Imagining Modernization: The Symbolic Embrace of GDP in China

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Abstract

In China, economic development has been almost exclusively defined through the lens of gross domestic product (GDP). Additionally, the indicator is deeply ingrained in national and local policymaking. Despite its power, we know almost nothing about how GDP gained such a politically prominent position in China. This paper therefore asks: how was GDP embraced politically and integrated into the Chinese governance system in the mid-1980s and 1990s? The paper argues that in China GDP appropriated a symbolic function. Chinese politicians used the indicator as an ‘instrument of imagination’ and conceptualized the political goal of achieving modernization in terms of GDP. GDP improved the practical applicability and persuasiveness of the modernization narrative by reducing uncertainty and strengthening China’s socialist identity. Furthermore, the symbolic appropriation shaped the adoption of GDP targets in Five-Year Plans as well as the uptake of GDP in the local performance assessment system as a control tool. The Chinese case shows that macroeconomic indicators have different social functions, which make them dynamic tools that can be adjusted to a diverse range of societies. The empirical analysis is based on personal interviews with statisticians in China and the World Bank and extensive document analysis.

Keywords GDP · Political economy · China · Quantification · Performance legitimacy

1 Introduction

Macroeconomic indicators are anything but objective arbiters of economic performance. They are produced and used with a purpose in mind. Their origins, the choices for or against particular formulas to calculate them and their consequences, their use in public policies and debates are political. The indicator that has been

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most influential in shaping our image of the economy is gross domestic product (GDP). GDP has secured a prominent position across the world, providing a universal measure of the economy beyond the confines of a given market, political system or culture. Even though nearly every country produces GDP figures, the indicator has different meanings in various places and to different stakeholders. GDP statistics are tools for policymakers in economic policymaking, investors use them to make investment decisions and citizens take the indicator as a yardstick to evaluate politicians' performance. The political contexts in which GDP resides determine how the indicator has gained power and has become the most influential indicator in the world.

A crucial case to understand GDP's power is China. It is an example of a country in which the indicator gained political prominence rapidly. In the form of targets, GDP has become deeply ingrained in Chinese policymaking. These appear both on the national level, in China's Five-Year Plans (FYPs), and on the local level, through local performance assessment systems. As a result, the development of China's economy has for a long time become exclusively defined through the lens of GDP growth figures. Additionally, the image of China as an economic success story has contributed to the attractiveness and power of the indicator on a global level.

However, it remains unclear how GDP, an indicator from the capitalist world that China had not even measured before 1985, was able to gain an important political role in the Chinese governance system. To understand how the indicator gained power in the Chinese context, this paper asks the following question: how was GDP embraced politically and integrated into the Chinese governance system in the mid-1980s and 1990s?

Currently, the literature on China's GDP fails to systematically analyse the uses of GDP as a tool in the political governance of the country. Much of what has been written about China's GDP addresses the (mis)measurement of statistics (Holz 2004; Rawski 2001; Koch-Weser 2013; Owyang and Shell 2016; Rosen and Bao 2015). It recalculates GDP or develops alternative measures of Chinese economic growth.¹ Additionally, it identifies data falsification by local governments as one of the factors causing measurement problems and suggests that the incorporation of GDP targets in the local performance assessment system provokes data manipulation. Most analyses of the local performance assessment system only explicitly include GDP to reflect on whether economic performance, measured in terms of GDP growth, influences the promotion of local cadres (Shih et al. 2012; Su et al. 2012; Li and Zhou 2005; Chen et al. 2005). These studies provide a limited picture of the functions GDP targets have and fail to explain why GDP is incorporated as a target in the first place. To understand how and why GDP gained salience, we must look beyond the measurement and explicitly analyse these practical uses of the indicator (Espeland and Stevens 2008: 421).

Furthermore, we know little about the origin and power of GDP in developing countries, especially compared to Western industrialized economies and

¹ For some alternative methods and recalculations of GDP see Wu (2000, 2007), Klein and Özmucur (2002), Mehrotra and Pääkkönen (2011), Koch-Weser (2013: 26–30).

international organizations (Philipsen 2015; Lepenies 2016; Schmelzer 2016; Ward 2004). The indicator was developed particularly for and by Western European and North American capitalist countries, and was meant to provide policymakers with a statistical basis for macroeconomic analyses and policies (Schmelzer 2016: 110; Lepenies 2016: 63; Masood 2016: 12–13; Coyle 2014: 12; Fogel et al. 2013). However, it is less obvious why non-Western countries would ‘import’ a foreign indicator, let alone build their governance system around it. Developing countries had a minor role in developing the measure and their economic structure is considerably different. Therefore, we expect that in non-Western economies such as China, GDP is appealing for other reasons than in the West and derives its political power from a different base than its informative value in the policymaking process.

The paper argues that in China GDP was adopted to fulfill a symbolic function. Chinese politicians appropriated the indicator discursively as an ‘instrument of imagination’ to support the political modernization narrative from which the Chinese Communist Party (CCP) derived its legitimacy. They conceptualized modernization in terms of GDP. The indicator strengthened the persuasiveness and practical applicability of the modernization narrative and provided stability in the flux and uncertainty of China’s economic reform period. As symbolic representation of the CCP’s legitimacy, GDP rapidly gained a prominent place within the governance system. The Chinese government introduced GDP targets in the national Five-Year Plans and local performance assessment system. As a result of imagining China’s modernization in terms of GDP, the indicator also acquired a control function which turned out to have pathologies of its own.

To explain why GDP has been embraced by a large variety of countries and has managed to retain its influential status for over 80 years, we must recognize that GDP can assume various functions. Therefore this paper develops and applies a conceptual framework derived from the sociology of quantification literature, emphasizing the diverse functions indicators fulfill in society. It describes the symbolic and control functions and their underlying motivations and mechanisms. This provides insight into how, why and when indicators gain political prominence. The conceptual framework presents a new and innovative way to understand the power of macroeconomic indicators, specifically GDP, and increases the practical applicability of the sociology of quantification.

The empirical analysis will first describe the discursive appropriation of GDP by Chinese politicians and explain how it strengthened the symbolic function of the indicator in the modernization narrative. It will then demonstrate how the discursive use shaped the actual GDP targets in FYPs and adoption in the local performance assessment system, after which it will describe the pathologies of GDP’s appropriation in China. The analysis is based on a month of fieldwork in Beijing, material gathered from the World Bank archives, personal interviews with statisticians in China and the World Bank and extensive document analysis. It uses a range of qualitative sources including official Chinese government reports, speeches from former high-ranking Chinese politicians and secondary literature on China’s economic transition and bureaucratic system.

This paper makes two key contributions to our understanding of the political economy of GDP as a macroeconomic indicator. First, it provides a comprehensive

account of the history of China's GDP. It goes beyond well-known discussions about the (mis)measurement of China's GDP and traces the appropriation of the indicator from its origins. Only when we know how GDP became embedded in China's society can we grasp its current status in the country. Second, the paper extends the focus of the GDP literature beyond the West. It provides a more nuanced understanding of how GDP gained worldwide prominence. The Chinese case opens up conceptual debates about the political economy of indicators, and provides an empirical application thereof. Thereby, the paper aims to engage findings on China's political economy to further develop the political science discipline (Tsai 2013).

The paper proceeds by developing a conceptual framework that describes indicators' societal functions, followed by an empirical analysis to show how this played a role in the appropriation of GDP in China.

2 The Competing Functions of Indicators

Macroeconomic indicators such as GDP are political tools, which can shape the world in which we live and are constituted by it (Espeland and Stevens 2008; Diaz-Bone and Didier 2016). They are not static technical-objective instruments detached from social reality, but always have a socio-political basis and are produced and used with a purpose. Indicators are dynamic tools that exercise power and can be consequential in their use (Espeland 2012: 60). To analyse how GDP gained power in the Chinese context we have to know how the indicator became embedded in Chinese society. Therefore, the paper must analyse who used the indicator, in which form, and for what purpose. This approach builds on the idea that statistics and indicators are objects of politics. It acknowledges that in different political contexts indicators can appropriate various functions. To make this approach applicable to a wide variety of cases, the paper extends the array of functions beyond the information function GDP fulfilled in the West. It develops a conceptual framework that distinguishes between the: (1) symbolic function and (2) control function.

2.1 Symbolic Function: Indicators as 'Instruments of Imagination'

Besides measuring the economy, macroeconomic indicators can appropriate a variety of other functions. First of all, indicators are symbolic tools that can be persuasive when used in a specific discourse. They are a form of 'numerical rhetoric' used to convey different narratives about political, economic and social issues (Assa 2018: 147). Narratives communicate a story about a group of people or social phenomenon addressing a specific time frame and sequence of events or plot (Espeland 2012: 60; Jones and McBeth 2010: 329–330). They provide stability by presenting a causal chain of arguments about how separate parts of a story are linked together (Espeland 2012: 61). They are most likely to arise in cases of uncertainty. The narrative constructs 'fictional expectations', providing a clear picture about the future. This gives stakeholders a reference point for decision making, creating stability and clarity upon which stakeholders can act (Beckert 2016: 10). Indicators can fulfill a

symbolic function as a representation of a specific narrative. They can be used as tools to confirm and sustain the imaginaries propagated in a narrative (Sum and Jessop 2015: 36). The narrative ascribes meaning to the indicator, turning the indicator into an ‘instrument of imagination’.

Indicators make narratives more persuasive. First, they deal with the uncertainty to which the narrative responds. By turning qualitative information into numbers, they reduce the flow of information and ambiguity (Espeland and Stevens 1998: 316). The contextual factors behind the indicators disappear, which makes them look like more robust descriptions of reality and increases the air of objectivity around them (Davis et al. 2012: 77). By simplifying information, indicators structure complex information and make a narrative comprehensible and convincing. The concrete numbers help the narrative to transform uncertainty into a fictitious certainty (Beckert 2016: 242). The narrator can talk about the future as if it is a concrete object. This diverts attention from the uncertain situation, at least temporarily.

Second, indicators contribute to the persuasiveness of a narrative by making comparisons. The shared counting procedure of indicators makes it possible to compare different types of qualitative information. It turns local or temporal particularities and idiosyncrasies into standardized and comparable information (Merry 2011: S84). The use of indicators allows narrators to enlarge the time horizon and scope for comparison, granting them the possibility of making bigger claims which appeal to a larger audience. This improves the attractiveness and practical applicability of the narrative. Additionally, narratives that include indicators often use rankings to unpack some formalized aspect of identity (Espeland 2012: 61). Making comparisons may help narrators to bolster their claims about their own identity.

When indicators are used as ‘instruments of imagination’ they gain power because they become symbolic representations of important narratives. The indicator is the evaluative standard which gives the outcome of a narrative meaning (Abolafia 2010: 350). They represent a broader message, one that goes beyond the raw data. As a result, the political meaning of the narrative reflects on and is attached to the indicator. For example, the gender pay gap indicator becomes the symbol for discussions on inequality and signals concern for this broader issue. Similarly, macroeconomic indicators such as GDP or unemployment can represent the success or failure of governments, instead of solely signalling economic developments. That indicators are able to symbolically represent such broader claims is what makes them powerful.

The symbolic function shapes the practical use of the indicator. When a narrative or imaginary is operationalized and institutionalized, elements of that narrative, including the ‘instruments of imagination’, are transformed and naturalized as part of the society (Sum and Jessop 2015: 36). Indicators are taken up in the everyday life of those who produce or ascribe to the narrative. For example, politicians that make sustainable development the symbol of their political agenda are likely to include Sustainable Development Indicators into the statistical system, ask for government reports or set up evaluation systems in their bureaucracy including these indicators. Besides the discursive use in a political narrative, the indicator gains a practical application in governance systems, evaluation systems, or policymaking. The practical uses of the indicator need to correspond with the claims made in the narrative, such as the scope and time frame and discursive use of the indicator in the

narrative. For example, if the government conceptualizes sustainable development in terms of poverty eradication and promises to eradicate poverty within 15 years, then it will include poverty indicators in its reports and explain how the statistics relate to the achievements and ambitions of the government.

Because of its symbolic value, all aspects of the indicator, the statistical figures, its measurement and practical uses are evaluated on the basis of what it represents symbolically. Citizens, politicians or investors interpret the figures, but with a broader view in mind. They use the indicator's statistics from government reports or the news to make judgements about the claims that are made in the narrative. Disappointing figures, problems with the measurement or practical application of the indicator influence how well they receive the narrative. Depending on the prominence of the indicator within the narrative and the political importance of the narrative itself, it may be difficult to solve these problems without negatively affecting the persuasiveness of the narrative. Problems may arise, especially when the indicator appropriates other functions in addition to its symbolic function. New functions may contradict with the symbolic function, forcing users to decide which is most important and come up with solutions for the contradicting purposes of the indicator.

2.2 Control Function: Indicators as Performance Measures

Besides being used as persuasive symbolic instruments, indicators can also have a control or disciplinary function. They provide comprehensible and comparable information to evaluate performance (Davis et al. 2012: 77). The raw data need to be collected on the ground, but the indicator's figures can easily circulate and be interpreted from a distance. Indicators therefore enable evaluation from a distance (Espeland and Stevens 2008: 415).

The control function of indicators is especially useful in large bureaucracies, because it permits principals to check on the agents they wish to control (Muller 2018: 44–45; Espeland and Stevens 2008: 415). Principals receive information which they use to evaluate and compare the performance of their agents. The principal exerts control when it links a particular type of action to the ranking or scores of the agents on the indicator, for example by allocating resources or applying sanctions (Lehtonen 2015: 78). The latter is a practical application of the indicator as control tool.

For an indicator to be chosen as a control tool, it first needs to measure or represent an issue that is regarded as important to the principal. Second, the measurement of the indicator needs to provide information about the performance of the agent. Even though both elements are important for an indicator to function as a control tool, in practice it is hard to accomplish. There are several problems that stand in the way (for an overview see Muller 2018). One important and well-known problem is data manipulation. If agents have power over the measurement process, then they are able to falsify the data, leaving the principals with useless information (Muller 2018: 25). The agents will anticipate the performance targets, which influences the measurement process. So the indicator does not provide reliable information, limiting its usefulness as a control tool.

2.3 Interactions Between Indicators' Functions

Indicators can have several functions at the same time. These are not neatly separated, but in fact influence each other. This is especially the case for the symbolic function. When an indicator gains a symbolic function as a representation of an important narrative, it is likely that the indicator has become an important political symbol. It represents an issue that is important to politicians, so governments may want to use the indicator as control tool. As a result of the symbolic appropriation, the indicator gains an additional function in society.

Even though different functions can exist next to each other, they may be contradictory. Different motivations behind the functions can cause tensions. An indicator can be appropriate to function as symbolic representation, because it is able to compare compelling cases. For example, GDP compares countries such as the USA and China on an international level. However, when applying the control function, the indicator might not seem compelling anymore. The indicator is unable to control and persuade at the same time, because those who are controlled cannot measure the indicator or are unable to influence the value of the indicator upon which they are evaluated. For example, local statistical offices have no resources or knowledge to measure service sector statistics. If a provincial economy is driven by services, the indicator GDP may not provide useful information for principals to evaluate and compare performances. In this case, the symbolic function and control function do not support each other. The principal could stop using the indicator as a control tool, to exclude the bias in performance evaluation. However, the symbolic function of the indicator may prevent this. The symbolic meaning makes the indicator politically important and attractive to include as a control tool. In persuasive terms it would be consistent to show that what is propagated in the narrative is considered important. However, in terms of the control function this poses problems and allows biases to exist.

A second element causing tensions is that the functions may apply to different stakeholders. This could lead to conflicts of interest. In the symbolic function, a narrative may aim to persuade citizens, while it is not meant to persuade bureaucrats or statisticians. Bureaucrats might only be interested in the control function of the indicator and use the indicator to please the principal, as it incentivizes them to perform 'well' on the indicator. It may invite falsification practices on the side of the bureaucrat. However, this goes against the direct interest of statisticians, who focus on producing accurate and reliable statistics. It could even go against the longer-term interests of the narrator which uses the indicator to strengthen its story. Data falsification harms the trust in statistics, and when exposed to the people may invoke distrust in the narrative. The variety of stakeholders that deal with the same indicator but with different functions causes tensions. Similar to the original appropriation of indicators, solving contradictions between functions is a political choice. How tensions are solved very much depends on the motivation with which users appropriated the indicator in the first place and the importance they adhere to this function.

2.4 China's Performance Legitimacy and the Social Function of Indicators

The symbolic and control function of indicators are relevant to the Chinese case, because they complement the literature on performance legitimacy. Many authors have identified performance legitimacy as the basis for the Chinese Communist Party to justify its rule in the Post-Mao period (see for example Chen 1997; Zhao 2009a; Zhu 2011). Chen (1997: 423) provides a narrow definition of performance legitimacy, also called 'eudaemonic legitimacy', which refers to "a mode of legitimacy in which a regime justifies its rule by successful economic performance and effective provision of economic benefits to individuals in society". A broader definition of performance legitimacy also includes the performance of the ruling authority on socio-economic goals, providing social stability or the state's capacity of territorial defence (White 1986; Von Soest and Grauvogel 2017: 291; Zhao 2009a: 418). This type of legitimacy encourages a pragmatic rationality, meaning that the effectiveness of the state to accomplish concrete goals such as economic growth or social stability is the basis for evaluation (Zhao 2009a: 418; Zhu 2011). This differs from other types of legitimacy such as legal-electoral or ideological, which use formal and theoretical arguments or values to assess legitimacy (Zhao 2009a: 418).

The traits of indicators correspond to the core characteristics of the performance legitimacy strategy. First, indicators are tools that support the rational-pragmatic evaluation process that is central to performance legitimacy. As described above, they are considered rational objective descriptions of reality (Davis et al. 2012: 77). Additionally, the symbolic function of indicators indicates that they are persuasive tools used to convince people of a specific narrative. Convincing people is a central component of gaining legitimacy. The control function of indicators enables performance evaluation, which is another central characteristic of performance legitimacy. Therefore, it is likely that ruling authorities use indicators as tools to enhance performance legitimacy.

The challenges that are associated with China's performance legitimacy affect how indicators appropriate social functions. Chen (1997) identifies three types of crisis that display the weaknesses of the performance legitimacy strategy: rationality, expectation and compliance crises. A rationality crisis arises when the means to improve performance clashes with the core values of ideology (Chen 1997: 430). A way to ensure that performance indicators do not clash with ideological values is to enhance the symbolic function of the indicator by discursively appropriating it into an ideological narrative. An expectation crisis means that citizens' expectations for better lives and government performance rise when they have experienced successful (economic) performance in the immediate past (ibid.: 433). A consequence is that citizens expect government performance beyond the economic and material dimension also addressing welfare issues. To address the expectations of citizens, the legitimacy strategy needs to be adjusted to respond to new demands. This implies including new performance indicators as evaluation tools. Zhu (2011) emphasizes that changing the performance legitimacy strategy is difficult, because a path-dependent process ensures that political institutions and discursive political debates are formed around strengthening government competence and accountability. The symbolic appropriation of indicators also implies a practical application,

which means that performance indicators are institutionalized into the system. This makes it difficult to abandon them and respond to the expectation crisis. Finally, a compliance crisis indicates that performance legitimacy alone is unlikely to fully commit stakeholders to support the ruling authority. The lack of centralized power over local actors due to decentralization is an example of the compliance crisis. As described above, the control function of indicators can mitigate compliance problems. However, unintended consequences of the control and symbolic function of indicators, such as data falsification practices, in turn increase the weaknesses of the performance legitimacy strategy.

3 GDP's Political Prominence in China: Symbolic Appropriation

The conceptual framework showed that turning an indicator into a governance tool requires work by political actors. The well-known Chinese GDP target is no exception. To understand how the indicator was appropriated in the Chinese context, the analysis first traces how and why Chinese politicians started picking up on the indicator as part of a political narrative.

3.1 The Narrative: China's Modernization

In China, politicians appropriated GDP as a symbol within the political narrative of the country's modernization. The goal of achieving a modern China was reintroduced into politics in 1977 and 1978 when a plan called 'Four Modernizations' was written into the party and state constitution (Hsü 1990: 92). The objective was to transform China into a relatively modern state by the year 2000 (ibid.). Achieving modernization became the most important political objective of the Chinese Communist Party (CCP). The Third Plenum of the Eleventh Party Congress in December 1978 coined it the greatest historical task of that time (CCP 1978).

The Chinese leadership within the CCP, most notably Deng Xiaoping, constructed a political narrative around the ambition of achieving modernization. The narrative served to legitimize the shift in Chinese politics focusing on economic development rather than continuing the politics of Mao Zedong. Instead of ideological legitimacy, the CCP moved to a performance legitimacy strategy (Chen 1997; Zhao 2009a). These changes caused uncertainty about China's future. The CCP launched the 'Four Modernizations' plan to deal with the uncertainty and to create a common commitment and consensus about the envisaged future of the Chinese economy (Hsü 1990: 92). It redefined achieving modernization as the overarching political goal and made it a leading political narrative.

The Chinese leadership gave the term modernization a specific meaning. The concept consisted of three main characteristics representing the basic structure of China's modernization narrative. First, modernization was conceptualized in terms of material wealth (Pang 2015). Modernization meant improving the living conditions of the Chinese people by developing 'productive forces' (Deng 1979b). Emphasizing economic development over political or social development was a move away

from the past. Deng Xiaoping's comments at the Third Plenum symbolized the prioritization of economic development over ideological development. He stated that "revolution takes place on the basis of the need for material benefit", not just "the spirit of sacrifice", with which he justified a focus on economic development (Deng 1978). He also emphasized that cadres in the Chinese bureaucracy should focus on studying economics, science and technology, and management to "carry out socialist modernization rapidly and efficiently" (ibid.).

Second, modernization was a comparative concept. It meant achieving a 'comparative prosperity' (Deng 1979a). Chinese policymakers compared modernization to the development level of Western industrialized economies. For example, Deng Xiaoping made clear that China's modernization goal in the year 2000 was still modest compared to the West. According to him, even if by the year 2000 China had achieved the goals set through the Modernization plan, it would still be a "backward nation compared to Western countries" (Deng 1979a). To formulate the outcome of the modernization goal, China's policymakers used comparative measures as well. They aimed to 'catch up with the rest of the world' and used this concept in their work. For example, in 1977, government institutions, think tanks and ministries organized a joint seminar to discuss economic growth in countries such as the US and Germany and compare it to China. The goal of the seminar directly related to modernization, namely 'realizing the Four Modernizations and catching up with the rest of the world' (Gewirtz 2017: 31).

Third, China would achieve modernization by undergoing three stages on a specific timeline. To begin with, Chinese citizens would fulfill their basic needs [*wen-bao*] during the 1980s. Next, they would become relatively well-off [*xiaokang*] in the 1990s, and finally in the last phase China would reach the definitive stage of modernization, namely catching up with the West. The entire pathway to modernization would be accomplished somewhere between 2030 and 2050 (Li 2010: 342; Pang 2015).

3.2 Instrument of Imagination: GDP and Its Discursive Use

Chinese politicians, policymakers and international stakeholders also included GDP in the modernization narrative. They appropriated the indicator as an 'instrument of imagination' by referring to GDP in relation to the concept of modernization. The various discursive uses strengthened the narrative and turned GDP into the symbolic representation of the narrative.

Before GDP could fulfill a symbolic function, political stakeholders had to refer to the indicator for it to gain political value. One of the first references to GDP was made when explaining the modernization goal to a foreign audience. In 1979 Deng Xiaoping, the vice prime minister and vice chairman of the CCP, explained to the Japanese prime minister Mayayoshi Ohira what it meant to achieve modernization in the Chinese context. Deng explained that modernization represented achieving

‘comparative prosperity’ and gave the example of \$1000 per capita GDP in the year 2000 to illustrate his point (Deng 1979a).²

The comparison connected GDP to the modernization narrative, which made the narrative comprehensible to a foreign audience. The international stakeholders with which Chinese policymakers communicated were familiar with the GDP indicator, because they used it as a national income measure. Instead of explaining very context-specific elements of the narrative, such as *wenbao* or *xiaokang*, Chinese policymakers referred to GDP. This made it possible to discuss their development goals with international actors. They expanded the use of the narrative to a wider range of settings which increased its practical applicability. Deng’s reference to the indicator shaped how GDP was integrated into the Chinese political context. Through the statement, Deng Xiaoping directly appropriated the indicator as part of the Chinese conceptualization of modernization. GDP fitted the three basic elements of the concept. The macroeconomic indicator focused on economic development, the reference to the year 2000 followed the timeline in the narrative, and GDP was a comparative measure used by all Western countries, making it possible to compare China with the West. By linking GDP to the Chinese modernization goal, Deng provided a specific image of China’s future. He used the indicator as an instrument of imagination.

At the time, Chinese politicians urgently needed instruments of imagination, such as GDP, in their narrative. These imaginary tools could help to reduce uncertainty and create domestic stability. The fundamental shift in party line towards economic reform created unrest within the Chinese bureaucracy. The policymaking apparatus had no clear understanding of where China was heading. Ideas about reform were ‘shallow and vague’,³ let alone grounded in concrete reform policies, such as privatizing parts of the economy or introducing price reform. There was ideological resistance to the focus on economic development and market allocation. Part of the bureaucracy regarded the new political direction in direct opposition to the principles of socialism (Brødsgaard and Rutten 2017: 75). The modernization narrative had been created in the late 1970s to function as ideological justification for the economic and political shift. However, it only partly succeeded in this mission. The narrative was not able to create a common understanding about China’s future. Besides the uncertainty and disagreement within the bureaucracy, activists challenged the basic elements of the modernization narrative. They called for a broader conceptualization of modernization that included democracy, the so-called ‘Fifth

² In the 1980s and early 1990s China’s GDP and Gross National Product (GNP) were virtually identical (World Bank 1994: v). Although in the time period researched in this paper, the Chinese targets were officially set in terms of GNP, Chinese sector and input–output statistics were all measured in terms of GDP. Because of the practically identical figures at that time, and because GDP targets are currently used instead of GNP, this paper consistently refers to GDP instead of GNP. The only exception is when GNP is mentioned in quotes. The main conceptual difference between the measures is that GDP measures the total production within a country regardless of ownership, whereas GNP counts the production and income produced by a country’s citizens, regardless of their place of residence.

³ Comments by former premier and secretary general of the CCP, Zhao Ziyang. See Zhao 2009b: 13.

Modernization’ (Wei 1978). These challenges created instability and stood in the way of shifting China’s focus to economic development.

The CCP tried to limit the uncertainty in China’s reform process by incorporating a concrete end goal in the form of an indicator into the modernization narrative. In September 1982, the Twelfth National Congress set the long-term political objective of quadrupling the gross value of industrial and agricultural output (GVIAO) within 20 years, thus achieving this goal by the end of the century (Deng 1982). This concrete goal limited the room to re-interpret the modernization narrative. It specifically stated what it took for Chinese society to reach the stage of a ‘relatively well-off’ society in 2000. At the time, Deng Xiaoping stated that as a result of the decisions made in the Twelfth National Congress, including setting the GVIAO target, “the political situation in China will be more stable than ever before” (Deng 1982). The indicator contributed to the modernization narrative by taking away uncertainty and providing stability.

The presence of an official political goal in the form of the GVIAO indicator created room for GDP to function as an instrument of imagination within the modernization narrative. Chinese policymakers translated the national GVIAO objective to GDP targets when they discussed their development goals with international actors. In 1983, during discussions with the World Bank, Chinese policymakers referred to the goal of achieving a GDP per capita of \$800 by the year 2000 as a national aim (World Bank 1985: foreword).⁴ Similar to the GVIAO target, this goal aimed to quadruple its value between 1980 and 2000. It was a direct translation of the GVIAO target and referred to the example Deng Xiaoping used in the late 1970s to explain China’s modernization. Instead of presenting GVIAO as its national goal, Chinese policymakers now also referred to GDP as a national objective.

Referring to GDP as a national objective increased the political importance of the indicator. Moreover, Chinese politicians and international organizations continued mentioning GDP in their interactions, attaching the indicator as a development goal onto the modernization narrative. Chinese politicians requested the World Bank to study the target of quadrupling GDP by the year 2000 in an official report.⁵ This request indicates that the indicator was of political value to high-level Chinese politicians. The World Bank report explicitly took into account the goal of achieving a GDP per capita of \$800 by the year 2000 (World Bank 1985). It connected GDP growth rates with the Chinese modernization goal, by also referring to the goal of becoming a moderately well-off society in 2000 and catching up with the West. The report was well received by Chinese politicians and widely read throughout the Chinese bureaucracy (Lim 1993: 7). Using the same modernization goal as the Chinese government, the report contributed to attaching the concept of GDP per capita onto the Chinese modernization narrative. So

⁴ The GDP goal changed from US \$1000 to US \$800 GDP per capita, taking into account China’s population growth from 1 billion to 1.2 billion inhabitants (Deng 1987: 67–68).

⁵ Interview with former chief of World Bank resident mission in Beijing, Pieter Bottelier. Washington DC, 12-04-2018.

not only to a foreign audience, but also within the Chinese bureaucracy, GDP was appropriated as part of China's modernization goal.

Additionally, Chinese politicians appropriated GDP within the Chinese modernization narrative by linking the indicator to China's identity as a socialist country. In various instances, Deng Xiaoping explicitly used the long-term GDP goal to justify the superiority of the socialist pathway to modernization in comparison to the capitalist road to development. For example, in 1985, in a meeting with a committee on Taiwan issues, Deng Xiaoping emphasized that:

By the end of this century, our per capita GNP will have reached \$800. ... The bulk of this average GNP will go to raise the people's living standards and educational level. Socialism is different from capitalism in that it means common prosperity, not polarization of income (Deng 1987: 113).

In 1986 Deng used the GDP goal in his address of recent student disturbances to some leading members of the Central Committee of the Chinese Communist Party:

When we succeed in raising China's per capita GNP to \$4000 and everyone is prosperous, that will better demonstrate the superiority of socialism over capitalism (Deng 1987: 163).

In 1987 Deng made similar remarks to Premier Lubomir Strougal of the Czechoslovak Socialist Republic:

... to quadruple it again [\$800 GNP per capita in 2000], so as to reach a per capita GNP of \$4000 in another 50 years. ... If we can achieve this goal, ... we will have demonstrated more convincingly the superiority of the socialist system. ... We will demonstrate to mankind that socialism is the only solution and that it is superior to capitalism (Deng 1987: 177–178).

Using the GDP indicator to prove the superiority of the socialist over the capitalist system contributed to the persuasiveness of the modernization narrative. As a Western statistical construct and comparative measure of economic development, GDP had become the symbol of prosperity all around the world (Schmelzer 2016: 10, 19). GDP figures were the yardstick representing the economic and political power of a country and capitalist economies were top of the class. The indicator possessed a power of imagination that could be exploited by Chinese politicians. Coining China's modernization in terms of a Western yardstick of development would show how China was able to beat capitalist countries at their own game. Chinese policymakers had already made a powerful claim that China would catch up with the West by the year 2050 (Deng 1987: 47). Presenting GDP as symbol of China's modernization narrative indicated that China could achieve the same level of development as Western countries, but without becoming a capitalist country. It could retain its own socialist identity. Reaching the ambitious GDP goal would prove the success of China's distinct economic and political system. Chinese politicians used the foreign capitalist indicator in their modernization narrative to increase the persuasiveness

of China's own socialist identity. They used the indicator to convincingly justify the rule of the Communist Party to their own citizens.

Chinese policymakers incorporated GDP in their discourse to provide an image of China's most important political goal, achieving modernization. They appropriated an essentially foreign and capitalist indicator and made it part of the Chinese political context. They exploited the concreteness, comparative characteristic and imaginative appeal of the indicator to strengthen the persuasiveness and practical applicability of the modernization narrative. Moreover, using the indicator discursively in relation to the modernization narrative, GDP became the symbolic representation of the narrative. The quantitative target of quadrupling GDP by the year 2000 had become "politically terribly important and uppermost in the mind of all the think tanks and so on. It was a target that Chinese policymakers did not quarrel with".⁶ The appropriation of GDP in the modernization narrative made achieving GDP growth the symbolic underlying justification for the CCP's rule.

3.3 Symbolic Representation: GDP Target as Practical Application

As symbolic representation of China's most important political objective, GDP was not merely a discursive tool any more. The indicator had become the most concrete yardstick upon which citizens could hold the CCP accountable. GDP was interwoven with China's development ambitions and the CCP's legitimacy strategy. Therefore, the indicator required a practical application in China's governance system. This application took the form of GDP targets in China's Five-Year Plans (FYPs). Chinese policymakers directly derived the targets from the long-term modernization goal, which required achieving \$800 GDP per capita in 2000 and a \$4000 GDP per capita before 2050. The annual targets in the FYPs corresponded to the timeline that the modernization narrative set out. For the Seventh Five-Year Plan (1986–1990), Chinese economic planners used the World Bank report of 1983 which presented the necessary annual GDP growth rates to achieve the long-term goal of quadrupling GDP by the year 2000. They drafted the plan based on this report and incorporated GDP targets that could fulfill the modernization goal. To realize the goal of catching up with the West by 2050, the World Bank proposed a minimal growth rate of 5.5 or 6.5% per year (World Bank 1985: 21). The Chinese planners set the official GDP target at 7.5% (CPC 2018). The Eighth Five-Year Plan (1991–1995) also corresponded with the modernization narrative. The 6% GDP target was more modest than the previous target, but nevertheless was in accordance with quadrupling the level of GDP between 1980 and 2000 (World Bank 1992: 75). The primary function was to keep the target in line with this goal (ibid). The Plan also confirmed the important political status of GDP. Even though policymakers drafted the Plan in light of problems with inflation, it lacked elaboration on other macroeconomic indicators than GDP (World Bank 1992: 76). Most of the attention went on GDP statistics and the GDP target.

⁶ Interview with former chief of World Bank resident mission in Beijing, Pieter Bottelier. Washington DC, 12-04-2018.

Due to high measured GDP growth rates in the 1980s and early 1990s, China fulfilled the first modernization goal of achieving \$800 GDP per capita in 2000 almost 5 years in advance. It had rapidly accomplished what the narrative labelled a ‘relatively well-off society’. Nevertheless, the narrative represented a much longer time period, reaching all the way to 2050. Because the GDP target symbolically represented this long-term goal, the Chinese government needed to set more targets for the future. To show consistency with the modernization narrative, policymakers included a new GDP target in the plan called ‘Long Range Objectives to the Year 2010’. The government presented this Plan next to the Ninth Five -Year Plan (1996–2000) and established the goal of doubling China’s GDP in 10 years between 2000 and 2010 (NPC 1996). Remarkably, Chinese policymakers drafted the target 5 years before GDP growth rates would be of influence to the newly set target. There were still 5 years of economic policymaking ahead, which could drastically change the outlook of the Chinese economy. From an economic planning perspective, the target was quite uninformed and it was not at all obvious that the target was a realistic goal. However, from the perspective of GDP’s symbolic function the new target made sense. It proved that the Chinese government was still dedicated to accomplishing the promises made in the modernization narrative. Using new GDP targets was not only consistent with the narrative but also persuasive because it built upon successes the Chinese government achieved in accomplishing the modernization goal. It indicates that the symbolic function GDP appropriated in the Chinese context influenced the drafting of GDP targets by Chinese policymakers in the 1980s and 1990s.

3.4 Implications of the Symbolic Function: GDP as a Control Tool

As GDP had become the symbolic representation of China’s modernization goal, achieving GDP growth determined the legitimacy of the CCP’s rule. It became one of the most important policy objectives of the CCP. However, Chinese authorities worried about the local implementation of such crucial policy objectives (Gao 2007: 52). In the 1980s, central authorities lost the capacity to rule in the local regions because they decentralized economic policymaking and the authority to make personnel decisions to the local level (Gao 2007: 52). To generate GDP growth the central government heavily depended on local governments and their local state-owned enterprises (SOEs). In 1985, provincial and municipal governments accounted for 45% of the total industrial output, county governments for 8% and township enterprises for approximately 25%, against 20% produced by centrally controlled SOEs (Montinola et al. 1995: 61–62; Qian 2017: 325). The local authorities protected local interests and sacrificed national goals (Naughton 1987; Shirk 1990; Huang 1996). To ensure that local governments adhered to national political priorities, Chinese authorities developed a performance assessment system to control local governments. In line with GDP’s symbolic function, the indicator became an important component of that system.

To accomplish the GDP target as set in the modernization narrative, Chinese authorities included the indicator in the local performance assessment system. In

1988, the CCP published the official guidelines on the performance evaluation of party secretaries and government executives at the county and township levels. The guidelines presented GDP as an evaluation criterion (Whiting 2004: 103–105). In 1995, the performance evaluation system developed into a widespread tool for higher-level government to assess the performance of lower-level authorities. The Organization Department presented an official notice that specified the performance criteria and range of indicators used to measure the cadres' performance. It mentioned GDP (aggregate, growth rate and per capita/per capita growth rate) as an appropriate performance indicator to evaluate economic development (Gao 2007: 56). Especially in the 1990s, the majority of the performance targets focused on economic development and heavy weight was given to GDP targets (Burns and Zhiren 2010; Gao 2010: 60–62; Jing et al. 2015: 55). Other performance indicators received much less attention (Whiting 2004: 107; Burns and Zhiren 2010: 12; Landry 2008: 83–86). Incorporating GDP targets in the local performance assessment system made the system consistent with the modernization narrative. As a local performance indicator, GDP was attributed a new function next to its symbolic function, namely that of a control tool.

However, the control function of GDP did not work properly. First, due to data falsification practices, the assessment system provided biased information about the performance of local cadres. The setup of the Chinese statistical system made it possible for local cadres to influence the measurement process of GDP. For the compilation of data the State Statistical Bureau (SSB)⁷ relied on local statistical offices (Koch-Weser 2013: 22). These local agencies lacked independence. They were responsible for transferring the data they received from the direct reporting system (Huang 1996: 62–63; Holz 2005: 17). Because the local bureaus did not gather the data themselves, but received the data directly from forms filled in by the industrial enterprises, data falsification was possible at the enterprise level. Furthermore, local statistical agencies were subject to local governments, from which they received their financial funds (Chander 2014: 11). The data passed through the local government bureaus, which made it possible for the data to be manipulated without external control. In the late 1990s, the position of the national statistical office versus local offices strengthened due to the increased use of sample surveys and censuses. These types of centralized data gathering made the current National Bureau of Statistics (NBS) less reliant on other actors and gave the NBS a tool to measure GDP surpassing local manipulated GDP data (Holz 2005: 12; Chander 2014: 11). However, the use of sample surveys was limited and it was not until 2009 that surveys were conducted by the central as well as local statistical reporting units (Chander 2014: 11–13). In the late 1980s and 1990s, the national statistical office still relied heavily on other actors and did not possess tools to systematically circumvent manipulation of statistics on the local level.

The falsification practices were widespread. In 1989, 1994 and 1997, the central government carried out inspections which uncovered more than 110,000 violations (Cai 2000; Koch-Weser 2013: 22). Local cadres felt the pressure to fulfill GDP targets

⁷ The SSB later changed its name to the National Bureau of Statistics (NBS).

because this was the most important political objective set out by the centre (Rawski 2000: 10–11). Cai (2000: 791–792) gives examples of four villages that falsified per capita income statistics to fulfill the goal of becoming a ‘well-off’ [*xiaokang*] village. This concept was an important national goal for rural development which was derived from the modernization narrative and conceptualized in terms of per capita income (CDRF 2017: 3). The link to the modernization narrative indicates that GDP’s symbolic function within the narrative encouraged local cadres to regard GDP growth as a crucial policy objective. The symbolic function of GDP therefore not only enabled its emergence as a control tool, but also provoked data falsification practices.

Second, the control mechanism of the GDP indicator did not function properly, because the target also affected the central leadership’s control over economic policymaking. By setting GDP and GVIAO targets, the Chinese government put incentives in place for local governments to interfere in the economy in counter-productive ways. Whiting (2004: 111) refers to an example in Jiangsu province, where in response to the overemphasis on output production targets, output capacity expanded drastically, resulting in overproduction. Also in 1992, when the central leadership increased growth targets, local governments rapidly expanded their production capacity and set up new companies with new credit, regardless of the profitability of the new enterprises (Whiting 2004: 110–111). Even though the local GDP targets contributed to accomplishing the national target, they hampered the central leadership’s control over the quality of economic reforms.

The central government was aware of the unintended consequences of the GDP target and its partial inability to function as a control tool. It was concerned about the phenomenon because falsification practices and the overemphasis on economic production could pose a threat to the symbolic function of GDP. The GDP target was supposed to enhance the CCP’s legitimacy, by strengthening the persuasiveness of the modernization narrative and taking away uncertainty within Chinese society about the path of economic reform. However, citizens could interpret falsification of GDP figures as a devious strategy to fool and trick them into believing the modernization narrative. Falsification would breach their trust in the government. Additionally, overemphasizing economic production could sacrifice other social, environmental or political goals, such as reducing income inequality, preventing environment pollution and creating political support for the CCP. Although the performance-based legitimacy focusing on economic growth had served the CCP well, paying attention to inflation, economic inequality and other welfare issues were crucial to prevent social unrest.

The CCP acted to prevent the unintended consequences of GDP as a control tool. In 1995, the Central Leadership expressed its concerns about the data falsification practices: “The masses now doubt the statistics published in official newspapers. We must pay due attention to it; the Chinese Communist Party cannot afford to lose the trust of the people”. (Standing Committee NPCC manipulation statistics 1995: 22, translation by Cai 2000: 804). To ensure that falsification would not affect the symbolic function of GDP, Chinese authorities tried to tackle the problem. In February 1999, the National Bureau of Statistics publicly rejected the provincial GDP figures of 1998 and the Central Party authorities increased punishments to stop data falsification practices (Rawski 2000: 10; Holz 2005: 8). Additionally, the Chinese government diversified the performance assessment system by including non-economic

categories such as social development and spiritual civilization, and Party Building, as areas of performance assessment (Gao 2007: 54). Indicators about decreasing criminal rates, compulsory education years and dealing with waste materials broadened the options for local cadres to also address welfare-based development strategies.

3.5 Challenges of GDP as an Instrument of Imagination

However, it remained difficult to downplay the role of the GDP indicator. Simply including new indicators in the performance assessment system would not have given these goals the same symbolic power that achieving GDP growth possessed. Moving away from GDP would have seemed inconsistent with the message the CCP had propagated, namely that its primary development goal was achieving modernization. The symbolic appropriation of GDP as a representation of that goal stood in the way of solving problems of GDP as a control tool. Abandoning GDP in the performance assessment system would have contradicted its symbolic function. Furthermore, for practical reasons it was far more attractive for local cadres to pursue GDP growth over other indicators within the performance assessment system. Performance assessment was based on territorial units, which did not encourage cadres to solve cross-boundary problems such as environmental degradation (Burns and Zhiren 2010: 2). Or as a former World Bank representative in Beijing states: “there was a bias in the system toward investment in growth ... and there was no bias in the system in favor of environmental protection”.⁸ Additionally, the GDP indicator had the benefit of being a very concrete target which could be measured objectively, especially compared to the other targets in the assessment system. Many of the targets which did not relate to economic development were defined in abstract terms. The 1995 Notice did not even propose concrete indicators related to the Party Building criterion (Gao 2007: 57). For example, it was hard for local governments to assess whether they had accomplished an issue such as tackling corruption. The lack of concrete, comparable and measurable indicators for welfare and party-building issues made it unattractive for local governments to increase their importance within the assessment system (Gao 2010: 60–61 s). Furthermore, given that local cadres were allowed to assign weights to the assessment criteria themselves, it proved hard to replace GDP with other indicators (Gao 2007: 55).

Since the early 2000s, the symbolic and control functions of GDP have been slowly changing. The weight of China’s GDP indicator in the performance assessment system is declining, and more welfare-related indicators are included (Zuo 2015). The NBS has been developing a *xiaokang* index, in which various indicators are used to keep track of social and environmental goals, such as income inequality, social security coverage and energy consumption (NBS 2008).⁹ Furthermore, in 2004 the NBS, together with the State Environmental Protection Agency (SEPA),

⁸ Interview with former World Bank country director China and Mongolia. Washington DC, 10-04-2018.

⁹ Interview with former statistician, National Bureau of Statistics China. Beijing, 01-09-2017.

launched a project measuring Green GDP, which takes into account the losses to the environment in GDP figures (Wang et al. 2006). Additionally, the Chinese leadership is actively building symbolic value for other indicators besides GDP. The government under Hu Jintao started to develop a narrative in which these indicators could be incorporated. The 16th National Congress in 2002 introduced the goal of “Building a well-off society in an all-round way” (People’s Daily 2002). This new vision on development emphasizes that the *xiaokang* concept includes more than economic development. The *scientific outlook on development* introduced the environment into the development narrative of the government (People’s Daily 2006).

The development of new indicators and corresponding narratives are a strategy to cope with the consequences of GDP’s historical appropriation as a symbolic and control tool. It furthermore shows that the CCP is adjusting its performance legitimacy strategy from economy-based legitimacy to a broader welfare-based legitimacy. Under Xi Jinping this trend has continued. The Chinese leadership downplayed the relevance of GDP by reforming the performance assessment system, clearly stating that the indicator should not be used as an assessment indicator in a number of provinces (People’s Daily 2013). Instead, Xi Jinping announced that welfare improvement, social development and environmental indicators should be used to evaluate leaders (Rapoza 2013). Clearly, the function of GDP indicator within China is changing. However, due to the promise Hu Jintao made in 2012, to double China’s GDP level by 2020, GDP will retain its symbolic function as part of China’s development narrative for at least another year.

4 Conclusion

This paper has examined how GDP was able to gain a politically prominent role in China in the 1980s and 1990s. The Chinese Communist Party rapidly built its governance system around the foreign indicator in a different economic and political context than in which GDP originated in the West. The article found that in China GDP fulfilled various functions, serving a variety of purposes. First, GDP gained a symbolic function as the representation of the political narrative on China’s modernization. The CCP used the modernization narrative to strengthen its legitimacy in an uncertain period of economic reforms. It appropriated GDP as an ‘instrument of imagination’ which increased the persuasiveness of the modernization narrative in several ways. It improved the practical applicability of the narrative and reduced uncertainty within the Chinese reform process. Moreover, Chinese politicians used the originally capitalist indicator to strengthen China’s socialist identity. As a result of GDP’s symbolic function, GDP targets were introduced in the Chinese Five-Year Plans. The targets were directly derived from the modernization narrative and followed its scope and timeline. The symbolic function was very powerful as it also shaped the inclusion of GDP as a control tool in China’s local performance assessment system. Yet the appropriation of GDP as a symbolic and control tool also had negative consequences, such as data falsification practices and the sacrifice of social and environmental goals for the sake of economic growth.

The Chinese case provides insights that are valuable to understand how GDP became such a powerful indicator across the globe. It shows that even though the indicator was tailor-made for Western capitalist economies, through a process of discursive appropriation GDP is suitable for a wide range of societies. The Chinese embrace of GDP proves that indicators are flexible and dynamic tools, which can appropriate different meanings. Although GDP measurement is internationally harmonized and its statistical conceptualization is similar across countries, the meaning of the indicator and thereby the power it exerts on society can be considerably different in various places. The Chinese case is particularly important because it redirects our attention to the powerful symbolic function of the GDP indicator. We must analyse such alternative functions since the statistical conceptualization of many macroeconomic indicators show severe misalignment with the economic structure of (developing) countries. The symbolic function can provide insight into why countries, despite such misalignment, still appropriate a seemingly ‘unsuitable’ indicator.

Additionally, this paper has extended the sociology of quantification literature by developing an in-depth analysis of the social functions of indicators. It provided insights into the conditions, forms and mechanisms through which indicators gain power. The conceptual framework distinguished different motivations for adopting one function over the other. Moreover, it described how different functions can interact. Nonetheless, this paper has only applied the framework to one particular and quite unique case. We should extend our research to other cases to develop a broader understanding of the exact mechanisms behind the various functions of indicators and its consequences. To see whether other GDP targets have the same symbolic origin, this research could be extended to countries such as India, Pakistan or Bangladesh, which also used GDP targets. We could also expand the research to other political indicators such as the Freedom House Index, Corruption Perceptions Index or Ease of Doing Business Index. These indicators are developed by international organizations or non-governmental organizations and used by a variety of stakeholders to inform research findings, policymaking and investment decisions. Compared to GDP, these indicators are less technical and put emphasis on ranking countries. These characteristics make the indicators even more suitable to be taken up in a narrative, which could increase their symbolic power. It would be interesting to research whether the symbolic power of these types of indicators have the same implications as that of GDP.

Lastly, the conclusions of this paper are also meaningful because they help us analyse the debates about GDP in China’s society today. Despite the heavy criticism the indicator currently faces inside the country, it has still not vanished from national or local policymaking. This paper showed that the symbolic function of GDP is powerful, which explains why it is hard, even for high-level politicians, to avoid setting new targets. Downplaying the symbolic meaning of the indicator requires work, especially because it implies a redefinition of the political narrative from which the CCP derives its legitimacy. The transition to a different type of performance legitimacy is a long-term process started under Hu Jintao and continued under Xi Jinping. The year 2020 provides an opportunity to step away from GDP as part of China’s development narrative. It is the last year for which the CCP has promised to fulfil concrete GDP targets. The reforms of the performance assessment

system indicate that the function of GDP as a control tool is in decline. Now it depends on the central leadership to resist the temptation to set a new GDP target or include the indicator as a component of new political narratives such as ‘high quality development’ and ‘new normal’.

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Compliance with Ethical Standards

Conflict of Interest The corresponding author states that there is no conflict of interest.

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