The Relationship between the Social Production Mode of Marxism-Leninist Political Economy and Modern Industrial Society

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Abstract: Marxist-Leninist political economics believes that people organize production activities in a social environment, and form a certain interest relationship, that is, distribution relationship, in the production process. Production relations and distribution relationships are two aspects of the same thing that correspond to productivity. Leaving the distribution to talk about production, production will become production in general. Leaving production talks about distribution, distribution will lose the premise of existence. The basic trend of the distribution relationship also indicates that the production relationship determines the distribution relationship, and what kind of distribution method is indispensable in what kind of production mode. The distribution relationship is the result of changes in the production relationship, and the rational adjustment of the production relationship will promote productivity. In the process of economic development, consciously adjusting the distribution relationship and production relations according to the development of productivity is of great benefit to promoting sustained and rapid economic development.

1. Introduction

Adam Smith, the father of economics, first analyzed the issue of distribution and elaborated on the main sources of distribution [1]. However, Smith's research focuses on the production field, and the distribution theory is subordinate to the entire theoretical system, which determines that Adam Smith's analysis of the distribution relationship must remain on the surface. Adam Smith decomposes all the annual products into wages, profits, and rents [2]. He believes that these three kinds of income are in turn owned by laborers, entrepreneurs, and landowners [3]. This kind of thinking essentially understands the distribution as a distribution of products, while ignoring the production conditions and distribution relations embodied in the economic category.

In contrast to Smith's analysis of the distribution relationship, David Ricardo clarified the relationship between wages, profits, and rent, essentially placing workers, business owners, and landowners in opposition, meaning Ricardo began to focus on analyzing the interrelationships between people behind the form of distribution [4]. However, his vision is only production, and he believes that distribution is the object of modern economics. He believes that the value of products should be distributed to the owners of the elements according to the productive services provided by each element, but he separates production from distribution and elaborates on production, distribution, and consumption [5]. In the elaboration analysis, he only noticed the difference in the external manifestations of the two, but did not find the deep connection between the two.

It can be seen that Marx's former bourgeois economists either mixed production and distribution, or segregated the two, and adhered to the superficial phenomenon for analysis, without in-depth exploration within the law, and thus did not really reveal the distribution relationship.

2. Marxist-Leninist theory of capitalism

2.1 Capitalist economic relations

Commodity economy is an economic form of production for the purpose of exchange.
Commodities are labor products that are exchanged to meet people's needs, and are the contradictory unity of use value and value [6]. The value of a commodity is the labor that condenses in the commodity, and the amount of value is determined by the amount of labor consumed to produce the commodity. Commodity exchange is based on the value of quantity, and according to the principle of equivalent exchange, the law of value is formed. The exchange of goods is mediated by money. Money is a commodity that is formed in the long-term exchange process and acts as a general equivalent. The contradiction between private labor and social labor constitutes the basic contradiction of the private commodity economy.

2.2 The real form of capitalist economy

Free competition capitalism and monopoly capitalism are the two stages of capitalist development. Free competition leads to production concentration and capital concentration. Monopoly refers to a small number of capitalist large enterprises that manipulate and control the production, sale and price of goods in one or several departments through agreements or joints in order to obtain high profits. The union of these large monopolies is a monopoly organization. Monopoly does not eliminate the economic foundation of competition. It requires competition to maintain, and competition becomes more complicated and intense [7]. Financial capital is a kind of monopoly capital formed by the integration of industrial monopoly capital and bank monopoly capital. The essence of monopoly capital is to obtain monopoly profits, that is, the high profits of monopoly capitalists who obtain more than average profits by virtue of their monopoly in social production and circulation [8].

State monopoly capitalism is a monopoly capitalism in which state power and private monopoly capital are combined [9]. It is the product of the rapid development of science and technology and the socialization of production, and is the inevitable outcome of the further sharpening of the basic contradiction of capitalism. State monopoly capitalism has not fundamentally changed the nature of monopoly capitalism. Its essence is the alliance and combination of bourgeois state power and monopoly capital power [10]. After the establishment of monopoly in the country, monopoly capital began to expand to the world through the export of borrowing capital, output of production capital and output of commodity capital, expanding its ruling power abroad and establishing international monopoly.

2.3 The development trend of contemporary capitalism

Capital accumulation will push the basic contradictions of capitalism and intensify capitalism. Meanwhile, the concentration of means of production caused by state monopoly capital will be a prerequisite for socialism to provide material preparation and development. This does not mean that capitalism will die on its own in the short term. The transition from capitalism to socialism is a long-term historical process.

3. Marx's understanding of distribution relations and production relations

Marx clearly stated that the relationship between production relations and distribution is inseparable. When leaving the distribution to talk about production, production becomes production in general, and leaving production to talk about distribution, distribution will also lose the foundation and premise of existence.

3.1 Distribution relationship, production relationship is not an eternal natural relationship

The bourgeois vulgar economists believe that the distribution of income or products is derived from the laws of human production itself and is an eternal natural relationship. Marx argues that “the distribution relationship is a special social form that is consistent with the historical provisions of the production process, and that people are compatible with each other in the reproduction process of their lives, and that these forms and relationships are produced. These distributions The historical nature of the relationship is the historical nature of the production relationship. The distribution relationship only represents one aspect of the production relationship.
Marx believes that not only the distribution relationship is historical, but the production relationship is also historic. Marx believes that the capitalist mode of production is a special mode of production, it takes the social productive forces and its development stage as the material basis. The production relations that are compatible with the capitalist mode of production have a unique and historical nature. On the one hand, it is only a gradual criticism of bourgeois economics. It can be seen that if the historical nature of the production relationship is negated, the essence is simple labor. The process is equated with a complex social production process.

3.2 Distribution of production conditions and distribution of products

The distribution relationship of production conditions is the distribution of production materials among different people, that is, ownership relations. The distribution relationship of products or income means that the value created by the additional living labor can be separated from the total product and divided into three forms of income: wages, profits and land rents, which are attributed to laborers, capitalists and landowners.

The distribution relationship of production conditions and the distribution relationship of products belong to two concepts, which have different functions and cannot be confused. Any kind of distribution of consumption data is only the result of the distribution of production conditions itself. The distribution of production conditions shows the nature of the production method itself. For example, the material conditions of production are capital and real estate. The form is in the hands of non-laborers, and the masses of the people are only the personal conditions of production, that is, the labor force. Since the elements of production are distributed in this way, the distribution of consumption data is now naturally generated. It indicates the relationship between the distribution conditions of production conditions, the distribution relationship of products and the mode of production: The distribution relationship of production conditions plays a fundamental role, which determines the nature of capitalist production methods and ultimately determines the distribution of product value. During the primitive accumulation of capital, laborers were deprived of means of production, lost the opportunity to combine with means of production, and production conditions were concentrated in the hands of a few capitalists. The distributional relationship of capitalist production conditions determines the final form of capitalist product distribution—the opposition between capital and wages. If a part of the product is not converted into capital, another part of it will not be in the form of wages, profits and rent.

3.3 Production relationship and distribution relationship are inseparable

Marx made it clear that the relationship between production and distribution is an inseparable unity. When leaving distribution and talking about production, the direct production process is abstract and cannot be transformed into a specific social production process. Because the social production process is first of all a simple labor process, and secondly, it is carried out under a certain production relationship between people. There is a big difference between the two and cannot be simply equated. The separation of production and distribution essentially equates the social production process with the simple labor process. Production is organized by people. It is inseparable from the role of people. People have an interest relationship in the production process. Product distribution is carried out in a social environment, and production and distribution must be closely linked.

Therefore, when we discuss the essential characteristics of socialism, that is, to maximize the satisfaction of the needs of the broadest masses of the people, and leave the premise of distribution according to work, then this proposition will become an empty abstract concept. It can be seen that the production relationship and the distribution relationship are two aspects of the same thing corresponding to productivity. One is the distribution relationship and the other is the production relationship. Among them, the distribution relationship is the opposite of the production relationship, the adjustment of the production relationship is expressed in the distribution relationship, and the two need to adapt to the development level of productivity; the production relationship determines the distribution relationship, and the distribution relationship represents the production relationship,
which are closely related and inseparable.

4. Relevance of distribution relationship and production relationship

Marx believes that the relationship between distribution and production is two aspects of the same thing. The two are positive and negative, inseparable. This kind of thinking is reflected in his analysis of the process of capital circulation, the process of production and transformation of surplus value. The analysis of surplus value in Capital Theory embodies the inseparable thought of production and distribution. It not only discusses the specific production process, but also describes the distribution of products: the wages of workers and the surplus value created by the capitalists without compensation, revealing the surplus value. The production process of surplus value is essentially the process of capital exploitation of labor. Surplus value is the product of all prepaid capital, which translates into profit. The transformation of surplus value into profit is not a simple noun to noun transformation. This form of transformation masks the source of surplus value and the secret of its existence. In fact, due to the need of competition, capitalists will use part of their profits to expand reproduction, which is the premise of capital accumulation. At the same time, driven by high profits, various departments will start fierce competition, and the final profit rate will tend to average. The formation of average profit rate is the inevitable result of the objective law that production relations must adapt to productivity. It is the expression of capitalist production relations. The essence is that surplus value is redistributed among different capitalists.

The average profit rate has a downward trend, revealing the historical temporary nature of capitalist production methods, and also determines the historical temporary nature of capitalist production relations and distribution relations. In addition, the production price that plays a regulatory role in the entire capitalist production process is regulated by the average profit rate and the distribution of capital between different social production sectors. Here, profit is not a major factor in the distribution of products, but as a major factor in the production of the product itself. The conversion of surplus value into land rent is the dominant manifestation of the mode of distribution to the mode of production. The land rent is essentially the part of the excess profit that the land owner obtains above the average profit. The transformation of the landowner from the production process into a pure land lessor has changed the status and role in production. This is the inevitable result of the development of capitalist production methods. Through the analysis of the problem of surplus value conversion, Marx reveals that the distribution relationship is the performance of the production relationship. The two have historical temporariness, and the distribution relationship belongs to the category of production relations.

The basic economic law that determines the mode of distribution of production methods can also be a measure of fairness and justice. “Only when this mode of production has gone through a long period of its own declining stage, when it is mostly outdated, this increasingly unequal distribution is considered unjust. Only at this time, people began to resort to the so-called eternal justice from the outdated facts.” Political economics clearly sets the standard of judgment for us. All distribution methods that adapt to the development of productive forces are fair and just. On the contrary, they are unfair and unjust. What we usually say against capitalism is not just because it is unfair and unjust, but the contradiction between capitalist mode of production and distribution has reached an irreconcilable level. It must be replaced by a completely new system.

5. Conclusion

This paper analyzes the relationship between the social production mode of Marxism-Leninism political economy and modern industrial society. The issue of distribution is related to the vital interests of everyone. Whether the issue of distribution can be handled well is a big issue that affects the overall development of the economy. In the process of economic development, consciously adjusting the distribution relationship and production relations according to the development of productivity is of great benefit to promoting sustained and rapid economic development.
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References


