# **Economic Operation Mode and National Economy Regulation of Modern Marxist National Economics**

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Abstract: National economics, whose theoretical basis is directly derived from political economy, is a subject category and scientific proposition for studying the operation mechanism and management methods of national economy; it is the promotion and application of Marxist economics, and also the applied macroscopic empirical economics which combines general economy principles, administrative management and social statistics. The fundamental mode of economic system operation is the countermeasure process of the government and the public on the basis of incomplete information guided by limited role of market mechanism; and national economy regulation of the process of withdrawing capital from one production area and transferring it to another due to the increase or decrease of the market value caused by imbalance; both of them are all important aspects of national economics research. On the basis of summarizing and analyzing previous research works, this paper analyzes the economic operation mode and national economy regulation of modern Marxist national economics from the perspectives of basic framework, core category, conceptual connection and mathematical model with the method of national income theory and macro analysis theory. The study results of this paper provide a certain reference for further research on Marxist national economics.

#### 1. Introduction

The object of Marxist national economic research is the market economy, and has not completed the study of the world market; therefore, the national income model does not have economic exchanges with other countries. Through the study of the micro-foundation theory of labor theory of value, Marx clearly defines that only the labor of the laborer can create value, and the physical capital of machinery, plant, equipment and so on only transfer its value and does not add new value. The re-production of total social capital and the realization of total social output value are the basic models of Marxist overall analysis of macroeconomics. The basic theoretical analysis framework of Marxist national income is the economic structural analysis framework with the balance of production and consumption and the balance of proportions. The basic balance condition of Marxist national income is the basic balance formula of the simple reproduction and expansion of reproduction of Marxist two major categories. Marxist so-called national income balance includes the balance between total social supply and total social demand. It also includes the balance between total social investment and total social consumption [1]. It is worth pointing out that the basic theoretical framework of Marxist national economic macro analysis is the logical conclusion of its microeconomic theory analyses in the overall development of the national economy, but Marxist national income theory seems difficult to expand in the follow-up development of Marxist economics. This requires a detailed study of its mode of operation and regulation of the national

The methods used in the qualitative study of economic things are generally called the methodology of economics. The methodology of Marxist political economy is materialist dialectics and historical materialism. It is not only the essence of Marxist economics, but also the basic starting point of Marxist economics and the basic perspective and general basis for exploring economic issues. This analysis process analyzes economic affairs from the perspective of the unity, dialectical and historical perspectives, revealing the essential forms of economic affairs and the

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most general developmental changes [2]. The study of the method of financial resources in the study of national economics is to find the full play of the various economic resources of the society, especially the full use of labor resources, to achieve the effect of rapid economic growth, and to avoid overheating and inflation. According to the requirements of practice, the key to constructing Marxist national economics is to have two arguments: it first is argued that the national economy established under the socialist market economic system must be artificially regulated, rather than let the laws of the market economy act spontaneously; the second is to demonstrate that economic regulation must follow the basic principles of Marxism; with these two arguments, it can be regarded as Marxist national economics [3].

On the basis of summarizing and analyzing previous research works, this paper analyzes the economic operation mode and national economy regulation of modern Marxist national economics from the perspectives of basic framework, core category, conceptual connection and mathematical model with the method of national income theory and macro analysis theory. The study results of this paper provide a certain reference for further research on Marxist national economics. The detailed chapters are organized as follows: Section 2 introduces the economic operation mode of modern Marxist national economics; Section 3 proposes the national economic regulation of modern Marxist national economics; and Section 4 is conclusion.

### 2. Economic Operation Mode of Modern Marxist National Economics

In economic theory and methodology, modern Marxist national economics proposes unique premise assumptions, theoretical structures and methodologies. In terms of theoretical structure, it believes that the theoretical structure has only micro and macro levels, and assumes that the economic entity at the micro level is a rational individual; it can achieve market equilibrium at the macro level by virtue of price and competition at the micro level. It assumes that the economic entity at the micro level is a bounded rational individual, and the macro level is an accumulation system. It is considered that the price cannot truly reflect the relationship between supply and demand, and the behavior of the micro-subject cannot conform to the accumulation system. The need for development will inevitably lead to a capitalist crisis. In the process of social reproduction, the form and function of the state are derived. The state is the basic element of capitalist reproduction and reflects the basic contradiction of reproduction. In the process of state regulation, various systems and procedures are derived, which have the contradiction between economic entities. The role of conflicts; state functions and class struggle are closely related, and all class societies need to use political power to safeguard the interests of the ruling class. There is a trade-off between the unemployment rate and the inflation rate: the inflation rate will rise and the unemployment rate will inevitably fall. Conversely, if the inflation rate declines, the unemployment rate will inevitably rise.

The content of national economics includes three parts: the system of national economy, including the various economic elements of ownership and their realization forms, the market system, the industrial economic structure, the operation of macroeconomic variables such as finance, finance, market price and employment, and the economic relationship between urban and rural areas., regional and national economy, national economic management institutions, etc.; national economic operation and management methods, including planning regulation and market regulation, national economic and social development planning, market system management, economic responsibility system and income distribution system, state-owned asset management, natural resource management and human resource management, social security system, financial management and financial management, foreign economic management, etc.; national economic management methods, including national accounting system, national economic indicators statistics, market parameter system in the national economy, national income and expenditure system, and so on. The relationship between fairness and efficiency is a main line in social and economic life. This problem is particularly prominent and sensitive in the market economy. How to define the relationship between the two from the combination of theory and practice and the performance and treatment of the two at different stages of productivity development are extremely important [4].

The movement of money into the total product of society has caused the split between the value movement and the physical movement, thus creating the possibility of imbalance between total supply and total demand. The reason is that after the production of social products, its value is transformed into the form of monetary income, and finally it becomes the total demand in the form of money, which requires a series of processes of distribution and redistribution. At this stage, the economic entities involved are the state and the enterprises that operate independently. These include the redistribution of financial deductions, credit deposits, price fluctuations, and so on. The resulting investment demand and consumer demand in the form of money will not be compatible with the total supply and its composition in terms of total volume and composition. Contradiction is always produced at the same time as the method of resolving contradictions. Since the imbalance between total supply and aggregate demand is generally generated in the process of distribution and redistribution of national income, the macro control mechanism is in the economic link among them. Participation in the distribution and redistribution of national income, such as taxation, finance, credit, price levels can be a constituent element of the macro regulation mechanism.

## 3. National Economic Regulation of Modern Marxist National Economics

In the real economic operation, the most important environmental factors that often play a role in micro-regulation costs are, first and foremost, market conditions. In the market economy, the effectiveness of micro-regulation of enterprises depends largely on market conditions. On the one hand, the initial signal guiding micro-regulation behavior of enterprises comes from the market. Without accurate market price information, it is impossible for enterprises to accurately grasp the direction and degree of change of demand, and it is impossible to understand the distribution of resource scarcity intensity, so that it is impossible to correctly adjust production scale and production direction. On the other hand, the benefits of micro-regulation can ultimately be achieved through the market. The purpose of micro-regulation of enterprises is to obtain higher operational benefits through regulations to production scale or production direction. This kind of expected benefit can only be realized if the products or services provided by the new round of production after the regulation are successfully sold through the market. Therefore, if the market system is sound, the functions are perfect, the rules are complete, and the operation is standardized, the micro-regulation must be easy to avoid decision-making mistakes. After the implementation is implemented, it is easy to achieve the expected benefits as soon as possible, thus effectively reducing the frictional cost in the micro-regulation process. And time delays, reducing opportunity losses and saving operating costs. On the other hand, if the market system is incomplete and the operating rules are disordered, it will inevitably increase the uncertainty and risk of micro-regulation decision-making, increase the difficulty of regulation, and thus increase the micro-regulation cost [5].

There is a mutually reinforcing relationship between demand and supply in the national economy. Artificially suppressing demand will prevent production from getting the market it deserves, and the result will also suppress supply. On the contrary, proper implementation of artificially stimulating demand will result in market support for production and, as a result, supply. Therefore, there will be various means of expanding financial resources in the regulation of the national economy, issuing additional currency, issuing government bonds, expanding taxes, and increasing government spending. The general purpose of the use of these means is to increase the wealth. The problem of financial research in the study of national economics is to find out the role of all kinds of economic resources, especially the full use of labor resources, to achieve rapid economic growth, and to avoid overheating and inflation.

In the most general sense, if there is a macro-level conscious regulation in the commodity economy, it can only be a limited regulation. This is because, under the conditions of commodity production, independent stakeholders are actively engaged in production and exchange, and the social demand-oriented social production is extremely complicated due to the extremely complex changes in social needs. The changes are also extremely complicated. Therefore, the production

behavior and exchange behavior of the dispersed stakeholders show great randomness in each individual occasion. The overall trend of economic operation can only be hidden by the statistical laws behind a large number of random phenomena. National regulation features and composition of modern Marxist national economics is shown in Figure 1. Therefore, if we want to artificially regulate the production and exchange in the commodity economy from a macro perspective, it can only be a rough and thus limited regulation. The enterprise accurately predicts and controls hundreds of millions of actual production activities and exchanges. In order to ensure that the new operating mechanism truly has the function of two stage and two way regulation, in addition to the scientific regulation of the mechanism of the state regulation market and the market guidance enterprise, the necessary reverse regulation devices should be carefully designed and constructed. At the level of market reversal at the national level, consideration may be given to establishing a supporting organization consisting of market associations, market arbitration committees and realignment committees [6].

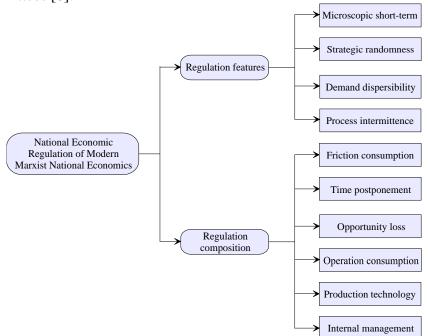


Figure 1 National regulation features and composition of modern Marxist national economics

Marxist world economics mainly involves the study of two problems, one is the study of labor value and the other is the study of the law of the change of commodity value. In the process of studying the value of labor, it believes that in the process of formulating the value of commodities, the state needs to make a scientific judgment on the average level of state labor. Only labor with labor efficiency exceeding the average labor level of the country has its own the value of existence. For labor that is lower than the national average labor level, it cannot be called normal labor. It can be seen from this that the study of labor value should be based on the average national labor level. In the process of studying the law of the change of commodity value, it pointed out that the value of goods is determined by its own production efficiency, which determines the labor efficiency of a country. As long as the countries with higher production efficiency do not lower the selling price of the goods due to other factors, or lower the selling price below the cost of goods. Then the country still has a strong level of labor, and the law of change in the value of goods will not change with the change of labor efficiency.

#### 4. Conclusions

On the basis of summarizing and analyzing previous research works, this paper analyzes the economic operation mode and national economy regulation of modern Marxist national economics from the perspectives of basic framework, core category, conceptual connection and mathematical

model with the method of national income theory and macro analysis theory. The results show that the basic mode of economic system operation is the countermeasure process of government and justice on the basis of incomplete information guided by the limited role of market mechanism; the study results of this paper provide a certain reference for further research on Marxist national economics. the research results of this paper are for further research on national economics of Marxism. Provide a certain reference. The movement of money into the total product of society has caused the split between the value movement and the physical movement, thus creating the possibility of imbalance between total supply and total demand. In economic theory and methodology, modern Marxist national economics proposes unique premise assumptions, theoretical structures and methodologies. In the most general sense, if there is a macro-level conscious regulation in the commodity economy, it can only be a limited regulation. The purpose of micro-regulation of enterprises is to obtain higher operational benefits through regulations to production scale or production direction. This kind of expected benefit can only be realized if the products or services provided by the new round of production after the regulation are successfully sold through the market.

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