

# Accountability in One-party Government: Rethinking the Success of Chinese Economic Reform

Mario Gilli<sup>1</sup>  
Yuan Li<sup>2</sup>

How does the internal institutional structure affect government performances in autocracies? This paper first builds a theoretical model based on the selectorate theory to explain why the Chinese central government adopted economic-enhancing policies during the reform era in absence of regular elections while other autocratic governments did not. We consider a contest where the incumbent leader may be either congruent or not and where both types need the support of the selectorate and the citizens' acquiescence to hold on power. We find that to restrain opportunistic behavior of the non congruent leader, the size of the selectorate should be intermediate: if too small, the selectorate becomes complete loyal and has no disciplinary role, if too big, the leader's incentives are diluted. However, this "reciprocal accountability" alone does not consider the potentially important role of the citizens, who even in an autocracy might revolt inducing a further constrain on the leader's behavior. Our results show that the threat of revolution will put further pressure to adopt growth-enhancing policies to try to avoid social unrests. However, the threat of revolution may have some negative effects when associate to weak institutions.

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<sup>1</sup> Department of Economics, University of Milan-Bicocca, Piazza dell'Ateneo Nuovo 1, 20126 Milan, Italy.  
Email: mario.gilli@unimib.it

<sup>2</sup> DEFAP, Catholic University of Milan, Piazza Buonarroti 30, 20145 Milan, Italy, email: Yuan.li@unicatt.it.