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Neil Munro

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## ‘Market justice’ in China and Russia

Neil Munro

School of Social and Political Sciences, University of Glasgow, Glasgow, UK

### ABSTRACT

Market justice is an important concept in neoliberal discourses legitimating unequal distribution of welfare within societies. This article explores the question of how useful it is for understanding distributive justice attitudes in Russia and China. It is based on a comparative literature review and an analysis of focus group discussions carried out in most provincial cities in both countries in 2012 and 2013. The literature review shows that Russia is closer to a neoliberal state. China, by contrast, has never followed neoliberal prescriptions, either ideologically or as a matter of practical policy, pursuing instead the goal of a ‘socialist market economy’. The focus group discussions show that Chinese tend to view responsibility for welfare as shared between the state and individuals, whereas Russians, depending on their ideology, tend to view welfare as the exclusive responsibility of either the state or the individual. Russians are also more cynical about the way their economy works, suggesting their support for individual responsibility may sometimes shade into social Darwinism.

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## Introduction

Neoliberalism is about processes of governance rather than simply relations of production.<sup>1</sup> In that sense, it is not the same thing as capitalism. Capitalist relations of production can coexist with non-neoliberal forms of governance. Neoliberalism’s key policy prescriptions are: first, liberalisation—to be achieved by freeing prices, floating currencies, abolishing preferential interest rates, and cutting trade and investment barriers; second, financial stabilisation—to be achieved through tax increases, spending cuts, fiscal discipline, and increasing domestic savings; and third, privatisation of provision of goods and services, on the assumption that private companies operating in markets are more efficient and/or provide better value for money than public bureaucracies.<sup>2</sup>

Neoliberalism is associated with the US, where its influence has been strongest, and with the UK, but its influence has not been restricted to these countries. As their

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**CONTACT** Neil Munro  [Neil.Munro@glasgow.ac.uk](mailto:Neil.Munro@glasgow.ac.uk)  School of Social and Political Sciences, University of Glasgow, Adam Smith Building, Bute Gardens, Glasgow G12 8RT, Scotland, UK

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power has spread throughout the globe, American corporations have become transnational, and no longer necessarily tied to their home country. Their economic interests have traditionally been pursued not through eliminating or overcoming rivals in mercantilist competition but by deepening interdependence and promoting neoliberal ideology.<sup>3</sup> It is precisely the fluidity and adaptability of neoliberal practices to diverse contexts that have promoted their global influence. Everywhere where neoliberalism has been a guide to government policy, there has been a presumption that individuals, not the state, should be responsible for their own and their families' welfare.

Market justice refers to a particular set of interrelated norms and beliefs, which are associated with neoliberalism and help to legitimate the capitalist economic system.<sup>4</sup> It was adopted by Kluegel et al., a group of authors behind the International Social Justice Project (ISJP), which conducted comparative surveys in a dozen countries in 1991 and has since then conducted intermittent surveys in a smaller number of countries.<sup>5</sup> Kluegel et al. argue that market justice is multidimensional: it includes the preference for reward according to the effort (equity) over equal distribution, opposition to government control of economic activity, recognition of the fairness of seeking profits, and of the need for income inequality as a stimulus for hard work.<sup>6</sup> Such attitudes are thought to be conditional on perceptions that economic opportunities are abundant for those who are motivated to look for them, and that hard work is rewarded. Through its establishment, the rich come to be recognized even by the poor as having earned their status; and the poor likewise accept their lot. The concept of market justice is the basis of neoliberal positions on social welfare and serves to legitimate inequality.

This article is an exploration of the relevance of the concept of market justice in the distributive justice attitudes of the general populations of two giant former socialist states, Russia and China. The research question is how relevant is the concept of market justice to lived experience in the two countries. The purpose is to offer a critical evaluation of the applicability of market justice in studies of Russian and Chinese distributive justice attitudes.

The article takes a three-pronged approach. First, it reviews the literature on the relevance of neoliberalism to political and economic institutions in Russia and China. Then it reviews recent survey-based studies of public opinion on distributive justice issues in the two countries. Finally, it explores results of a set of focus group discussions carried out in most provincial cities in Russia and China in 2012 and 2013. Focus group data cannot prove or disprove any hypothesis about public opinion, but it can help to build up a richer understanding of what people think and feel. It is an appropriate form of evidence for a study, which uses an inductive approach. Its juxtaposition with institutional analysis and survey data offers the possibility of forming a rounded judgment on how well the market justice concept fits with lived experience.

The article finds that although the concept of market justice is problematic in both societies, it has a better fit with Russia because Russia has ended up closer to a neoliberal state. Russia has attempted to integrate with the global capitalist economy on terms that benefit its elites and serve its strategic goal of rebirth as a Great Power (*derzhava*). It has embraced some key neoliberal tenets, such as fiscal conservatism

and flat tax rates, is heavily exposed to the global economy through its dependency on fossil fuel and mineral exports and is interested in becoming a major player in global capitalism. The emerging Russian system was described by critics as a dead end because the early winners, now oligarchs, could block or impede further reforms. Putin guaranteed respect for the results of privatisation in return for the oligarchs' withdrawal from politics. The need to continuously generate popular support has caused Russia to become 'addicted' to rents derived from fossil fuel and minerals exports. Russia does not call itself neoliberal, but rather reconstructs neoliberalism as something imposed from without. The welfare system is a hybrid of old Soviet institutions affected by budgetary cuts, moderated by the need to buy support from key constituencies. Russian capitalism is characterised by high inequality and ownership concentration but insecure tenure for very large assets.

Although neoliberalism and decentralisation are sometimes seen as key characteristics of China's process of urbanisation, China is much less neoliberal than Russia on nearly all parameters. First, local governments have continuously directed much economic activity. Second, China claims to be building socialism, even if in practice it is an oligarchic corporate state and the commitment to socialism often appears residual. Third, property rights are not the absolute rights of neoliberal theory but rather bundles of rights subject to ongoing negotiation over mutual obligations. Just as in Russia the distribution of natural resource rents is the key to the entire political economy, so in China land commodification is the key, financing much local government expenditure and driving urbanisation. The exploitation of migrant workers and expropriation of peasants are fundamental to the success of the model. China's response to their negative social consequences has been to build up a basic but comprehensive system of state welfare, in effect a Polanyian double move. However, in China, this has not been a simple exchange of welfare for support but rather a reimagining of the good life, whereby workers and peasants are being transformed into urban consumers. Harmonious labour relations serving the interests of foreign capital and light touch environmental regulation are not the result of neoliberal policy but rather unintended outcomes of decentralised economic management.

Despite the many differences in their political-economic models, both China and Russia have made the transition to a form of capitalism, and through this process have become highly unequal societies. Although China is generally regarded as the more successful economy, because of its structural position as a leading manufacturer, and because Russia has become dependent on fossil fuels, but it is China that continues to experience higher levels of poverty.

The review of public opinion survey data on distributive justice attitudes shows that neither Russians nor Chinese regard inequality in a positive light. Most of the leading studies influenced explicitly or implicitly by the market justice concept, find that Chinese are more willing to accept responsibility to look after themselves, although this attitude may have weakened over the period spanning the 2007–8 financial crisis. In China socio-demographic effects on support for state welfare are relatively weak and rural dwellers express less demand for welfare even though, objectively speaking, they need it most. Overall, Chinese seem relatively accepting of inequality mechanisms but not inequality itself, whereas most Russians appear to reject both.

The analysis of focus group discussions deals with two sets of issues: explanations of inequality and emotional and normative reactions. In their explanations of inequality, Russians were more likely to blame the capitalist system, more inclined to think that getting rich requires dishonesty and to associate work in the public sector with a life of poverty. Both Russian and Chinese respondents had a perception that money-making opportunities had been 'sewn up' or monopolised by wealthy families. In normative terms, it was clear from the discussions that most respondents in both countries believed in reward for effort as a principle of distribution. However, while young Russians were likely to believe in self-help as an absolute principle, young Chinese were more likely to see responsibility as shared. Among Russians, there was a prevalence of despair, pessimism, and anomic responses. Chinese respondents were generally less cynical and more optimistic. On the positive side, Russians were more likely to compare their own experience with Western examples, and to take diverse ideological positions.

This article represents the first attempt, as far as the author is aware, to compare Russian and Chinese distributive justice discourses using focus group discussions as primary materials. It frames the comparison using market justice because of the important role of this concept in English-language work on distributive justice issues and because of its role in justifying neoliberal welfare policies. The intention is not to force the discourse of Russian and Chinese participants into a conceptual framework which is alien, but rather to hold up a mirror to the comparative literature while paying due attention to the lived experience of ordinary people in the societies concerned.

The rest of this article is organised into six parts. The first two parts discuss recent literature on the role of neoliberalism in the Russian and Chinese political-economic models. The article then compares the two countries in relation to their resulting patterns of inequality. The next part argues for the important role of market justice as an organising concept in comparative studies of public opinion in these two countries. The penultimate part analyses focus group discussions in which respondents explain current distributional patterns and express their associated feelings and normative attitudes. The conclusion summarises the results of the study and points out some implications for further research.

## Russia and Neoliberalism

Russia has sought to integrate itself with the global capitalist economy on terms that benefit its elites and serve their larger strategic goal of rejuvenating Russian society and restoring the country's status as a great power. At the core of this project are some key neoliberal tenets. For example, Putin's macro-economic policy is neoliberal in its fiscal conservatism—its concern with balancing the budget and controlling inflation, combined with a relatively low flat rate income tax of 13% and corporate profit tax rates since 2008 at 20%.<sup>7</sup>

Russia is relatively exposed to the global economy through its dependency on exports of fossil fuels and other natural resources. Depending on fluctuations in commodity prices, mineral fuel exports accounts for 60%–70% in the value of Russia's total

exports, and the bulk of this is crude oil, oil products, and natural gas.<sup>8</sup> Around 40% of Russia's gross export revenues have gone into various petroleum funds, which are invested in foreign securities as a way of diversifying risk.<sup>9</sup> Russian forest resources get exported as raw material to China and from there are sent as finished products to end-consumers in the US, Western Europe, and Japan.<sup>10</sup>

Russia is interested in becoming a major player in the global economy. Although problems symptomatic of partial reform such as poor governance and corruption have traditionally limited Russia's attractiveness as a foreign investment destination, in the aftermath of the 2008–9 crash, Russia, like other BRICS countries, recovered relatively quickly and, with its large market and apparent stability, from 2008 to 2010 it ranked among of the top ten FDI destinations for the EU.<sup>11</sup> Membership of the WTO, which came into force in summer 2012, was another landmark of Russia's integration into the world economy, and the same year Putin set ambitious targets for Russia to move up the World Bank's *Doing Business* rankings.<sup>12</sup>

Following Russia's annexation of Crimea and intervention in Ukraine, deterioration of relations with the West encouraged Moscow to turn east for new sources of investment and new markets. Relations with China have steadily improved, notably in military affairs, and they have cooperated in various diplomatic initiatives. For instance, the BRICS forum has taken aim at the Bretton Woods system by promoting the use of currencies other than the dollar in energy-related trade.<sup>13</sup> None of these manoeuvres seem likely to unseat the dollar as the most important global reserve currency; nor do they seem likely to change the fact the principal customer for Russia's energy exports is the EU, but they do underline that Russia is an independent player.

It has been argued that what emerged in Russia from neoliberal-inspired reforms in the 1990s was not a fully liberalised economy but a 'partial reform equilibrium' in which early winners—oligarchs, bankers, local bureaucrats, and criminal groups—were able to block further reform to preserve monopoly rents in their particular sectors; these groups were not interested in reversing reform, as that is what brought them wealth in the first place, only in blocking its further progress.<sup>14</sup> The fact that oligarchs with established ties to the Kremlin can often block or impede market entry by competitors, whether foreign or domestic has led to the creation of a system described as 'feudal' by some critics.<sup>15</sup> At the start of his rule in the early 2000s, Putin made a deal with the oligarchs, requiring their withdrawal from politics in exchange for his respecting the results of privatisation.<sup>16</sup> Oligarchs have strong incentives to keep their side of the bargain because the state controls financial information. Any individual oligarch can be charged with criminal activity if he goes against Putin, as demonstrated by the fates of Khodorkovsky, Gusinsky, and Berezovsky. The state in return gets political stability and stable revenues from its share of the oligarchs' assets.

At the same time, the president's need for periodic renewal of his electoral mandate requires that he show concern and support for popular causes. Gaddy and Ickes claim that Russia is 'addicted' to the rents which derive from oil and gas and other primary resources: the term 'addiction' implies the need to subsidise backward production facilities for political reasons, and the system for managing these rents is 'the key to the entire political economy'.<sup>17</sup> The state thus continues to subsidise underperforming industries, particularly in so-called 'monotowns', which have no alternative employment.

Although neoliberal in its fiscal conservatism, liberalised prices and foreign trade, and willingness to respect the results of privatisation, the Russian regime would never apply this label to itself. Putin's regime has carefully positioned itself as both the protector of the Soviet legacy and as a modernising force. It cannot, therefore, afford to identify itself as neoliberal, and must continuously reconstruct the period of shock therapy as something that was imposed on Russia by outsiders, rather than as the period in which the current elite made their fortunes. A positive image of the Soviet past must be carefully cultivated while at the same time preventing its restoration in practice.<sup>18</sup>

In terms of social policy, Russia is somewhere 'in between' the Soviet era welfare state and the minimal welfare regime of a neoliberal state. Partly this has been achieved by allowing the value of Soviet-era benefits to erode, but also through deliberate reform. Neoliberal ideas continue to be influential, but they are moderated by what has been described as a 'market social contract' featuring 'targeted provision mostly to state-dependent social strata that have the potential for disruptive protest and can be mobilised to support Putin's 'Party of Power''.<sup>19</sup> Russian policy-makers still turn to Western sources for ideas about how to reform legacy systems of social security.<sup>20</sup> Russian sociologists see their own social policy as 'contradictory', retaining 'many of the outward features of socialism, resisting attempts of modernization and monetization at the legal level' while also being 'commercialised at the level of everyday life'.<sup>21</sup> Like China, Russia is large, fiscally decentralised country; it has the highest level of decentralization among non-EU countries of Eastern Europe.<sup>22</sup> Reform of the social security system and the transfer of responsibility for welfare from enterprises to the state have involved regional differentiation of most benefit levels.<sup>23</sup> The pressure to reduce state involvement in welfare is 'not so much ideological as budgetary'.<sup>24</sup>

To the extent that such a state can be described as neoliberal, it is of a 'particular type' incorporating as generic features high ownership concentration and high income and opportunity inequality, whereas its specific characteristic is the unprotected nature of private property for very large asset holdings, which in effect means that oligarchs must avoid independent political activity and serve the geopolitical interests of the Russian state.<sup>25</sup>

## China and Neoliberalism

'Neoliberalisation' and 'decentralisation' are often seen as crucial aspects of the Chinese model of urbanisation.<sup>26</sup> The party-state has changed its role from directly managing production to 'regulation of the creation of social wealth'.<sup>27</sup> This has involved marketization of production and exchange, and also decentralization of control, leading to the emergence of new local and state capitalist elites some of whom are tightly integrated into global supply chains.<sup>28</sup> However, the role of local governments in directing investment has meant that China's development policy has also been described as 'statist' even if it relies on integration with regional and global markets.<sup>29</sup>

China has completed its transition to a market economy, but it has claimed all along to be building socialism, and has inculcated socialist norms in the population.<sup>30</sup> China's leaders have never accepted that neoliberalism and democracy can be allowed

to replace their brand of Marxism–Leninism and authoritarian rule.<sup>31</sup> In practice China is an ‘oligarchic corporate state’ with a ‘residual commitment to socialism’.<sup>32</sup> ‘Socialism with Chinese characteristics’ combines with other nationalist, developmentalist, and authoritarian discourses in an ‘uneasy synthesis’ held together by the CPC.<sup>33</sup> China’s brand of socialism serves to justify capitalist relations of production in China.<sup>34</sup> Socialism with Chinese characteristics contains numerous hooks from which to hang demands for social justice and a failsafe justification for continuing state control over the economy.

Chinese political economy is also incompatible with neoliberalism in a more fundamental sense. Although neoclassical economics assume that property rights are absolute and appertain to the thing owned, property rights in China are bundles of rights subject to ongoing negotiation concerning mutual obligations.<sup>35</sup> The Chinese system has been described as a market based not on private ownership but on decentralized public ownership, with multiple parties having supernumerary rights in addition to the nominal principal owner.<sup>36</sup> In this perspective, the holders of supernumerary rights are not the source of mere ‘transaction costs’ or even the ‘rent-seekers’ of neoclassical theory, but fundamental to the way Chinese people think about property. An equivalent phenomenon exists in Russia in relation to very large assets, as pointed out above.

Just as the distribution of rents from oil and gas is crucial to Russia’s political economy, so land is the key to China’s political economy. The motor of development is urbanisation: between 1979 and 2011 the population living in urban areas increased from 17.9% to 51.3%.<sup>37</sup> In the 1990s residential homes in urban areas were mostly ‘privatized’ on 30- to 50-year leases, sparking a speculative boom. Privatization of urban property benefited established urban citizens but created the usual problems associated with a property bubble. To create space for urban development, local governments pursued ‘land commodification’ involving rezoning prime land near to urban centres and selling the land use rights. This kind of process finances over 30% of total municipal budgetary revenue, and 40% of urban construction and maintenance.<sup>38</sup> Local governments account for ~70% of public expenditure but raise only ~50% of public revenue, excluding revenue from land development.<sup>39</sup> Numerous public programmes important to political stability could not be financed without continuously rising land prices. Land commodification often involves displacement of rural citizens, who are often compensated far below the market price of ‘their’ land. However, from the state’s point of view, the land was never theirs: they merely farmed it on behalf of the state.

At the same time, a substantial part of the population is denied equal access to public services such as schooling and healthcare on the basis that they have non-local hukou. These so-called ‘migrant workers’ are ensnared in ‘precarious temporary conditions, allowing companies to capitalize on an expendable labour power without bearing responsibility for its reproduction’.<sup>40</sup> Specifically, migrants are subject to involuntary residential mobility when their districts are demolished as part of city-branding exercises, subject to economic loss from frequent moves, and denied access to local welfare and benefits including the opportunity to legally buy or rent subsidised public housing or to rent peasants’ self-built housing on the collectively owned land.<sup>41</sup> Equalising access to welfare for all citizens is difficult for the Chinese state



because the exploitation of migrant workers has been fundamental to the success of China's economic model.

China's response to negative social consequences of reform (such as rising inequality and impoverishment for sections of the population like redundant SOE workers and dispossessed peasants) has been to build up basic welfare provision. In China, the building of a welfare state took the form of the introduction of a minimum livelihood guarantee (*dibao*), which covered 21.4 million urban residents by 2012, and 53 million rural residents by 2013, the expansion of basic health insurance in rural areas through the New Cooperative Medical Scheme (NCMS), which extended insurance to ~800 million people between 2003 and 2008, and the development of a pension scheme which aims to cover 700 million people in rural areas by 2020.<sup>42</sup> In health care, the government had a change of heart: after first pursuing policies of retrenchment which led to an overall reduction in state support for healthcare in the 1980s and 1990s,<sup>43</sup> it responded to not just popular pressure but also to ideas generated through an elite-level debate which pitted 'pro-state' against 'pro-market' positions.<sup>44</sup> In the end, the pro-state side won the argument by convincing the leadership that increased state support for healthcare was not a burden to the economy but complementary to economic development and social stability goals.<sup>45</sup>

Although at first glance China's efforts to build up a welfare state seem incompatible with neoliberalism, they can also be interpreted as a Polanyian 'double move'—taking with one hand and giving with the other.<sup>46</sup> Such a move is characteristic not just of China, but also of other developing countries. State-driven assistance programmes in the Global South are not merely 'ancillaries of neoliberal statecraft' or 'technology of top-down of social control' but may, in fact, herald a new 'welfare first' approach to development: as such they *are* the double movement.<sup>47</sup> Levien and Paret found that during the 1990s across 20 countries comprising a mix of developed industrial democracies, post-communist states, and middle income developing countries, there was a such a movement in favour of 're-embedding' markets through state ownership of enterprises and greater state responsibility for welfare.<sup>48</sup>

However, the same analysis also showed the 'double movement' is not an accurate description of what happened in Chinese public opinion, where support for state involvement/responsibility remained consistently high, and it was not evident in the public opinion of post-Communist countries, including Russia, where support for 're-embedding' markets first rose steeply, presumably in reaction to shock therapy, then fell somewhat as people got used to the market (see below).<sup>49</sup> In China, new local and state capitalist elites (leaders of both private and public enterprises) have undergone a process of 'embourgeoisement', and workers and peasants have been persuaded or coerced into accepting systemic economic change. The political bargain is thus not a simple exchange of welfare for stability; it involves the reimagining of the good life; workers and peasants are not just being compensated and coerced, but are being invited to reimagine themselves as domestic urban consumers within a market socialism, which is not opposed to global capitalism but an integral part of it.<sup>50</sup>

China's 'harmonious' model of labour relations has led some authors to conclude that 'neoliberalism and state corporatism are actually in harmony'.<sup>51</sup> At the instigation

of the Chinese government, the All-China Federation of Trade Unions (ACFTU) has pressured transnational corporations to cooperate in implementing a form of state corporatism in which trade unions work closely with management, without disrupting the usual practices of the corporation.<sup>52</sup> Likewise, in environmental governance, although China's centrally determined policies may often appear authoritarian and statist, on the ground they are often 'light touch', to the extent that enterprises acting in concert with local elites can select often which policies to implement and which to ignore.<sup>53</sup> However, this is not the neoliberalism which Western economists have advocated, but rather an unintended outcome of China's model of decentralised economic management.

### Comparing Russian and Chinese institutions

Both countries have made a transition to a kind of capitalism, despite having espoused socialism for most of the second half of the twentieth century. China is a major exporter of manufactured goods and importer of primary raw materials. It is the second largest economy in the world, and increasingly an exporter of capital through foreign acquisitions and infrastructure projects. Russia is an exporter of primary raw materials, and importer of manufactured goods, which are classic characteristics of a 'semi-peripheral' state. It does not seem to have the capacity to grow its economy in a way that would allow it to join the capitalist core. As one scholar puts it 'By 2030 Russia's GDP as a percentage of world GDP will be smaller than in 2012, and it will remain a country dependent on oil and gas exports; Russia will continue to have poor roads, a low level of medical and other services, high regional differentiation in living standards and capital flight'.<sup>54</sup> The two countries thus represent different developmental trajectories.

Comparing Russian and Chinese market social contracts reveals some similarities but more differences.<sup>55</sup> In terms of similarities, industrial employment tends to be protected through government intervention, at least for the largest and most strategic enterprises. Both regimes have shown themselves to be responsive to popular pressure in the form of protests, polls, and social media comment, as well as elections in Russia and petitions in China. In terms of differences, Russia has had relatively stable pension provision and healthcare coverage over the past two decades, whereas China is expanding rapidly in both areas. Russia tends to subsidise energy bills but not consumer goods, whereas China does the reverse. Finally, there are important ideological differences. Russia has embraced the market economy and a kind of managed democracy, whereas China professes to be building a 'socialist market economy'. These ideological differences are generally underexplored in the comparative literature, which tends to want to treat them both as examples of 'emerging markets', 'authoritarian regimes' or some other common category.

As can be readily seen from official statistics, there is little difference between Russia and China in the way income is distributed across the society (Table 1). Both are highly unequal societies. China stands out in for having (in 2012) almost a fifth of the population living in poverty by the \$3.20 a day standard.

**Table 1.** Inequality measures in Russia and China, 2012\*

	Russia	China
Gini index	40.7	42.2
Income share of top 20%	47.8	47.9
Income share of bottom 20%	6.3	5.2
Poverty headcount ratio at \$3.20/day in 2011 PPP	0.3	20.1

\*Source: World Bank, 2017. World Development Indicators Database. Accessed October 26, 2017. <http://databank.worldbank.org/data/reports.aspx?source=2&series=SI.POV.GINI&country=#>

## Public opinion on market justice in Russia and China

As argued above, both countries have been influenced by neoliberalism, and market justice is a key component of neoliberal welfare ideology. Moreover, Western understandings of welfare ideology in Russia and China have also been heavily influenced by neoliberalism. This tendency is particularly evident in the body of scholarship that emerged from the data collection efforts of the early 1990s, including the ISJP. Martin Whyte's *The Myth of the Social Volcano* is not the only work where market justice is explicitly or implicitly taken as the standard against which to evaluate Russian and Chinese ideologies.<sup>56</sup>

This body of research provides strong evidence that neither Russians nor Chinese regard inequality itself in a positive light. Comparable survey data from recent surveys suggest that large majorities in both countries believe the current income gap is too big.<sup>57</sup> In 2014, 90% in Russia thought the gap was too big.<sup>58</sup> Concern about the gap increased in Russia during its transformation to a market economy.<sup>59</sup> In China, the extant survey evidence shows that concern about inequality remains high even though it appears to have moderated a little during the first decade of the twenty-first century.<sup>60</sup>

The usual normative response to inequality is to increase state welfare provision. For example, the 2008 Asia Barometer survey asked about whether government spending should increase, decrease or remain the same across 10 major areas of public policy. The results showed that citizens in six major Asia-Pacific countries, Australia, Japan, the US, China, Russia, and India all tended to favour increased government spending on health and education. However, China and Russia stood out for favouring increased government spending on almost all areas with, especially large majorities wanting more spending on the major welfare items of old age pensions, supported by 79% in China and 91% in Russia, and unemployment benefits, supported by 74% in China and 71% in Russia.<sup>61</sup>

The most comprehensive analysis of Chinese public opinion about distributional justice is by Whyte, who reports on a 2004 nationwide survey conducted by the Research Centre for Contemporary China (RCCC).<sup>62</sup> Whyte's study was intellectually influenced by the earlier ISJP surveys, as he makes clear in his acknowledgments, and many indicators are repeated, although combined in different ways to fit the patterns of correlation among the various measures in China. Whyte's findings provide a justification for the view that the distribution of wealth in China is legitimate, at least compared with other post-socialist countries. For example, the ISJP and the 2004 China survey asked about possible reasons why there were poor people in the country.<sup>63</sup> In China in 2004, only

21% mentioned an unfair economic structure as a reason, the least among all countries surveyed, compared with 73% in Russia in 1996. In China, only 28% mentioned unequal opportunity as a reason for poverty, compared with 61% of Russians. The market justice measures developed by ISJP, when applied to China provide robust evidence in support of Whyte's contention that Chinese are relatively satisfied with the ways and means in which wealth and poverty are produced, and much more satisfied than Russians and some other East Europeans were in the mid-1990s.

There is some evidence concurring with Whyte's finding that Chinese are more willing to take responsibility for their own welfare than Russians. A study based on two waves of the World Values Survey between 2006 and 2012 found that on a 10-point scale where one means 'People should take more responsibility to provide for themselves' and 10 means 'The government should take more responsibility to make sure everyone is provided for,' the mean score in China was almost at the mid-point of the scale at 5.4 (standard deviation, *s.d.*, 3.1) in 2007, rising to 6.4 (*s.d.* 2.6) in 2012; in Russia, the surveys of 2006 and 2011 produced mean scores of 7.6 (*s.d.* 2.8) and 7.9 (*s.d.* 2.6), respectively. Thus, in the mid to late 2000s Chinese were more likely to agree that people should look after themselves than Russians, although in both countries committed to this idea weakened over the period spanning the 2008–9 financial crisis.<sup>64</sup> The 2006 Life in Transition Survey (LITS) showed that in Russia, 67% thought the state should be strongly involved in reducing inequality, 29% thought it should be moderately involved, and only 4% thought it should not be involved; whereas 94% thought extra welfare should be the first priority for extra government expenditures.<sup>65</sup>

Another point of contrast between the two countries concerns the distribution of support for state welfare across the society. Analyses based on representative sample surveys tend to concur that in Russia and the post-Soviet states more generally lower income people, women, and the less educated tend to support more state welfare.<sup>66</sup> In China, there are no strong socio-demographic effects, other than the urban–rural divide, and contrary to the post-Soviet cases, it is urban Chinese who are more supportive of state welfare.<sup>67</sup> As Whyte points out, despite being some of the least privileged members of society, Chinese farmers are less concerned about the size, harmful effects, and unfairness of the rich/poor gap.<sup>68</sup> He explains these findings in relation to, first, the fact that the experience of market reform compared to 'socialist serfdom' has been generally positive for farmers; and second, by arguing that farmers' comparator reference groups are likely to be within their own communities. Evidence that Chinese distributive justice attitudes are not the same as in Russia is also found in the way different attitudes correlate. In China but not Russia, the belief that hard work is rewarded correlates positively with support for state welfare, as does the belief that wealth can grow so there is enough for everyone.<sup>69</sup>

The literature on Chinese welfare attitudes presents a puzzle in that people express high acceptance of the mechanisms that produce social inequalities while professing to dislike inequality itself. Russians, on the other hand, are much more critical of both inequality and its mechanisms. The next section looks in more detail at how Russians and Chinese explain current distributional patterns and their normative and emotional responses.

## Focus group discussions about distributive justice

Our focus group discussion guide was initially drafted in English and then adapted in collaboration with local partners to suit their conditions. Consequently, moderators in the two countries did not use the same guides or raise all questions in the same order, but the broad outlines of the discussions were the same. The approach taken was to ask, first, about economic change in general terms, including both national and household economic conditions, about relevant comparator groups when assessing one's own economic position, and how participants understood wealth and poverty. Second, the moderators broached the topic of the gap between the rich and poor, including perceptions of the fairness of income differences, the size of the gap, and drivers behind it. Third, moderators asked participants to comment on the normative issues raised by income inequalities, such as the respective roles and responsibilities of the state and the individual, rich and poor, and government and business. The template discussion guide is in Appendix 1 and full details of the methodology and focus group transcripts may be obtained from the UK Data Archive.<sup>70</sup>

Recruitment focused mainly on provincial cities in both countries. In Russia, 12 focus groups with six to eight participants each were conducted in the cities of Ufa, Kaliningrad, Ekaterinburg, Tiumen', Saratov, Ulyanovsk, Volgograd, Ivanovo, Irkutsk, Obolensk, Vladivostok, and Protvino. In China, discussions were held in Baoding, Changsha, Fuzhou, Luoyang, Mianyang, Shanghai, and Suzhou, as well one in Beijing and two in Guangzhou. Recruitment aimed to select adults of both genders from a range of ages and a mix of blue- and white-collar professions. In China, participants were in addition stratified by hukou so that five groups were conducted with participants of mainly rural background (Baoding, Changsha, Fuzhou, Mianyang, and one of the Guangzhou discussions), and five for those with mainly urban backgrounds (Beijing, Luoyang, Shanghai, Suzhou, and the other Guangzhou group). To ensure that the voices of younger participants were heard, two focus groups in each country (Protvino, Ulyanovsk, Suzhou, and Baoding) were conducted for younger participants in their late teens and twenties. Participants whose views are cited are listed below in Appendix 2, with fictitious names to protect their identities.

The discussion that follows is organised into two sub-sections: first, explanations of current distributional patterns, including economic structure, the prevailing ideology, willingness or ability to act dishonestly, and corrupt networks; second, emotional and normative reactions to the current distributional patterns, including acceptance of the principles of reward for effort (equity) and self-help, and feelings of powerlessness and frustration.

### *Explanations of inequality*

Our Russian focus group respondents generally understood poverty as a structural problem. In Ivanovo, Liudmila Pavlovna, a pensioner in her seventies, described how whole sectors, such as the rural economy, or categories of people such as unskilled workers and pensioners, have not recovered from the market transition and are living in poverty, often demoralised. Their main asset is typically a house that cannot be sold because of its undesirable location, and many of them do piece work to survive.

In the same group, Liubov' Petrovna, another pensioner, said somewhat bitterly that there was no solution for these demoralised sectors except to die off. In Obolensk, Dmitry described how in some villages pensioners are considered better off because they can rely on a stable income.

Russian respondents also demonstrated an understanding of how the balance of power in the work place had changed with the change of economic system. In Ufa, Leo, a senior technician in his fifties, explained that under capitalism, the worker is dependent on the boss for continuity of employment and losing a job results in damage to credit history, potentially losing a home, and so on. Under socialism, the onus was on the boss to find a way to enthruse workers. The result of the change of system was in his eyes a net loss of welfare to the workers.

Chinese respondents were in general much less troubled by ideological debates about capitalism. They understood that they were living in a market economy that had brought huge changes, but perhaps because the Chinese government had always called this 'socialism with Chinese characteristics', they hardly ever mentioned the term capitalism. In Guangzhou, Mr Zhang pushed back against criticism that the state was monopolising certain sectors of the economy, saying that the state was merely continuing the socialist policy, which is that the state should control the main levers. In his eyes, individual wellbeing depended on the state and that was a good thing.

Our Russian focus group respondents expressed huge doubts about whether it is possible to get rich honestly. In Irkutsk, Kseniya, a lawyer in her twenties flatly stated the opposite, that to get rich it is necessary to commit crimes. In Obolensk, Maria, a laboratory worker in her fifties thought it was necessary either to receive a windfall such as an inheritance or a lottery prize or else to enter a completely new market, such as an innovative, high technology sector, as Kaspersky had done. Even then an honest person could only thrive when the market was comparatively small. Her colleague, Dmitry, in his thirties, agreed: in a what he called a 'competitive' (*konkurentny*) market, corruption is inevitable. Across a range of discussions, diverse Russian respondents shared a belief that getting rich depends on the ability to play a game where dishonesty and corruption form part of the rule book.

Our Chinese respondents were generally more positive about the possibility of getting rich honestly, although they, too, recognised endemic problems of corruption. In Beijing, Mr Lu, a company worker in his forties, cited such examples as unnecessary road repairs, and restaurants that openly declared they would not issue official receipts with their bills. Ms Peng, a businesswoman in her thirties, thought that getting rich often depends on good connections or luck, for example, by occupying valuable property scheduled for demolition.

Younger Chinese respondents seemed uncertain about the extent to which corruption served as an inequality mechanism. In Baoding, Miss Pei, a university-educated manual worker in her twenties, felt that the tendency was towards greater transparency, and cited the example of an elder sister who had passed civil service exams and seen how strictly they observed fairness. Another young woman in Baoding, Ms Zhuang, disagreed. She cited the example of an old friend's younger brother working on the railway in Beijing. He could not get promotion even though he worked hard, because he lacked money and connections. In the same group, Mr Pan, another

manual worker, expressed the view that it depended on the type of enterprise. In big state-run enterprises, you needed to rely on connections (*guanxi*) to get ahead.

In China, older respondents often expressed a strong sense that ordinary people were being ripped off through corruption and 'monopoly' (*longduan*), so that money due to them would never reach them. For example, in Guangzhou, Mr Zhang, a professional in his fifties, described how flood victims at Dongting Lake were given just under seven yuan in compensation for flood damage. In Beijing, Mr Gao, an entrepreneur in his sixties, grumbled that ruffians appeared to have gotten rich while honest hard work went unrewarded. Another Beijinger, Mr Lu, complained about strict enforcement of petty environmental laws, whereas big environmental crimes went unpunished, and he railed against corrupt officials and businessmen for breaking the law with impunity. In Shanghai, Ms Wang expressed her resentment about the privileges of civil servants in terms of retirement ages, pensions, and in having light work.

Chinese respondents generally concurred that the gap between rich and poor was getting harder and harder to bridge. In Mianyang, Sichuan province, Mr Hao, an agricultural worker in his sixties, compared the difference between ordinary people and officials to that between 'heaven and earth'. In Fuzhou, Ms Kang, a manual worker in her thirties, commented that the rich have taken off and lead lives which are unimaginable to ordinary people. There seemed to be two main reasons: first, wealthy families monopolise opportunities; second, individual careers are path dependent. In Guangzhou, Mr Guo, a businessman in his thirties, gave the example of his high school reunions, which were enjoyable in early years, but became less and less cohesive with each passing year as former classmates became stratified.

A distinctive legacy of the Yeltsin-era reforms in Russia is that public sector workers are often considered to be relatively poor. Numerous focus group respondents associated public service professions (teachers, doctors, scientists) with a life of poverty. In Ivanovo, Vadim felt that low public-sector salaries were not enough to live on, and the effects of low salaries were amplified by the practices of some local governments, who get around salary increases mandated by the central government by cutting employees' hours. In Obolensk, Yegor Grigorevich, a pensioner in his sixties, contrasted this situation unfavourably with the relatively good quality of life workers had before the Soviet collapse. He felt unhappy with the way relative positions had changed, for example, responsible military officers and academicians receiving the same salary as a janitor. He pointed out that some enterprises no longer offer jobs but only hourly paid work in busy periods, thus undermining the possibility of ever training an effective workforce.

There was also a strong belief among our respondents in both countries that all good money-making opportunities had already been taken during the early stages of reform. In Kaliningrad, Maksim, a bank manager in his thirties explained that in the Yeltsin era criminal structures or clans penetrated the state. In Guangzhou, Mr Guo explained that to the extent that 'second generation rich' (*fuerdai*) or 'second generation officials' (*fuerguan*) worried about money, they were concerned with how to find a policy gap or hole (*kongzi*) that they could exploit. This was not easy as most of the best opportunities had already been taken or monopolised by well-connected groups. In these circumstances, the best ordinary people could hope for was to find a steady job so that their conscience was clear (*wen xin wu kui*). He expressed the view that



cities which embarked on reforms early now had fewer opportunities, as they had all been 'sewn up' by early movers.

### *Emotional and normative responses*

Russian and Chinese respondents generally acknowledged that inequities had occurred during economic reforms, but this did not mean they were ready to reject the market economy. For example, in Ivanovo, Marina, a teacher, and entrepreneur in her fifties, felt that if the 2000s was taken as the starting point, then the market had worked in a tolerably fair way because effort was rewarded. Similarly, in China, respondents expressed the belief that wealth depends on individual effort. In Luoyang, Ms Deng, a manual worker in her late forties recalled that even during the toughest period of retrenchment, Zhu Rongji's reforms of the late 1990s/early 2000s, government policies were in place to encourage people to start their own businesses and some people did so successfully.

Younger Russians were especially likely to express conventional preferences for self-help. In Ulyanovsk, Petr, a student in an engineering institute, supported the principle of absolute economic freedom—that everyone has the right to spend all their money as they wish. Irina, a humanities student at the local state university, agreed that everyone has a responsibility to provide for themselves. In Irkutsk, Ivan, a soldier in his thirties, resisted the idea that the rich should take responsibility for the poor, but was willing to make exceptions if the rich are oligarchs.

Younger Chinese tended to agree with self-help as a principle but also credited government policy with creating the environment in which making money was possible. In Baoding, Miss Pei looked at her parents' generation and felt their efforts had little to do with the rewards they received, whereas for her generation an environment had been created where someone who started their own business could reap exceptional rewards. Mr Bo, a manual worker, agreed that the country had given people a 'platform' (*pingtai*) but success or failure still depended on one's own efforts.

Focus group respondents in China often expressed feelings of powerlessness, complaining that they lacked voice even when defending legal rights. In Shanghai, Mr Hu, a company worker in his thirties, told of how his family had been denied compensation for requisitioned land and were taken aback by the ineffectiveness of the petitions system, the ease with which officials fobbed them off or gave them the run around, and the seeming impossibility of ever getting justice. In Fuzhou, Ms Li, a professional in her forties, from a rural area, claimed that in the villages there was widespread distrust in local officials; it was thought that they embezzled funds for disaster relief and social security and engaged in vote buying.

In Russia, there was considerable anger and envy towards rich people in general. In Ufa, Leo complained of a rural bakery boss who no longer treated workers as equals and even assaulted them with impunity. Some respondents described the disorienting revolution of values they experienced during the Soviet collapse and subsequent transformation. In Ivanovo, Vadim, an entertainer in his fifties, fondly remembered the days when musicians earned more than engineers. In Protvino, Aleksei, an engineer in his twenties, recalled resentment on a visit to Moscow when he saw two Muslims



riding around in an expensive foreign car. In Ivanovo, Liubov' Petrovna, a pensioner in her seventies, complained that show-business figures monopolise air time and do not deserve their wealth. In Obolensk, Maria complained that people in Moscow have much better services than people in the provinces.

It was evident that for many younger Russian respondents, only ability and ruthlessness determine wealth. In Ulyanovsk, for example, Irina negated the very idea of fairness. In Protvino, Aleksei reduced fairness to the idea of legality: if it was legal, it was fair. In Tiumen', Anastasia, a freelance journalist in her twenties, expressed the view that every person is out for himself/herself and that life is a no-holds-barred fight for survival. Svetlana, a political science student in her late teens, defined all moral values as relative to the situation. For her, cleverness and cunning were elevated above moral values, justifying criminality to get what you want. In Obolensk, Maria expressed the view that morality was internal to the individual and unrelated to law. In Irkutsk, Boris, a young 'sportsman' in his early twenties thought that entertaining ideas of social fairness was a prerogative of the side which enjoys the power and is well provided for.

In China, our focus group respondents expressed little of this kind of cynicism. Certainly, there was an acceptance that dishonesty is sometimes part and parcel of the way things work. For example, in Suzhou, Miss Yao, an IT worker in her early twenties, thought it normal to rip off someone else's programme by just changing a few lines of code. However, when it came to more general aspects of morality, even young Chinese were more likely to bemoan the decline of honesty than celebrate it. For example, in the same city, Mr Yu, a manual worker in his early twenties, expressed concerns about the decline of community spirit amidst rising wealth. Although there were more and more Porsches on the street, the quality of foodstuffs and the environment were declining and relations between people were becoming colder. Characteristic of older workers was the attitude expressed by Mr Shi, a Beijing migrant worker in his fifties, who was reluctant to compare himself with others and willing to accept his place in society, even if it was unfair. The closest any respondents came to openly espouse amorality was the frank admission by Ms Ma, a Fuzhou manual worker in her forties, that she would take bribes if she could, but did not have a high enough social position.

Despair, pessimism, and anomic responses were general characteristics of the Russian focus group discussions. In Irkutsk, Artem, a businessman in his twenties, expressed the belief that social fairness cannot exist in Russia due to the mentality of its people; it can only exist elsewhere, such as in Scandinavian countries. In Irkutsk, Ol'ga, an architect in her twenties, had retreated into Buddhism and expressed her total indifference to the way in which society was developing. In the same group, Gennady, an engineer in his thirties, found meaning in trying to scale the ladder of consumerism: once one plane of consumption was reached, another higher plane became visible and became the new aspiration.

On the positive side, younger Russian respondents often explicitly mentioned the possibility of learning from Western examples. In Protvino, Anna, a scientist in her twenties, expressed the hope that there might be a third way between capitalism and socialism. She hoped that Russia could draw on the ideological resources of USSR without returning to that system completely. In the same group, Vladimir, another

young scientist in his twenties, thought Russia might selectively learn from the examples of Western countries. In Kaliningrad, Maksim, a bank manager in his thirties, embraced liberal solutions, believing that the solution lies in simplifying regulation and giving encouragement to small and medium enterprises. However, In Irkutsk, Ivan, a soldier of the same age, thought only draconian laws could be effective in Russia, for example introducing severe physical punishments such as amputations to make people honest.

## Conclusions

Recent research on Chinese and Russian institutions in relation to neoliberal prescriptions suggests the following general conclusions. First, the Chinese and Russian political economies are best described as in but not of the 'neoliberal' world order. They are embedded in it, in the sense that they are integrated with capitalist relations of production and global flows of trade and investment, but they are not of it, in the sense that neoliberalism comprises a set of ideas about governance which sustain a Western-dominated world order, which Russia and especially China increasingly seek to challenge. Of the two countries, Russia has gone further in adapting itself to that order, but it has not completely followed neoliberal prescriptions because of the political imperative to retain flexible property rights at the apex of the economy. The Soviet welfare state has been allowed to decay and has only partly been replaced by more targeted and less extensive systems of social security. China has integrated into global capitalism on its own terms. It has retained state control over the commanding heights but encouraged a private sector to develop through an export-oriented industrialisation strategy, which has only recently started to exhaust its potential. It is gradually expanding its welfare state, which combined with an explicitly socialist ideology, suggests that China is moving, slowly and after its own manner, in the opposite direction to Russia.

Chinese distributive justice attitudes do not look like those of a post-Soviet state for two reasons. First, the socio-political cleavages over welfare questions are different. In Russia, the patterns of determination of support for state welfare 'make sense' in that the least privileged sectors of society are on the left and the most privileged on the right. In China, the only important socio-political cleavage affecting welfare values is the urban-rural divide, and the less privileged rural respondents often fall on the 'wrong side' of the question by failing to demand state support. Chinese respondents tend to think of responsibility for welfare as shared between the state and the individual, whereas Russians tend to fall on either one side or the other, with little middle ground.

The term 'social Darwinism' describes a world view that applies ideas of natural selection to social groups and individuals, such that only the most well-adapted human beings (or groups) survive and thus reproduce themselves, either in the biological sense or in the social sense of being successful.<sup>71</sup> Such a world view was evident in our focus group discussions, particularly among younger Russian respondents. A transactional, amoral approach to getting things done in Russia has been well documented in other research, including public opinion surveys that specifically ask about

the use of bribery and connections to engage with public services.<sup>72</sup> Transactional approaches to public services are also found in China. It has been shown through public opinion surveys that around a quarter of Chinese espouse the use of connections to get government permits<sup>73</sup> and to secure better treatment in hospitals.<sup>74</sup> Social Darwinism can be described as the ugly twin sister of market justice, in the sense that while both concepts contain the presumption that people should look after themselves, market justice assumes a normative framework based on the rule of law, whereas social Darwinism assumes that the only effective law is that of supply and demand. As a normative theory, it assumes that people should do 'whatever it takes' to get ahead. Social Darwinism may offer an alternative to market justice as a key concept in understanding distributive justice attitudes in Russia and China.

Measurement is impossible without concepts, and the concepts with which we approach a problem can often determine the conclusions we reach. Neither in Russia nor China does the concept of market justice offers a good fit with lived experience, but the broad conceptual framework of market justice is more suited to Russia than China because of Russia's explicit embrace of neoliberal ideology in the 1990s. Chinese views of distributive justice are more communitarian, in the sense that responsibility is shared. Using the concept of market justice to organise our understanding of Chinese public opinion on distributive justice issues is therefore likely to lead to misleading conclusions.

Further qualitative research is needed to identify the concepts that organise distributive justice attitudes in Russian and Chinese discourses, and to describe their roles in justifying public policy. Using such an approach, it should be possible to step outside or critique the neoliberal framework and offer interpretations of Russian and Chinese public opinion, which are better grounded in their national political and cultural contexts. From there it should be possible to develop new quantitative studies, which will allow us to understand Chinese and Russian distributive justice attitudes in a more nuanced manner and to form more accurate appraisals of the direction of their development.

## Notes

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3. Raphael and Stokes, "US Oil Strategy in the Caspian Basin," 187.
4. Lane, "Market Justice, Political Justice," 385.
5. Kluegel et al, "The Legitimation of Capitalism in the Postcommunist Transition," 251–283.
6. *Ibid*, 252f.
7. Klimina, "The Futility of the Neoliberal Policy of Deliberate Market Construction and the Promise of an Institutional Alternative," 415.
8. Bank, *Russia Economic Report (April)*, 55.
9. Gaddy and Ickes, "Russia after the Global Financial Crisis," 292.
10. Newell and Simeone, "Russia's Forests in a Global Economy," 40.
11. Ledyeva et al, "The Global Economic Crisis and Foreign Investment in Russia from the EU: Empirical Evidence from Firm-Level Data," 773.
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14. Hellman, "Winners Take All," 203–234.

15. Shlapentokh and Woods, *Contemporary Russia as a Feudal Society*.
16. Gaddy and Ickes, "Russia after the Global Financial Crisis," 299.
17. *Ibid*, 282.
18. Munro, "Russia's Persistent Communist Legacy," 289–313.
19. Cook and Dimitrov, "The Social Contract Revisited," 9.
20. Tikhomirova, "Issues of Formation and Use of Financial Resources of the Social Welfare System (Case Study of the Komi Republic)," 160.
21. Grigoryeva et al, "Inequalities in Eligibility for Social Care," 321.
22. Aristovnik, "Fiscal Decentralization in Eastern Europe," 5–22.
23. Wengle and Rasell, "The Monetisation of L'goty," 744.
24. Grigoryeva et al, "Inequalities in Eligibility for Social Care," 321.
25. Klimina, "The Futility of the Neoliberal Policy of Deliberate Market Construction and the Promise of an Institutional Alternative," 415f.
26. Wang and Liu, "How Unique is 'China Model'," 102.
27. Nonini, "Is China becoming Neoliberal?" 145.
28. *Ibid*, 157f.
29. Gereffi, "Development Models and Industrial Upgrading in China and Mexico," 37.
30. Holbig, "Ideology After the End of Ideology," 61–81.
31. Haila, "The Market as the New Emperor," 15.
32. Nonini, "Is China becoming Neoliberal?" 145.
33. *Ibid*, 152.
34. *Ibid*, 152.
35. Lash, "Against Institutionalism," 568.
36. Haila, "The market as the New Emperor," 15.
37. Lin and Zhang, "Emerging Spaces of Neoliberal Urbanism in China: Land Commodification, Municipal Finance and Local Economic Growth in Prefecture-Level Cities," 2275.
38. *Ibid*, 2274.
39. *Ibid*, 2277.
40. Simpson, "Macau Metropolis and Mental Life," 828.
41. Liu et al, "Low-wage Migrants in Northwestern Beijing, China," 352–371.
42. Harris and Scully, "A Hidden Counter-Movement?" 431f.
43. Duckett, *The Chinese State's Retreat from Health*.
44. Duckett and Langer, "Populism versus Neo-liberalism," 653–680.
45. Duckett and Wang, "Why do Authoritarian Regimes Provide Public Goods?" 95.
46. Nonini, "Is China Becoming Neoliberal?" 159.
47. Harris and Scully, "A Hidden Counter-movement?" 417.
48. Levien and Paret, "A Second Double Movement?" 736ff.
49. *Ibid*, 736ff.
50. Simpson, "Macau Metropolis and Mental Life," 827.
51. He and Xie, "Wal-Mart's Trade Union in China," 437.
52. *Ibid*, 430.
53. Lo, "How Authoritarian is the Environmental Governance of China?" 157.
54. Wegren, "Human Capital and Russia's Agricultural Future," 543.
55. Cook and Dimitrov, "The Social Contract Revisited," 8–26.
56. See also Kluegel et al., "The Legitimation of Capitalism;" Gibson, "Political and Economic Markets;" Stephenson and Khakhulina, "Russia: Changing Perceptions;" McAllister and White, "Economic Change and Public Support;" and Munro, "Predictors of Support."
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65. Habibov, "Who Wants to Redistribute? An Analysis of 14 Post-Soviet Nations," 274.
66. Park, "Public Attitudes toward Government Spending in the Asia-Pacific Region," 9; Munro, "Predictors of Support for State Social Welfare Provision in Russia and China," 6; Habibov, "Who Wants to Redistribute? An Analysis of 14 Post-Soviet Nations," 276.
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73. Munro, "Connections, Paperwork and Passivity," 147–175.
74. Munro, *Chinese Strategies for Getting Health Care*.

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## Notes on contributor

**Neil Munro** is Senior Lecturer in Chinese Politics at the University of Glasgow. He holds a BA (combined honours) in Chinese and Russian (Queensland, 1990) and a PhD in public policy from University of Strathclyde (2004). He has a comparative interest in participation in governance in post-communist societies, and has published on a wide range of themes ranging from acceptance of bureaucratic norms through national identity, regime legitimacy, and social cohesion. His current research focuses on these and other issues in relation to social and environmental policies in China.

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## Appendix 1. Discussion guide

### Economic change

- A1. First, I would like to hear your views about economic matters: How about our country's economy? Is it getting better or worse? Why? Who is most responsible for that?
- A2. In the past five years, has your family started to live better, worse, or has it stayed on the same level? What did you do to make this happen?
- A3. Do you think your family's standard of living depends mainly on the national economy or mainly on your own luck and effort?
- A4. Do you consider yourself rich, poor, or average?
- A5. With whom do you compare yourself when you assess your own material condition? What kind of person do you consider richer than you? What kind of person is poorer? What kind of person lives at about the same level as you?
- A5a. So far, we have talked mainly about income. What about other types of benefits like access to education? What about healthcare?
- A6. How would you define rich? What kind of person is a rich person for you?
- A7. How would you define poor? What kind of person is a poor person for you?

### Social fairness

- B1. How fair is it that some people are much worse off, poorer than you? Why? In what sense is it fair or unfair?
- B1a. (If the issue has not come up already.) So far, we have mainly talked about people in this city. What about people in the villages? What about people in other regions of China?
- B2. How fair is it that some are a lot richer than you? Why? In what sense is it fair or unfair?
- B3. What about social and economic differences between rich and poor? Are they increasing or decreasing? Why is that?

### Welfare values

- C1. Do you think that people who are rich (a lot more well off than you) should take more responsibility for those who are poorer than them?
- C2. Do you feel you should take more responsibility for those who are much worse off than you?
- C3. Do you feel ever obliged to help the poor? What do you do in such a situation?
- C4. Do you see a role for the state in ensuring that people's incomes do not differ too much? How can this be done?
- C4a. What about the role of business? Do you think business plays a positive role in government decision-making in China? Why or why not?
- C5. What else can be done to make our society fairer?

## Appendix 2. List of Focus Group Discussion (FGD) participants whose views are cited

NB: To protect the identities of participants, all names are fictitious. Following conventions used in the discussions themselves, Russians are identified by first names or first names and patronymics for older participants, and Chinese are identified by surnames, preceded by a title to signify gender.



## Russia

Aleksei, an engineer in his twenties, Protvino  
Anastasia, a freelance journalist in her twenties, Tiumen'  
Anna, a scientist in her twenties, Protvino  
Artem, a businessman in his twenties, Irkutsk  
Boris, a young 'sportsman' in his early twenties, Irkutsk  
Dmitry, a laboratory worker in his thirties, Obolensk  
Gennady, an engineer in his thirties, Irkutsk  
Irina, a humanities student in her twenties, Ulyanovsk  
Ivan, a soldier in his thirties, Irkutsk  
Kseniya, a lawyer in her twenties, Irkutsk  
Leo, a senior technician in his fifties, Ufa  
Liubov' Petrovna, a pensioner in her seventies, Ivanovo  
Liudmila Pavlovna, a pensioner in her seventies, Ivanovo  
Maksim, a bank manager in his thirties, Kaliningrad  
Maria, a laboratory worker in her fifties, Obolensk  
Marina, a teacher and entrepreneur in her fifties, Ivanovo  
Ol'ga, an architect in her twenties, Irkutsk  
Petr, a student in an engineering institute in his early twenties, Ulyanovsk  
Svetlana, a political science student in her late teens, Tiumen'  
Vadim, an entertainer in his fifties, Ivanovo  
Vladimir, a young scientist in his twenties, Protvino  
Yegor Grigor'evich, a pensioner in his sixties, Obolensk

## China

Mr Bo, a manual worker in his late twenties, Baoding  
Ms Deng, a manual worker in her late forties, Luoyang  
Mr Gao, an entrepreneur in his sixties, Beijing  
Mr Guo, a businessman in his thirties, Guangzhou  
Mr Hao, an agricultural worker in his sixties, Mianyang  
Mr Hu, a company worker in his thirties, Shanghai  
Ms Kang, a manual worker in her thirties, Fuzhou  
Ms Li, a professional in her forties, Fuzhou  
Mr Lu, a company worker in his forties, Beijing  
Ms Ma, a manual worker in her forties, Fuzhou  
Mr Pan, a manual worker in his late twenties, Baoding  
Ms Pei, a manual worker in her early twenties, Baoding  
Ms Peng, a businesswoman in her thirties, Beijing  
Mr Shi, a migrant worker in his fifties, Beijing  
Ms Wang, a migrant worker in her thirties, Shanghai  
Ms Yao, a professional in her early twenties, Suzhou  
Mr Yu, manual service worker in his early twenties, Suzhou  
Mr Zhang, a professional in his fifties, Guangzhou  
Ms Zhuang, a manual worker in her late twenties, Baoding.