the outside; it was no coincidence that Marx called Kant’s
philosophy the “German theory of the French Revolution” (Marx [1842] 1955,
88). Great things are better seen from afar. Such a relatively detached view can
lead to a slightly different understanding of the historical process than a view from
the inside, from the side of people living in the thick of events. When people look
at a monumental canvas from a close distance, too close to see the whole picture
as a whole, they see in front of them, first of all, strokes, colors, paints, unevenness
of the canvas, the play of light. Therefore, in order to “grasp” a single picture as a
whole, you need to step aside.

Likewise, an outside perspective helps to achieve the level of abstraction that is
necessary for a special theoretical point of view on these great historical events. In
this case, we are talking about the Odessa school of political economy, which is by
no means closed like a dogmatic sect. Instead, it is open for a creative dialogue
with the outside world and needs to compare different approaches and points of
view in order not to “stew in her own juice.” Such openness and the need for the
exchange of thoughts is generally characteristic of port cities.

Since Odessa, like Shanghai, is a seaside city, the Odessa school is somewhat
reminiscent of a coconut tree that grows on the seashore, and waves can carry its
seeds to new shores. Therefore, the Odessa school of political economy is always
open for scientific cooperation with foreign and, above all, Chinese colleagues in
the process of further development of the innovative Marxism theory and
methodology.
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