



Nieuwe
Communistische Partij
van Nederland

The position of the NCPN on China

Theses on the development of class relations and the restoration of capitalism in China

Central Committee of the NCPN
JUNE - 2026

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Foreword

On Saturday 20 June 2026, the NCPN held a Party Conference. Two draft documents setting out the theses of the Central Committee were tabled for discussion at this conference. The first concerned the NCPN's view of socialism. This is the second document, which addresses the NCPN's position on China.

The Central Committee's decision to include this topic on the agenda for this conference was made in accordance with the decisions of the 7th Party Congress. These decisions stipulated that the nature of China must be studied in greater detail, given the prominent role China plays on the world stage.

In preparation for the conference, the theses of the Central Committee were discussed within the party branches and the CJB. The conference expressed its support for the further development of the NCPN's position on the basis of these theses.

Introduction

China is playing an increasingly important role on the world stage today. The United States in particular, but also NATO and the EU, regard China as their principal competitor. The contradiction between the United States and China has a decisive influence on all current international conflicts and, more broadly, on international developments. In light of these contradictions, China is regularly the target of dangerous propaganda and even war-mongering.

Others, including parties connected to the international communist movement, see China as a model, an alternative, a 'modern socialist country' that could place limits on the imperialism of, in particular, the United States. Although the People's Republic of China was the product of the successful revolution of 1949, through which the Chinese people liberated themselves from imperialist oppression and began the construction of a socialist society, it cannot today be regarded as a socialist country.

From 1978 onward, the ruling Communist Party of China (CPC) implemented far-reaching market reforms that fundamentally altered the class character of China. In the Political Decision of the 7th Party Congress of the NCPN, it was already noted that "since the late 1970s, capitalist relations of production have re-emerged, with agriculture being decollectivized, central planning abolished in favor of commodity production (the market), industry largely privatized, and labor power once again transformed into a commodity." The NCPN therefore also concluded that "capitalist relations now predominate in the Chinese economy."

It is important to note that the discussion regarding the character of China is far from a purely theoretical one. The abandonment and rejection by the CPC of the fundamental laws of socialist construction –amounting in essence to a revision of all principles– has very practical consequences. First and foremost for the Chinese working class. But it also affects international relations. At the same time, it has implications for the strategy developed by the international communist movement and by each communist party in its own country.

The 7th Congress of the NCPN recognized that a proper understanding of the class character of the Chinese state is indispensable for comprehending contemporary international relations and their development. It therefore set the task of further studying this issue.

In this context, these theses have been prepared by the Central Committee of the NCPN for the party conference.

These theses are the product of a process of study and discussion spanning many years. Since its founding, the NCPN has engaged with the experiences of socialist construction in the 20th century. In 2019, within the leading bodies of the NCPN and CJB, an initial effort was made to undertake a systematic study of socialist construction in the Soviet Union and China.

As part of the study on China, background articles have recently been published under the responsibility of the Central Committee, addressing in greater detail the historical development of the strategy of the Communist Party of China (CPC), the theoretical foundations of the policy of 'reform and opening up,' developments in class relations in

China, as well as a series of articles dealing with other theoretical and historical questions concerning socialist construction.

These theses constitute a political document in which the Central Committee codifies and summarizes its positions. For substantiation and sources, we refer to the background articles published on leesmanifest.nl.

Although these propositions are the result of extensive study and discussion, they do not represent the final word. Above all, they serve as a basis for further study and discussion.

Our approach is grounded in dialectical and historical materialism, as well as in Marxist political economy and the theory of class struggle. Within this framework, the study gives particular weight to developments in the relations of production, since the economic base ultimately determines developments in the superstructure.

The Development of Class Relations and the Restoration of Capitalism in China

1. The Socialist Revolution in China

1. In 1949, the socialist revolution in China triumphed.

In the first decades of the 20th century, the population in China was confronted with brutal oppression and exploitation by imperialism and feudal remnants. The national liberation struggle against the fascist Japanese occupier, in which various social strata took part, developed into a socialist revolution, which triumphed in 1949. The success of the revolution under very difficult conditions was due to the decisive efforts of the working class and the working peasantry.

The victory of the socialist revolution in China was a world-historic milestone. The heroic struggle of the workers and peasants in China was, is, and remains a source of inspiration for oppressed peoples worldwide.

2. The socialist revolution liberated the population in China from imperialist oppression and backwardness.

The economic infrastructure was restored from the wars that had ravaged the country and were further developed. Important elements of this development included the electrification, the expansion of the transport network, the extraction of raw materials, the centralization of the banking system, and state control over foreign trade. Land reforms were also implemented, aimed at abolishing feudal landownership and transitioning to small-scale private peasant ownership.

In this way, economic backwardness was decisively addressed, laying the foundations for further industrialization and the transition to large-scale, cooperative agriculture.

3. Socialist construction improved the position of the working class, peasants, and other popular strata.

The first decades of socialist construction brought improvements in the standard of living of the population. The Chinese working class, peasants, and other strata of the people acquired social and political rights.

The socialist state organized education, healthcare, and other public provisions that were of high quality and freely accessible. Illiteracy was tackled through massive campaigns to teach people to read and write. Major advances were made in the emancipation of women, who had been severely oppressed in pre-revolutionary China.

There were also various problems, challenges, and shortcomings. Socialist construction took place under difficult conditions in an economically backward country. Nevertheless, it is undeniable that socialist construction brought significant achievements for the population.

4. These gains were the result of socialism.

The liberation and these achievements were the result of the efforts and struggles of the working class, the working peasantry, and other oppressed strata of the population for

socialist construction. They were the result of the establishment of socialist relations in the economic base and the corresponding development in the superstructure.

Of great importance was also the internationalist assistance of the Soviet Union, which supported socialist construction in China with substantial economic, technological, and political resources.

5. The Communist Party of China (CPC) played an indispensable role as the vanguard in the struggle for socialist revolution and construction.

The CPC, founded in 1921, played a leading and heroic role in its early decades in the struggle of workers and peasants in China against oppression and exploitation. The CPC was indispensable to the victory of the socialist revolution and the subsequent initiation of socialist construction. Weaknesses and shortcomings of the party, for example in the elaboration of certain strategic questions in different periods, do not detract from this.

2. Ideological Questions on Socialism in the First Decades of Socialist Construction

6. In the course of the socialist revolution and construction, the CPC did not sufficiently succeed in neutralizing pre-existing bourgeois ideological influences. Confusion and theoretical shortcomings were reflected in the elaboration of the strategy for socialist construction

In the first decades of the CPC's existence, a number of recurring strategic and ideological questions arose. Despite ideological debates and struggles, in which the party in different periods addressed these questions with varying degrees of success, the CPC did not fully resolve them or provide adequate answers to certain left-radicalist and right-opportunist deviations, in order to definitively neutralize these bourgeois conceptions. These discussions took place under extremely complex circumstances, including attempts at imperialist sabotage.

These issues persisted and influenced how the CPC approached certain questions of socialist construction. This was reflected in the further course of China's development path.

They concerned in particular, though not exclusively, the following questions, around which there was debate within the CPC and on which the party's position evolved over time, but where, in general, certain theoretical shortcomings can be observed.

7. The question of the driving forces of the revolution: the leading role of the working class was underestimated.

The discussion within the CPC on the driving forces of the revolution and socialist construction primarily concerned the role of the peasantry and the attitude toward capitalist farmers. The working peasantry is an indispensable ally of the working class in socialist construction. However, only the working class can be the leading force of the socialist revolution, by virtue of its objective social position.

In general, the CPC overestimated the role of the peasantry in the revolution and underestimated the leading role of the proletariat and its party. This conception was fuelled by the fact that the proletariat was initially relatively small due to the limited development of industry in China. Due to this backwardness in the development of the

productive forces, securing the leading role of the working class presented a greater challenge. The relative predominance of other classes and strata in Chinese society fuelled ideas about cooperation with sections of the bourgeoisie in the struggle against the major imperialist powers. Even in periods when the leading role of the working class was formally emphasized, the party did not sufficiently succeed in concretely giving substance the leading role of the proletariat.

This problem was also reflected in the composition of the party, in which the working class was underrepresented in the ranks of the CPC, while petty-bourgeois elements predominated in the composition of the party. This created space for the persistence of (petty-)bourgeois ideological influences within the party. Although the party itself repeatedly identified this problem, it did not succeed in addressing it effectively.

The underestimation of the leading role of the working class undermined confidence in the capacity of the working class and workers' power to overcome the problems arising in socialist construction, and in this sense encouraged the search for 'solutions' in the direction of market reforms.

8. The question of the relationship between party and masses: the vanguard role of the party was underestimated.

A deep connection with the masses and continuous feedback are, of course, of great importance, particularly with the working class of which the party itself is a part. However, within the CPC there was a tendency to underestimate the leading role of the party. This was expressed, among other things, in the elaboration of the 'mass line' and the idea that the party is an expression of the will of the masses, whereby the party in essence followed the masses. This undermined the leading role of the party as a vanguard. In practice, it can lead to capitulation to bourgeois conceptions which – especially in the initial phase of socialist construction – still exert significant influence over large sections of the masses.

9. The question of alliance policy: the 'national bourgeoisie' was incorrectly regarded as an ally in socialist construction.

The CPC divided the bourgeoisie into a 'national bourgeoisie' and a 'comprador bourgeoisie'. The latter was seen as primarily linked to imperialism and as a class to be eliminated, while the 'national bourgeoisie' was regarded as an ally. The CPC held an ambiguous position on this alliance, which evolved over time, but in general the alliance with the 'national bourgeoisie' was not only considered within the framework of the national liberation struggle against imperialist oppression and feudal reaction, but also within socialist construction. It was therefore wrongly assumed that socialist revolution and construction could proceed without a break with the 'national bourgeoisie'.

This position developed in the context of underlying theoretical and methodological problems. For example, the theory of non-antagonistic contradictions as developed within the CPC. It also related to the way in which the bourgeoisie was categorized into a 'comprador bourgeoisie' and 'national bourgeoisie'. Although this division was linked to analyses of the material position and interests of different sections of the bourgeoisie, there was a problematic tendency to classify the bourgeoisie on the basis of political loyalties, which, however, tend to be very fluid. This was also connected to a tendency to conflate class and nation, equating the interests of the working class with those of the 'national bourgeoisie'. The CPC did not succeed in fully breaking with the

bourgeois nationalism that had been a driving force of the bourgeois-democratic revolution in China and from which the CPC itself historically emerged.

The assumption that socialist construction could proceed without a rupture with the 'national bourgeoisie' was reflected in the strategy for building the socialist economy, for example in the strategy of the 'peaceful transformation' of industry and commerce. It also manifested in contradictions such as the overly confident assessment in 1956 that there had been a "total and decisive victory in the socialist transformation of agriculture, handicrafts, and capitalist industry and commerce," while the CPC itself acknowledged that socialization had not yet been completed and that even capitalist exploitation had not yet been fully abolished, even though efforts were certainly being made to lay the foundations of a socialist economy.

10. The question of the character of workers' power: the socialist state power was incorrectly also regarded as the power of the 'national bourgeoisie'.

The above-mentioned issues were reflected in the CPC's conception of the superstructure. The People's Republic was defined as a 'people's democratic dictatorship'. In this framework, power was exercised not only by the working class – which was assigned a leading role– and its 'natural' allies in the struggle against capitalism, namely the peasantry and the petty bourgeoisie, but also by the national bourgeoisie.

11. The question of the construction of the socialist economy: the theory of 'socialist commodity production' hindered the development of a strategy for deepening socialist construction.

A key issue was that, already in the course of the 1950s, the CPC embraced the theory of 'socialist commodity production'. The assessment that commodity production is not a remnant of capitalism to be overcome in the course of socialist construction, but that it can possess a socialist character, weakened the party's ability to develop a strategy for deepening the construction of the socialist economy. In the long term, this theory also created space for the further development of opportunist conceptions that later facilitated the re-emergence of capitalist relations of production in China.

12. The question of socialist construction in the Soviet Union: under the guise of a critique of revisionism, the CPC arrived at an unfounded assessment.

In the early 1960s, relations between the CPC and the Communist Party of the Soviet Union (CPSU) deteriorated due to diplomatic and geopolitical disputes. The CPC criticized certain opportunist positions that had come to dominate following the 20th Congress of the CPSU, particularly regarding the question of the state and international politics. However, this criticism stood in sharp contrast to the reality that the CPC itself largely embraced underlying market-oriented conceptions in practice. The CPC had initially also welcomed the decisions of the 20th Congress.

Over the course of the 1960s, the entirely unfounded and untenable theory was developed that labeled the Soviet Union as 'social-imperialist' and the Soviet state as a dictatorship of a 'new bourgeoisie', thereby effectively adopting a counterrevolutionary position. Diplomatic relations between the two socialist countries reached a low point following a border conflict in 1969. The class character of a state cannot be assessed solely on the basis of revisionist positions of the ruling party on the state and

international politics, without examining the relations of production. These developments had a negative impact on the international communist movement.

They also contributed to confusion within the CPC, which on the one hand presented itself as a defender of Marxism-Leninism against revisionism in the CPSU, while on the other hand itself developed market-oriented and other problematic, opportunist positions.

3. Market Reforms and the Restoration of Capitalism in China

13. In 1978, right-opportunist positions gained the upper hand and decisions were taken that formed the political and ideological basis for the dismantling of socialism in China.

In the course of the 1960s and 1970s, class contradictions and ideological struggle within the CPC escalated, partly because the party insufficiently succeeded in to unite in the formulation of a strategy for effectively deepening industrialization and the socialization of agriculture and industry.

This was expressed in the Cultural Revolution, which rightly raised the problem of bourgeois influences. However, it did not lead to a coherent strategy. Among its proponents, there was also considerable confusion regarding the aforementioned and other questions, including left-radicalist and right-opportunist deviations.

In the aftermath of the Cultural Revolution, right-opportunist views gained influence. Views that reflected the interests of social strata that would benefit from the strengthening of market mechanisms and even capitalist relations. This became visible at the 11th Congress in 1977, but the decisive turning point was the decisions of the Third Plenum of the 11th Central Committee of the CPC. These decisions, which built on existing weaknesses while also constituting a rupture, laid the political and ideological foundations for the dismantling of socialism in China.

14. Real economic problems, which were used as a pretext for the market reforms, required a deepening of socialist relations.

At the time, the CPC identified mostly real economic problems. Disproportions in the economy were observed – that is, different sectors were not properly aligned. For example, agriculture lagged behind industry, and various sectors within agriculture and industry were also poorly coordinated. This led to what the CPC termed ‘excessive capital construction’, where means of production accumulated in some sectors while shortages existed in others. Related to this were problems in aligning supply with needs. For example, overproduction or underproduction of a product, or quality of goods that insufficiently corresponded to needs. Finally, technological innovation lagged, and bureaucratic and inefficient practices were experienced.

These are economic problems that can arise in the course of socialist construction. They are primarily caused by the immaturity of communist relations and the remnants of capitalist relations in production and distribution. They are overcome through the deepening of socialist relations.

The problems required improvements in central planning, including the development of indicators and criteria to better ensure quality in production and to allocate productive

forces more effectively based on proper analogies. They required further development of workers' control, to better involve the population in the formulation, implementation, and concretization of the plan, to ensure feedback from below and continually adapt the plan to changing social needs, and to effectively improve unproductive and bureaucratic practices. They also required further socialization of labor, enabling working people to develop in a comprehensive and creative way and to contribute effectively to social production.

15. Economic problems were wrongly attributed to central planning, leading the market to be seen as the 'solution'.

The CPC failed to develop and concretize a viable strategy for deepening socialist relations. This was partly due to the previously mentioned confusion on various theoretical questions, which also existed among those opposing the right-opportunist current within the party. Instead, views prevailed that attributed these problems to socialist relations.

According to the CPC, the main cause of the economic problems was 'excessive control', referring to central planning of production and distribution. The CPC concluded that central planning was incapable of responding to the complex and constantly changing needs of the people.

Thus, real problems were incorrectly attributed to central planning. In this context, weakening central planning and introducing market mechanisms appeared as the 'solution' to these problems.

The problems required the development of a strategy to enable the deepening of socialist relations, but instead the CPC reverted to capitalist methods such as market mechanisms.

16. The unscientific theory of the 'socialist market economy' served as the ideological justification for the market reforms.

Building on the already existing conception of 'socialist commodity production', the CPC developed the theory of the 'socialist market economy'. This theory contradicts Marxism, since commodity production is characteristic of capitalist relations of production, where it becomes predominant and takes on a general character.

In contrast to commodity production under capitalism, socialism is characterized by directly social labor. This means that labor, means of production, and products are allocated through central planning, rather than through the market, based on social needs, which constitute the aim of socialist production, and not based on profit. Under socialism, the market is therefore abolished in favor of directly social production.

The market exists under socialism –the first, immature phase of communism– as a remnant of capitalist relations, not as a feature of socialist relations themselves.

With the theory of the 'socialist market economy', the CPC adopted the position that the market and central planning are two 'neutral' instruments that can be used in both capitalism and socialism. As a result, the CPC could no longer focus on creating the conditions for overcoming capitalist remnants and deepening socialist relations, but instead became a driving force behind the strengthening of market mechanisms and, ultimately, capitalist relations in production.

In the 1980s, 1990s, and 2000s, this theory was further supplemented with various opportunist and outright bourgeois theories and theses that distort Marxism-Leninism, within the framework of what the CPC calls ‘socialism with Chinese characteristics’.

17. The market reforms were not a temporary retreat but were wrongly interpreted as steps forward in socialist construction.

The CPC regarded market reforms and the introduction of a ‘socialist market economy’ as a step forward in socialist construction. Although the CPC itself never interpreted or presented these reforms as a temporary necessary retreat, the reintroduction of market mechanisms and the allowance of capitalists and capitalist relations in the Chinese economy is often portrayed as a kind of temporary transitional period.

These reforms are often incorrectly compared with the New Economic Policy (NEP) implemented in Soviet Russia in the early 1920s. The NEP, which allowed limited market mechanisms and capitalist relations, was a tactical, temporary retreat necessitated by material conditions, when industry was not yet capable of supplying agriculture with the means of production needed for the transition to large-scale collective farming.

This comparison is historically incorrect. The material conditions that made the NEP necessary in Soviet Russia were not present in China in the 1970s. Moreover, the NEP was explicitly defined as a temporary concession and retreat, followed by the deepening of socialist relations once material conditions were ripe. In contrast, the CPC does not view the market reforms as a retreat, but rather as a step forward in socialist construction, nor have these reforms ever been defined in any way as a retreat.

18. The law of value was incorrectly recognized as a law of the socialist economy.

As a logical consequence of viewing the socialist economy as a form of commodity production and its products as commodities, the CPC developed the theory that the law of value is a law of the socialist economy. Although the law of value applies only to a limited extent at the outset of socialist construction due to the remnants of the old society, the recognition of the law of value as a law of socialism itself had far-reaching consequences. It meant that central planning had to assess economic development based on the value generated by production. Thus, value and its various expressions – such as price, cost-benefit, and profit – were elevated to the primary economic indicators and criteria. This approach also entailed a drastic reduction in the role of central planning in economic development.

19. The introduction of the ‘household responsibility system’ led to the decollectivization of agriculture

After the turning point in the strategy of the CPC in 1978, practical steps were taken to implement the policy in the new direction. In agriculture, a series of measures between 1978 and 1984 transferred production, distribution, and other business matters fully into the hands of individual peasant households. Responsibility shifted from the communes to individual households – the “household responsibility system” (HRS). This effectively meant a return to private ownership of land and production in agriculture, as individual households gained full control over land and means of production.

In 1983, the communes were formally abolished. While land and means of production were formally still collective property, in practice peasants exercised full ownership and

of the means of production and the product, which they could freely trade. Collective ownership in agriculture thus remained a pure formality.

Decollectivization weakened the alliance between workers and peasants. The unified power of poor peasants was broken in favor of richer peasants. Income inequalities in rural areas increased, something the party itself also promoted.

20. Under the guise of ‘self-management’ and ‘production for social needs’, profit was effectively restored as the aim of production.

Based on the theory of the ‘socialist market economy’, enterprise ‘self-management’ was promoted. From 1978 onward, enterprises were granted increasing power over their own finances, materials, and personnel. They could produce commodities for sale on the market and decide how to use revenues.

Additionally, enterprises were no longer to be evaluated based on production but rather on sales. This was presented as a shift from ‘production for the sake of production’ to ‘production for social needs’, but in reality this requires strengthening central planning and workers’ control so that the plan better reflects social needs. Instead, demand became the determining factor. The shift from ‘production for production’ to ‘production for social needs’ was thus a pretext for ‘production for the market’.

The aim of these reforms was to transform state enterprises into individual units that compete against each other and maximize profit. Surplus product beyond quotas could be sold at market prices. In essence, these reforms meant that profit was restored as the aim of production.

21. The expansion of bonuses and material incentives facilitated certain social strata to appropriate part of the social product.

The reforms had significant implications for class composition of China and difference in, for example, income. Income differentiation among workers was encouraged under the pretext of combating ‘egalitarianism’. Higher wages and bonuses enabled certain social strata –especially those performing managerial rather than executive labor– to appropriate part of the social product.

22. The introduction of market elements led to a profound weakening of socialist relations of production in China.

In the 1980s and 1990s, a series of measures weakened socialist relations of production. In particular the weakening and eventual abolition of central planning; the strengthening of market mechanisms and competition; the commercialization and subsequent privatization of industry, trade, and the financial sector; price reforms allowing prices determined by the market instead of central planning; opening China to the capitalist world market, possibly also under external pressure; and reforms in labor relations.

23. With the reintroduction of wage labor, capitalist relations were restored in the Chinese economy.

Market reforms ultimately led, especially in the 1990s, to the transformation of the most important force of production, labor power, into a commodity once again. The commodification of labour power was of decisive importance, as this restored the capitalist exploitative relation of labor-capital.

Thanks to the market reforms, commodity production in China expanded again to its highest stage of development: labor power itself became a commodity that could be bought and sold on the market. Capitalist relations of production thus gained a dominant role in the economy.

24. Through privatization and the entrenchment of private property, capitalism was restored.

In the course of the 1990s and 2000s, large-scale privatization of state enterprises took place, resulting in most of the economy coming under private ownership. The share of state-owned enterprises in industrial output fell in the period 1978-1995 from 78% to 34%.

With changes in the constitution private property was also formally-juridically entrenched, reflecting developments of the economic base in the superstructure. Combined with the abolition of central planning and market reforms in remaining state enterprises, social ownership ceased to exist, and one can no longer characterize this as socialism.

Today China has a capitalist mode of production, characterized by the fundamental contradiction between labor and capital, between the socialization of production on the one hand and the private appropriation of its results on the other.

The Chinese state's intervention in the economy takes the form of macroeconomic policy. There no longer is central planning as a socialist relation of production.

25. The CPC has gradually lost its revolutionary character.

In 1978, right-opportunist views got the upper hand the CPC. Since then, the party has gradually lost its revolutionary, communist character. It has failed to overcome and correct opportunist positions such as the 'socialist market economy'. These views have been consolidated and further developed, turning the CPC into the bearer of the counterrevolutionary dismantling of socialism. The recognition of capitalists as a class contributing to socialist construction in the framework the bourgeois 'Theory of Three Represents' and the formal admission of capitalists into party membership since 2001, which had in fact been the case for some time, confirm that the CPC has lost its character as a revolutionary workers' party and is communist in name only.

26. Although the People's Republic formally continues to exist, the class content of the state has essentially changed.

The counterrevolution in China did not result in a new state or ruling party but proceeded through the general restoration of wage labor and private property, alongside corresponding changes in the superstructure.

In essence, the capitalist class has succeeded in restoring its rule. There is a capitalist socio-economic formation.

27. China continues along the capitalist path of development.

The CPC has continued the market reforms into the 21st century. By now China has enormous private monopolies operating across all spheres of the economy. Decisions at the 18th, 19th, and 20th Party Congresses have further advanced privatization and liberalization. On a theoretical level the CPC has also adopted the bourgeois theory that the role of the state in the economy is to correct 'market failures'.

28. The reintroduction of capitalism has led to the dismantlement of social gains from the socialist revolution.

A major social gain lost by the Chinese working class in the course of the market reforms was the right to work. The dismissal law has been liberalised, and social safety nets are limited. China inherited a substantial system of public services from the socialist construction, which also contributes to current economic development. Nevertheless, all kinds of public facilities, including healthcare, education, and housing, have been largely commercialized and privatized.

29. China's economic growth is based on capitalist relations.

The CPC cites economic growth as validation of market reforms. More generally, China's development is often portrayed as a success story.

However, economic growth is not a neutral or classless concept. Economic growth cannot be equated with socialism. After all, capitalism can also experience periods of significant economic growth. The question is always under which socio-economic relations growth occurs and in whose class interest.

China's impressive economic development is better understood as the result of capitalism utilizing the infrastructure and educated working class created during socialist construction. This enabled Chinese capital to achieve, initially through the state, a massive capital accumulation. Another factor was that China (like a number of other countries in Asia) closed the gap in labour productivity with more developed capitalist countries that used to have a head start.

30. China is part of the international imperialist system as a major rising capitalist power challenging the prevalence of the U.S.

Since 1979, China has opened up to the capitalist world market and developed its own economic activity abroad with export of capital in the form of direct investments and subsequently also loans. By now Chinese capital operates globally on a large scale.

The Chinese investments abroad occur within the framework of capitalist relations of production. That China claims to commit to principles such as non-intervention and mutual benefit in its external policy does not alter the class character of these economic activities.

The tremendous growth of China's economy and the export of capital challenge the prevalence which the U.S. had in the past decennia on the world stage. China is regarded as the biggest competitor. In that light, military tensions have intensified, particularly in the Pacific, where the U.S. has increased its military presence in the region, while China has invested significantly in its armed forces.

China participates in BRICS, the Shanghai Cooperation Organization, and other international imperialist alliances. The CPC and the Chinese government promote the theory of 'multipolarity', which would create a just and equal world order within the framework of the capitalist relations of production. However, such an order is impossible within the framework of capitalism, which is a system inherently characterized by injustice and inequality.

In the context of growing inter-imperialist contradictions, some forces portray China (and often Russia) as 'anti-imperialist' or 'socialist', arguing that criticism of China as a

capitalist country amounts to supporting the United States, NATO, and the EU – in short, the Euro-Atlantic imperialist bloc. Opposing war-mongering against China (or any other country) by the U.S., NATO, and the EU is indeed necessary and objectively in the interest of the working class, but this has nothing to do with maintaining illusions about China's class character – illusions that are harmful to the workers' movement.

