

# **Modernization, Innovation and Realization of the Chinese Dream: A Critical Review of Panmarketization Thinking Trend in China**

**Xia Dongming**  
**Huaihua University**

**Tian Guang**  
**(Corresponding Author)**  
**Huaihua University**

*To realize the great rejuvenation of the Chinese nation has been the most incredible dream for the Chinese people since the beginning of the 20<sup>th</sup> century. The Chinese dream is a massive historic economic and social project that requires all the Chinese people to work hard together. Since the reform and opening-up started 40 years ago, significant achievements have been made in China's economic and social modernization. However, there are still problems that need to be addressed and resolved. It is undoubtedly necessary to explore the causes of the issues and strategies to remedy the defects. To realize the Chinese dream, Chinese people need to renovate their economic and social modernization concept. They need to create a new type of country with more muscular comprehensive national strength and finally realize the dream of the great rejuvenation of the Chinese nation.*

*Keywords: Chinese dream, innovation, modernization, national strength, reform and opening-up*

## **INTRODUCTION**

In 2012, Chinese President Xi Jinping put forward the strategic concept of the Chinese dream to realize the great rejuvenation of the country, the prosperity of the nation, and the happiness of people. According to Xi Jinping, the Chinese dream embodies the long-cherished aspirations of generations of Chinese people and the overall interests of the Chinese nation and the Chinese people. The realization of this concept will be a great leap forward in the chronicle of China (Li, 2012).

The Chinese dream involves communicative rationality, value rationality, and practical rationality from philosophical rationality. Communicative rationality embodies the beauty of harmony. Moreover, value rationality embodies humanistic beauty. Practical rationality represents the beauty of hard work (Hu and Li, 2017). The Chinese dream is to realize the great rejuvenation of the country, the prosperity of the nation, and the happiness of people. The history, theory and practice of the Chinese dream clarify the value aim, language pattern and absolute power of China modernization, generate its strategic layout, contribute to Chinese wisdom for the peace and development of humankind (Han and Gong, 2018).

The Chinese dream is to continue and expand the great rejuvenation of the Chinese nation. The scientific connotation of the Chinese dream contains Chinese spirit and values, and it embodies the triple

value dimensions of the country dream, national dream and personal dream. To realize the Chinese dream, the Chinese people need to gather collective strength to benefit the people (Deng, 2021).

Undoubtedly, the reform and opening-up have greatly enhanced China's comprehensive national strength and provided broader space for China's rise and the creation of the Chinese miracle. The Chinese dream is the common aspiration of every Chinese descendant and is an excellent project for the benefit of the Chinese nation for thousands of generations to come (Guo, 2014). The Chinese dream is not isolated and not connected with the outside world, but it shares people's aspirations worldwide.

Chinese people must also realize that the competition of the comprehensive national strength of all countries in the world is becoming more intense. As such, China is facing many challenges. There are also many problems in constructing socialism with Chinese characteristics, among which roads, theoretical issues, system issues, and culture are the core ones. Seizing the opportunities and meeting the challenges has become the most pressing issue facing the Chinese government and people.

The realization of the Chinese dream is a highly complex project of economic and social modernization. Only by striving to overcome difficulties can China accomplish the extraordinary task of the Chinese dream and realize the great rejuvenation of the Chinese nation. In this process, China needs to deal with many complex and changeable issues, continually absorb ancient and modern ideas at home and abroad, and renovate a higher and more creative art of guidance. Under the guidance of correct theories, the effect of "right direction," "high efficiency," and "good outcome" can be achieved (Tian & Dai, 2012).

## **ACHIEVING THE CHINESE DREAM REQUIRES CORRECT THEORETICAL GUIDANCE**

Marx pointed out in the preface of *Das Kapital* that the modernization of social and economic forms is a natural and historical process (Marx, 1975). Human society is an organic unity of economic, political, cultural conditions, and natural environment. Marx has described various social structures in detail in his classical works. He predicted that society would allow people to display their creative abilities in all ways instead of limiting human development to a narrow range. Humanity has also summed up the fundamental laws of material civilization, political civilization, spiritual refinement, and ecological sophistication through various and multi-level experiences and lessons in social practice.

Excellent and brilliant achievements have been made through implementing various practical activities that conform to the objective laws. Understanding the "four civilizations" is particularly profound in China's modernization drive. In the process of human social development, the universal law of its development shows that the "four civilizations" are mutually conditional, mutually purposeful and mutually reinforcing (Huang and Shen, 2012). Once political and spiritual civilizations are formed, they have relative independence and historical inheritance with their particularities of development. Therefore, the realization of the Chinese dream must be guided by the theories of developing socialism with Chinese characteristics and must be based on the unique national conditions of China, be realistic, and conduct a detailed analysis of specific issues.

General Secretary Xi Jinping once pointed out that innovation has always been a vital force to promote the modernization of a country and a nation. He believes that China is a big developing country and is vigorously promoting the transformation of the economic development model and the adjustment of economic structure. Thus, the nation must implement the strategy of innovation-driven modernization to develop comprehensive innovation centered on scientific and technological innovation. China needs to stick with the direction of demand orientation and industrialization. At the same time, China needs to subscribe to the dominant position of enterprises in innovation to make full use of the decisive role of the market in the allocation of resources and the institutional advantages of socialism. They also need to enhance scientific and technological progress to economic growth, form new sources of growth power, and promote sustainable and healthy economic development (Li, 2010). 2020 to 2025 is a crucial stage of China's socialist commercial construction. The Chinese people face the ever-changing international situation and rare opportunities for peaceful world modernization.

Realizing the Chinese dream requires significantly enhancing the ability of independent national innovation and several scientific and technological achievements that significantly impact the world to

promote steady economic and social modernization. China needs to have an elevated level of material and spiritual civilization to achieve a substantial increase in social productivity to rank at the forefront of the world's core competitiveness (Liu & Li, 2018). Also, it is essential to safeguard national security and provide strong support for the complete construction of a beautiful and happy home. Therefore, developing socialism with Chinese characteristics and building an innovative society is embodied.

The 21st century is an era of the rapid modernization of science and technology and the continuous emergence of inventions and creations. The competition between countries is essentially the competition between broad national powers represented by economics, military, and culture. In recent years, the comprehensive national strength of China has developed to a certain extent. However, there is still a particular gap between the United States and other developed countries (See Table 1 for details). The word "autonomous" in front of innovation emphasizes that Chinese intellectuals are the main body of creation. Without autonomous innovation, it is difficult for the country to break through the restrictions of various intellectual property barriers and fundamentally solve the significant strategic problems its modernization and national security face.

China needs to complete the process of scientific and technological innovation to acquire independent intellectual property rights, upgrade the technical level of the national industry, and master the core technology in some fields. President Xi Jinping emphasized autonomous innovation when he visited the Guangdong-Australia Cooperative TCM Science and Technology Industrial Park in Hengqin New Area. He pointed out the significance of accelerating the enhancement of the ability and strength of autonomous innovation and emphasized the development of the real economy. Independent innovation is the foundation of national economic and social modernization, the strong driving force of national modernization, and the indispensable lifeline for the survival and growth of the Chinese nation. Only by enhancing the ability of comprehensive innovation from the global perspective of a broader world can China win first place in basic science and frontier technology research. China needs to enhance key technologies and strengthen the core competitiveness, promote comprehensive national strength to form strong governance and seize opportunities, calmly respond to various challenges, and strive to advance the cause of socialism with Chinese characteristics.

**TABLE 1**  
**GDP RANKING AND GROWTH OF RELEVANT COUNTRIES IN 2020**

GDP Ranking	Country	Billion (US dollars)	Billion (Chinese Yuan)	The growth rate in 2020
1	The US	20893.90	144117.76	-2.24%
2	China	14694.49	101356.70	2.74%
3	Japan	5044.13	34792.39	-1.82%
4	Germany	3836.98	26465.95	-1.51%
5	Britain	2770.08	19106.90	-3.73%
6	France	2628.99	18133.72	-3.79%
7	India	2606.75	17980.32	-7.84%
8	Italy	1887.88	13021.84	-22.60%
9	Canada	1646.22	11354.97	-6.06%
10	Brazil	1453.77	10027.52	-5.46%

Source: National Bureau of Statistics of P. R. China

The realization of the Chinese Dream of the great rejuvenation of the Chinese nation and the construction of a win-win "Community with a Shared Future for Mankind" are essential components of President Xi Jinping's socialist thought with Chinese characteristics in the new era. The goal of realizing the Chinese dream is the country's prosperity, the revitalization of the nation, and the people's happiness. These points are organically integrated into the political construction of socialism with Chinese features (Dong & Su, 2018).

Forty years of reform and opening-up have yielded fruitful results, which have confirmed this correct political understanding. In developing socialism with Chinese characteristics and building an innovative country, the Chinese people are the main body of the practice of autonomous innovation and the beneficiaries and participants of the achievements of independent creation. The cumbersome task of historical transformation lies on their shoulders, which should be equipped with Mao Zedong’s pioneering spirit of “Yu Gong Yi Shan (The Old Man Who Moved Mountains).” The people should be fully involved in formulating reform plans and designs. Innovative ideas and fresh impetus from ordinary people should be fully absorbed. All “left” and “right” speech interference that hinders constructing a socialist market economic system with Chinese characteristics should be removed. At the same time, people’s minds and dreams should be emancipated, and innovation should be encouraged so that the developmental peak can be scaled bravely.

There are joys and sorrows as far as the current economic and social situation is concerned. The people have personally realized the happiness of the reform and opening-up, so they sincerely support the reform with pleasure. At the same time, the modernization level of the South and the north and the widening gap between the West and the East is most noteworthy. Besides, the difference between the actual disposable income of urban and rural residents also continues to widen (see Table 2 for details).

**TABLE 2**  
**CHANGES IN PER CAPITA DISPOSABLE INCOME OF URBAN AND RURAL RESIDENTS**  
**FROM 2013 TO 2020 (RMB)**

Year	Per capita disposable income of urban residents (RMB)	Per capita disposable income of rural residents (RMB)	Per capita Disposable Income Difference between Urban and Rural Residents (RMB)
2013	26,467	9,430	17,037
2014	28,844	10,489	18,355
2015	31,195	11,422	19,773
2016	33,616	12,363	21,253
2017	36,396	13,432	22,964
2018	39,251	14,617	24,634
2019	42,359	16,021	26,338
2020	43,834	17,131	26,703

Source: National Bureau of Statistics of P. R. China

In addition to the widening income gap, there are also some problems in other areas, such as the inconvenience caused by the absence of public services, uneven distribution of educational resources, endless disputes between doctors and patients, etc. These situations are unprecedented problems in the previous economic construction. Therefore, China should use innovative thinking and explore ways to solve these problems. In the final analysis, improving people’s sense of happiness and making them truly feel satisfied is the cohesive link between China’s strength and the safety valve of Chinese society. Through active reform practices that can replace the old by bringing forth new, China continues to expand its opening-up to the outside world and deepens the reform of the economic system. Some deep-seated problems exposed will be solved to ensure the legitimate rights and interests of the people and allow the reform results to be shared collectively (Tian & Dai, 2012).

Since the Third Plenary Session of the Eleventh Central Committee of the Communist Party of China was held in 1978, the reform began in the countryside and soon swept across the whole country. In March 2016, the 13th Five-Year Plan pointed out: “Agriculture is the basis for building a well-off society in an all-round way and realizing modernization. China must speed up the transformation of agricultural modernization mode, focus on building a modern system of the agricultural industry, production and management, improve the efficiency and competitiveness of agricultural quality. China needs to take the road of agricultural modernization with high output efficiency, excellent product safety, proper resource

conservation and environment-friendly system (Niu, 2016).” The plan emphasizes that economic work should focus on rural areas, vigorously building and developing new countryside construction, and implementing a specific poverty alleviation policy. At present, China’s agriculture bears the supply of commodity grain and oil to survive the world’s largest population. It takes the enormous competitive pressure brought about by the integration of the world economy.

In this course, deepening the reform of the economic system is of great importance. Therefore, China should use the scientific modernization concept to explore and analyze problems, use innovative technologies, methods, and policies suitable for China’s rural areas to guide and promote agricultural modernization, create green GDP, and implement new rural construction. China should reform all unreasonable regulations and policies that block autonomous innovation, form a social atmosphere that encourages innovating independently and establish and improve the institutional mechanism that encourages independent innovation. Only in this way can China seize the opportunity, enhance the ability of autonomous innovation, and realize industrial restructuring (Li and Gao, 2013). Therefore, China should focus on solving the problems left over by the history of rural education and newly emerging challenges and cultivate talents for constructing the new countryside. As the rural area is vast with various situations and robust, the government should reform the working methods, promote the administration according to laws, speed up the construction of the rule of law and the service-oriented and effective government, and promote the continuous development of pastoral work.

### **ELIMINATE THE INFLUENCE OF THE “PAN-MARKETIZATION” THOUGHT TREND**

In real life, the degree of marketization is not enough. For example, some market regulation has not yet been given to the market, which leaves loopholes for the “pan-marketization” phenomenon to succeed. A typical example is an argument that a “high salary nourishes integrity.” Compared with countries with a long history of the market economic system, the salaries of civil servants in Chinese governmental institutions are relatively low. Civil servants should have wages commensurate with their status and contributions in common sense. Their hard work should be reasonably rewarded, and the remuneration should increase along with the modernization of the economy.

Nevertheless, this does not mean that a high salary nourishes integrity. The “high salary nourishes integrity” theory refers to a market trading principle: to buy integrity for the public at a high price. It is not advisable to apply the law of market transactions to the political field. As a noble act, honesty cannot enter the market transactions, nor can it be bought with money. In political life, market principles should not be adopted. China should emphasize politics, responsibility, and morality rather than cash. It is undeniable that the trend of “pan-marketization” has brought troubles to China. In the reform process, the starting point of the so-called “pan-marketization” argument completely deviates from the interests of the state and the government in the very beginning, by the fallacies of which the economic and social chaos that once appeared in some regions (Tian, Dai & Qi, 2012).

What needs to be corrected is that local administrators interpret marketization as the privatization of social welfare and government service. Under the guise of “market-oriented operation,” some functional departments of local government have abandoned many responsibilities they should assume, not to mention that the market is full of “counterfeit and inferior” products and “pitfalls and abductions.” Even some public schools, hospitals, and institutions engaged in public welfare undertakings have rightly begun to carry out “market-oriented reform” for the sake of “money” and “interests.”

What is more chilling is that some government agencies are trying to use their power as capital in exchange for the interests that are biased towards or in line with the nature of small groups. In many places and units, the allocation of public resources has been transformed into their interests through “market-oriented operation.” The market principles of “capitalization of power” and “equivalent exchange of values” are also widely used in officialdom. Corrupt cases of buying government positions, as well as embezzlement of public funds, occur pretty frequently.

What is more worrying is that in pan-marketization, the pace of economic transformation in some places is too abrupt. Without other alternative measures, many workers in urban enterprises and rural farmers have

lost many of their social benefits, including labor insurance and retirement benefits for urban workers and labor subsidies for rural peasants in the period of communes. Besides, the “buyout of the length of service” measures in some local enterprises are inappropriate as numerous laid-off workers, and their families have been affected. The number of laid-off workers affected by these measures is enormous, making the problem of employment, which has been very acute and prominent, even worse, thus forming potential and the destructive army of laid-off workers.

Moreover, due to the bankruptcy of small and medium-sized enterprises in cities, the number of employment opportunities decreases, which reduces employment opportunities for a large surplus rural labor force going to cities. It has become another grim fact. The misguided reform process is very radical, which interferes with the standard order of socialist countries and is very destructive. It also confirms an old Chinese saying that the heart of Sima Zhao is well known to passers-by.

Now, China must expose this evil to the world and let passers-by know it (Yang, 2016). The messy waves caused by the argument of the “pan-market” have led to some radical policies or practices, which have jeopardized the stable navigation of China’s modernization. Therefore, to realize the great rejuvenation of the Chinese nation, China must firmly criticize the trend of “pan-marketization” in the theoretical and ideological field, eliminate the severe harm it has caused, and revise the radical reform policies and practices with the tint of generalization. Only this way can China turn the grand blueprint of the Chinese Dream into reality.

Developing socialism with Chinese characteristics aims to realize the Chinese dream, build an innovative country, and enhance comprehensive national strength. All aspects of domestic affairs will be involved. All positive factors need to be mobilized, and appropriate construction and management methods should be adopted in specific areas. However, according to the basic principles of Marxism, the economic development of a country has objective regularity. People need to adopt appropriate methods to act according to this regularity and give full play to their subjective initiative within the allowable scope of the balance. Other social fields also have their social values and development laws, so the way people act should be regulated by corresponding theories.

Developing a socialist market economy is undoubtedly an effective way to realize the Chinese dream. However, the market economy is not equal to “pan-marketization.” The so-called “pan-marketization” tendency mainly refers to the gradual trend towards the market operation of some basic and public welfare departments such as science, education, culture, and health. However, when general welfare sectors such as health and education are “pan-marketized,” the problems in the reform of the economic system are severe. Therefore, to remove the obstacles to realizing the Chinese Dream, China must be conscious of the destructive influence of the thoughts about the “pan-marketization” trend. The aim of adhering to the principle of the reform about the socialist market economy is to hope that China’s educational concept can be innovatively developed, quality education can be implemented for all, and educational equity can be ensured.

One of the critical goals of the reform is to establish a socialist system of the market economy with Chinese characteristics that are compatible with the current situation of China. Article 15 of the People’s Republic of China (namely, the revised version adopted by the Second Session of the Tenth National People’s Congress on March 14, 2004) stipulates that “the state should implement socialist market economy.” It is, after the reform exploration of “giving priority to a planned economy, supplemented by market economy” and “carrying out planned commodity economy,” the reform guideline approved by the National People’s Congress conforms to both the Marxist value system and China’s national conditions (Sun, 2004). Based on the severe reflection on the theory and practice of social and economic modernization in China before the reform, the reform path was finally determined in the Constitution. In the past, under the unitary planned economic system, people’s interpretation of market information was easily influenced by one-sidedness such as subjective understanding. Market activities are easily dominated by their narrow individual will.

In contrast, the violation of market law will inevitably lead to the distortion of the economic market and causes difficulties for market law to play an objective role. To change this abnormal and distorted economic system, it is necessary to scientifically understand and respect the market law and act according

to the actual code to play a fundamental role in allocating resources. Numerous factors of production can flow through the market, the distribution of resources can be optimized, and transaction costs can be reduced. In this way, China can improve the operational efficiency of the whole economic system. Therefore, it is necessary to adhere to the reform (Sun, 2010).

With the rise of the Pan-market reform, people regard profit-seeking and maximization of capital gains as the only principle to regulate social relations, disturbing people's rational analysis and scientific thinking of social conditions. The actual market-oriented reforms carried out in some places have shown prominent characteristics of reducing the proportion of the state-owned economy and strengthening the share of privatization. Eventually, many state-owned enterprises were sold cheaply, resulting in a significant loss of state-owned assets. If such practices are not stopped and rectified, the ruling foundation of the state power will be severely eroded by the hidden crisis. The long-term course of socialist construction has also clearly shown that the leadership system, government agencies, ideological theory, judicial, military, ethnic and religious affairs cannot be market-oriented. Also, in-depth reform cannot be market-oriented, and those departments cannot have any tendency towards privatization. Reforms in science and technology, education, culture, sports, medical treatment, health, and environmental protection cannot be privatized entirely on the principle of market orientation. Similarly, to reform many non-profit and non-governmental organizations in society, China should also eliminate the market's overall privatization. It would be tantamount to indulgence, which would only weaken the ruling power of the Communist Party, make the so-called rights and interests of vested interest groups over-inflate, and endanger the people's fundamental interests (Liu, 2007).

Even in the economic field, for the sake of national security and public social interests, there will inevitably be some public resources and public goods that are impossible or not allowed to be traded on the market, let alone be privatized. The popular economics textbooks of American universities point out that "the materials or funds to produce public goods such as defense and armaments should be controlled by the government" (McConnell, 2005). Can China marketize and privatize its defense industry? The answer is negative, and all countries worldwide have the same answer.

Moreover, a real market economy needs a market environment with equal status of market players, open and transparent market rules, standardized and orderly trading processes, fair and reasonable market management, and an appropriate market environment under the rule of law. Implementing the so-called completely free "marketization" of a private economic system is impossible in contemporary human society. The consequences of privatizing critical industries related to the national economy and people's livelihood, such as the national defense industry, are unimaginable. Therefore, to continue to deepen economic policy reform, China must strengthen the national management and conduct economic and social activities following the objective laws of the economy. At the same time, China needs to obtain the best social and economic results using as few resources as possible and the optimal combination and make an effort to coordinate the modernization of the economic and social environment. China must never allow the reform of the "self-improvement of the socialist system" to be distorted into "market-oriented reform" as such misleading is more ill-intentioned than childish (Liu, 2013).

## **THE CORRECT DIRECTION OF DEVELOPING A SOCIALIST MARKET ECONOMY**

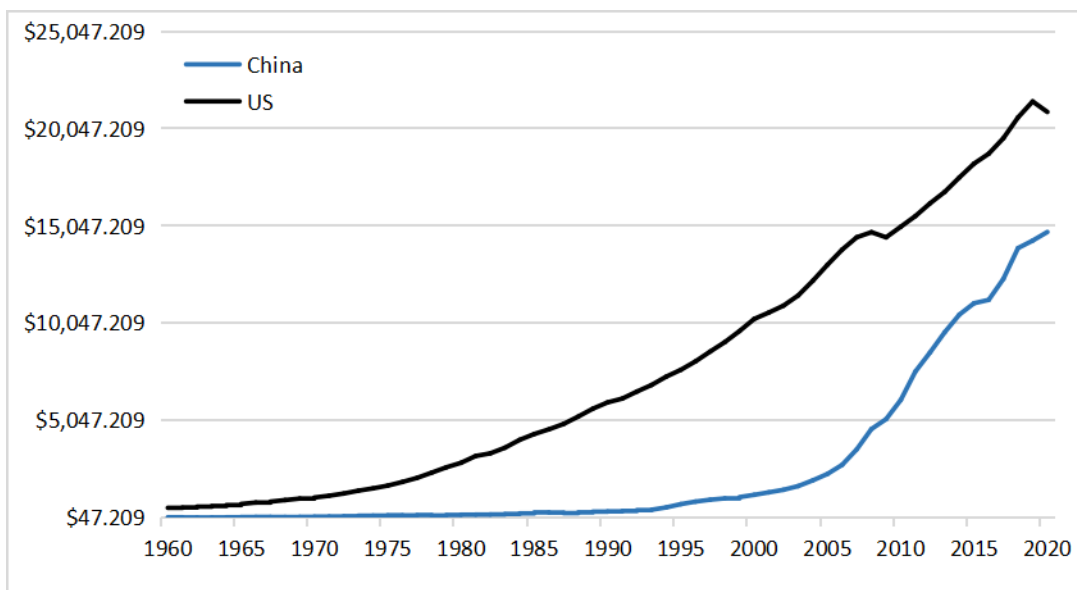
The core issue of the economic system reform is to deal with the relationship between the government and the market. Xi pointed out that China must unswervingly consolidate and develop the public sector of the economy. Moreover, China must unswervingly encourage, support and guide the modernization of the non-public sector, give full play to the decisive role of the market in resource allocation, give complete freedom to government functions and activate various market entities.

In contrast, the focus and difficulty of establishing the socialist market economic system will be the reform of the state-owned enterprises, which represents separating the ownership of means and materials of products from products. After 40 years of reform and innovation, China's state-owned enterprises have established a modern system and gradually become market players. Insisting on autonomous innovation has laid a solid foundation for China to become innovative.

According to statistics, China's gross domestic product increased from 367.9 billion yuan in 1978 to 82.7 trillion yuan in 2017, with an average annual real growth rate of 9.5%, which is much higher than that of the world economy of 2.9% in the same period. China's share of the world's gross domestic product has risen to 15.2% from 1.8% at the beginning of the reform and opening, and it has contributed more than 30% to world economic growth. Therefore, China should firmly prioritize economic development, stress that science and technology are the first productive force, and produce high-tech and high value-added products to participate more actively in international commercial competition.

China's total imports and exports of goods increased from \$20.6 billion to more than \$4 trillion, with cumulative use of foreign direct investment exceeding \$2 trillion and total outbound investment reaching \$1.9 trillion (Liu He Zhang, 2018) (see Figure 2 for details). The strategic goal of building an innovative country can be achieved by establishing a socialist market economic system, insisting on autonomous innovation and establishing famous commercial brands that can enjoy a global reputation.

**FIGURE 1**  
**GROSS DOMESTIC PRODUCT BETWEEN CHINA AND THE UNITED STATES FROM 1960 TO 2020 (BILLION)**



However, establishing a socialist market economic system is by no means the mechanical “marketization” of the whole country. The social responsibility of an advanced political party must not be swept away by the trend of “pan-marketization.” The substantive expression of market economic theory, in some respects, is purely technological, which has its limitations and does not apply to all social phenomena. Therefore, China should criticize the trend of “pan-marketization.” Only after dispelling erroneous statements can the correct theories be established and developed.

The goal of the socialist market economy is to ensure that the country is prosperous, that the people are well-off and healthy with better rights and interests, and that all Chinese people live in a safe and beautiful country. The words and deeds of Pan-marketization are misunderstandings of the market economy and distortions of market-oriented reform. One more step forward in truth is a fallacy, and turning marketization into “pan-marketization” is the first step towards delusion. Socialism with Chinese characteristics has entered a new era, and China's economic development has also introduced a new generation.

To solve the problems about the relationship between the government and the market and to better play the role of the government, it is necessary to continually improve the property rights system and market-oriented allocation of factors to achieve effective incentives for property rights and free flow of production



elements. It is essential to improve the management system of state-owned assets and consolidate the basic socialist economic system. It is necessary to deepen the reform of fiscal, taxation and financial plans and enhance the ability of financial services to the real economy (Wang, 2019).

The successful practice of China's reform and opening-up tells us that it is impossible to grasp the complexity of modern society by relying solely on economic analysis in a country with a large population and significant differences in regional conditions. In other words, pure marketization may not solve all the problems in modern society. Applying China's stern economic theories mechanically and the arguments that attempt to influence or even manipulate the reform process can only push out some practical radical methods under the label of deepening reform. It often disturbs the harmonious atmosphere of the cooperative atmosphere of Chinese society.

To lay a foundation for developing socialism with Chinese characteristics and building an innovative country is the goal for the Chinese people. In addition, there are other goals: rectify the chaotic situation, deeply understand the significance of building an innovative country, remove all obstacles to realizing the Chinese dream, and discover the vision of the great rejuvenation of the Chinese nation. Therefore, innovative economic and social modernization concepts are needed to guide contemporary socialist construction, clearly establishing or conforming to the Chinese visions of modernization.

How to develop a socialist market economy with Chinese characteristics? There are a great many suggestions from domestic scholars. The recognized core issue is how to carry out social change or social reconstruction. There are also many problems reflected in the reform of the market economic system, among which two need to be pointed out.

Firstly, the market economy is not equal to the market society. Just like Former French Prime Minister Jospin once said: "market economy, not the market society" (Han, 2013). The market economy is indeed an effective economic system for allocating resources. However, its principles cannot wholly penetrate or dominate social life. In recent years, the reforms in some fields have made frequent mistakes and even caused severe harm, such as the reform of the medical market and the reform of education industrialization, which to some extent, has a direct relationship with the "pan-marketization."

Secondly, the socialist market economy needs to be based on public ownership and distribution according to work. Modern sociology believes that any economic system is embedded in the social foundation. It is difficult to operate normally without a proper social foundation, even with a perfect market economy.

To build a perfect socialist market economy in China, on the one hand, China needs to continually practice socialism with Chinese characteristics and combine it with the market economy to achieve higher efficiency. On the other hand, China should avoid blindness, prevent and avoid systemic economic risks and crises when practicing socialism in the way of resource allocation of the market economy, and treat and use it from a rational perspective (Liu, 2012). China must end capitalist exploitation and safeguard the common interests of the people, which are necessarily national interests.

Building a Community with a Shared Future for Mankind requires balancing the common interests of all countries in the world. To this end, Xi Jinping put forward the concept of "win-win," "a community for mankind to share the future," which conforms to the world development model and realizes the transformation from self-interest to win-win. It is a correct understanding of the differences and interdependence of countries globally (Zhang, 2017). From building a Community with a Shared Future for Mankind and everyday interests, this paper analyzes the relationship between public ownership, planned economy, and distribution according to work, which further deepens the understanding of Marx's socialist conception and the construction of the great Chinese dream of rejuvenation. Only by grasping the common interests can China understand socialism. Once the common interests are captured, the ownership relationship and its structure, as well as the distribution relationship and its system, will also be grasped so that China will not deviate from reality, lose direction, lag the times, or go beyond the stage.

Although the history of the Chinese nation is full of changes, it has always been moving forward in a high-spirited manner because of its profound historical origin and deep cultural foundation, and the tremendous indomitable spirit of the Chinese people. The Chinese culture, which has continuously been refined and honed by the Chinese nation in its thousands of years of development, is an inexhaustible

driving force for the Chinese country to resist aggression and oppression and seek independence and prosperity since modern times. During the period of reform and opening-up, China has once imitated the market economy theory implemented by the western industrialized countries, whose technological analysis method is worth studying and drawing lessons from. The advanced concepts in the market economy theory should continue to develop and flourish.

However, suppose China wants to combine socialism with the stable market economy with Chinese characteristics and form a theoretical system of economics. In that case, they must have enough support such as logic, self-consistency, science, specialty, concreteness, and accuracy. To realize this grand systematic project, the Chinese people must have complete cultural confidence. Cultural self-confidence is total national self-confidence and a vital spiritual force for social progress. Since it was put forward, cultural self-confidence has experienced the development of “three self-confidence” to “four self-confidence.” It is the more accurate take of “Chinese self-confidence” by the Party and the state government, the requirement of exerting the unique charm of Chinese culture, and the perfect response to the export of active western cultures (Hu, 2017).

Since the reform and opening-up, the theory of the socialist market economy in China has been the development of Marxism. However, this theory still has many imperfections that need to be adjusted more carefully. To proceed from China’s actual situation, China should not mechanically quote some market economic theories that seem to have no flaws from theoretical or technical perspectives. Such practices neglect the critical element of “different national conditions” and put the construction of China’s material civilization on a non-existent basis without seeking truth from facts.

Therefore, in the economic system reform, several vital issues should be considered in China’s national conditions, drawing lessons from China’s political, economic, cultural and historical tradition. Firstly, not to take the gross domestic product (GDP) only to measure the degree of social modernization, but to measure people’s living standard per capita, and to deviate from the relatively few resources in China’s national conditions, cultural tradition, and national habit times since ancient times. It will encourage the so-called advanced consumption and credit consumption, which will lead to a vicious circle of consumption if it lasts for a long time, and ultimately lead to the decline of people’s actual consumption level.

Secondly, the excessive emphasis on economic benefits will fundamentally neglect social equity, resulting in unfair distribution of social wealth, polarization, and gradual accumulation of dissatisfaction among the masses to varying degrees. The goal of shared prosperity cannot be achieved.

Thirdly, although people can realize that the modernization of material civilization is the foundation of social progress, they always emphasize spiritual enlightenment. Still, in real life, they do not carry forward the refined culture of the Chinese nation but pay too much attention to the material foundation. They led many young people to look down on the rich cultural heritage handed down to them and lost the initiative to build spiritual civilization and national confidence and pride (Guo, 2014).

## **ENHANCE THE INNOVATIVE ABILITY TO PARTICIPATE IN INTERNATIONAL COMPETITION**

Developing socialism with Chinese characteristics and building an innovative country is inevitable in Chinese history. On the one hand, China is thriving at this stage; on the other hand, it has reached a critical historical period. The country must redesign its strategic layout according to the changes in the international situation and the reality of the domestic social economy. Otherwise, it will lose a once-in-a-lifetime historical opportunity. China’s global strategic issues are significant and should not be underestimated. Therefore, the connotation of “community for the common future of mankind” is in line with the purpose of national rejuvenation. In addition, the construction of “community for the common future of mankind” is in line with the world development model, which has changed from focusing only on realizing its interests to a win-win model.

China has completed its preliminary industrialization and has developed at an alarming rate in some areas. The country is gradually equipped with the potential strength to become a world power. World history has repeatedly shown that the growth of an emerging power often means the decline of the hegemonic

dominant country of the previous generation. However, based on the actual status of a socialist government, China has repeatedly declared and proved that China is on a path of peaceful modernization and will never seek dominance and hegemony. Building a Community with a Shared Future for Mankind is China's plan for world modernization in the new era (Ren, 2018).

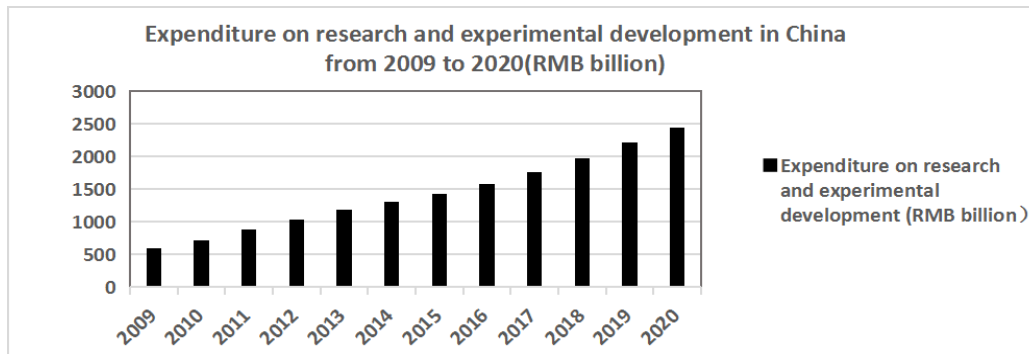
Since the resource space of the world market is limited, countries that desire to be the world's hegemon will never allow China to become stronger gradually. A small part of people in these countries must desperately contain China and advocate the threat of China's rise as a great power. Therefore, China should have its global strategic layout, and the critical point or value orientation of this strategic layout is to maximize China's national interests. On this issue, a national strategy for the new period is needed. Once has a correct national plan and implemented step by step, China will grow into a developed country with international competitiveness in 50 years to realize the dream of the great rejuvenation of the Chinese nation.

Therefore, the current focus for China is to reiterate that confidence in the road of socialism with Chinese characteristics, strengthen national innovation ability, adhere to the "One Belt And One Road" initiative, supplementary supply-side structural reforms, with more affluent, more influential comprehensive national strength, to build a new era of the modern economic system, to demonstrate the greatness of national rejuvenation on the international stage in the 21st century.

It is gratifying to note that the introduction of the Chinese dream is the crystallization of the wisdom of the whole nation centered on the leadership of the CPC Central Committee, with Xi Jinping as the core. It is full of the philosophies of coordinated modernization and maintains the healthy thinking of developing socialism with Chinese characteristics. Through the supplement in the construction practice, such thinking will inevitably lead to developing the national economy into a new world (Xie & Xie, 2014).

The competition in the world market is a war without smoke. China needs to complete autonomous innovation with a high-spirited posture and struggling spirit to occupy the commanding heights of international economic competition. Compared with the emerging high-tech level of patented technology in developed countries, China's science and technology level is still relatively low (see Fig. 1 for details). Faced with such a reality, China must face the competition of commercial science and technology, keep climbing, and persist in doing. In Japan, the high-tech industry is technology-intensive, fast-renewable, and effectively resource-saving. It has formed a specific scale of a market that can penetrate and drive the modernization of other related industries (Yu, 2010). Therefore, insisting on autonomous innovation and reflecting its achievements through enterprises' product manufacturing can help occupy an essential part of the industrial chain of world economic integration. Otherwise, the market will ruthlessly eliminate it because of the loss of vitality. Certain efforts should be devoted to tracking the fields of technological inventions dedicated to developed countries and keeping up with them. The Chinese should seek technological breakthroughs in science, which are significant to national modernization and security. The Chinese need to concentrate their efforts on tackling fundamental problems and continuously expand the international market share market by suitability for national conditions and strength characteristics.

**FIGURE 2**  
**EXPENDITURE ON RESEARCH AND EXPERIMENTAL DEVELOPMENT IN CHINA FROM 2009 TO 2020 (RMB BILLION, BASED ON DATA FROM THE NATIONAL BUREAU OF STATISTICS OF P. R. CHINA)**



Since China joined the WTO in 2001, it has entered the competition of the international commercial market on a large scale. The total import and export volume has increased significantly. It produces some products with independent intellectual property rights to meet the demand of the world market. There are launches of commercial satellites, shipbuilding industries, etc. In the field of consumer goods, clothing, toys, hardware, tourist shoes, and products of other businesses made in China have been sold all over the world, and China has become the “world factory” in this field (see Table 3 for details) (Sun, 2011). China should continue to formulate new, targeted, operational policies for scientific and technological reform. The state should guide scientific and technical competence in general projects by managing effective project systems and market systems to ensure China’s competitive advantage of science and technology at various levels.

**TABLE 3**  
**CHINA’S TOTAL IMPORT AND EXPORT VOLUME FROM 2009 TO 2020**

Year	Total import and export volume (RMB billion)	Total export volume (RMB billion)	Total imports volume (RMB billion)	Import and Export Balance (RMB billion)
2009	15,064.806	8,202.969	6,861.837	1,341.132
2010	20,172.234	10,702.284	9,469.95	1,232.334
2011	23,640.195	12,324.056	11,316.139	1,007.916
2012	24,416.021	12,935.925	11,480.096	1,455.829
2013	25,816.889	13,713.143	12,103.746	1,609.398
2014	26,424.177	14,388.375	12,035.803	2,352.572
2015	24,550.293	14,116.683	10,433.61	3,683.073
2016	24,338.646	13,841.929	10,496.717	3,345.212
2017	27,810.1	15,331.119	12,478.981	2,852.138
2018	30,500.813	16,412.781	14,088.032	2,324.749
2019	31,562.732	17,237.363	14,325.369	2,911.994
2020	32,221.524	17,927.883	14,293.640	3,634.243

At present, China’s economy has reached a relatively large scale, and the reform has entered into a critical stage, beginning to touch the “bone” that is difficult to tackle. Continuing to maintain the growth rate of the national macroeconomic economy and operating in the rising range of low prices is the focus of the national strategy at present and in the future. China should creatively implement macro-control policies

to improve structural problems in economic operation further, alleviate the contradiction between energy and its transportation, and promote socialism with Chinese characteristics.

## CONCLUSION

To realize the tremendous economic and social project of the Chinese Dream requires the removal of all obstacles on the way forward, a new outlook of economic and social modernization, adjustment of the strategic objectives and approaches of current economic and social modernization appropriately. In the final analysis, economic modernization is to achieve the well-being and shared prosperity of the whole people. Therefore, China must put material and spiritual civilization in the right place: material culture is the foundation of socialist economic construction, and spiritual enlightenment is the direction of socialist progress. Only by promoting each other can China achieve the goal of building a moderately prosperous society in an all-around way and realize the Chinese dream.

All kinds of negative phenomena caused by the trend of Pan-market economy theory have made some people feel confused or even dissatisfied with the development of the market economy. Scholars have made different interpretations in analyzing the causes of such negative phenomena. They believe that in the face of the “pan-market” problem in the modernization of the market economy, China needs to have a deeper understanding of the theory of the socialist market economy and the specific content of the great strategic concept of realizing the Chinese dream.

For many particular problems in the reform, starting from the appropriate content, including whether some reform measures are biased towards individual interest groups or whether some slogans or incorrect values are propagandized, China needs to seriously layout facts and rationalize instead of blindly following the crowd. Only such a severe approach can ensure that the process of marketization is “impartial” and that China will become a socialist country with characteristics of democracy, the rule of law, fairness and justice, vitality, stability and order, and harmony between man and nature.

While realizing the great social project of the Chinese Dream, China should consolidate the economic foundation and highlight the importance of national defense construction supported by high-tech means. Socialist modernization will not be realized with solid enemies outside the country and disunity inside. China should take the balanced modernization of the national economy and society as the basis, create a good employment environment as the direction, achieve compulsory education for all and social security as the phased goals, and ensure that the people live and work in peace and prosperity of the country. On the other hand, China needs to establish a systematic theory to promote an innovative country from domestic social and economic modernization. Moreover, China needs to firmly grasp the center of economic construction, combine the Belt and Road Initiative with supply-side structural reform, and effectively build a modern financial system in the new era (Bao & Bi, 2016).

After these strategic adjustments are made, necessary reforms will be made to the existing administrative system, and adequate supervision mechanisms will be established to curb corruption at the management level from the source (Zhang, 2005). When necessary adjustments are made to the mechanism or economic and social modernization strategy, China must completely abandon the fallacy of “pan-marketization.” Otherwise, the Chinese leadership cannot explain it to the whole nation.

In a word, from the perspective of modernization, China must renovate the concept of economic and social modernization, regard social equity and shared prosperity as the criteria for rebuilding the social family and strive to build an innovative society aiming to realize a “Community with a Shared Future for Mankind.” The market economy theory still needs to be enriched; however, it must be re-interpreted and sublimated. In the fierce competition of comprehensive national strength, China has no other choice but to remove all obstacles that hinder the realization of the Chinese dream, overcome difficulties, and make the country better and more prosperous. Only this way can China realize the grand goal of the collaborative planning of the national leadership and finally make the great dream of national prosperity, national rejuvenation, and people’s happiness come true.

## REFERENCES

- Bao, H., & Bi, F. (2016). A strategic conception of “one belt and one road” under the perspective of Marx’s doctrine. *Motherland*, (15), 116–117.
- Deng, N. (2021). The scientific connotation, value dimension and route of the Chinese dream. *Exploration*, (5), 27–33.
- Dong, D., & Su, Y. (2018). “The Chinese Dream” and “the World Dream” are in common and win-win situations: An analysis based on the concept of “Community with a Shared Future for Mankind. *Journal of Jiangsu University (Social Science Edition)*, 20(3), 6–11.
- Guo, H. (2014). The current situation of China’s economic system reform and its implementation path. *Journal of Shanxi Agricultural University (Social Science Edition)*, (8), 766–769.
- Guo, X. (2014). Research on the Theory and Practice of the Chinese Dream. *Young Literator*, (6), 160–160.
- Han, X. (2013). Moral lack and path choice of the socialist market economy. *Frontier*, (5), 98–100.
- Han, X., & Gong, R. (2018). The Chinese dream: Chinese wisdom and Chinese approach for modernization. *Research on Marxism*, (12), 94–103.
- Hu, J., & Li, Y. (2017). The three-dimension of philosophical rationality of the Chinese dream. *Journal of Northwest University (Social Science Edition)*, (1), 85–90.
- Hu, Y. (2017). The new development of socialism with Chinese characteristics since the 18th National Congress - From “three self-confidence” to “four self-confidence.” *Journal of Harbin University*, 38(9), 19–22.
- Huang, Q., & Shen, Y. (2012). Exploring the construction of four civilizations and optimizing the ideological and political education environment. *Journal of Huaihua University*, 31(4), 36–38.
- Li, C., & Gao, R. (2013). Research on institutional mechanism design and supporting policies for promoting autonomous innovation in China. *Gansu Journal of Theory*, (4), 5–9.
- Li, K. (2010). Enhancing the endogenous power of economic growth to accelerate the transformation of development mode. *Theoretical Reference*, (9), 5–5.
- Li, Y. (2012). The Rise of Cultural China and the Chinese Dream. *Collection of Leaders*, (1), 24–26.
- Liu, F., & Li, H. (2018). Integrating the “Community with a Shared Future for Mankind” and the “Chinese Dream.” *Frontier Economy and Culture*, (5), 50–52.
- Liu, G. (2013). On the direction of China’s economic system reform before the Third Plenary Session of the Eighteenth Central Committee -- guard against the privatization trend in the name of marketization. *Jianghuai Forum*, (5), 5–8.
- Liu, H. (2012). The ethical perspective of fairness and efficiency under the socialist market economy. *Journal of Shangqiu Vocational and Technical College*, (1), 9–10.
- Liu, Y. (2007). Focusing on China’s vested interest groups. *Beijing: Party School Press of the Central Committee of the Communist Party of China, 2007*, p.60.
- Liu, Y., & Zhang, X. (2018). Research on financing strategy of privately-owned listed enterprises: Empirical analysis based on panel data from 2012 to 2015. *Rural Economy and Technology*, (9), 179–180.
- Marx. (1975). *Das Kapital* (Volume 1, p.12). Beijing: People’s Publishing House.
- McConnell, C.R. (2005). Microeconomics: Principles, Problems, and Policies. *Economics Principles Problems & Policies*.
- Niu, L. (2016). Agricultural UAV: Prospects and Constraints. *New Economic Guide*, 2016(7), 42–48.
- Ren, J. (2018). Community with a Shared Future for Mankind: China’s program for global governance. *Southeast Academy*, (1).
- Sun, H. (2011). Research on the transformation and upgrading of China as the “world factory.” *Industry Development*, (3), 76–78.
- Sun, J. (2010). The economic system, resource allocation, and the model of economic development. *Economic System Reform*, (5), 5–11.

- Sun, W. (2004). Note on the Amendment (Draft) to the Land Management Law of the People's Republic of China - Eleventh Meeting of the Standing Committee of the Tenth National People's Congress.
- Tian, G., & Dai, Q. (2012). *Criticism of Pan-marketization*. Beijing: China Financial and Economic Publishing House.
- Tian, G., Dai, Q., & Qi, X. (2012). Strategic thoughts on state management based on criticism of the trend of Pan-market theory. *Journal of Shijiazhuang College of Economics*, (2), 92–95.
- Wang, D. (2019). Establishing a socialist market economic system is a marvelous creation. *Wisdom China*, (1), 55–57.
- Xie, D., & Xie, S. (2014). An Economic Analysis of the Chinese Dream. *Economist*, (1), 14–21.
- Yang, Q. (2016). Pan-marketization and moral dilemma. *Mao Zedong and Deng Xiaoping Theory Research*, (4), 44–47.
- Yu, L. (2010). The impact of technological innovation on the trade competitiveness of high-tech products. *Forum on Statistics and Information*, 25(5), 76–80.
- Zhang, Y. (2017). Generation, value, and realization of the concept of “Community with a Shared Future for Mankind.” *Ideological and Theoretical Education*, (8), 33–39.
- Zhang, Z. (2005). Corruption and Anti-corruption in the Perspective of the Institution. *Hubei Social Science*, (11), 44–46.