Opening Remarks at the 19th Forum of the World Association for Political Economy

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Distinguished leaders of the University of Greenwich,
Distinguished members, council members, and experts and scholars of the Association:

First of all, on behalf of the Association, I extend a warm welcome to scholars, experts, teachers, students, and media friends from all over the world who have gathered for this grand event. I also express my heartfelt gratitude to the University of Greenwich and its relevant faculties for co-hosting the 19th Annual Conference of the World Association for Political Economy.

The World Association for Political Economy is an open, non-profit international academic organization, primarily formed voluntarily by Marxist economists and related groups worldwide. The mission of the Association is to observe and study the world economy and national economies through the lens of modern Marxist economics, to reveal their developmental laws and operational mechanisms, to explore strategies for promoting economic civilization, social progress, and the building of a community with a shared future for mankind, and to serve the faster and better improvement of global well-being. From 2006 to 2025, the World Association for Political Economy has successfully held 18 international forums in countries such as China, the United States, Mexico, Brazil, South Africa, India, Russia, Canada, Greece, and Turkey, gaining considerable recognition and influence globally.

The topics of this forum are important and extensive, with a focus on exploring Adam Smith's *The Wealth of Nations*, Lenin's theory of imperialism, and their contemporary value, among other issues. Below, I will discuss two key points.

First, we should pay attention to Adam Smith's theory of national wealth and its contemporary value. In 1776, Smith published *An Inquiry into the Nature and Causes of the Wealth of Nations* (hereinafter referred to as *The Wealth of Nations*). Adam Smith's theoretical contribution was not merely advocating laissez-faire; rather, within a framework where social division of labor, market exchange, moral norms, and public institutions constrain each other, he systematically expounded on certain laws and basic mechanisms of early capitalist economic operation. In particular, his ideas on the relationship between labor and value provided reasonable components for Ricardo and Marx to innovate the labor theory of value. Its contemporary value lies in providing theoretical insights for handling the relationships among market efficiency, social equity, and state governance.

First, the core category through which Smith explains wealth growth is the division of labor. He believed that the improvement of labor productivity mainly stems from division of labor. Division of labor can enhance workers' proficiency, reduce time losses between different processes, and promote the invention of machinery and technology. Meanwhile, division of labor does not exist in isolation but is constrained by the scope of the market: the larger the market scope, the more frequent the exchanges, and generally, the higher the degree of specialization. Smith thus linked social division of labor, commodity exchange, market expansion, and economic growth, preliminarily revealing the internal mechanisms of specialized production and social collaboration in a market economy.

Second, the main way Smith analyzes economic coordination is through self-interest motives and market exchange. Smith argued that individuals usually act from their own interests in economic activities and satisfy each other's needs through exchange. Under certain institutional conditions, the price mechanism can transmit supply and demand information, guiding the flow of resources among different sectors, thereby forming a certain social coordination from dispersed economic decisions. However, we should not equate the personal self-interest mentioned by Smith with unlimited egoism. His concept of the "invisible hand" is not an absolute law applicable to all fields, but a generalization of unintended social results under specific market conditions. Competitive order, property rights rules, judicial systems, and moral constraints are all necessary conditions for the effective operation of market mechanisms.

Third, Smith did not deny the economic and social functions of the state. He advocated that the state should undertake responsibilities such as national defense, justice, and public works, and emphasized public education. In particular, he already noted that overly detailed and repetitive division of labor might lead to the impoverishment of workers' intellectual and social capabilities, and thus needed to be corrected through education. He also warned against merchant groups using political power to seek monopoly interests. This indicates that Smith opposed both unreasonable regulations that hinder production and exchange and the domination of public policy by private economic forces.

Fourth, Smith emphasized the moral foundation of economic and social life. In *The Theory of Moral Sentiments*, he proposed the concept of "sympathy," arguing that humans have the ability to empathize with others' feelings and evaluate their own behavior. Individual behavior is not only driven by interests but also constrained by conscience, social evaluation, and the "impartial spectator." Therefore, Smith's "self-interested economic man" is not a pure egoist completely detached from social relations, but a social member situated within legal, customary, and moral norms. This idea illustrates that if the market economy lacks integrity, fairness, and a sense of responsibility, it may damage social cooperation due to fraud, monopoly, and opportunistic behavior.

Marx treated Smith's theories with a dialectical and scientific attitude. First, Marx highly recognized Adam Smith's theoretical achievements. Smith broke through the one-sided perceptions of mercantilism and the Physiocrats, systematically established the prototype of the labor theory of value, clearly identified labor as the fundamental source of wealth creation, and scientifically explained the economic laws by which social division of labor and commodity exchange promote the growth of national wealth. He was the first to systematically analyze the three forms of income—wages, profits, and rent—initially touching upon the internal structure of capitalist production. This provided important ideological material for subsequent studies on the operation of the capitalist economy and became an important theoretical source for Marx's theory of surplus value.

At the same time, Marx profoundly revealed the fundamental flaws in Smith's theories. First, Smith exhibited a contradiction in the duality of his value theory, sometimes adhering to the view that labor creates value, and sometimes explaining commodity value through income composition, leading to theoretical logical confusion and an inability to scientifically explain the true source of profit. Second, Smith viewed the capitalist mode of production as an eternal and natural system, denying its historical temporariness and failing to see the basic contradictions of capitalism and its historical developmental trends. Third, Smith blurred the antagonistic relationship between labor and capital, concealing the exploitative essence of capitalists' unpaid appropriation of workers' surplus labor, and failing to reveal the secrets of capitalist production.

In short, Marx discarded the idealist view of history and theoretical errors in Smith's theories, absorbed the reasonable core of the labor theory of value, and based on the materialist conception of history, analyzed the operational laws of capitalism. He transcended the historical limitations of classical political economy and ultimately established a scientific and complete system of Marxist political economy.

The contemporary value of Smith's thought is mainly reflected in three aspects. First, the development of the digital economy and global industrial chains further proves that there is a close connection among specialized division of labor, market scale, and technological innovation; however, highly specialized division of labor may also lead to labor alienation, skill singularization, and supply chain vulnerability, thus requiring strengthened vocational education, labor protection, and industrial resilience building. Second, while the market can improve resource allocation efficiency, monopolies, information asymmetry, environmental externalities, and wealth polarization indicate that the market does not automatically achieve social optimality. The state must compensate for its limitations through state regulation, rule of law, anti-monopoly measures, public services, and social security. Third, modern private enterprise governance should not solely aim at maximizing private profits but should also assume responsibilities for workers' rights, consumer protection, and ecological duties. This is consistent with Smith's idea that self-interest must be subject to justice and moral constraints.

Second, we should pay attention to Lenin's theory of imperialism and its contemporary value. Lenin wrote *Imperialism, the Highest Stage of Capitalism* (hereinafter referred to as *Imperialism*) in 1916 and published it in 1917. This work is the concentrated embodiment of Lenin's theory of imperialism. Taking the new changes in capitalist development from the late 19th to the early 20th century as its research object, and based on the critical absorption of research results from Hobson, Hilferding, and others, it systematically elucidated the economic mechanism of the transition from free competitive capitalism to private monopoly capitalism. Its core conclusion is that imperialism is not an isolated foreign policy, nor merely the military expansion behavior of a few countries, but a global economic structure formed when the concentration of production and capital in capitalism develops to a certain stage, representing capitalism where monopoly holds dominance. The contemporary value of this work is as follows.

First, it provides an important method for analyzing contemporary capital concentration and monopoly power. Although multinational corporations, global financial institutions, and large digital platforms have new organizational forms different from those in the early 20th century, production concentration, capital concentration, and market control remain important categories for understanding modern capitalism. It is especially necessary to examine how large enterprises establish structural advantages by relying on capital, technology, data, patents, and platform rules.

Second, it helps understand the social consequences of financialization. Contemporary financial capital influences the real economy through securities markets, asset management institutions, cross-border credit, private capital, and complex financial instruments. Lenin's analysis of financial capital and financial oligarchs can inspire people to study phenomena such as the expansion of financial returns, the financialization of corporate governance, debt dependence, and the concentration of economic power in a few institutions. However, the contemporary financial system should not be mechanically equated with the bank monopoly structure of the early 20th century; instead, its new institutional forms should be specifically analyzed.

Third, it provides a theoretical perspective for studying unequal relationships in global value chains. Capital export today more often manifests as foreign direct investment, global production networks, debt financing, intellectual property licensing, and digital infrastructure investment. Capital flows can promote industrial construction and technology diffusion, but they may also cause profit outflows, resource dependence, debt constraints, and obstacles to industrial upgrading. The value of Lenin's theory lies in requiring us to look beyond the superficial forms of capital flows to analyze income distribution, control rights, and national development capabilities.

Fourth, it helps explain cooperation and conflict in the international order. Economic globalization has not eliminated competition among nations and transnational capital groups over markets, energy, critical minerals, monetary systems, technical standards, and supply chain control. Lenin's discussions on uneven development and the redivision of the world provide a structural analytical framework for understanding trade frictions, technological blockades, financial sanctions, and geo-economic competition.

In short, *Imperialism, the Highest Stage of Capitalism* reveals the intrinsic connections among monopoly, financial capital, capital export, international monopoly alliances, and the division of the world, forming a systematic theory for analyzing monopoly capitalism. Although digital capital, global value chains, and financial markets have given contemporary capitalism new complex forms, the categories proposed in this work—such as capital concentration, financial dominance, uneven development, and international competition—still possess extremely important explanatory power.

Looking at the new international economic and political landscape of “the rise of the East and the decline of the West” today, as a natural member of the “Global South” and a “quasi-central” country in the world system that holds high the banner of peace, development, cooperation, and win-win results, socialist China, together with Global South countries on international multilateral platforms such as the United Nations, the Shanghai Cooperation Organization, BRICS, and the Belt and Road Initiative, advocates the concept of a community with a shared future for mankind, practices global initiatives, opposes neo-imperialism and neo-hegemonism, and promotes the building of a just and reasonable new international political and economic order, becoming an important force in promoting humanity’s resolution of and escape from global crises.

Finally, I wish the conference complete success and smooth proceedings, and pleasant exchanges for all participants. Thank you!