A Decisive Role for Markets? Economic Rhetoric and Practice in the Xi Era

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The widely held view of the Chinese Communist Party’s legitimacy is that it overwhelmingly depends on the material performance of the economy as well as ideological support from nationalism. However, such an account is not able to explain the continued support despite the many economic problems, including increasing income inequality and unequal growth rates. As such, this paper contends that economic legitimacy is as much about ideology as material performance. This point highlights the evaluative dimension often neglected in contemporary accounts of legitimacy and, thus acknowledged, draws attention to the power that the Party has in shaping society’s interpretation of economic performance. Indeed, the central premise of this paper is that economic reform program undertaken since 1979 should be viewed as a ‘governance project’ initiated by the CCP has sought to reshape the values and standards by which the Party’s legitimacy has been assessed. In making this argument, the paper goes onto examine the recent economic reforms announced at the Third Plenum and to consider whether they are suggestive of a new state-society relationship in which the evaluation of the Party’s economic performance will be subject to change.