

## The Characteristics of He Ganzhi's "The Reader on Chinese Economy"

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Abstract: He Ganzhi's first work on the study of Chinese economic issues using Marxist theory, "The Reader on Chinese Economy", provides a detailed analysis of the semi-colonial and semi-feudal characteristics of modern Chinese economy. The book cites several comprehensive economic data points to demonstrate the dual nature of China's economy, concluding that "the semi-feudal and semi-colonial nature is characteristic of the Chinese economy, which can be termed a 'semi-colonial semi-feudal society'." This work objectively promotes Marxist theory and accurately elucidates the features of modern Chinese economy" in the 1920s and 1930s.

Keywords: He Ganzhi; "The Reader on Chinese Economy"; characteristics of authorship; influence

### **1. Introduction**

He Ganzhi (1906–1969), born in Taishan, Guangdong, was a modern Marxist historian in China. His research covered a wide range of fields, including the history of Chinese social economy, intellectual history, and revolutionary history. He made significant contributions to the development of Marxist historiography in China through his extensive body of work. "The Reader on Chinese Economy" is one of his important contributions to the debate on the nature of Chinese society in the 1920s and 1930s, published by the Shanghai Realistic Publishing House in September 1934. The book provides an indepth analysis of the fundamental characteristics of modern Chinese society and concludes that China at that time had a semi-colonial and semi-feudal nature. It refutes opposing scholarly views on the nature of society and actively promotes the Marxist materialist historical perspective, generating a significant response in China's intellectual circles at the time. Today, "The Reader on Chinese Economy" remains an essential reference for studying the nature of modern Chinese society and the "true nature of the Chinese economy" in the 1920s and 1930s. This article will analyze the characteristics of this work.

# 2. The Distinctive Guiding Ideology of He Ganzhi's "The Reader on Chinese Economy"

He Zhenzhi is an economist and historian with a profound grounding in Marxism. As early as 1925, while studying at Guangdong University, he delved into progressive literary publications edited and published by the Literary Research Society and the Creation Society, as well as reading magazines such as the Communist Party's 'The Guide' and 'New Youth.'[1]In 1934, He Zhenzhi officially became a member of the Chinese Communist Party. From that point on, he took on the role of a soldier in the Marxist social science movement led by the Party, passionately dedicating himself to writing.[2]During this period, he authored a series of works, including "A Reader on Chinese Economics" and "Debates on the Nature of Chinese Society," establishing his status as a Marxist historian. He Zhenzhi believed that "a historian must have a solid foundation in Marxist theory." "A Reader on Chinese Economics" is one of his works guided by Marxist theory, meticulously studying Chinese economic issues with the aim of observing the nature of Chinese society through an explanation of its economic characteristics.

In this book, He Zhenzhi, guided by a materialist historical perspective, begins by analyzing the production methods of modern Chinese society to delve into its economic and social characteristics. He asserted that "to study a society, one must start with its production methods. Only by understanding the features of these methods can we grasp the differences between the current economic structure and those of previous stages." [2]"What is the method of production? The method of production refers to the ways in which production forces are combined." [2]"Each society has its own method of production. With the capitalist method of production comes the emergence of capitalist class relations; with the feudal method of production arises feudal class relations."[2]Indeed, to study the social nature of modern China, one must begin with its methods of production and examine its economic structure. He Zhenzhi noted that "before capitalism penetrated China, it was a feudal agrarian state under the absolute despotism of the Qing Dynasty," where "the entire social production relationship was composed of agriculture and industry, with agricultural relations being fundamental," while "industrial relations were merely a byproduct

of agricultural relations." Rent was the primary means by which large landowners exploited farmers. After the Opium War, although China ostensibly maintained independence, it had effectively become a colony of imperialism, with significant changes in its production methods. Under the pressure of the global commodity economy, China's traditional natural economy began to disintegrate, and capitalist enterprises emerged in some large cities. However, feudal forces continued to hold dominance, and imperialist countries regarded China as "a market for goods, a gathering place for raw materials, and a site for capital export." In this context of economic development, China's production methods were characteristic of a typical semi-colonial, semi-feudal society, which naturally led to it being described as "a semi-colonial, semi-feudal society."[2] Therefore, He Zhenzhi's "A Reader on Chinese Economics" employs the materialist historical perspective, which posits that the economic base of society determines the state's superstructure and that social existence shapes human consciousness. By integrating abundant and detailed economic data, the book provides an in-depth analysis of the economic conditions in modern China, objectively promoting Marxist theory.

# **3.** Unique Argumentative Perspective of He Zhenzhi's "A Reader on Chinese Economics"

Cheng Fangwu stated that in his early years in Shanghai, He Zhenzhi diligently studied China's socioeconomic conditions, believing that "this is the foundation for correctly understanding Chinese society and addressing the issues of the Chinese revolution." In his academic research, He Zhenzhi emphasized "starting with the study of China's socioeconomic conditions to explore theoretical issues of the Chinese revolution and modern revolutionary history," [3]which is also a fundamental method of Marxist materialist historical perspective. The purpose of He Zhenzhi's work "A Reader on Chinese Economics" was to "use the themes of semi-colonialism and semi-feudalism as the threads, and real materials as the weft, intertwining theory and practice to reveal the truth of China's economy." [4]

"To study a society, one must start with its methods of production." To truly understand the nature of Chinese society, one must begin with its economy. He Zhenzhi argued that since the Opium War, the process and outcome of China's forced integration into the capitalist world were no different from those of other nations; the only distinction was China's abundant resources and vast market, making it a "colonial territory jointly administered" by imperialist countries. Political culture served as a means, while the economy was the end goal. Like other nations subjected to invasion, China became an "open market for goods," a "gathering place for raw materials," and a "site for capital export." Imperialism employed a series of political and cultural strategies, primarily seeking to maximize economic profits. Meanwhile, imperialist powers flooded China with goods, plundered raw materials, and forcibly required China to purchase debt bonds characterized by exorbitant interest rates to control its economy and politics. To facilitate their control, they also supported feudal forces in China, initially backing the Qing government and later warlords such as Yuan Shikai and Duan Qirui. These warlords, representing the interests of the feudal landlord class, not only failed to change the feudal agricultural relations but also sought to maintain them. As a result, while China's commodity economy somewhat undermined the foundation of the natural economy, capitalism's production methods emerged in major cities, along with a bourgeoisie and a proletariat. However, feudal forces continued to dominate both urban and rural areas, plunging China into a semi-feudal abyss. Caught between imperialism and feudal forces, national capital lacked both initial capital accumulation and a sufficient labor force, along with a broad market. "The prerequisites for capitalism no longer existed in China; without these conditions, capitalism cannot emerge out of thin air, nor can a capitalist system be created from nothing." [4] Therefore, China could not be considered a capitalist country, and national capital was fundamentally unable to develop.

Based on this, He Zhenzhi defined modern Chinese society as follows: "China is dominated not by a single imperialism but by international imperialism. Economic and political control lies in the hands of imperialists... Yet nominally, these countries are independent and free... This is characteristic of a semi-colonial state and also reflects the semi-colonial nature of China's economy." He further stated, "Although the feudal system in China is crumbling, no one can deny that feudal forces still exert significant control today. The warlord conflicts, territorial divisions, landlord exploitation, and usurious practices are all manifestations of the intensified power of feudal forces." "Certainly, we cannot overlook the development of modern industries, especially in major cities in the north and south, where modern factories are indeed noteworthy. However, under the dual exploitation of imperialism and feudal remnants, national industry exists only in a state of transition, decline, stagnation, and decay." Thus, he concluded that "the semi-feudal and semi-colonial nature is a characteristic of China's economy, and this society can be described as a 'semi-colonial, semi-feudal society.''' [4]From this analysis, He Zhenzhi formally concluded that China at that time was a semi-colonial and semi-feudal society.

### 4. He Zhenzhi's Firm Stance in "A Reader on Chinese Economics"

In 1934, the publication of "A Reader on Chinese Economics" coincided with the intense debate on the nature of Chinese society within intellectual circles. This debate involved multiple schools of thought, with the "New Thought School," led by Pan Dongzhou and Wang Xuewen, representing the Communist Party's position. In contrast, the "New Life School," led by Tao Qisheng, and the "Dynamic School" (or Trotskyist faction), headed by Ren Shu and Yan Lingfeng, held differing views, resulting in heated discussions. As a member of the "New Thought School," He Zhenzhi supported the analysis that Chinese society is semi-colonial and semi-feudal. In "A Reader on Chinese Economics," he utilized a wealth of economic data to thoroughly argue for this characterization, revealing the semi-colonial and semi-feudal nature of China's economy.

He Zhenzhi refuted Tao Qisheng's theory of the "disintegration of the feudal system" in his book. Tao argued in "Analysis of the History of Chinese Society" that characteristics such as "the collapse of hierarchical relationships," "continuous warfare leading to the consolidation of feudal territories into centralized states," "the loosening of social ties," and "the disintegration of commercial capital in the old society" led him to conclude that the Spring and Autumn and Warring States periods were times of feudal disintegration. He Zhenzhi countered that feudal class relations are characterized by "nominal landlords extracting surplus labor from independent producers through extra-economic coercion." [4]This, he argued, exemplifies the essence of feudal exploitation, and maintaining such an exploitative system is the very nature of feudalism. He criticized Tao's error of discussing politics without grounding it in economics, asserting that social existence determines human consciousness, not vice versa. He emphasized that "the ruling class after the Warring States period was the feudal landlord class." He concluded that in the 1840s, with the outbreak of the Opium War and the invasion of imperialist powers, China's feudal system began to collapse.

To refute the "Trotskyist" argument for capitalism in Chinese society, He Zhenzhi cited population and land distribution statistics from 1927. He concluded, using a wealth of vivid numerical data, that "at least 80% of the farmland nationwide belongs to the extracting class," while "more than half (55%) of farmers are landless." [5]He further argued that "the Chinese bourgeoisie is essentially a disguised landlord class. They operate modern industries in urban areas while exploiting farmers in rural regions with usurious capital, thereby establishing some degree of interest alignment with feudal forces." [5]He maintained that China could not compete with foreign capital; aside from operating a few nascent industries, the bourgeoisie had to invest in commerce, warlord bonds, and land, maintaining close ties with local warlords. This effectively refuted the Trotskyists' erroneous belief that feudal forces were merely "remnants of remnants." Consequently, He Zhenzhi's arguments strengthened the position of the "New Thought School." As a semi-colonial, semi-feudal society was laid bare before the Chinese public, He also offered a perspective on the future direction of the Chinese revolution. He stated, "The current focus of the situation in China is the struggle between revolution and counter-revolution, the life-and-death confrontation between the people's power and the landlord bourgeois power. The former aims to overthrow the landlord bourgeoisie's rule nationwide, expel imperialism from China, and establish a new, free, independent, and territorially complete China; the latter seeks to merge the interests of imperialism with those of the Chinese landlord bourgeoisie, leading China down the path of complete colonization." [5] His conclusion naturally favored the "former path," advocating for a national democratic revolution against imperialism and feudalism. In 1937, He Zhenzhi further explored the path of revolution in semi-colonial, semi-feudal China in "The Past, Present, and Future of China," proposing the idea of a "new democratic revolution." This concept had a profoundly positive and far-reaching theoretical impact on Mao Zedong's thought and the theory of new democracy.

#### 5. Conclusion

The 1930s marked the initial formation and development of Marxist historiography, and He Zhenzhi's "A Reader on Chinese Economics" played a significant role in the process of sinicizing Marxism. Although the book was confiscated by the Kuomintang government on February 1, 1935, under the pretext of "slandering the government," its status as He Zhenzhi's first work applying Marxist theory to the study of China's economic and social issues underscores its academic value and significance.

By studying this book, we can trace the historical footsteps of a Marxist scholar exploring theoretical solutions to the problems of the Chinese revolution and socioeconomic issues, as well as understand the process of learning and disseminating Marxist theory in China. From a historical perspective, this book remains an invaluable academic work that merits serious study and attention.

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