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Open markets will simply strengthen regimes

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Sir, Martin Wolf writes wistfully that China's "political institutions must surely move beyond the 'democratic centralism' invented by Vladimir Lenin a century ago", in light of the prospects for economic growth as outlined in its new five-year plan ("China's struggle for a new normal", March 23).

Why? The prospect of greater prosperity under Chinese-style capitalism by 2020 would rather strengthen the regime's determination to tighten Communist party control, precisely in order to avoid the corruption of "alien class influences" that such heightened prosperity is likely to bring. Indeed, the current anti-corruption campaign is motivated partly by this perceived need, and partly by President Xi Jinping's desire to consolidate his own power over the party-state bureaucracy.

It is worth recalling that the young Soviet Union's transition to the capitalist New Economic Policy in 1921 was accompanied by a tightening of Communist party political control. Mensheviks, who had remained neutral in the civil war, were invited to leave the country. And a formal ban on internal party factions was established out of fear of a long-term erosion of the party's monopoly of power. Stalin eventually ended this uneasy equilibrium between market capitalism and Communist rule.

In China this equilibrium is likely to persist for some time, although there have already been signs of mounting tension. If it should end, a pluralist, capitalist democracy will not be what emerges in its place. Believing so is a liberal illusion, the same wishful thinking that imagines theocratic Iran or Stalinist Cuba changing for the better politically under the influence of open markets. All open markets are likely to accomplish is the strengthening of these regimes and the hardening of their authoritarian character, whatever their people may come to feel.

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