

Carrying out the Goal of Modernization to the End Through China's Reform and Opening up —— In Memorial of the 40th Anniversary of Reform and Opening up

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Abstract

China has carried out 40 years of reform and opening up, which has reversed the backwardness of this ancient power since the industrial revolution and made it quickly enter the main channel of human civilization. This paper first summarizes and affirms the eight major reforms and historical changes brought about by China's reform and opening up, and then points out a series of unsolved challenges. It outlines four basic characteristics at the current stage of reform and development, then discusses the pressure, motivation and usable experience of overcoming difficulties in the comprehensive reforms, and finally taking the "Southern Tour" of Comrade Deng Xiaoping as a foundation, puts forward six essentials to be followed to further emancipate the mind.

Keywords: *reform and opening up, modernization, emancipating the mind*

I. INTRODUCTION

Counting from the Third Plenary Session of the Eleventh Central Committee of the CPC in 1978, we welcome the 40th anniversary of the reform and opening up. A comprehensive and profound understanding and continued substantive promotion of reform and opening up is related to the future of the country, the destiny of the nation, and the well-being of the people. The author upholds the social responsibility consciousness of "The rise and fall of the nation rests with everyone", and make a brief investigation and discussion.

II. GREAT HISTORICAL SIGNIFICANCE OF REFORM AND OPENING UP

Since the industrial revolution, China has quickly fallen behind in the world, but the Chinese people at that time were still unaware of it, and they were fascinated by the "sunset glory" of the so-called "unprecedented peace and prosperity during the reign of Emperors Kangxi, Yongzheng and Qianlong". By the outbreak of the Opium War in 1840, China, the only country in the world that had "uninterrupted ancient civilizations", had its own state of affairs.

Since then, it has been destitute and weak, and has fallen into a crisis of being bullied and divided. After the defeat of Sino-Japanese War, the quick fail of the Reform Movement of 1898 and the looting of the Eight-Power Allied Forces, within a century in the last century, three major events finally occurred.

The Xinhai Revolution of 1911 overthrew the millennium monarchy. The People's Republic of China was established in 1949 after the victory of the Anti-Japanese War. In the late 1970s, China implemented the reform and opening up and entered the new era of modernization construction. It was precisely during the reform and opening up that the Chinese finally got a forward-looking vision that can be cautiously optimistic: the vision of the great national rejuvenation that many people with lofty ideals have pursued, hoped for and dedicated to in the past two hundred years has "never been so close". China's reform and opening up is injecting new vitality into ancient China, and at the same time, it will strongly influence the whole world as a "community of human destiny".

As Coase reviewed when he was alive, China's struggle was also the struggle of the world. During the world's development process of the rise of the most important economies, China's modernization is expected to become the most typical "peaceful rise" and "win-win" civilization escalation case among the competitors.

Currently, China is in the historical starting point of "great national rejuvenation", which is achieved decisively through countless continuous efforts of the predecessors after more than one hundred years of twists and turns, blood and tears and tears, sacrifices and hard work after the success of reform and opening up. The efforts of the predecessors have never lacked heroic behaviors of tragedy, aggression, self-discipline, generosity and earth-shattering, but they have never made the people rich and the country strong like what we have achieved by the reform and opening up in forty years, which makes the road to revival wider and wider, attracting global attention. As the world's country with the largest population, China's economic aggregate has risen from the top

ten in the world after the reform and opening up to the second currently. The per capita national income has grown from only a few hundred dollars to more than \$8,000. China has become a “top-middle income” economy according to the comparable basis of the World Bank and hopes to grow into a high-income economy across the “middle income trap” in the next ten years. At the beginning of the reform and opening up, Deng Xiaoping has made “three-step” strategic plan to realize China’s modernization with a great vision. By far the first two steps have been realized ahead of schedule, and it is very promising to take a “comprehensive well-off” as a phased node, and take comprehensive national strength and the sustainable improvement of soft and hard power as practical supporting to realize the dream of “great national rejuvenation of China” on the occasion of the 100th anniversary of the founding of the People’s Republic of China.

As time goes by, we can see more and more clearly that the great historical significance of China’s reform and opening up lies in the following. Return to the position of humanism, correct the chaos of “ten-year catastrophe” of the Cultural Revolution, and reflect profoundly on the flaws of the traditional system. Firmly grasp the correct direction of the road to modernization, and firmly grasp the strategic opportunities that can no longer be missed, so that we can counteract the incentive mechanism for economic and social development, release all kinds of hidden positive factors, and make Chinese society stride forward to keep up with the times. Thus, this giant ship can quickly sail to the main channel of the development of human civilization, and benefit the people of China and the world with extraordinary development.

Facts speak louder than words and practice tests the truth. “World trend goes forward with great vigor and strength. Those following it will prosper, while those against it will perish.” In the trend of the world’s development, the Chinese people have greatly reduced the distance from the frontiers of modernization with the feat of the reform and opening up. In the process of chasing the tide of civilization development, China intends to “catch up from behind”, conforms to the objective law of “the Conveyance of Rites” and achieve the inclusive growth of “Great Harmony” in innovation. As President Xi Jinping said, the reform and opening up has become a “key step” for China to achieve modernization.

III. CHINA HAS ACHIEVED TREMENDOUS PROGRESS AND STILL HAS A LONG WAY TO GO.

The tremendous progress that the reform and opening up has brought to China’s economy and society is clearly manifested in, but not limited to, economic aggregates and per capita income. This progress is closely related and integrated with the

innovation and improvement of multidimensional civilizations in many aspects, such as material, spiritual, political, cultural and ecological. The existing scholars (such as Xudong) attempt to sum up the contributions and advancements made in the historical process initiated by the leaders of the party, such as Deng Xiaoping and Hu Yaobang, who are determined to the reform and opening up. These contributions and advancements include at least the following.

1. For the first time in thousands of years, the Supreme Ruler has called for the liberation of the mind, and open up the “magic bottle” for the opening of the people’s wisdom with great courage. The basic principle of liberating the mind and seeking truth from facts embodies the essence of Marxism and guides the Chinese people to break the backward and ignorant state of the prevailing book worship, being full of rules and regulations and rigid ideas. It is earth-shattering and enlightening. It is a great, fundamental and prerequisite turning point for China to deny the foolish politics and walk toward the modernization. Although there are still various opinions on the further liberation of the mind, which is inevitably expressed as “the waters are muddied and the bad are mixed with the good”, it is still the proper meaning and the key premise to the historical progress.

2. Promote the reform of the economic system in the direction of marketization until the “Southern Tour” and the Fourteenth National Congress of the Communist Party of China establish the goal model of the socialist market economy. Encourage the development of various economic components and implement various measures to streamline administration and delegate powers, so as to open the potential space for the micro-subjects to play their intelligence, greatly liberate the productive forces, and significantly improve the quality and efficiency of the supply system. Thus, the land of China can quickly change all kinds of backwardness, replace the old looks with new looks and greatly improve the strength.

3. Clarify that poverty is not socialism. The state should focus on economic construction and emphasize that this basic line shall not be wavered for 100 years. Thus, the society turns from endless political movements to “concentrating on the construction with one heart and one mind to pursue for development”. Doing practical work to make a country thrive, making innovations to provide new ideas, and abandoning the egalitarianism of having everyone eat from the same big pot to allow some people and some areas to get rich first and then pursue common prosperity, so that the principle of material interests and the efforts to get rich, and the recognition of private property rights protection and other social investment and entrepreneurial environment complement each other. “Accelerating the pace of getting rich” has become an active and

positive vocabulary and has been put into the practice of the people's longing for a better life and the broad practice of the whole society.

4. Recognize that it is a dead way to be isolated from the world. Open up to the world and grasp the era theme and strategic opportunity period of "peace and development" in international cooperation and competition. Correspondingly, achieve major adjustments in diplomatic thinking and attach greatest importance to national interests instead of ideology label. Thus, China is expected to shift from a country with a high ideology to a normal country, and it will be able to gradually and effectively move from the marginal countries to the center of world politics.

5. Under the premise of upholding basic political principles, promote the rule by law, speak of the stabilization, restrict the privileges and optimize the governance so as to allow the diversification of literary and artistic fields, the diversification of social members' preferences, and the autonomy of grassroots social management, making social organization and operation going to the track of modernization.

6. The party life of the ruling party has shifted from a brutal political struggle to a more moderate patriarchal management, abolishing the lifelong system of leading cadres, and opening up the modernization process in the basic areas of political life.

7. Redress the unjust, false and wrong cases in history, abolish the descent theory that marks the "five categories" of the nationals, namely landlord, rich peasant, counter-revolutionary, bad element and rightist, and lay the foundation and provide premise for the concepts and rules of modern civilization such as human rights and democracy.

8. Emphasize to respect for knowledge and talents, restore the college entrance examinations, develop the education, revitalize science and technology, and take an innovative national road, thus making science and technology "first productive forces" and "innovative development" a powerful engine for promoting modernization.

It is precisely the above-mentioned great progress in the ideology, economics, politics, society and culture, etc. in the new era of reform that made great achievements within 40 years' construction and development, which constitutes all-round progress and contribution for China's reform and opening up with the history of thousands of years of civilization and more than 200 economies around the world as the frame of reference. We have good reason to be excited about this!

Meanwhile, it is urgent to point out that in the reform of the deep water area that China has entered, the difficulty of deepening the reform has been unprecedentedly improved. There are many problems with the "additional contradictions and hidden dangers". It is challenging to smash down the hard

bones when "the delicious meat is eaten up while the rest are hard bones". Continue to eliminate the shackles of rigid concepts and "break through the barriers of solidified interests", which requires great courage, responsibility and super wisdom to "change one's own life".

China's reform is a long-distance run that "half of the people who have embarked on a one hundred mile journey may fall by the wayside". We are still halfway, and looking forward to the road ahead, it can be said that we still have a long way to go. Specifically, China's economic aggregate has ranked the second in the world, but how to accelerate the transformation of the development mode to create an upgraded version has not yet been resolved. The reform has launched a wealth-creating campaign that benefits many people, but how to benefit the society as a whole has not yet been resolved. Under the overall rule by law, the requirements for carrying forward people's democracy are very clear, but how to truly form a fair and just democratic and rule-by-law society still has many problems that have not yet been resolved. The reform must adhere to the principles of market orientation and material interests and form adequate incentives, but how to effectively correct "market failures" and successfully limit "to be rich and cruel" still have a series of entanglements that have not yet been resolved. Allowing some people and some regions to get rich first is in line with the objective laws of the development of things, but how to properly adjust the the income gap between individuals and regions and effectively promote the process of "common prosperity" when the "first rich" momentum is formed has not yet been resolved. It is indeed necessary for the government to actively use industrial policies and technical and economic policies to play its functional role better and more effectively, but what kind of mechanism is used to implement such policy measures to prevent power from being willful and twisted has not yet been resolved. It is worthy of affirming to repeal the "life-long tenure" of the leading cadres, but how to change "the life-long treatment" of the leading cadres has not yet been solved. There are many similar problems to be solved yet.

In the process of modernization, China is indeed beginning to challenge the United States in global cooperation and competition. After surpassing Japan, China is now ranked the second in the world according to GDP. However, people have noticed that seen from the historical experience, all the economies that occupy the second position after the United States will be obviously "suppressed by the boss". We are now experiencing such pressure.

To truly say "beyond the United States", this should not be considered as a historical process that can only be reflected in the economic aggregate. Many people are now predicting after many years, China may surpass the United States in he economic aggregate. It is possible to achieve this goal if we

Chinese do not make big mistakes ourselves. However, if China really wants to surpass the United States, it must rely mainly on the quality of growth and comprehensive national strength accompanied by the economic aggregate as well as the soft power and skills supporting the material level, which is an overall strength involved with the culture and the core values of ideology. Spoken from this aspect, China is still far apart. China needs to be soberly aware that we are still a developing country. Although it is the leader of emerging economies, the economic aggregate does not indicate the key issue in the overall comprehensive evaluation. Compared with the United States, the United States is still the world's number one power in the forefront of developed countries and modern economies; China is just an economy that is characterized by catching up and has a challenging position to stay in the forefront of developing countries. A strategic balance between the high and the low has formed, that is, in the big cycle of the economy, as two main trading partners, it seems that no one can be inseparable from the other in the economic interests. In addition to this level, the international competition has more complex contents. The "trade war" between China and the United States that came unexpectedly after 2018 is actually the "tip of the iceberg", which is one of the "prominent contradictions" in the comprehensive treatment of Sino-US relations. If China cannot take advantage of the upside factors to offset various downside factors, for example, the institutional dividend brought about by reforms; the "first productivity of science and technology" revived by the reform and innovation, which actually advances China to the innovative national track and substantially move forward in energy-saving and consumption reduction; and if China can't really solve its own problems in anti-corruption and anti-over-monopoly in a few years, etc., then such a quality transcendence of chasing the modern power is actually hard to imagine. This is a very serious, long-term and historic long-distance run, and finally the results of the high-end and low-end competition can be seen. Therefore, it must be emphasized that China's modernization in the future is mainly a qualitative challenge. The key and decisive significance is the quality – the change of development mode and the quality of growth in economic and social transition, and the understanding and evaluation of the quality should be further promoted to a comprehensive evaluation with happiness and humanity judgement and integrated with other relevant civilized factors, which is recognized by the whole people.

In the "long-distance run", we should make use of the opportunities to solve a series of challenging problems related to these. It is precisely the historical test we faced in memorial the 40th anniversary of the reform and opening up, and if we do not advance, we will lose ground, and time will not wait for us.

IV. FOUR BASIC CHARACTERISTICS OF THE REFORM AND DEVELOPMENT IN CURRENT STAGE

Observing the reform and development in China in recent years, we can summarize the following four aspects of entanglement and characteristics.

First, the "transitional stage shift" and "prominent conflicts" are intertwined.

Through field investigations in some regions in China, we can feel that we are still in a "period with strategic opportunities that can make a great difference". But after more than 30 years of rapid growth and becoming a middle-income economy, we are turning to the new starting point of the "new normal". It is impossible for the economic growth to maintain "double-digit" high-speed growth on the basis of the "large-scale" characteristics of the previous base. The speed of economic growth is turning to "intermediate high-speed". However, the potential for continued development and market growth is still huge. It is second to none in major economies. Whether it is a big city, a small town or a small rural area, the construction scene is still impressive.

At the same time, however, the contradictions between resources and the environment and the contradictions from interpersonal relationships are increasingly prominent and aggressive. The smog has already slammed most of China. The demolition of some of the local built-up areas and new heavy chemical projects was repeatedly and strongly opposed by the public and often evolved into a group event that shocked the overall situation. After entering the "middle-income stage", the problem of income distribution is more prominent. The income gap is widened and the problem of unfair distribution cannot be ignored. The social attitudes are tending to show the characteristics of "behave as a gentleman while the dishes are being serving and swear like a bully when the dinner is over." that is shown by other economies when falling into "middle income trap", and pursuing the features of "welfare catch-up on the base of populism".

Second, the "downward factors" and "upstream factors" in economic operations are hedged.

The "potential growth rate" of China's economy has been "downgraded" from about 10% down to the range of 6.5-7%. The "new" in the "new normal" has been clearly defined, while the "normal" has not reached yet, that is, it has not yet been completed steadily in a decent manner. The related downside factors include rising labor costs, demographic dividends which are about to disappear rapidly, aging social pressure which is coming quickly, and the impact of "reducing returns" on higher bases, the increasing difficulty of upgrading the real economy, and so on.

However, some of the upside factors that can hedge the downside factors are worthy of our attention. These upside factors include the new urbanization dividend (the effect of “growth engine” triggered by the release of “power source” demand), the technological innovation dividend (going innovative road and keeping up with the “third industrial revolution” tide to stimulate the multiplier effect of science and technology as the “first productive forces”) and social management dividends (basic autonomy, social harmony and the effects of promoting advantages and abolishing disadvantages brought by community governance and the growth of non-profit institutions and volunteer organizations). The key to make all these dividends released as expected is whether the reform of substantively “overcoming all difficulties” can become a reality without staying in the slogan, and then can be comprehensively condensed to “reform dividends” that can enhance and maintain the productivity of the whole factor and resolve various contradictions.

The state-owned enterprises that have been baptized by a series of reforms but still have arduous reform tasks, and the already-developed private capital and social funds, and the folk wisdom, potential and vitality that can be mobilized must rely on reform to get rid of the shackles and contribute more “positive energy”. The new round of price, tax and fiscal linkage reform, investment and financing reform, the reform of the state-owned enterprise system, and administrative and judicial reforms, etc. are inevitable. After the above-mentioned downside factors and upside factors are hedged, what we strive to achieve is to achieve a medium-to-high-speed growth platform with an average annual speed of 6.5-7% as long as possible in the future, and to create an “upgraded version” of growth quality with optimized structure.

Third, the game between the efforts to deepen the reform and the resistance of vested interests.

Since the Third Plenary Session of the Eleventh Central Committee, Deng Xiaoping implemented the supporting reforms with the focus on fiscal and taxation at the macro level in 1994 after his “Southern Tour”. Then before and after the turn of the millennium, China is locked in a comprehensive open pattern with “accession to the WTO”. A series of reforms and innovations opened the new era of the liberation of productive forces and the modernization of the country, but the vested interests in the gradual reforms have gradually become too cumbersome to be handled, although which was emphasized in the deepening of the reforms and the acceleration of the transformation since the 1990s, it is still hard to move forward before the “block of solidified interests”.

After the Eighteenth National Congress of the Communist Party of China, the high-level has clearly expressed their resolve of the reform as “cutting

one’s own twist”, but the suspicion of “automatic surgery” and “self-revolution” for the system in society, the business community and the market has not been eliminated and even overlapped with the changes in the ideological factors. Behind the game between the efforts to deepen the reform and the resistance of vested interests, it is the race of the reform and the problem of “accumulated contradiction” of society. It has long been compared to the “race of two tigers”. These two tigers have complete elements and do not seem to see the other clearly. But they are all running forward. Whoever runs faster will determine the future of the country, the destiny of the nation, and the success or failure of the “Chinese Dream”. Resolving the hinder of the vested interests is the most difficult part of the reform, and also the historical test that we must face and hand over the answer sheet.

Fourth, making decisive achievements of the reform in 2020 or shortly later is a new starting point of the reform for accepting the historical test while under challenges and also a key timeline for the “new normal” that is guided by “catch-up with the times at an extraordinary pace”.

Since the key to pursuing sustainable growth and the great national rejuvenation of modernization is to further liberate the productive forces and achieve inclusive development under modern state governance, then whether the innovation-driven “power transformation” and supply-side structural optimal supply and institutional supply can be effective to support the upgrading of the quality will be the key to determine whether we are qualified to meet the challenges and grasp the opportunities. In order to achieve the timetable for making decisive achievements of the reform tasks deployed since the Third Plenary Session of the Eighteenth Central Committee by the ending of the thirteenth Five-Year Plan in 2020, we must promote the “five-pronged” comprehensive reform with greater determination, courage, resolution, and higher wisdom and operational standards, and supplement with multiple rounds of “minimum package” supporting reform design under the guidance of overall “road map”.

V. THE PRESSURE, MOTIVATION AND AVAILABLE EXPERIENCE OF OVERCOMING DIFFICULTIES IN COMPREHENSIVE REFORM

In short, after more than 30 years of reform and opening up, China’s reform have entered the “deep-water zone” and encountered unprecedented resistance. All the reform matters of “Pareto improvement” of “only people benefiting without people being damaged” have been completed. Currently, any task of deepening the reform will encounter strong obstacles formed by “solidified barriers” of the vested interests, and most of the reforms have been deeply intertwined, that is, “the

slightest nudge causes the widest chain reaction” . In the past, if we seek for breakthrough in the part, we can change the overall space. Now it has been narrowed significantly. More and more tests are focusing on the basic concept of “comprehensive reform”.

“To comprehensively deepen the reform can decide the sustainable growth”, which is “unfinished” economic and social transition in the revival of the great national rejuvenation of the “Chinese Dream” of modernization as well as an important understanding and key point that must be established in the case of inevitable reform of “overcoming the difficulties”.

Here and now, compared with the 1980s and 1990s, our reform environment and tasks are very different today. However, China’s economic and social transition is still in progress. In the deep water zone, some “stones” may not be touched. It is obvious that a higher level of top-level planning is needed. The previous plenary sessions of the party since the Eighteenth National Congress have provided the top-level planning principles and guideline that are highly concerned and urgently needed by the society. In order to grasp the direction and path, philosophy and essentials of reform, it is necessary to carry forward the cause and forge into the future, and carry forward the innovative feat of Deng Xiaoping’s southern tour and its ideological liberation spirit that serves the basic line of the Communist Party.

From the perspective of pressure, the drastic reforms after the 1980s has formed the situation of “implementing the reform and opening up or dying” due to the “ten-year catastrophe” and the ills of the traditional system, and under the strong boost of the tide of ideological liberation, which is reflected that the reformers have broken the slogan of “sorrowful soldiers” and have opened a new situation with courage, resolution and enthusiasm. Currently, the deepening of the reform and the “overcoming of the difficulties” also have the hidden risks of “accumulated contradictions and overlapped potential dangers” during its progress, and under the orientation of the problems and forced by the situation, we can only strive to ford dangerous rapids and tackle through challenges, overcome the difficulties with the resolution of “cutting one’s own wrists” and strive to keep up with the times at the new historical starting point. This is the same as that “if you don’ t advance, you will lose.” We have no other choice, but to emphasize repeatedly that “he who is brave enough will win when conflict with others.” and “only those who take the reform and innovation will win” .

From the perspective of motivation, after the Third Plenary Session of the Eleventh Central Committee of the Party, the Chinese people began to recognize and grasp the mainstream of the world and the

mainstream of civilization development, tightly followed the basic line of focusing on the economic construction steadily “within one hundred years” to pursue the great national rejuvenation of “peaceful rise” and have advanced to the crucial historical stage of realizing its “dreams”, which “have never been so close”. At the same time, the complexity of the reform and the difficulty of advancing it are worthy of the old saying that “half of the people who have embarked on a one hundred mile journey may fall by the wayside”. While recognizing and adapting to the new normal of the economy, it is of the utmost importance to be able to lead it. The supply-side structural reform is precisely the basic logic and the law of innovation and development that promote the overall situation from the supply of the system in the 1980s. It then carry forward the cause and forge into the future to pursue sustainable development in a upgrading manner, which will also be supported by the power source and upgraded power system established by “seeking truth from facts and liberating the mind” since the 1980s.

From the perspective of the experience, in fact, in the reform and promotion after the 1980s, there are not only rural reforms that “have been squandered for a long time and have also developed at a high speed”, but also urban reforms that have been trials and errors, the timing mismatches of “price breakthrough” and also the following severe social test of “socialization and politicization of economic problems”. However, these all accumulated the experience of reform in the exploration, paved the way and guided for the establishment of the target model of the socialist market economy after the Southern Tour of Comrade Deng Xiaoping and subsequent great achievements in the next decade. The interaction between the upper and lower sides of the reform and the consensus were promoted with twists and turns by the “time of progress” in the stormy waves. After the Eighteenth National Congress of the Communist Party of China, it is obvious that we need to further build consensus and weaken the test of diversification in the new period and new stage. Substantive reforms not only need greater determination, courage and resolution to break through the barriers of solidified interests, but also need to learn from international and domestic experience to form a higher level of program optimization, operational intelligence and coordination of art, and strive for the most people’s identification, support and active participation. Grasping the hearts of the people and forming a combination of reforms, we must learn from the experience and lessons since the 1980s, and constructively handle a variety of new problems and deal with new challenges. In this process, in the spiritual level, we should have the support of the reform convictions and role models of the older generation of reformers such as Comrade Deng Xiaoping, etc., while in the practical level, we must emphasize more on seeking truth from facts and the

attitudes of tolerance, continue to encourage grassroots and local market-oriented trial reforms and “allow the reformers to make mistakes, who are not allowed to avoid the reform”.

VI. REVIEWING THE “SOUTHERN TOUR”, FURTHER LIBERATING THE MIND AND BREAKING THROUGH THE “HISTORICAL THREE GORGES” WITH COMPREHENSIVE SUPPORTING REFORMS TO WELCOME THE GREAT REJUVENATION OF MODERNIZATION.

In an instant, it has been 25 years since the Southern Tour of Deng Xiaoping, which established the goal of “socialist market economy with Chinese characteristics”. After experiencing the rapid growth with the average annual growth rate of more than 10% brought by the Southern Tour in a period of 20 years, the Chinese economy has entered the “new normal” in recent years after reaching the middle-income stage. After being stricken by two major shocks of the Asian financial crisis and the world financial crisis, the international situation since 2016 has been experiencing various “black swan” incidents. There were uncertainties in various aspects of the country, including the internal administration, external diplomacy, politics, economy, society and culture, and so on. In the current entanglement and confusion of “prominent contradictions and overlapped hidden dangers”, under the call of new era - “only those who take the reform and innovation will win”, it is especially necessary for China to restore the great courage of reform and the enthusiasm of mind liberation in the Southern Tour of Deng Xiaoping.

The problems solved by the Southern Tour, in terms of the expression of the “mind liberation” in theoretical language, is finally clearly stated by Deng Xiaoping as more plans or more markets are the problems of the combination of mechanisms and means at the economic operation level rather than the controversial fundamental institutional issues for a few years. The capitalism must also have plans, and socialism must also engage in markets. To consider both the national conditions and the trend of human civilization development, China must establish the target model of socialist market economy so as to achieve the great national rejuvenation of modernization in peace and development. This ideological understanding of seeking truth from facts has opened up a huge space for carrying out the basic line of the party centered on economic construction and stimulating the objectively existed development potential of China through “eliminating the ideology”, bringing “miracles in China” by first liberating the mind and then liberating the productive forces. The Southern Tour is known as “Deng Xiaoping’s Dance of the Swan in His Life” and is destined to become a milestone in the history of China’s modernization.

The contents of the Southern Tour speech are rich, and the core of the spirit of the Southern Tour speech can be said in a word: innovation and development. Innovation is the soul of a nation. It is the vicissitudes of the development and improvement of human civilization. It is the lifeline for China to catch up and make great achievements after falling behind the industrial revolution. It is also the pen of the speech delivered by Deng Xiaoping in Southern Tour and the essence and demonstration of his thoughts. To develop, the only way is innovation. To innovate, we must liberate the mind, dare to make bold trials and forge ahead without hesitation. Under the premise of correctly grasping the global trend and the general direction of modernization, we must be brave to achieve a breakthrough in the key issues. Since the Eighteenth National Congress of the Communist Party of China, the highest decision-making level has repeatedly emphasized that reform is the “key trick” for China to achieve modernization, and it is our “biggest dividend”. In the reform of the deep water zone, we must “wade through these waters no matter how deep they are”. We must combine the courage of the reform of “cutting one’s own wrists”, the “historical responsibility” of the country’s future destiny and the super reform wisdom together, wade the rapids, ford dangerous beaches, tackle through challenges and enable the market play a decisive role in resource allocation and the government play a better role, and overcome difficulties by “breaking through the barriers of solidified interests”. These are consistent with the spiritual core of the Southern Tour and concentrated in the first article of the modern development concept of the central. Being the “first power”, the innovative development shall be used to guide the coordinated development, green development, open development and shared development as a destination for development - the sustainable development of the Chinese nation with people-orientation and common prosperity as the goal.

On January 23, 2018, General Secretary Xi Jinping presided over the second meeting of the Central Reform Leading Group. The theme was to emphasize “re-liberating the mind, deepening reforms, working harder, and promoting the comprehensive and deepening reform to make new breakthrough at a new starting point”. The “re-liberation of the mind” emphasized by the meeting is meaningful.

The synonym of reform is the institutional innovation under the premise of seeking truth from facts and liberating the mind. China’s magnificent reforms, as Deng Xiaoping said, are the “self-revolution of production relations” under the leadership of the Communist Party. After marching to the key stage of “overcoming difficulties”, “tackling through challenges” and “fording dangerous beaches”, it is urgent to take a new round of mind emancipation as the premise, and to rush out the old thinking that lags behind the times and

hinders innovation so as to promote the reform practice, which is a “key trick” for modernization in the new era and brings “maximum dividends”.

At the new historical starting point of reforming into the deep-water zone and confronting with arduous tasks of tackling, we must re-emphasize ideological emancipation, further emphasize and implement the party’s ideological line of seeking truth from facts, firmly grasp the “basic national condition” and “the greatest reality” that China is and will remain in the primary stage of socialism for a long term. Only in the emancipation of the mind can we really get rid of the influence and interference of the left-leaning dogmatism that has repeatedly made waves. Only in the ideological understanding and practical action can we surely prevent the serious mistake of “running into communism”, which may damage and destroy our modernization cause. If we surpass the current stage and directly use the communist vision of “eliminating private ownership” to guide the reality, it sounds grandiose, but it will destroy the basic pattern of socialism with Chinese characteristics which is composed of multiple economic components, public ownership and non-public economy formed by correcting the chaos and seeking truth from facts. It will inevitably lose the credibility to protect the property rights and encourage the development and prosperity of the private economy. Thus, make us lose the due force on the road to realize the “Chinese dream” and destroy the achievements achieved by the liberation of productive forces in decades of reform and opening up in the primary stage of socialism. In the face of the “left-leaning” words that have high-sounding ideas away from the actual condition, it is very necessary to recall the golden sentence of Deng Xiaoping in Southern Tour: “Be aware of the right, but mainly to prevent the left”. Our party has been suffering a lot from extreme leftism in history. The country and the people have been suffering a lot from extreme leftism in history. To try to transcend the stage with “left-leaning naive disease”, it will surely butt our head against a wall of objective laws. The scenes of the painful history and lessons are still vivid in our lives. Just as Xi Jinping put it in the report of the Nineteenth National Congress of the Communist Party of China, under the banner of ideological emancipation, we should unswervingly implement the basic line of the party centered on emancipating the mind and economic construction, which is the lifeline of the party and the country and also the happiness of the people.

Once again, to emphasize the emancipation of the mind, we must uphold and develop Marxism full of vigor and vitality. This is exactly what the qualified Marxists should do. We must not stop at the original words of the classic Marxist writers. For example, the Chinese version of “Manifesto of the Communist Party” does have a statement of

“eliminating private ownership” (I have separately stated that this is a mistranslation in the Chinese version. When Marx and Engels wrote this document in German, the original words were “sublation”), but it follows: “Communism does not deprive anyone of the right to possess social products. It only deprives them of the right to use slave labor to enslave others.” In the first volume of Capital, Marx also clearly stated that on the basis of the achievements of the capitalist era, “the personal ownership” should be re-established based on collaboration and joint possession of means of production. Although there has not been a very consistent interpretation of this in academic research, we can understand its practical function of “actively abandonment” by comparing the “abandonment” of the private ownership of production materials in the shareholding system that Marx has pointed out in Capital with the development of the shareholding system in contemporary real life, which has become “main form of public ownership” and its “system of shared ownership” has become “an important form for the realization of the basic socialist economic system”. Marxism is essentially an ideological system that develops dynamically in the scientific exploration of advancing with the times. The “Chinese of Marxism” that the Party Central Committee attaches to and emphasizes is to uphold and develop Marxism in China’s practice. It will continue to develop in the future. If we cannot keep up with the times and uphold and develop scientific truth, we are not worthy of being called Marxists.

Once again, to emphasize the emancipation of the mind, we need to face up to the already-formed barriers of the vested interests and seek to crack it. The space of “Pareto Improvement”, where there are only beneficiaries without the suffered, has been exhausted. The limitations of the already-solidified sector interests, local interests and short-term interests are fairly broadly reflected in a series of specific reforms and developments. It is increasingly highlighting its inertia and hindrance. However, it is even more difficult to touch the interests than to touch the soul. As “hustling and bustling, all for benefits”, the dynamic mechanism since the reform and opening up was initially to “clarify the principle of material interests”, hold the absolute truth of development and mobilize all positive factors “to make the people understand their own interests and unite to fight for it”. However, as Deng Xiaoping said in his later years, when developed, the problems are no less than those under development. By then, there are many offending, tough and unavoidable difficulties, for example, how to adjust the solidified sector interests, local interests, small-group interests and short-term interests in the context of widening income gaps, upgrading and renovating relevant institutional mechanisms, and optimizing the redistribution, and so on. A new round of ideological emancipation will inevitably require

that while continuing to implement the principle of material interests, it will reflect and bluntly point out the evolution of the interest pattern from the original “egalitarianism” to the “over-differentiation” in the new stage and its related new unfairness. Drawing on the international experience of basic system construction and policy application of income redistribution adjustment, and closely combining with China’s reality, we will design and implement various reform programs to overcome the difficulties, such as raising the ratio of the direct tax, promoting the social security of the whole society, “the system of larger government departments” and “flattening”, implementing the tax-sharing system below the provincial level, implementing the property declaration system of the officials to cooperate with anti-corruption and other reforms. One of the important tasks of the new ideological emancipation is to make clear the “offending” difficulty deliberately evaded in various aspects, and the courage to doing this is to require the reformers to sacrifice their own interests for the public. Meanwhile, Chinese society must further emphasize the extreme importance of providing space for the reformers to “doing something”.

Once again, to emphasize the emancipation of the mind, we need to face up to the violent atmosphere in the extreme thinking and viewpoints that have emerged and correct it. Seen from the positive aspect, we can say that the “self-media” function of the information age and the explosive propagation effects of the “fragmentation” feature on the Internet make the diversified expression of the current viewpoint more convenient. On the contrary, we can say that the extreme thinking of all or nothing tends to attract the attention of the public, form “herd effect” and the challenging question in the publicity of ideas and public opinion. Therefore, when the reform enters the deep water zone “difficulties and comprehensive fatigue”, in the new round of ideological emancipation, on one hand, we should continue to grasp the pragmatic and sensible view of “less or no controversy”, which is called the “small invention” of Deng Xiaoping, for some “labeled” issues, on the other hand, in the ideological field that can not avoid disputes, but also need to deepen understanding, we should cultivate and advocate the quality of the people of rational discussion, and fully respect the academic development law of “Let viewpoints expressed freely and a hundred schools of thought contend”. In the discussion of ideas, the thinking that “I disapprove of what you say, but I will defend to the death your right to speak.” should become the thinking foundation for the state to regulate “inclusive development” and for the national to “walk towards republicanism” in the process of China’s modernization, and also constitute the bottom line consensus of the cultural propaganda management department (official) and the audience (social public) in the enumeration of the mind in the

new stage. It is nothing but harm to be accustomed to the unreasonable management of public opinion in the official standard and the administrative framework, which is against the spirit of the party and losing the support of the people. The new ideological emancipation should make use of the solid political foundation and huge ideological space to communicate and discuss rationally, which is based on the fine traditions of the Chinese Communist Party, such as “holding on the truth and correcting mistakes”, “criticism and self-criticism”, etc., the constitution, the party constitution, and the basic line of the reform and opening up. Encourage innovation and development, tolerate trial and error, suppress evil and mentally retarded, broaden the national mentality, and move from chaos to the path of improving China’s “soft power” that is clear and agile, rallying and inspiring.

Once again, to emphasize the emancipation of the mind, we must face up to the fixed thinking that is still popular in the officials and in society in China, which is behind the development of the times, and strive to abandon it. Keeping out of trouble to protect oneself, clinging conservatively to the old, narrow-minded and jealousy, getting into a groove, being keen on pulling relations and engaging in small groups, emphasizing form and ignoring the connotation... all these are the enemies of the reform and innovation, especially the accumulated shortcomings and bad habits, once combined with public power, there will be a succession of disasters, mistakes and injuries, and calamity to the country, and should be ruled out. The new emancipation of the mind should promote the benign development of the thinking of the government and the people and the modernization of the social atmosphere, explore the essence of the traditional culture of the Chinese nation to carry forward and absorb all the positive results of human civilization to support the reform and revitalization in China.

Once again, to emphasize the emancipation of the mind, it is necessary for us to correctly grasp the strategic policy of “supply-side structural reform” that has been clearly stated by the central decision-making level, clarify the thinking in the new development stage of the reform and opening up and in “overcoming the difficulties”, and strive to win the battle. Reform is the “self-revolution of production relationship” that solves the problem of effective institutional supply. After entering the deep water zone, the substantial improvement in breaking through the barriers of vested interests is to adjust the institutional structure and optimize the pattern of interests. Therefore, the expression of “supply-side structural reform” is in line with economics and has a clear and direct orientation. In actual life, in the difficult advancement of reforms, there are both distortions and changes in the “enhanced supply management” that are irrational and contrary to the laws of the market economy in

the name of supply-side reform, and also confusing understanding that put the “supply-side reforms” and “the deepening of institutional system” in opposite position with accusation. We should cooperate with this concept of reform in accordance with the rational supply management of the supply-side structural reform, clarify the related ideological fog and prevent the misunderstanding of the “new planned economy” in the name of supply-side reform, and make the decisive achievements of the reform as the core task of the decisive battle.

Since China’s modernization is a long-distance running, we must have sufficient perseverance, determination, strategic patience and tenacity to gradually realize it. Since the central government has clearly judged that China is in the key stage of achieving “decisive results” in the reform of realizing modernization and have made top-level planning since the Eighteenth National Congress of the Communist Party of China, then overcoming the difficulties, the comprehensive reforms across the “Historical Three Gorges” and the docking of the “Chinese Dream” should be the main line and the main theme to commemorate the 40 years of the reform. Since the reform is the renewal process of “removing the irrationality, rationalizing and legalizing the rationality”, then continue to encourage the innovation experiment, the trial and error in “crossing the river” and timely conclusion of the “bottom-up” experience of the local, grassroots and microscopic subjects is still of great significance.

The reform has not been successful, and comrades still have to work hard to carry this modernization

into the end. However, as for how to achieve the decisive rush of the reform at the time of commemorating the 40 years of reform, we have every reason to quote a famous prophecy that Mao Zedong gave in the critical period of the Chinese revolution to look forward to the prospect of China’s modern great national rejuvenation: the “Chinese dream” pointed out by the reform and opening up is already a ship in the sea that we can see the tip of the mast on the bank, the brilliant sun that is about to jump out in the east when we standing on the top of the mountain, and also a baby that is about to mature in the mother’s womb.

Let us greet her with struggle of one heart and mind!

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