

Reforming governance under authoritarianism: motivations and pathways of local participatory reform in the People's Republic of China

Xiaojun Yan and Ge Xin

Department of Politics and Public Administration, The University of Hong Kong, Hong Kong

ABSTRACT

Many authoritarian regimes use participatory political reform to maintain control over the societies under their rule and survive global waves of democratization. Recent studies of transitional governance have underscored the importance and intricacy of institutional reform; however, no consensus has been reached on an explanation of the dynamism that shapes institutional reforms under non-democratic systems. Why do authoritarian apparatchiks reform their institutions of governance? How can the varied pathways of these reforms be explained? Post-Deng China provides an ideal laboratory in which to study these issues. Since the 1990s, growing tensions between the Leninist polity and a gradually opened society have compelled local governments in China to test a vast set of participatory reforms. In an examination of three major local participatory budgeting reforms in China, this article maps the main pathways – representation, consultation, and transparency – of these recent sub-national participatory reforms implemented by the incumbent regime, and explores the driving forces that sculpt a reformist model over the alternatives. By introducing an “incentive-contingent framework”, this article sketches out the “repertoire” of participatory reforms in the authoritarian governance of China and suggests an explanatory framework for the variation in the strategies and forms of such institutional innovations.

ARTICLE HISTORY Received 9 October 2015; Accepted 11 July 2016

KEYWORDS Participatory reform; institutional innovation; authoritarianism; Chinese politics; governance; innovation

Institutional innovation under an authoritarian regime is a significantly underexplored area in comparative studies of governance. Absolutist regimes do not always rely upon coercion to govern the societies under their rule. More often, authoritarian rulers also attempt (more or less successfully) to use either incremental innovations or “big-bang” reforms of their institutions to release social tension, neutralize potential opposition, maintain power-sharing arrangements amongst the elites, or survive increasingly globalized movements for democracy. Constant, strategic institutional innovation under an authoritarian regime is not merely a tactical adaption of a ruling clique or a pretentious façade of accountability under an essentially dictatorial

CONTACT Xiaojun Yan  xyan@hku.hk

© 2016 Informa UK Limited, trading as Taylor & Francis Group

system of command. Such innovative reforms are a crucial and defining aspect of authoritarian governance that reflect the self-renewing and self-enhancing capacities of such political systems.

Innovation in the structures of governance is no easy task. Francis Fukuyama recently argued that “[i]nstitutional reform is an extremely difficult thing to bring about, and there is no guarantee that it will be accomplished without a major disruption of the political order”.¹ Despite the assumed institutional rigidity of autocratic governments, purposeful institutional innovation that is designed and implemented by repressive rulers has remained an especially fascinating phenomenon that challenges our scholarly understanding of stable, stubborn authoritarian governments around the globe. For students of politics in the People’s Republic of China (PRC) – one of the largest functioning authoritarian regimes in the twenty-first century – the incentive, dynamism, and repertoire of institutional innovations undertaken by the governing Communist Party state should not be overlooked.

Since the 1990s, growing tensions between the Leninist polity and a gradually opening society under Deng Xiaoping’s adventurous project of state-led marketization have compelled local governments in China to test a vast number of institutional innovations. These local governments have sought to channel political pressure, enhance state-society interaction, respond to newly mobilized social forces, and ultimately safeguard the regime’s stability. Amongst these innovations, local political reforms that aim to increase the political participation of ordinary citizens are particularly salient. Deemed primarily as political experiments, participatory reforms below the national level have usually followed officially designated “themes”. Each theme represents a specific pathway of institutional reform that the Chinese authoritarian regime intends to test. Some of these reforms involve the creation of formal representative institutions within the party-state apparatus. Other efforts are marked by the adoption of disclosure mechanisms to improve the level of fiscal transparency in local governance. Still others are themed by the erection of ad hoc citizen forums for community-wide consultation. Despite the shared political goals of enhancing citizen participation and involvement in the local policy process, these reformist pathways differ in their means of engagement, their levels of institutionalization, their formats for government-citizenry interaction, the composition of their participants, their levels of citizen influence on policy outcomes, and their levels of legal authority in the present legal framework. Behind each pathway is a specific set of strategic choices, institutional constraints, and structural forces.

As local political leaders face growing pressure for institutional innovation and participatory reform, what accounts for their choices of particular reformist pathways over the possible alternatives? No empirical explanation for this wide variation in local government reforms under the PRC regime has yet appeared. By comparing three representative local political reform projects, we seek to map the main pathways of participatory reforms below the national level in China and to explore the driving forces that shape the local leaders’ choices of particular reformist pathways over the alternatives. Our aim is not only to sketch out the “repertoire” of institutional innovations but also to identify the important factors that shape the local cadres’ political choices for their respective reformist pathways. At the conclusion of the article, we provide an “incentive-contingent framework” that can partially explain the variation of local reformist pathways in the PRC.

Dynamics for institutional innovation

Why do authoritarian states reform their institutions of governance? How do we explain the varied pathways established by these reforms? Recent studies of transitional governance and government reform have underscored the importance and the intricacy of institutional reform. However, no consensus has been reached on an explanation of the dynamism that shapes institutional reforms under various types of regimes.

The first group of literature regards institutional changes as being triggered by *external shock*. Krasner proposed a model of “punctuated equilibrium” in which institutions are embedded in a context of stability that is only interrupted by periodic crises caused by changes in their external environment.² Aoki suggested further that institutional change frequently involves short, turbulent periods of deliberate institutional change and experimentation and that these periods are interspersed with longer periods during which these experiments are weeded out by means of competition.³ This school of thought perceives any institutional setting as eventually reaching an equilibrium in which each player’s response is the best response and “no one has the incentive to change his or her choice”.⁴ North took an economic perspective and stressed that the institutional equilibrium is “a situation where given the bargaining strength of the players and the set of contractual bargains that made up total economic exchange, none of the players would find it advantageous to devote resources in restructuring the agreements”.⁵

A second group of scholarly work centres on a *historical institutionalist explanation*. It seeks to explain the institutional creation with reference to past contexts and explores the interaction between the contextual structure and the institutions’ major actor.⁶ Because the present behaviour of political actors is constrained by the “lock-in” effect of past choices, “path dependencies” develop.⁷ Pierson indicates that positive feedback can make forgone alternatives less and less likely to recur.⁸ Along this line of analysis, Greif and Laitin suggest two mechanisms of institutional dynamics for survival and change: the processes of self-reinforcement and self-undermining.⁹ In different case studies, scholars have also examined how historical legacies have shaped new institutions under specific transitional regimes. For example, Fernandes argues that the institutional heritage of the *Estado Novo* in Portugal provided no opportunities for a reformist democratizing coalition to assume power.¹⁰ Bogaards analyses how the current party system in Nigeria has been “shaped decisively by the institutional engineering of previous regimes, especially military”.¹¹

A third group of scholars argues that institutions must adjust to *the synchronized external and internal environment*. Cortell and Peterson contend that “[i]nternational and domestic events trigger change by opening windows of opportunity that can reduce the institutional and political constraints that normally confront policy makers”.¹² Lewis and Steinmo further argue that the variation, selection, and replication process of institutional change indicates the manner in which power holders select and direct policy ideas. According to Lewis and Steinmo, “institutional replication and change arise primarily from the proliferation and internalization of ideas and cognitive schemas”.¹³

A fourth group of scholars suggests that institutional change is a process specified by *collective political agents*, such as elites, grassroots communities, organizations, or the state, that engage in conflicts and bargaining for their various interests. Helms recently argued that, for democratic innovations, innovation-focused leadership and institutional engineering are the keys.¹⁴ Ostrom argues that rational individuals choose

institutions for self-governance by calculation of the costs and benefits.¹⁵ However, due to the “bounded rationality” of political agents, efficient institutional change may not emerge. Knight illustrates the manner in which distributional conflict and power asymmetries can stimulate the spontaneous formation of social institutions.¹⁶ In a similar vein, Mahoney and Thelen conceive of institutions as distributional instruments with power implications.¹⁷ Echoing Knight’s view, these authors argue that institutions are open to disparate interpretations and manipulations by different political agents within and outside organizations, which is a critical component of institutional change.

To best sketch out the landscape of the existing studies on the dynamics for institutional change, we categorize the main theories into the above four groups. However, we must note that each category stresses but one aspect of the dynamic and complicated process of institutional reform; thus, they are not necessarily mutually exclusive. For example, it is undeniable that structural forces exert influences on the behaviour of political agents; however, the political agents ultimately make the choice of institutional change. Kingston and Caballero argue that the design-based theory, which focuses on the collective action of the political agents and perceives the existence of punctuated equilibrium, tends to “regard exogenous parameter change as a basic source of the impetus for institutional change”. They acknowledge that, in most accounts of evolutionary institutional change, the “ultimate impetus for institutional change comes from deliberate human actions”.¹⁸ Structure-based and agency-based dynamics for institutional reform are in fact intertwined and intermingled.

Most research on the dynamics of government reform in China, however, has followed the voluntarist explanation. China scholars attribute much of the dynamism in government reform under the PRC regime to power struggles between factions of the central leadership within the Chinese Communist Party or to interactions between central and local leaders.¹⁹ Local politicians, whose priorities concern promotion within the *nomenclatura*, also have an incentive to use participatory reforms to preserve social stability or facilitate economic performance.²⁰ By championing participatory reforms, local leaders may hope to stand out amid the fierce inter-governmental and cross-regional competitions over economic performance.²¹ Scholars have paid particular attention to experiments of deliberative democracy at the grassroots level of the Chinese polity too, primarily deliberative polls and consultation.²²

These studies provide keen insights into the macro-level dynamism for institutional innovation and governance reform. However, they stop short of deciphering the vast varieties of institutional reforms that are taking place under the same regime framework and within the same structural and leadership context. Why have participatory institutional reforms taken such substantially different forms at different locales when they all operate under the same authoritarian regime and the same political imperatives? How can we explain the varied dynamics behind the different forms of institutional innovation? Is there any connection between the motivations for institutional reform and the pathways eventually taken by that reform? By studying three primary pathways for local government reform in the PRC, this article seeks to provide a new direction in answering these crucial questions.

Chinese pathways of participatory government reform

Given the geographical heterogeneity and intense institutional complexity of China, it is only natural that most institution-changing innovations of the Chinese party-state

either started from or were intentionally limited to below the national level. The local party-state, after all, has mainly played an active role in the reforms.²³ As Lynn T. White argues, “contextual (rather than ideal) and local (rather than collective) factors are mainly responsible for China’s reforms”.²⁴ In our research, we identify three major reformist pathways from the various local reformist themes²⁵:

The Representative Pathway focuses on the creation or reinvigoration of representative bodies that wield *de facto* (if not *de jure*) legislative authority (e.g., village councils, community committees or representative assemblies). Local reforms under this category usually require institutionalised change and involve some degree of reconfiguration of the basic structure of local politics.

The Transparency Pathway features reform to bring about increased transparency of and/or public access to governmental information, including policy processes and administrative procedures. Reforms that take this pathway usually create moderately institutionalised mechanisms (e.g., e-government and periodic live televised broadcasts of crucial government meetings) that aim to increase governmental transparency in some fashion.

The Consultative Pathway highlights the expansion of non-institutionalised and informal forums (e.g., ad-hoc committees, casual town hall meetings, citizen brainstorming sessions or political consultation meetings) to allow policy consultation with a wider range of citizen participants, civic groups or collective actors.

A closer look at this disparate family of local political reform projects reveals significant divergence in terms of their *content*, *strategies*, and *goals*. Concerning *content*, these reforms range from introducing measures to increase government transparency to the creation or reinvigoration of representative institutions equipped with local legislative authority. In terms of *strategy*, although some reforms boldly remove existing institutions and replace them with new institutional creations (“displacement”), other reforms introduce new institutions on top of the existing institutions (“layering”). Still other reforms only change the practices related to existing rules or institutions by attributing new political functions to them (“conversion”).²⁶ As for the *goals* of these reforms, despite their congruence in the long-term aims of improving governance and maintaining political stability, local reformist projects differ significantly in their immediate or intermediate-term objectives. We study three cases of local participatory reform to demonstrate the different reformist pathways involved and their main features. The three local political reforms we examine in this article were carried out under central auspices, substantiated by the local party-state and with full local volition and discretion. The central government provided the policy direction for local governance reform; however, whether the policy is to be adopted and how it is adopted, that is, the forms of substantiation, initiation, and implementation, are left to the local party-state.²⁷

The documentation of cases in this study is facilitated through mining the data on the China Core Newspaper Full-text Database, China Academic Journals Full-text Database, and other online news archives on participatory policymaking in China in the past two decades. [Figure 1](#) demonstrates the geographical distribution of the cases of participatory reform we have consulted on this first stage. We eventually categorized the identified cases of participatory reform into three primary types – participation through representation, consultation, and transparency – based on the main institutional features of these reforms and in terms of how citizens participate in public policymaking in a given locality. This categorization is hinged on the major participatory mechanism adopted by the local party-state. It is not based on any pre-

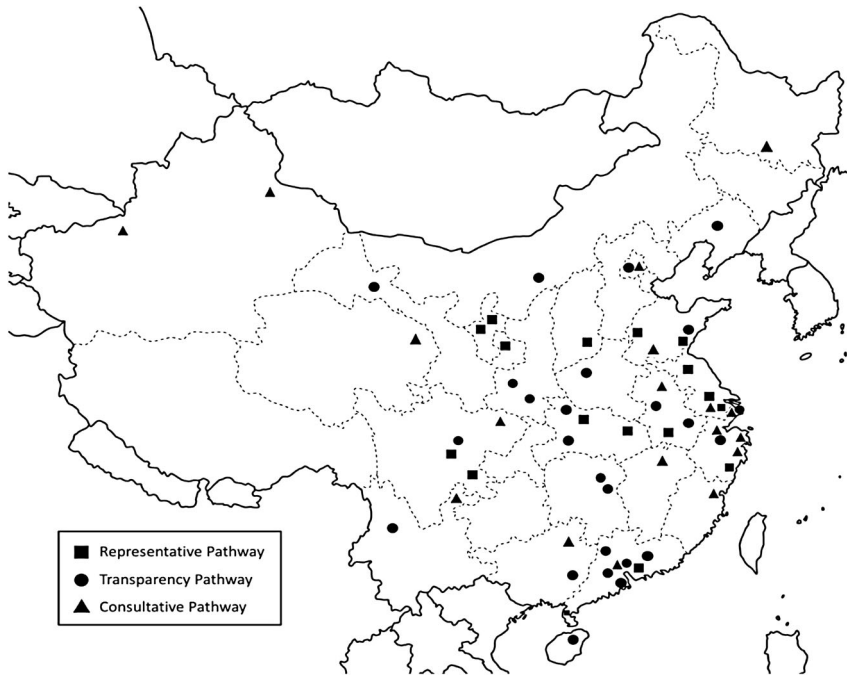


Figure 1. The cases of participatory budgeting reform in China.

existing driving force which might have shaped the form of a particular case. The distinctive features of the pathways are further illustrated in [Table 1](#) and through the delineation of three typical cases in this section.

Qingxian Model: the representative pathway

The central component of the Qingxian Model was the establishment of a new representative institution to replace the Communist Party's local branch as the core decision-making body in village governance. Under this reform, the new representative

Table 1. Comparison of the three primary reformist pathways.

	Representative Pathway	Transparency Pathway	Consultative Pathway
Means of Engagement	Formal Representation	Transparency Regime	Ad hoc Deliberative Consultation
Level of Institutionalization	Institutionalized (High)	Government-led (Low)	Semi-institutionalized (Medium)
Interaction Between Government and Citizenry	High; two-way	Low; one-way	High; two-way
Composition of Participants	All eligible adult voters	The general public	Voluntary participants or invited attendees
Citizen Influence in Policy Making	Substantial	Minimum	Medium
Legality, if Measured Against Current Laws	Strong	Medium	Weak

institution, the Village Council, was established by an open and free election by the villagers, with each elected councillor representing between 10 and 15 households. The Village Council serves as a “mini-parliament” for the village community and has the final authority on all budgetary and other public issues. The Village Council meets on a fixed date each month and is chaired by a member who is elected to that role at the first plenary session of the term. A special session of the council can be summoned if more than one-third of the councillors so agree. Before each meeting, the motions to be discussed are distributed to the councillors to allow them time to prepare for deliberation and debate at the meeting. At the monthly sessions, resolutions concerning a motion can be raised by any councillor, and a motion must receive two-thirds of the total votes to pass. The approved resolution is later announced and implemented. The Village Administrative Committee (that is, the village government) must also report on its activities at the monthly meetings of the council and comply with routine monitoring by the council.

Under this reform, an elected representative institution was formally installed and functions as a legislative body for rural governance. This elected body replaces the dictatorial village party branch, which was appointed from above. All village councillors are elected via free elections to represent the interests of their respective constituent households. This reform adopted the “displacement” strategy of institutional change. The existing party-state institution was replaced by a democratic and representative structure. By creating a new representative institution at the centre of village governance, this reform has altered the power configuration at the village level and has enhanced accountability between the government and the community.

Jiaozuo Model: the transparency pathway

The signature feature of the governance reform in Jiaozuo was transparency. In Jiaozuo, local participatory political reform has involved the creation of a transparency regime that discloses all of the government’s key budgetary information to the general public. This transparency regime has gradually been put into place by the local party-state since the late 1990s. In 1998, facing rampant corruption at various levels of local government, the local officials chose to initiate a governance reform with the creation of a so-called “appointed accountant system” (*kuaiji weipai zhi*), which centralized the keeping of accounts in various state agencies and enterprises. A “Financial Information Service Hall” at the city centre was opened to provide all essential budgetary and other financial information to the public. In 2005, the municipal government of Jiaozuo issued a document that called for the disclosure of all local budgetary information to the general public. Since then, the local government has made extensive efforts to expand and enhance the transparency regime. A wide array of channels is used, such as the online platform “Jiaozuo Finance Portal” and a series of LCD or touch-screen devices installed in public spaces. The municipal government also broadcasts a local programme called “Public Finance and Citizen Life” on giant LED screens set up in the city centre, in buses and in train stations, to display real-time information about government fiscal budgets and expenditures.

As a local governance reform, this transparency pathway stands out in a number of respects. The primary component of the reform is to publicize the government’s budgetary information to the general public for oversight. After the previous period, in which budgetary information was normally regarded as confidential or even as a

“state secret” by both the party-state and the people, this voluntary disclosure of such information is truly original and salient in China. In a sense, this reformist pathway adopts the “layering” approach to institutional innovation. A new transparency institution with novel goals and functions was constructed atop the existing rules and institutions. The new institution aims to increase the level of government transparency as a means to enhance the legitimacy of the government, rebuild public trust, and strengthen citizens’ approval of local state structures.

Wenling Model: the consultative pathway

The government reform in Wenling focused on the creation of informal and ad hoc citizen forums to foster citizen engagement in the local budgetary process. Since 2003, the Wenling government has organized a series of “citizen consultation meetings”. Consultation meetings are held at the township and village levels to discuss budgetary issues relevant to people’s livelihoods – particularly the fiscal plans for public project investments in the upcoming year. These consultation meetings are co-organized by the local Communist Party Committee and the government. Anyone who has special concerns about the budget or any policy issues can voluntarily attend the meetings. Anyone can raise questions about any item in the budget, and the local officials are required to give reasonable responses. The proceedings are classified and submitted to the succeeding Local People’s Congress (LPC) session for further deliberation, which the general public can attend as observers. Budgetary plans are confirmed when a compromise amongst the representatives has been reached. Finally, the entire LPC votes on the budget, and the approved budget is implemented by the government.

The consultative pathway features a salient populist approach to the participatory reform advocated by the local party-state. Under this reform, consultative forums are held to facilitate public engagement in the budgeting process. Despite the ad hoc nature of the forums, the voices of the participants are at least affirmed and protected by this customary political arrangement. During the consultation process, citizens are given the power to question government officials, and government officials are required to provide serious and reasonable responses. Through this interactive process, public opinion is effectively incorporated into public policymaking. This approach to reform makes use of both the “layering” and “conversion” strategies for institutional change. The citizen forums are built upon the existing institutions, but unlike many similar forums, these forums are endowed with institutionalized influence over the local policy process.

With regard to the diffusion effect of these cases, although the central party-state’s institutional supply for local participatory political reforms is far from sufficient, local initiatives and their practices have flourished in China nevertheless. In other words, although no policy diffusion has been widely and formally advocated by the party-state’s central leadership, traces of horizontal diffusion (or cross-regional emulation) can be identified. For example, the representative pathway can also be found in Rizhao, of Shandong, and Xiangfan, of Hubei. In Rizhao, a novel “village representative system” is created as the decision-making body in village politics; in Xiangfan, the previous village household representative assembly was formalized and institutionalized as a mini-legislature for the village community. Similarly, the transparency pathway is practiced in Guangdong Province, Pudong District of Shanghai, and so on, primarily

as a mechanism of citizen monitoring of government finance. And the consultative pathway is also diffused to many localities in China, such as Fu'an in Fujian, Wuxi in Jiangsu and Yongfu in Guangxi, where ad hoc citizen forums play a central role in the local public budgeting process.

The main features of the reform diffusion we have observed are in accordance with the observation of Fewsmith and Zhu and Zhang.²⁸ First, most of the cases are indeed implemented in “smaller and more out-of-the-way places”.²⁹ In localities where economic development could not impress their supervising leaders, participatory reform, with its problem-solving nature, might stand out as a crucial political accomplishment for the local party bureaucrats. Second, none of the reforms are carried out in places with extremely high social tensions. The reason is that with the rise of high social tension, the odds of reform experiments spinning out of political control also increase. Third, the prototype reforms have a diffusion effect on places with more open-minded and politically ambitious officials.³⁰ More importantly, political backing is necessary – the sustainability and diffusion of local participatory reforms depends on the discretionary support given by higher-level party-state authorities.³¹ The diffusion of the reforms usually could not be accomplished without the consent (at least implicit toleration) from above.

Context and incentive: the choice of a reformist pathway

The local government reforms undertaken in Qingxian, Jiaozuo, and Wenling reflect the three main reformist pathways. The representative pathway emphasizes the essential and substantial power of an elected representative institution that speaks for the interests of the ordinary village households in public policymaking. The transparency pathway stresses the creation and operation of a transparency regime through which the local government publicizes extensive fiscal and budgetary information and invites monitoring by citizens. The consultative pathway highlights the interactive process of citizen deliberation through ad hoc policy forums concerning the local budgetary process. However, the question remains as to why various local party-states choose different reformist models when they initiate government reform. Our research indicates that particular underlying incentives for institutional reforms shape each local government's decisions in choosing a specific reformist pathway. In a sense, the immediate context for local reform, the central problems that the local reform seeks to solve, and the principal goals of the reform all have important effects on the manner in which local government reforms are actually carried out.

Representation: resolving fiscal hardship

In Qingxian, the primary drive behind the creation of the representative Village Council was the depletion of fiscal revenue from village governments since the 1990s. The abolition of agricultural taxes, the termination of local levies and fees, and the privatization of collectively owned enterprises have deprived village governments of considerable amounts of revenue. These changes have debilitated the provision of essential public services to village communities across the county. To raise funds for public services, village governments have had to resort to voluntary contributions made by individual households, which necessitates the consent of the taxed. Therefore, the village requires a

more democratic and representative institution for collective governance based on financial contributions from individual households.

The drastic change in the revenue base and the consequential financial hardship at the village level has been caused by China's political and economic transformation since the 1990s. Before that transformation, three major sources of revenue supported the provision of public services at the village level. A small portion of the national agricultural tax was handed down by the central government; local levies and taxes were collected and shared by the township and village governments, and the profits generated by collectively owned enterprises were shared. Since the 1990s, the forces of marketization and urbanization have led to an increasing central priority on investment in urban areas and much less resource expenditure in rural areas. The proportion of funding allocated to agriculture by the central government budget dropped from around 10% in 1990 to around 7% in 2006. In addition, a sizable portion of the remaining central funds have been deducted by various levels of government via a multi-layered distribution process, leaving little to the village governments.

The elimination of the two other important revenue bases (local levies or fees and agricultural taxes) has further deteriorated the fiscal condition of village governments. Local levies, rents, and taxes used to be collected through coercive means, which led to interminable popular resistance in the countryside. Deeming such extractions to be harmful to the regime's sociopolitical stability, the central leadership of the party-state first decided to launch a campaign against excessive levies and fees. The revenue from the agricultural tax had also been crucial for funding public services in the villages (Figure 2); however, after this tax reform in Hebei province (where Qingxian is located), the average tax burden per capita was reduced to 10.3 yuan in 2005, a 67.3% decrease from the burden in 2004.³²

The third significant revenue base – profits from collectively owned village enterprises – also shrank due to marketization and the privatization of those businesses. Since the 1990s, with the market transition in full swing, enterprises previously

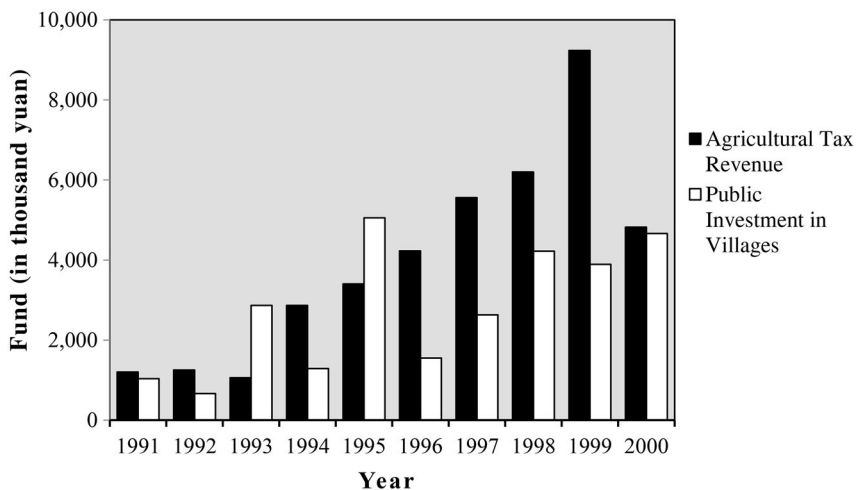


Figure 2. Agricultural tax revenue and public investment in villages of Qingxian.

Source: Qingxian difangzhi bianzuan wenyuan hui. 2012 *Qingxian zhi (1978–2008) Qingxian Gazetteer (1978–2008)*. Beijing: Jiuzhou chubanshe: 592–595.

owned by the village collectives were sold to private owners and “marketised”. Figures from the *Yearbook of China’s Township and Village Enterprises (1997–2005)* demonstrate a drastic decline in collectively owned township and village enterprises in Hebei, both in numbers and in the percentage of local enterprises (Figure 3). The proportion of collectively owned enterprises amongst all businesses plummeted from 14.4% to 1% between 1996 and 2004. This transformation has left village governments unable to continue extracting revenue from companies after they have been privatized.

The loss of all three major revenue sources resulted in a shortage of public funding for the provision of public services, leading to a governance crisis at the lowest level of the Chinese polity. Faced with this significant financial depletion, the local state had to seek a more feasible and modern alternative – taxation by consent. This demand makes it essential to have a standing legislative agency to speak for these taxpayers’ interests and a series of rules to regulate the process of obtaining popular consent. The Village Council installed in Qingxian institutionalizes the democratic decision-making process, which to a great extent facilitates consensus formation and fund collection.

Transparency: restoring public trust

The main thrust of reform in Jiaozuo was the establishment of a transparency regime that discloses all of the local government’s key fiscal and budgetary information to the general public. The major driving force behind this reform was epidemic corruption at various levels of the government and amongst state-owned enterprises. This problem had severely tarnished the image of and undermined public trust in the local party-state. During the seventh and the eighth five-year plans (of 1986–1990 and 1991–1995), Jiaozuo’s economy boomed due to the increasing state focus on industrial development. This record-breaking economic growth, however, was accompanied by rampant and endemic corruption within the public sector.

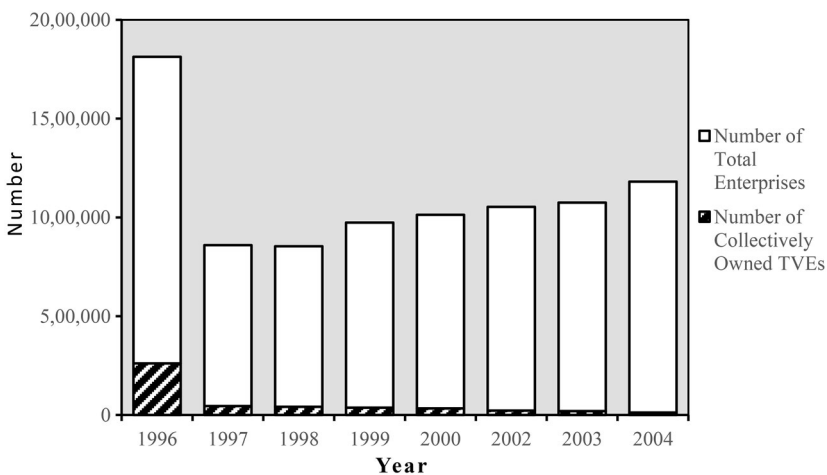


Figure 3. Percentage of collectively owned TVEs among all enterprises of Hebei.

Source: Zhongguo xiangzhen qiye nianjian bianji weiyuanhui, *Zhongguo xiangzhen qiye nianjian (1997–2005)* (*Yearbook of China’s Township and Village Enterprises, 1997–2005*) Zhongguo xiangzhen qiye nianjian bianji weiyuanhui. Beijing: China Agricultural Press, 2005.

Two major sources of corruption were prominent. The first source was the problematic “private coffers”, through which the local party-state agencies hide their extra-budgetary funds from monitoring. The second source was the so-called “second allocation” scheme. Since the public funds were divided into blocks corresponding to portfolios and were subject to the local agencies’ further distribution, lower-ranking officials had a strong incentive to bribe their superiors to obtain a favourable share of the “second allocation”.³³

Given this inefficient and loosely monitored financial arrangement, corruption and mismanagement of public funds was pervasive in Jiaozuo in the 1990s. The annual inspection and auditing organized by the municipal government shows that the amount of mismanaged public funds rose from 17.72 million yuan in 1987 to 44.15 million yuan in 1997.³⁴ Corruption penetrated even into the lowest level of the party-state. In a well-known corruption case, a local village leader was charged with appropriating 106,000 yuan of public funds for homestead planning and embezzling 350,000 yuan after selling a former state-owned enterprise at a low price.³⁵

Rampant corruption in the public sector gave rise to public dissatisfaction with and disapproval of the local party-state. In the 1990s, it was reported that approximately 70% of the letters and visits (*xinfang*, or forms of citizen petitions and complaints) to the Jiaozuo municipal government concerned the mismanagement of local finance accounts or collective funds. To enhance the government’s legitimacy and rebuild its credibility, the local party-state in Jiaozuo chose the transparency pathway for its government reform.³⁶ Using a wide range of means, the Jiaozuo municipal government has striven to make the previously secret information on public finances open and public. This large-scale, ongoing effort to publicize and broadcast key fiscal information about the local government plays an important role in fighting corruption. On the one hand, the new transparency regime has given both access and opportunity to members of society to participate in the entire budgeting process at the local level. On the other hand, the creation of such a transparency regime also demonstrates the government’s determination to construct a clean public financial system, to deter official corruption, and to enhance public trust.

Consultation: pacifying social tension

In Wenling, the core element of the reformed governance structure is the operation of ad hoc civic forums to foster public deliberation and consultation on budgetary issues. Unlike the other two pathways described above, the incentive for this reform was the need to address rising social tension due to privatization and urbanization. As an affluent coastal city in southeast China, Wenling has been developing its market economy since the 1980s. The growth of the private economy has led to the rapid diversification of social interests and the consequent rise of conflicts between the government and citizens and between private entrepreneurs and their employees. Business owners have frequently failed to deliver on their promises of higher wages and better workplace conditions. The workers have become increasingly active in fighting for their fundamental labour demands and have launched strikes over poor wages and delays in payment. In addition, business owners and their employees have especially disagreed on the priorities for allocation of public funding. Entrepreneurs have urged the local government to invest more to assist the development of local industry, and labour has demanded that more public funds be spent on the provision of social welfare and the betterment of labour conditions.³⁷

Urbanization is another major source of social tension in Wenling, and two major problems have arisen from the drive for urbanization. First, the government's efforts to construct development zones and industrial parks to boost the local economy have inevitably involved the acquisition of farmland. Lower-level governments at the township level have often expropriated the land by force with insufficient compensation to the farmers. In some cases, the farmers and the government have had conflicting views concerning the location of development zones and industrial parks. Second, urbanization has involved a number of public projects that require large sums of money (millions or tens of millions of yuan) and that have long-lasting effects on the community. These urban development projects draw a great deal of attention from the local citizenry, who have grown more insistent concerning their participation in making decisions regarding projects that will affect their daily lives.³⁸

To deal with such challenges generated by privatization and urbanization, the city of Wenling launched a citizen forum. This forum process serves to bridge the gap between the government and citizens and to channel voices from both sides toward addressing the city's community-related grievances, conflicts, and problems. Rapid industrialization and urbanization have engendered a clash of public interests and have led to unequal distribution and community disorder. By bringing together the government and people in a setting of dialogue, the consultation meetings have become a felicitous means of coordinating a diverse range of social interests. The forum process has helped the city avoid serious mistakes in policymaking and has pacified social tensions.

Incentive-contingent: variations of institutional innovation

As they face various financial, political, and social pressures, autocratic regimes require constant institutional innovation to increase the level of citizen engagement, improve the quality of governance, enhance the strength of regime legitimacy and, ultimately, maintain the regime's grip on power. The case studies presented in this article demonstrate that experiments with government reform at the grassroots level in the PRC present a diverse and colourful landscape. But what specific factors shape these local governments' choices for specific reformist pathways when the need for institutional innovation becomes urgent?

Figure 4 presents an incentive-contingent framework with which we seek to explain the choice of pathways for political reforms below the national level under the PRC regime. This framework suggests that a local government's adoption of a specific pathway in its reformist project is contingent upon the primary driving incentive at that locality. In other words, in facing different sociopolitical crises, the local party-state's choice of a reform pathway corresponds to the particular issues at hand in its area of governance. Rather than trying to illustrate how a particular driving force sparks off a certain type of participatory reform at a given locality, we seek to suggest a new perspective to make sense of the variance of local participatory reforms under authoritarianism. Hence, in this article, instead of attempting to establish specific pairs of causal relationship or identifying particular incentives that have given birth to certain local institutional reforms, we mainly point out a novel direction to explain the variation of local reformist pathways, utilizing what we have termed the "incentive-contingent" framework. This is the main contribution of this article to the scholarly understanding of the variation in local experimentation of limited participatory democracy under authoritarian political systems like that of China.

The Incentive-Contingent Reform Framework

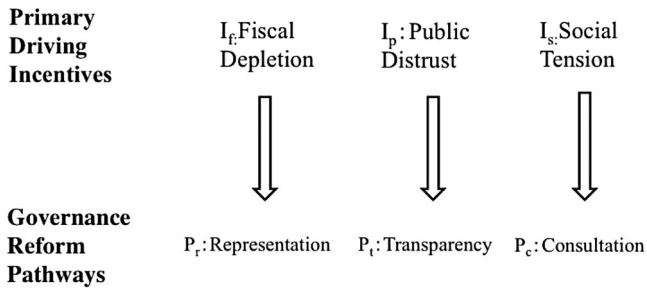


Figure 4. The incentive-contingent reform framework.

At the outset of their respective government reforms, the three governments considered in this article were confronted by substantially different crises. Fiscal depletion was the top concern in Qingxian, and the adoption of a formal representative institution served to facilitate voluntary taxation as the new financial resource for local governance. In Jiaozuo, grave public distrust as a result of corruption was the most salient issue, and the creation of a regime with budgetary transparency enabled the reconstitution of governmental credibility by means of real-time, complete, and comprehensive disclosure of fiscal and budgetary information to the general public. In Wenling, the conflict and unrest generated by the newly mobilized social forces of marketization and privatization were the most threatening challenge to the local government. The introduction of citizen forums provided an effective platform for all concerned participants to deliberate and bargain on crucial policy issues. Therefore, the variation in local reformist pathways is both incentive-contingent and context-dependent. The type of reformist pathway adopted by a local government is, by and large, shaped by the sociopolitical context and by the primary incentive that necessitates reform in the first place.

In **Figure 4**, Qingxian's participatory reform follows the representative pathway (P_r), which highlights the creation of a representative institution that aimed to solve the urgent financial drain at the village level. The new representative body – the Village Council – is the institutional innovation designed by the local party-state to increase citizen engagement and facilitate consent for community-level taxation. The local financial crisis, which was triggered by political and economic transformation in the post-Deng era, deprived the village governments in Qingxian of their financial base and their ability to provide public services. To find alternate sources of revenue, the party cadres had no alternative but to adopt voluntary taxation, which required a representative institution for collective decision-making and formation of consent. There is little doubt that this approach to reform facilitates the streamlining of policy processes and improves the quality of governance.

In Jiaozuo, the main drive behind the creation of a transparency regime (P_t) has been the pressing call from both the citizenry and the local party-state to fight rampant corruption and enhance accountability. A transparency programme can be highly useful in reducing corruption on three fronts. First, the transparency of fiscal information makes it easier to detect cases of corruption because detailed data on government transactions and spending are exposed.³⁹ The more transparent the budget, the more galling it is for

the cadres to distort information and the easier it is for corrupt officials to be caught. Second, the disclosure of budget information renders decision-making traceable. The various channels through which fiscal information is displayed make it possible to keep track of the government's decision-making process. Because it is more likely that "wrongdoers" will be exposed, officials tend to behave properly out of fear of any potential embarrassment if they are detected engaging in corruption. Third, the transparency initiatives can also help department superiors to supervise the activities of subordinate officials and strengthen the effectiveness of internal control over potential corruption.⁴⁰

The consultative pathway (Pc) for government reform in Wenling has been driven by the local government's desire to pacify social tensions and safeguard sociopolitical stability. Informal and ad hoc consultation forums have become the most feasible and least confrontational method of conducting citizen deliberation under the context of China's regime. Rapid industrialization and urbanization have produced conflicting interests, unequal distribution of resources, and community disorder. The consultation meetings on budgets have brought the government staff and local people together in a deliberative setting, which has become a useful approach for addressing grievances, coordinating interests, and forging compromises. Citizen consultation may help to pacify social tensions in at least two ways. First, it strengthens the legitimacy of policymaking and facilitates the formation of public opinion and consensus.⁴¹ Second, consultative deliberation provides a venue for the reconciliation of plural interests to obtain consensus on public policy implementation.⁴²

It should be noted that the policy and political space is constantly sufficiently available for institutional innovation across various local governments in China. However, due to the authoritarian accountability system in China, where one official's power is purely granted from above and he or she is only accountable to their immediate superior, the space for innovation is constrained to the extent that the power base of that official's immediate supervisor may not be harmed.⁴³ Therefore, the space is contextually contingent in the sense that the actual size of the space for innovation depends on the scale, severity, and urgency of the crisis faced by the local party-state. All of these factors shape the local leaders' eventual choice of a particular mechanism for reform. The more prominent, severe, and urgent the crisis, the greater the space for institutional innovation. During the process of reform, once the supreme leader feels that further institutional change might threaten the Communist Party's ruling power, local reforms are immediately suspended or circumvented. Therefore, the space for innovation functions as a bridge to connecting the exogenous crisis on the one end and the form and extent of institutional change on the other.

Conclusion

Many authoritarian regimes and hegemonic political parties attempt to use adaptive institutional innovations to maintain their grip on power. By cautiously opening up the political space within the *ancien régime*, autocratic rulers – more or less successfully – seek to extend the time horizon of their rule. However, in terms of institutional reforms under authoritarian regimes, two questions remain understudied. First, what major pathways or models of institutional reform do autocratic rulers use when the need for political reform arises? Second, as they face pressure for institutional change,

what accounts for the authoritarian leaders' eventual choices of particular reformist pathways rather than the alternatives?

Post-Deng China provides an ideal natural laboratory in which to explore these issues. Reform in China since 1978 has involved a growing imbalance between an authoritarian polity and a variety of gradually liberalized socio-economic spaces. The problems triggered by the mismatch between political and economic regimes have caused serious crises of governance that have undermined both the legitimacy and the capacity of the party-state, especially at the local level. In response to these profound challenges, a vast set of institutional reforms has been implemented at the local level. By studying three major local approaches to reform of the public budgeting process, we provide a systematic empirical study of the forces for change and the repertoire of solutions that have shaped authoritarian political reform in the PRC. This survey sheds light on the dynamism, process, and effects of institutional evolution under the Chinese communist regime.

The existing literature on the dynamics for institutional change, as we reviewed at the outset of this article, has mainly discussed four facets of the process: external shock, internal incentives, the synchronized internal and external environment, and the agency of collective political actors. However, not a single explanatory theoretical framework best addresses the complexity of the dynamic process of institutional innovation under the Chinese authoritarian regime. The "incentive-contingent" framework that we suggest in this article demonstrates the importance of the agency of powerful political elites in managing crises as the shaping force behind institutional reforms. The most urgent problem that must be addressed in their dealings with potential crises and the primary objective they must achieve shape the ruling elites' decision as to what institution to choose and how to use the institution to weather the crisis.

Our finding of the incentives for institutional innovation and policymaking is also in line with that of Heilmann and Perry and demonstrates "guerrilla-style policymaking" – a process of continual experimentation, transformation, and ad hoc arrangement that prioritizes fluidity and flexibility – as the mechanism that connects the structure-based and agency-based incentives and factors in the reform of political institutions in the PRC.⁴⁴ The heavy influence of China's revolutionary legacies on its institutional reform is also reflected in the continuation between the reformist pathways and the party's long-term tradition – the "mass line". As argued by Blecher, the mass line is "a way of resolving conflict by attempting to define or create collective agreement", and it is intended "to reveal to the masses their common interests and underlying unity".⁴⁵ Thornton suggests, "[w]hereas the mass mobilization of the Mao era aimed to impose a new socialist order and to rectify the cadre ranks", mobilized citizen participation during the post-Mao era serves as "a mechanism for achieving ... more efficient and more effective technocratic policy outcomes".⁴⁶

Government reform and institutional innovation are important aspects of authoritarian politics. The local participatory reforms and their themes (of electoral representation, governmental transparency, and deliberative consultation), in a sense, demonstrate the three main aspects and potential directions of local government reforms under the incumbent Chinese authoritarian regime.⁴⁷ Together, the cases investigated in this article illustrate a strong utilitarian rationale. The creation of formal representative institutions, the opening up of consultative space and the adoption of transparency regimes are all implemented as instruments for an authoritarian regime to solve its most urgent and most threatening problems in governance. This

problem-solving nature of the institutional innovations under authoritarianism strips away any idealistic or value-based meaning of these reforms – they are not inklings of democracy, but medications to remedy and save authoritarian governance. However, this problem-solving nature of participatory reform also shows how the particular governance problems to be solved shape the choices of one reformist pathway over the alternatives. The incentive-contingent feature of participatory government reforms in the PRC should not be overlooked.

Notes

1. Fukuyama, *Political Order and Political Decay*, 466.
2. Krasner, “Approaches to the State.”
3. Aoki, *Towards a Comparative Institutional Analysis*.
4. Levi, “A Model, a Method, and a Map,” 27.
5. North, *Institutions, Institutional Change and Economic Performance*, 86.
6. Thelen, “Historical Institutionalism in Comparative Politics.”
7. *Ibid.*
8. Pierson, *Politics in Time*.
9. Grief and Laitin, “A Theory of Endogenous Institutional Change.”
10. Fernandes, “Authoritarian Regimes and Pro-democracy Semi-oppositions.”
11. Bogaards, “Ethnic Party Bans.”
12. Cortell and Peterson, “Altered States,” 201.
13. Lewis and Steinmo, “How Institutions Evolve,” 338.
14. Helms, “Democracy and Innovation.”
15. Ostrom, *Governing the Commons*.
16. Knight, *Institutions and Social Conflict*.
17. Mahoney and Thelen, “A Gradual Theory of Institutional Change.”
18. Kingston and Caballero, “Comparing Theories of Institutional Change,” 160.
19. Shirk, *The Political Logic of Economic Reform*; Dittmer, *China under Reform*; O’Brien and Li, “Accommodating ‘Democracy’ in a One-party State.”
20. See Heilmann, “From Local Experiments to National Policy”; Lewis and Xue, “Social Change and Political Reform in China”; Li, “The Politics of Introducing Direct Township Elections in China”; Tsai and Dean, “Experimentation under Hierarchy.”
21. Fewsmith, *The Logic and Limits of Political Reform*; Tsai and Dean, “Experimentation under Hierarchy.”
22. Fishkin et al., “Deliberative Democracy in an Unlikely Place”; He and Warren, “Authoritarian Deliberation,” 274; Almén, “Local Participatory Innovations.”
23. See Howell, *China Opens its Doors*; Remick, *Building Local States*; and White, *Unstately Power*.
24. White, *Unstately Power*, 46.
25. “Civic nomination & public election” and “public nomination & direct election” were once popular participatory reforms. However, the new CCP leadership installed in 2012 has lost favour in any electoral pathways of participatory reform. Liu Yunshan, a member of the reigning Standing Committee of the Politburo, remarked on 20 November 2012, that two types of socialist democracy exist in China – electoral democracy and consultative democracy. He stressed “to put consultative democracy at a more prominent position”. On 15 January 2016, Liu emphasized again that the party should “prevent anyone from getting promotion simply by more votes.” See *People’s Daily (remin ribao)*, 20 November 2012 and 16 January 2016.
26. See Mahoney and Thelen, “A Gradual Theory of Institutional Change.”
27. However, considering the complexity and overlapping nature of local governance, it is undeniable that some cases are not mutually exclusive in terms of the dynamics for reform. However, the three cases we have chosen to study in this article are independent of others. For instance, in the Qingxian model, the primary driving force was the fiscal depletion of the local government, whereas government corruption and social tension, which were the chief incentives for reform in the other two models, were not salient. The number of officials who received disciplinary punishment in Qingxian each year was much lower than the national average. With regard to social

tension in Qingxian, the total number of criminal cases remained steady at 600 to 800 cases per year between 1991 and 2005, and the number of letters and visits cases actually decreased significantly from 543 in 1994 to 159 in 1999, just before the reform began in Qingxian. (See *Qingxian difangzhi bianzuan wenyuan hui*, 2012 *Qingxian zhi (1978–2008)*, Beijing: Jiuzhou chubanshe: 373–375, 380, 400, 474.)

28. Fewsmith, *The Logic and Limits of Political Reform*; Zhu and Zhang, “Political Mobility and Dynamic Diffusion of Innovation.”
29. Fewsmith, *The Logic and Limits of Political Reform*, 176.
30. Zhu and Zhang, “Political Mobility and Dynamic Diffusion of Innovation.”
31. Fewsmith, *The Logic and Limits of Political Reform*; Zhu, “Mandate vs. Championship.”
32. Ye and Wang, “Dangqian nongmin fudan shuibianfei wenti yanjiu.”
33. Jiaozuo Finance Bureau, *Jiaozuoshi gonggong caizheng gaige*.
34. Gao, *Jiaozuo shizhi*, 787.
35. Gong, “Small City Big Courage.”
36. Jiaozuo Finance Bureau, *Jiaozuoshi gonggong caizheng gaige*.
37. Chen, *Cong minzhu kentan dao canyushi yusuan*.
38. Lang, “Shangyishi minzhu.”
39. Bhatnagar, “E-government and Access to Information.”
40. Shim and Eom, “E-government and Anti-corruption.”
41. Stokes, “Critical Theories of Deliberative Democracy.”
42. See Dryzek and List, “Social Choice Theory”; Fishkin et al., “Deliberative Democracy.”
43. Fewsmith, *The Logic and Limits of Political Reform*.
44. Heilmann and Perry, “Embracing Uncertainty.”
45. Blecher, “Consensual Politics in Rural Chinese Communities,” 121.
46. Thornton, “Retrofitting the Steel Frame,” 258.
47. Although the PRC leadership installed in 2012 has shown little interest in election-oriented reforms so far, Xi Jinping – the new paramount leader – has publically acknowledged the importance of furthering the experimentation in consultative and participatory policymaking. Xi’s determination to sustain the incumbent regime might also press him to deploy various innovative policy tools to deal with societal grievances. However, it is still too early to tell the exact impact of the Xi leadership on China’s ongoing local participatory reforms.

Disclosure statement

No potential conflict of interest was reported by the authors.

Funding

This work was supported by the Research Grants Council of the Hong Kong Special Administrative Region [grant number #790012].

Notes on contributors

Xiaojun Yan is Associate Professor in Politics and Public Administration at the University of Hong Kong. He obtained his Bachelor of Law and Master of Law degrees from Peking University and an A.M. and Ph.D. in political science from Harvard University. He is a comparative political scientist with special expertise in the politics of China. His research interests evolve around political development, authoritarianism, democratization, contentious politics, comparative historical study of revolution, and the Chinese reforms. He can be reached at xyan@hku.hk.

Ge Xin is a Ph.D. candidate at Department of Politics and Public Administration at the University of Hong Kong. He obtained his BA from Hong Kong Baptist University and MSc from the London School of Economics and Political Science. His current research interests are institutional innovation and participatory governance.

Bibliography

- Almén, Oscar. "Local Participatory Innovations and Experts as Political Entrepreneurs: The Case of China's Democracy Consultants." *Democratization* no. 1 (2015). doi:10.1080/13510347.2014.982107.
- Aoki, Masahiko. *Towards a Comparative Institutional Analysis*. Cambridge, MA: MIT Press, 2001.
- Bhatnagar, Subhash. "E-government and Access to Information." In *Global Corruption Report 2003*. Washington, DC: Transparency International, 2003. http://www.transparency.org/whatwedo/publication/global_corruption_report_2003_access_to_information
- Blecher, Marc. "Consensual Politics in Rural Chinese Communities: The Mass Line in Theory and Practice." *Modern China* 5, no. 1 (1979): 105–126.
- Bogaards, Matthijs. "Ethnic Party Bans and Institutional Engineering in Nigeria." *Democratization* 17, no. 4 (2010): 730–749.
- Chen, Yimin, ed. *Cong minzhu kentan dao canyushi yusuan (From Democratic Consultation to Participatory Budgeting)*. Beijing: Shijie Zhishi Chubanshe, 2012.
- Cortell, Andrew P., and Susan Peterson. "Altered States: Explaining Domestic Institutional Change." *British Journal of Political Science* 29, no. 1 (1999): 177–203.
- Dittmer, Lowell. *China Under Reform*. Boulder, CO: Westview Press, 1994.
- Dryzek, John S., and Christian List. "Social Choice Theory and Deliberative Democracy: A Reconciliation." *British Journal of Political Science* 33, no. 1 (2003): 1–28.
- Fernandes, Tiago. "Authoritarian Regimes and Pro-democracy Semi-oppositions: The End of the Portuguese Dictatorship (1968–1974) in Comparative Perspective." *Democratization* 14, no. 4 (2007): 686–705.
- Fewsmith, Joseph. *The Logic and Limits of Political Reform in China*. Cambridge, UK: Cambridge University Press, 2013.
- Fishkin, James S., et al. "Deliberative Democracy in an Unlikely Place: Deliberative Polling in China." *British Journal of Political Science* 40, no. 2 (2010): 435–448.
- Fukuyama, Francis. *Political Order and Political Decay*. New York: Farrar, Straus and Giroux, 2014.
- Gao, Shiming. *Jiaozuo shizhi (1987–2000) xia (Jiaozuo City Records, 1987–2000 (Vol. 2))*. Zhengzhou, Henan: Zhongzhou Guji Chubanshe, 2005.
- Gong, Chengyu. "Yizuo xiaochengshi de yongqi" ('Small City Big Courage'). *Xin licai* no. 5 (2010): 71–75.
- Grief, Avner, and David D. Laitin. "A Theory of Endogenous Institutional Change." *American Political Science Review* 98, no. 4 (2004): 633–652.
- He, Baogang, and Mark E. Warren. "Authoritarian Deliberation: The Deliberative Turn in Chinese Political Development." *Perspectives on Politics* 9, no. 2 (2011): 269–289.
- Heilmann, Sebastian. "From Local Experiments to National Policy: The Origins of China's Distinctive Policy Process." *The China Journal* 59, no. 1 (2008): 1–30.
- Heilmann, Sebastian, and Elizabeth J. Perry. "Embracing Uncertainty: Guerrilla Policy Style and Adaptive Governance in China." In *Mao's Invisible Hand: The Political Foundations of Adaptive Governance in China*, edited by Sebastian Heilmann and Elizabeth J. Perry, 1–29. Cambridge, MA: Harvard University Asia Center, 2011.
- Helms, Ludger. "Democracy and Innovation: From Institutions to Agency and Leadership." *Democratization* (2015). doi:10.1080/13510347.2014.981667.
- Howell, Jude. *China Opens its Doors: The Politics of Economic Transition*. Boulder, CO: Lynne Rienner Publishers, 1993.
- Jiaozuo Finance Bureau. *Jiaozuoshi gonggong caizheng gaige tuidong gonggong fuwu jundenghua: xiangmu jieguo (Public Fiscal Reform in Jiaozuo Promoted the Equalization of Public Services: Project Results)*, December 2009.
- Kingston, Christopher, and Gonzalo Caballero. "Comparing Theories of Institutional Change." *Journal of Institutional Economics* 5, no. 2 (2009): 151–180.
- Knight, Jack. *Institutions and Social Conflict*. New York: Cambridge University Press, 1992.
- Krasner, Stephen D. "Approaches to the State: Alternative Conceptions and Historical Dynamics." *Comparative Politics* 16, no. 2 (1984): 223–246.
- Lang, Youxing. "'Shangyishi minzhu yu zhongguo de fifang jingyan' ('Consultative Democracy and China's Local Experience')." *Zhejiang shehui kexue (Zhejiang Social Science)* no. 1 (2005): 34–35.

- Levi, Margaret. "A Model, a Method, and a Map: Rational Choice in Comparative and Historical Analysis." In *Comparative Politics: Rationality, Culture, and Structure*, edited by Mark Lichbach and Alan Zuckerman, 19–41. New York: Cambridge University Press, 1997.
- Lewis, John W., and Xue Litai. "Social Change and Political Reform in China: Meeting the Challenges." *China Quarterly* 176 (2003): 926–942.
- Lewis, Orion, and Sven Steinmo. "How Institutions Evolve: Evolutionary Theory and Institutional Change." *Polity* 44, no. 3 (2012): 314–339.
- Li, Lianjiang. "The Politics of Introducing Direct Township Elections in China." *The China Quarterly* 171 (2002): 704–723.
- Mahoney, James, and Kathleen Thelen. "A Gradual Theory of Institutional Change." In *Explaining Institutional Change: Ambiguity, Agency and Power*, edited by James Mahoney and Kathleen Thelen, 1–37. Cambridge, UK: Cambridge University Press, 2010.
- North, Douglas. *Institutions, Institutional Change and Economic Performance*. Cambridge, UK: Cambridge University Press, 1990.
- O'Brien, Kevin, and Lianjiang Li. "Accommodating 'Democracy' in a One-party State: Introducing Village Elections in China." *The China Quarterly* 162 (2000): 465–489.
- Ostrom, Elinor. *Governing the Commons: The Evolution of Institutions for Collective Action*. Cambridge, UK: Cambridge University Press, 1990.
- Pierson, Paul. *Politics in Time: History, Institutions, and Social Analysis*. Princeton, NJ: Princeton University Press, 2004.
- Remick, Elizabeth. *Building Local States: China in the Republican and Post-Mao Eras*. Cambridge, MA: Harvard University Asia Center Press, 2004.
- Shim, Dong Chui, and Tae Ho Eom. "E-government and Anti-corruption: Empirical Analysis of International Data." *International Journal of Public Administration* 31, no. 3 (2008): 298–316.
- Shirk, Susan L. *The Political Logic of Economic Reform in China*. Berkeley and Los Angeles: University of California Press, 1993.
- Stokes, Geoffrey. "Critical Theories of Deliberative Democracy and the Problem of Citizenship." In *The Search for Deliberative Democracy in China*, edited by Baogang He and Ethan J. Leib, 53–73. New York: Palgrave Macmillan, 2006.
- Thelen, Kathleen. "Historical Institutionalism in Comparative Politics." *Annual Review of Political Science* 2 (1999): 369–404.
- Thornton, Patricia. "Retrofitting the Steel Frame: From Mobilizing the Masses to Surveying the Public." In *Mao's Invisible Hand: The Political Foundations of Adaptive Governance in China*, edited by Sebastian Heilmann and Elizabeth J. Perry, 237–268. Cambridge, MA: Harvard University Press, 2011.
- Tsai, Wen-Hsuan, and Nicola Dean. "Experimentation under Hierarchy in Local Conditions: Cases of Political Reform in Guangdong and Sichuan, China." *The China Quarterly* 218 (2014): 339–358.
- White, Lynn T. *Unstately Power. Volume I: Local Causes of China's Economic Reforms*. Armonk, NY: M.E. Sharpe, 1998.
- Ye, Qing, and Wang Yinmei. "'Dangqian nongmin fudan shuibianfei wenti yanjiu' ('A Study on the Current Tax-to-Levy Reform of the Peasant Burden')." *Difang caizheng yanjiu (Local Finance Studies)* January (2007): 42–46.
- Zhu, Xufeng. "Mandate vs. Championship: Vertical Government Intervention and Diffusion of Innovation in Public Services in Authoritarian China." *Public Management Review* 16, no. 1 (2014): 117–139.
- Zhu, Xufeng, and Youlang Zhang. "Political Mobility and Dynamic Diffusion of Innovation: The Spread of Municipal Pro-Business Administrative Reform in China." *Journal of Public Administration Research and Theory* (2005). doi:10.1093/jopart/muv025.