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# Xinjiang, China's West

Provincial Government and Regional Development:  
Xinjiang in China's Reform

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## **Abstract**

This research uses a case study of Xinjiang to challenge China's reform by addressing the problems rooted in its partiality and regionalisation. The reform started in the field of political administration and toleration of decentralisation and marketisation in the economic sphere has generated economic prosperity in some regions. But economic reform was not necessarily accompanied by political transformation. Most characteristics of socialism have been retained, including political discretion and economic bailout. Both are regarded as major causes to economic weakness in some sectors and some provinces. The central argument for the continuation of the partial reform is decentralisation of decision-making to the local political state, enabling local government to give a "helping hand" in facilitating change. But the partiality of the reform drives local governments in those regions with political sensitivities to become a "political defender", holding back the progress of the reform there. Such unbalanced and unparalleled developments amongst the regions and institutions has created imbalances in provinces such as Xinjiang, challenging the success of China's reform overall. In politically sensitive regions, the Communist Party has retained an administrative stranglehold and development has stagnated, not only calling into question the sustainability of the reforms but also potentially threatening China's unity and political stability. The thesis uses Xinjiang, which is politically very sensitive, because of its ethnicity and strategic resources, to argue this point.

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## **Glossary**

### **Abbreviation and Acronyms**

AGOV	Agricultural Gross Output Value
ASEAN	Association of South-East Asian Nation
AVI	Added Value of Industry
BC	Budget Constraint
BW(R)	One Black and One White (and One Red)
COE	Collective Ownership Enterprise
CCP	Chinese Communist Party
CEAC	Chinese Ethnic Autonomous Constitution
CNPC	China Petroleum Corporation
CNPCC	China Petroleum and Chemical Corporation
COC	Coastal Open City
CPC	Central People's Congress
CR	Cultural Revolution
DR	Dividing Revenue Refers to Local Sharing Income
DRS	Receiving Subsidies in the Dividing Revenue Arrangement
ETDD	Economic and Technologic Development Districts
FA	Field Army
FDI	Foreign Direct Investment
FYP	Five-Year Plan
GDP	Gross Domestic Product
GNP	Gross National Product
GIC	Great Islamic Circle
GIOV	Gross Industrial Output Value
GLF	Great Leap Forward
GMD	Guomindang: the Nationalist Party
GS	General Secretary
GTS	Golden Tian Shan (the Xinjiang Tian Shan Woollen Textile Limited Company)
HBC	Hard (Hardening) Budget Constraint
ICOR	Increasing Capital/Output Ratio
K-H-K	Kashigar-Hotan- KizilsuKirghiz Autonomous Region
MS	Receiving Subsidies with Various Rates of Funds from the Centre
NGO	Non-Government Organisation
NIC	Newly Industrial Country
NSB	National Statistical Bureau
PCC	Production and Construction Crop
PLA	People Liberation Army
POE	Private Ownership Enterprise
PRC	The People's Republic of China