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Thoughts on the Study of China's Post-1978 Political Economy

There is a large and well-established literature on China's economic reforms, especially on the transition from state socialism and the causes of growth in the 1980s-1990s. The majority of studies attribute the "China miracle" to political-institutional change, specifically to one or more of the following processes: de-collectivization, marketization, decentralization, and technocratic governance. A few scholars have emphasized the role of advancements made during the late Maoist period, such as the green revolution in agriculture and the growth of commune and brigade enterprises, with the implication being that collective institutions were not as inefficient or detrimental to growth as most studies have suggested (see Bramall 2000, 2007). Even so, there is no question that the reform agenda itself greatly contributed to economic growth.

The accumulation of research into the processes just mentioned resulted in at least four theoretical frameworks for understanding China's growth: gradualism (Naughton 1995), local state corporatism (Oi 1992), market-preserving federalism (Montinola et al. 1995), and directional liberalism (Huang 2008). Without going into a detailed description of these theories, it is important to note that scholars disagree about the extent to which China converged with other liberal market economies, adopted a "governed market" approach (Wade 1990), or forged its own path. And while most works were single-country studies of China, weighing in on the issue required some knowledge and

discussion of other post-socialist transition economies, especially in the former Soviet bloc, and the developmental states of East Asia. The result was a rich body of scholarship that connected itself to the larger comparative literature pretty successfully, even if the end result was to highlight the differences between China and the rest of the world. The ongoing debate between so-called gradualists and convergence theorists (Woo 1999; Rawski 1999), which seemed to be quieting down until Yasheng Huang revived it, reflects the maturity of this field of research, rather than the opposite situation of there being too many unresolved questions.

In contrast, the literature on what I would describe as the negative externalities of reform is a lot more disparate. This includes studies of how the reform process contributed to social unrest, exacerbated inequality, damaged the environment, undermined the provision of public goods, and created opportunities for predatory corruption. From the mid-1990s onward, scholarly attention shifted from explaining the China miracle to detailing how the regime has dealt with these various problems. Relatedly, a lot of scholarship has focused on the regime's evolving relationship with different social classes, which have been affected by reform in different ways: peasants, workers, migrants, entrepreneurs, and the emerging middle class. An implicit, if not express, goal has been to understand the regime's apparent resilience in the face of growing structural problems and social grievances. Some studies emphasize the sequencing of reforms as being key to the regime's success (Gallagher 2005; Wedeman 2012), while others have highlighted the co-optation of the private sector (Dickson 2003; Tsai 2007), or policy interventions intended to de-mobilize the working class (Lee 2007; Hurst 2009). The simplest explanation for why this literature lacks coherence compared

with earlier studies of China's political economy is that, instead of addressing one overriding question (what explains growth), it has attempted to tackle a whole range of questions about the effects of reform. There are, in other words, too many outcomes of interest for scholars to engage in very focused conversation with each other.

This is not necessarily a bad thing. As China's economy has diversified, new problems and actors have emerged, inspiring new and important research agendas. Scholars have delved deeper into subnational comparisons, and within each subject area, there are rich exchanges with other China experts and with a wider range of comparative theories. The drawback, if there is one, is actually less disagreement about theory than before. Without clearly drawn lines of debate, theory may suggest an interesting perspective but does not usually change the way people think. Perhaps another downside is that the subnational turn has traded off with cross-national comparisons that could potentially help China scholars understand the country better and elevate the visibility of China in comparative politics. Unlike the earlier period, more recent scholarship rarely talks about there being a China model, in part because of greater awareness about the enormous diversity of local experiences. Yet the acknowledgement of local variation should not preclude broader comparisons. Finally, I just want to note that surprisingly few recent studies have focused on how the economy has continued to grow despite all of its problems, which may in the end be the most significant factor in the regime's resilience: performance legitimacy. There are many unanswered questions about the transition to a consumer-driven economy, the effects of fiscal centralization, the prospects for SOE reform, and the impact of outward investments. Research into these areas may unveil new answers to the old question of what causes growth.

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