

Go East, Young Cadre: Experiments in Inter-Provincial Training of Party and State Managers in China

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ABSTRACT

This article situates China's local policy experimentation in the broader context of policy experiments in decentralized political systems, through a case study which represents a local state response to China's transition to a market economy. With growing regional and urban-rural inequalities evident after the initial reform period (1978–1994), local party leaders of inland provinces devised strategies for addressing these inequalities and encouraging public private sector mobility among party officials. County and township-level leaders pursued local policy experiments in which they selected and sent officials to find private-sector work in China's booming coastal cities. Initiated in the 1990s and peaking in the 2000s, these policy experiments and interprovincial transfers demonstrate the discretion that local officials possess to conduct programmatic/policy experiments in a unitary political system and show how officials resort to extra-institutional strategies in order to bridge perceived knowledge gaps. The ultimate demise of these programmes illuminates the challenges to extra-institutional policy innovations in transitioning states.

INTRODUCTION

The unprecedented successes of China's post-Mao reforms have been abetted by the shrewd investment decisions and governance innovations of subnational governments. These reforms have been characterized by a mix of central and local initiatives, and the roots of many key reforms may be traced to local creativity. This was true for the household responsibility system dating back to 1978, and more recently village elections, local reforms in party governance, local public- and private-sector collaborations, and so forth. At the same time, China's boom has been complicated by growing inequalities: between inland and coastal regions, urban and rural areas, and state and market players. Addressing these inequalities was a priority of the most recent Hu Jintao—Wen Jiabao leadership, evident in initiatives to

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promote a 'harmonious society' and more balanced development. But top-down policies are not the only means available to China's political leaders, across its 2,853 counties and 40,466 township-level administrative units. Local leaders of relatively laggard regions have also sought, through policy experiments, to mitigate inequalities in developmental outcomes.

This article will focus on policy experiments initiated by local governments and public officials to address pressing governance issues facing a transitioning China. In taking this bottom-up perspective on state processes occurring within the larger reform context, we investigate the kinds of programmes that local governments have implemented to reduce disparities in regional development. These initiatives demonstrate the ways that local state actors have availed themselves of policy spaces at the local level to experiment with new governance ideas within China's unitary state framework. Specifically, we query how local leaders have sought to address lags in market transition across inland versus coastal regions of reforming China. We emphasize this local aspect of the reform process for two reasons. First, the China case speaks to a larger comparative politics literature on decentralization. Local state autonomy in policy matters has been studied most extensively in the context of democratic federal systems, whereas the Chinese case demonstrates the possibilities for and limitations of policy experiments in non-democratic, non-federal contexts. Second, we highlight particular issues in China's development trajectory such as the mobilizing effect of centrally generated 'policy winds', incentives for local state action, and the challenges of sustaining extra-institutional policy experiments. Examining local policy innovations offers the clearest idea of what incentives exist within China's complex bureaucratic muddle, in which horizontal networks of party and state agencies exist alongside vertically organized bureaucracies, and the kind of behaviours these incentives induce at the level of grassroots leadership. In such a system of 'rule of mandates' (Birney, 2014), actual incentives become much clearer to outside observers as mandates and directives are interpreted by relevant local actors and transformed into actions and outcomes.

To probe these larger themes, the article will focus on one particular policy experiment. In discussing with local actors their policies for overcoming the inequalities that have grown increasingly worrisome in the current reform period, interviewees raised one strategy: encouraging the building of cadre-entrepreneur skills through radical *ganbu dagong* programmes, which can be translated as 'cadre seeking work'.² These programmes, which we have identified in at least ten provinces throughout reforming China, involve

^{1.} These figures are taken from the 2012 China Statistical Yearbook, available online at http://www.stats.gov/cn/tjsj/ndsj/2012/indexch.htm (accessed 20 April 2013).

^{2.} The article draws on field interviews conducted in 2007, 2008 and 2011 to supplement documentary sources collected for this project. We use the terms 'cadre' and 'party and state managers' interchangeably to refer to individuals holding state or party office. We retain use of the term 'cadre' as a translation of the Chinese ganbu.

sending cadres from inland areas to more developed coastal, urban market economies to learn about the private sector. This policy experiment was intended to bridge public—private sector and regional differences, which in turn would improve local human capital in the party-state itself. The ultimate demise of this experiment, however, suggests the limits of policy experimentation in China's highly institutionalized system of governance.

To understand this story of local policy experimentation, the article will proceed as follows. A tradition of local policy experimentation has endured since the founding of the People's Republic; therefore the article will first draw linkages between local policy experimentation studied in federal systems and consider how this problem-solving approach is also possible in a decentralized authoritarian context. The following sections will then tie this localized approach to policy formulation with a growing problem in reform-era China: local leaders turning to experiments with *ganbu dagong* programmes to address the perceived roots of regional inequality, i.e., inadequate exposure to the inner workings of market economies within the ranks of local leadership. We then offer a case study of this cadre work programme carried out in Hubei province, where the various motivations for and problems with this policy experiment are most clearly documented. The final section will discuss findings, revealing the gains and risks inherent in such policy experiments.

CATCHING UP THROUGH LOCAL POLICY INNOVATION

Policy innovation at the sub-national level has been studied most extensively in the context of federal systems (Filippov et al., 2004; Wibbels, 2006). The idea that local governments constitute 'laboratories' in which new policies would emerge, undergo small-scale testing, and then, if successful, diffuse to the broader polity has been the foundation for policies carried out in virtually every sector in robust federal systems. Less scholarship has focused on policy innovation in unitary political systems, systems where there may nonetheless be a high degree of decentralization. In some cases, this decentralization allows for a degree of local-level autonomy in policy formulation. The unitary nature of the Chinese state coexists with a surprising degree of decentralization, and local officials avail themselves of some freedom to manoeuvre within this 'fragmented' polity (Lieberthal, 1992).

The organization of China as a unitary state implies that all significant coercive and administrative authority is concentrated in the central government apparatus.³ Central authorities thus bear responsibility for addressing uneven development outcomes, particularly given the egalitarian promise underlying

^{3.} There have been interesting debates regarding the 'federalism with Chinese characteristics' that emerged during the reform period (Montinola et al., 1995) and more recent claims of 'de facto federalism' (Zheng, 2006), but none of these scholars argue that the centre has

the initial, revolutionary mandate of the Chinese Communist Party (CCP). The central government's ability to devise adequate policy interventions, furthermore, is dependent on the integrity of monitoring mechanisms and information flows in the system. The nature of a particular governance problem is also relevant, as some problems are more amenable to top-down solutions. Redistributive transfer payments orchestrated by the centre would seem to be one means to address economic inequalities.⁴ Local-level interventions, however, also offer a way to test more radical, but potentially more effective, policy interventions, given the persistence of regional inequalities throughout the most recent reform period.

The devising of local solutions would be consistent with the decentralizing tendencies which have long existed in China (Esherick and Rankin, 1990). Contemporary China exhibits a high degree of decentralization in key realms such as fiscal and administrative policies (Landry, 2007). Viewed across the country, transfers to sub-national governments in China are equivalent to 40 per cent of total sub-national revenues and grants, which is higher than the global average of 33 per cent. ⁵ The granting of local autonomy, particularly in the economic realm, reflected a strategic decision made by Beijing authorities in their search for ways to incentivize local economic development. This was particularly evident during early post-Mao reforms (Chung, 2011). This decentralization, some argue, was a means for the central government to skirt the problem of insecure property rights in a non-federal system (Montinola et al., 1995). When need be, the centre has exhibited the ability to rein in centrifugal forces (Yang, 1994; Zhang, 1999). In the post-Mao period, the dispersion of authority to local levels of government does not override the authority wielded by Beijing.⁶ It is also the case that China's 'fragmented authoritarianism' is a function of the bureaucratic complexity necessary to manage a geographically vast and modernizing polity (Lieberthal and Lampton, 1992). In short, China's political system, while formally unitary, is characterized by the co-existence of local initiatives and central mandates. In this light, it is unsurprising that the search for policies to mitigate problems of uneven development have existed at both central and local levels.

- relinquished the political authority to constrain localities across issue areas, should the need arise.
- 4. Significant central subsidies to inland, particularly western, provinces have existed for decades in contemporary China. From the early years of the PRC to the most recent decade, transfers to western provinces ranged from 7.6 per cent of the total central government budget, during the 1953–57 period, to a peak of 20.9 per cent during the Cultural Revolution period (1966–1970), settling at 11.4 per cent in the 1999–2005 period (Yao, 2009: 228).
- See the World Bank Fiscal Decentralization Indicators, 1972–2000, for 107 industrialized and developing countries: http://www1.worldbank.org/publicsector/decentralization/ fiscalindicators.htm (accessed 2 May 2013).
- 6. Landry (2007) offers a fine analysis of different measures of decentralization in China and places the country in comparative perspective. He emphasizes how personnel controls lend integrity to the unitary state. Chung (2001) also describes how the centre reins in localities through legal, military and administrative measures.

Local efforts have been abetted by a tradition of local policy experimentation. Embedded within China's unitary state organization is a norm of local decision makers experimenting with new policy tools and unorthodox measures. This orientation has its roots in the guerrilla origins of the ruling party itself, where policies with more immediate, transformative goals were embraced over incremental changes to the status quo. Early successes with this approach to policy making, which pervaded the party's culture during its formative base camp periods, carried over into the present. While the party has negotiated the transition from a revolutionary to a ruling party, these repertoires of governance remain. Foundational experiences with this 'transformative (guerrilla) policy style' carried over into the post-Mao period, where there was movement away from the reliance on single national models promoted during the Great Leap Forward and Cultural Revolution (Heilmann, 2008). Instead, early reformers 'acknowledged regional variation and promoted concurrent experiments and multiple models' (Heilmann, 2011: 85). It is thus unsurprising to see expansive policy documents issued by Beijing which emphasize local conditions.⁷

Since those foundational years, central authorities have continued to tolerate local policy experimentation, which presents at least two advantages for central authorities interested in the search for new solutions to the problems of governance. First, experiments are relatively efficient in the sense that they are low cost for the political system overall, as costs are borne by the sponsoring locale. Moreover, local leaders have some incentives to pursue policy innovation, which alleviates the problem of free riding and promotes some risk taking by officials. At the individual level, local leaders may choose to invest in political, administrative and social experiments as a way to distinguish themselves in a competitive market for promotions; given poor opportunities to develop local economies, political accomplishments may capture the attention of personnel authorities (Fewsmith, 2010b). At the local level, a great deal of prestige accrues to those model locales which the centre chooses to promote nationally.⁸ Beyond the prestige, there are material benefits, as model sites become the destinations for many high-level officials, reporters and even cadre training classes. 9 The second advantage of local experiments for central authorities is that failed local experiments

See, for example, recent white papers on energy policy (http://www.china.org. cn/government/whitepaper/node_7170375.htm) and rural poverty alleviation (http://www.china.org.cn/government/whitepaper/node_7142125.htm), which reference the importance of local initiatives (both accessed 2 May 2013).

^{8.} Examples of local models which have garnered national attention include the experiments with inner party democracy in Sichuan (Fewsmith, 2008, 2010a). Note that it is still too early to know how successful these models will be over the longer term.

^{9.} Pieke (2009) discusses the mobility enjoyed by cadres via new, marketized cadre training programmes. Training classes, even if not organized entirely outside of a cadre's place of employment, often include visits to model development sites.

pass quietly, without the accompanying and higher-profile loss of face that might attend bigger, nationwide tests of new policies. ¹⁰

In recent years, there have been attempts to deepen the institutionalization of local policy experimentation. In 2000, a national programme was created by Peking University scholar Yu Keping to encourage improvements in local governance. Called the Innovations and Excellence in Chinese Local Governance Programme, this initiative relied on competition and positive incentives to generate new governance reforms.¹¹ While this programme is independent of party and government authorities, competition judges and the programme's 'expert committee' comprise professionals from party bureaus. During the first four rounds of the programme, from 2001 to 2008, ten awards were granted for each two-year cycle to local governments which exhibited innovation in management, service provision, technology and collaboration. 12 Cash prizes are modest, ranging from 10,000 to 50,000 yuan (US\$ 1,500–7,500), but there is prestige and national attention attached to selection for an award. Less clear is what happens to reforms cited by this programme, for example whether award-winning reforms are replicated by other locales or otherwise transferred to new sites.

Over the first decade of this programme, there has been a geographic dimension to award recipients: the central and western regions lag behind eastern provinces, receiving a total of 17 and 25 per cent of awards, respectively, compared to 58 per cent of awards bestowed on coastal locations (Wu et al., 2011). This uneven distribution of awardees reflects the wealthier resource base that coastal governments may utilize in implementing new programmes. Focusing on the dismal results for inland regions, however, would place undue emphasis on a single programme, rather than on the kind of 'guerrilla policy making' which impoverished locales must turn to. It also overlooks interesting policy dynamism in the central and inland regions. As early as the mid-1990s, well before the institutionalization of policy experimentation through national awards programmes, local leaders in inland provinces were considering local policy experiments — some quite risky, in

^{10.} Experiments with deliberative democracy in Zhejiang, for example, have lost their momentum, without clear loss of stature for central-level backers. On the other hand, consider the loss of stature to Vice-Premier Li Keqiang as many welfare targets are not being met in new policies to increase affordable housing stock and healthcare throughout the country (Naughton, 2011).

^{11.} Awards are granted every two years through the joint sponsorship of the China Centre for Comparative Politics and Economics (located within the Central Compilation and Translation Bureau), the Centre of Comparative Studies on Political Parties (located within the CCP Central Party School), and the Centre of China Government Innovations at Peking University. Beginning in 2009, the Peking University centre became the sole sponsor for the biennial programme. See http://www.chinainnovations.org/for details about the programme (accessed 13 December 2011).

^{12.} See Wu et al. (2011) for a discussion of the awardees by innovation type, administrative level and other descriptors.

hindsight — to address the related problems of growing regional inequality and slow entrepreneurial development.

INLAND POLICY EXPERIMENTATION: GO EAST AND FIND WORK, YOUNG CADRE

Inland policy experiments have arisen in response to two interrelated trends, both of which have drawn the attention of party leaders: regional inequality and uneven diffusion of market-based economic opportunities. Tolerated during the initial reform pushes under Deng Xiaoping (1978–1993) and Jiang Zemin (1993–2002), economic inequality has now reached levels that, for some, raise the spectre of instability and challenges to the legitimacy of the ruling party. At the same time, internal party debates over the process of legitimating the market economy have led to a second major development of the later reform period: the embrace of entrepreneurs by the party and concomitant acceptance of private-sector practices by party officials. By the third decade of reforms, inland party officials saw fit to take these proentrepreneurial shifts in party policy one step further and devise new policy tools to address the uneven diffusion of prosperity throughout China.

While there was convergence across provinces during the early reform period, due in part to initial increases in rural productivity and gains from open door economic policies, 1990 marked the beginning of widening inequality across provinces and between cities and the countryside (Jian et al., 1996). Coastal provinces in particular benefited from exposure to global trade and supportive central policies, which exacerbated regional inequality throughout the 1990s (Dollar, 2007; Kanbur and Zhang, 2005). More than three decades of reform in China have now resulted in high levels of inequality, especially across coastal—inland and urban—rural divides. As a measure of overall inequality in the country, China's Gini coefficient reached 0.42 in 2005, compared to 0.33 in India.¹³

There are political dangers to this growing inequality, as rising inequality places stress on the ideological underpinnings of the CCP-led regime. The egalitarian premise of the revolutionary party, while largely faded from view, nonetheless provides the basis for political conservatives to argue that the party must refrain from privatizing land, must create strong redistributive policies, and otherwise maintain the ideals that attract the backbone of party supporters in the countryside. The strength of this position is evident in the declarations by Deng Xiaoping that, in unleashing economic policies that

^{13.} These are the most recent figures available; see the World Bank World Development Indicators country data, available online at http://data.worldbank.org (accessed 21 April 2013). The Chinese government has not released an official Gini coefficient since 2000, but a recent report by Chengdu's Southwestern University of Finance and Economics reports a Gini coefficient of 0.61 for 2010; see Hu (2012).

would no doubt lead to rising inequality, the political system would in due time guarantee the 'common prosperity' (Young, 1993: 3.8–9). Whatever force these ideological concerns may have in closed-door party sessions or as a reassuring preface to growth- (and, implicitly, inequality-) promoting declarations, it was only after some delay that the party turned to promoting various redistributive policies. Under the leadership of Hu Jintao and Wen Jiabao (2003–2013), combating inequality became a central focus of the party.

Ideological consistency aside, another motivation for addressing the issue was to prevent growing inequality from threatening social stability. Given the paramount importance to party leaders of safeguarding stability, the potential political consequences of China's inequality problem are worrying. Inequality fuels social polarization, and addressing this problem calls for delicate manoeuvring between competing and increasingly divergent social interests. If central and local party leaders fail to address popular discontent resulting from widening inequalities, the party may suffer from a legitimacy crisis in the minds of China's still-vast rural and inland populations. Available data on 'mass incidents' suggest that popular discontent is on the rise, particularly among those populations falling relatively behind, e.g., rural communities and laid-off state workers (Cai, 2002; Yang, 2006). ¹⁴ On the other hand, overly aggressive redistributive policies can lead to accusations that the party is unfairly diverting resources from regions with powerful political allies (Wang and Hu, 1999: 199–216).

Officials believed that one driver of underlying regional inequalities was the relatively early start that coastal and urban areas had had in nurturing entrepreneurial and private-sector talent. As central authorities formally lifted the taboo on capitalist pursuits by party members, ¹⁵ those within the party began to embrace both the market economy and the entrepreneurial practices embedded within it. Other shifts in local governance, such as the rise of 'local state corporatism' and the entrepreneurial skills required of local officials (Oi, 1995), reinforced the need for entrepreneurial acumen within the party. A new kind of cadre was required in the reform period, one who could assess market opportunities, evaluate risk and grasp opportunities consistent with local conditions. No longer was the objective to implement the plan; rather, cadres were expected to respond to changing market conditions.

This veering off the socialist road that China had travelled down for thirty years generated enormous benefits for state insiders and emerging

^{14.} The last national statistic issued by the Ministry of Public Security was 87,000 'public order disturbances' in 2006, while the China Academy of Social Sciences indicated 'increases' in 2007 and 2008 (without greater specificity); see Freeman (2010).

^{15.} Absorbing capitalists into the party became official party orthodoxy by 2000, with General Party Secretary Jiang Zemin's speech on the 'Three Represents', which called for the party to represent the 'advanced productive forces', i.e., entrepreneurial and capitalist sectors of society. For a discussion of the history of this policy, see http://baike.baidu.com/view/545466.htm?fromId=1115 (accessed 21 April 2013).

entrepreneurs (Ding, 2000). At the same time, there has been variation in the spread of entrepreneurial opportunity and knowledge across regions. Locations closest to the resources of capitalist hubs such as Hong Kong or with access to international trade were the first to develop non-state sources of power. As reforms progressed, a mutually dependent relationship emerged between entrepreneurs, party and state officials, and state-owned enterprise managers: entrepreneurs often called on bureaucratic contacts for access to inputs and licences, while officials 'engaged in exchanges with the incipient merchant force and constantly essayed to collude with it and incorporate it or simply squeeze its profits, skills, connections, and time. These actions have rendered officialdom dependent not just on the state, as before, but sometimes on the new "private" sector as well' (Solinger, 1992: 123).

A particular channel of social mobility had thus emerged in the reform period, in which individuals with access to political, economic and social authority were discovering — and investing their political capital in — a new occupational path. Over time, individuals with positions in the bureaucracies of the party-state switched, in increasing numbers, to private-sector pursuits. In a 1991 survey of private entrepreneurs, 11 per cent reported a prior occupation as 'government/administrative cadre/officer'; this increased to 25.1 per cent by 2000 (Tsai, 2007: 74). This suggests that the boundary between state and private occupations was growing increasingly porous. This movement was largely unidirectional, however, as cadres opted to pursue entrepreneurial ventures either part-time or full-time in search of material rewards, status and even financial security. 17 There is less evidence of new entrepreneurs leaving the sea of capitalism, as it were, to build administrative careers, though these new market leaders were — and continue to be — recruited by the party. 18 Regional inequalities were bound up in these developments. As Young observes:

In addition to differences arising from local conditions and local administrative approaches, the private sector has followed the Chinese economy as a whole in developing much faster in the east than the west, the proportions in 1993 being approximately 5:3:2 from east to central to western China for numbers of *getihu* [petty entrepreneurs], and 7:2:1 for *siying qiye* [private enterprises]. (Young, 1993: 3.9)

Officials in central provinces are also quick to note that there has been a relatively slow 'liberation of thought' (*sixiang jiefang*) with respect to operating a more entrepreneurial kind of government and economy, and that some policy intervention was necessary to bridge this economic and ideational

^{16.} For the purposes of this article, we define private entrepreneurs as those individuals who are in charge of an enterprise which is fully- or majority-owned by individual entities.

^{17.} The search for financial security was in response to waves of administrative downsizing. See Yang (2001, 2004).

^{18.} Dickson (2008: 84) notes that 'the percentage of those who were co-opted into the party after going into business also increased but not dramatically: from 13.2 percent in 1999 to 15.7 percent in 2005, an approximately 20 percent increase'. Party absorption of this new socioeconomic group has thus been gradual.

gap. ¹⁹ Increasing inequality and the lagging development of entrepreneurial talent in inland provinces present stressors within China's unitary political system; local experiments provided one means to alleviate these tensions.

Dissatisfaction with conservatism among inland cadres prompted the search for new policy interventions. The first experiment took place in Guizhou. In early 1995, the county party committee and county government of Luodian County approved a policy entitled, 'Cadres find employment, borrow [from other] lands to educate the talented'. The goal was to send batches of young county officials to economically vibrant coastal regions and have them seek employment in the private sectors there. In other words, they would 'study how to swim [in the entrepreneurial sea]'. Luodian officials could work in the coastal private sector for up to two years, and would resume their government posts upon return. Remuneration would be dependent on whatever employment they landed in their adopted homes. Selected officials, aged thirty-five or younger, would be mid-level county bureaucrats with the potential to become part of the next generation of county leaders.

In sending local officials to coastal provinces with minimal guidance, architects of this programme hoped that young cadres would learn about the capitalist practices and entrepreneurship blossoming in dynamic reform hubs such as Wenzhou and Zhuhai. Participating officials would be embedded in these locales as private citizens, and from that vantage point they would experience the building of the private sector from the ground up, as well as the public–private relationships supporting such development. Beyond this general goal were several other objectives: cadres were 'to build relationships, study some technology, befriend some investors'. ²⁴ By 2005, Luodian County's experiment in private sector cadre employment had included over

- 19. Interview with an inland township vice party secretary, 30 June 2008.
- 20. One county party secretary, who implemented ganbu dagong experiments in 2000, wrote: 'the key reason for the long-term plight of the county-level economic and social development in Hubei province lies in [cadres'] "three insufficiencies" insufficiency in thought liberalization, insufficiency in reform and openness, insufficiency in the abilities of driving the modern market economy.... The most feasible way is to select and send a number of cadres to the developed coast areas to be trained' (Song, 2009: 23, 96).
- 21. Luodian County (pop. 340,000), the first site for this policy experiment, has been designated a national-level 'county in poverty'. Located in the extreme south of the inland province of Guizhou, this county borders the Guangxi Autonomous Region. It reported a per capita GDP of 7,000 yuan (about US\$ 1,111) in 2010; its major industries are state-owned power plants, pharmaceuticals and food processing. See the Luodian county government website: http://www.gzluodian.gov.cn/News.aspx?NewsId=2021 and http://www.gzluodian.gov.cn/News.aspx?NewsId=3177 (accessed 3 March 2012).
- 22. Interview with former county party secretary who implemented *ganbu dagong* experiments, 25 April 2008.
- 23. Those chosen for the programme were to have a section-level (keji) rank.
- 24. See 'Improving "black hat [officials]" by sending them to find work' (*tizhe 'wusha' qu dagong*), *Jiangsu Business News* 26 April 2011: http://www.wzxbcy.com/m22/WebShow.aspx?Id=18063 (accessed 23 September 2011).

Province	Locale	Start year	Total number of participants
Guizhou	Luodian county	1994	7,000
Hubei	Xian'an district	2000	$\sim 1,000$
Shandong	Jiaxiang county	2000	437
Jiangxi	Anyi county	2002	107
Hubei	Yicheng district	2002	1,428
Anhui	Daigiao township, Lujiang county	2003	4
Qinghai	Menjiang county	2004	17
Shaanxi	Lantian county	2004	50
Yunnan	Xichou county	2004	15
Sichuan	Pengxi county	2004	20
Shandong	Fan county	2005	104
Henan	Runan county	2005	1,045
Sichuan	Suining county	2005	357
Sichuan	Suining county	2006	325

Table 1. Locales Implementing Ganbu Dagong ('Cadre Seeking Work') Policy Experiments

Source: Authors' dataset.

7,000 participants — a sizeable population considering the small cohort of seventeen public managers first sent to find jobs in the dynamic private sector of coastal Zhejiang province.

While Luodian County was a pioneer in such *ganbu dagong* policy experiments, the template spread throughout the country in the following decade. By 2005, counties and townships across ten provinces had initiated similar programmes (see Table 1).²⁵ While there is some variation across these policy experiments, they shared the following characteristics:

- Focus on young leaders in the locale (some places included recent graduates of local vocational programmes).
- Selection criteria based on age ceilings, required education levels, and officials ranked at the section- and township-level or below.
- Following selection, minimal provision of administrative support and remuneration. ²⁶
- Requirements that participants find employment in more economically developed regions of China, generally coastal but also including political and economic powerhouses such as Beijing.²⁷

^{25.} Interestingly, not all of these were central and western locales. Two counties in coastal Shandong province participated — Jiaxiang and Fan Counties — both inland counties located in the western region of the province.

^{26.} Newspaper articles, for example, recounted how cadres landed in coastal cities and subsisted on street food while lodging in low-grade group housing for migrant workers. See 'Record of Menyuan County section-level cadres "seeking work" (menyuanxian keji ganbu 'dagong' ji), Oinghai Daily 18 November 2004.

^{27.} Selection of destination cities was ad hoc and subject to non-systematic factors such as whether a selected cadre knew of individuals from the same region who had entered the

	Locale	Per cent of labour in non-state sector			
Province		Year	National	Province	City or county
Guizhou	Luodian county (Qiannanzhou)	1994	0.82	0.89	0.16
Shandong	Jiaxiang county (Jining)	2000	0.88	0.89	0.37
Hubei	Xian'an district (Xianning)	2000	0.88	0.87	0.21
Jiangxi	Anyi county (Nanchang)	2002	0.90	0.89	0.29
Hubei	Yicheng district (Xiangfan)	2002	0.90	0.89	0.30
Anhui	Daiqiao township (Lujiang)	2003	0.90	0.92	0.25
Qinghai	Menjiang county (Haibeizhou)	2004	0.91	0.88	0.15
Shaanxi	Lantian county (Xi'an)	2004	0.91	0.87	0.34
Yunnan	Xichou county	2004	0.91	0.92	0.15
Sichuan	Pengxi county (Suining)	2004	0.91	0.93	0.53
Shandong	Fan county (Puyang)	2005	0.91	0.91	0.46
Henan	Runan county (Zhumadian)	2005	0.91	0.84	0.11
Sichuan	Suining county	2005	0.91	0.93	0.57
Sichuan	Suining county	2006	0.91	0.94	0.60

Table 2. Size of Non-state Sector in Experimental Sites, Provincial and Local Levels

Notes: Years given depend on the start year of the policy experiment. Only city-level data are available for most counties, districts and townships; city-level jurisdictions are given in parentheses after each experiment site (in the column titled 'locale'). County-level data are given, as available, for those locales identified without a city jurisdiction.

Sources: County, city and provincial yearbooks, various years.

• In some cases, holding of government positions until participants returned

In all cases, there is one particularly clear motivation for embarking on this policy experiment. All the participating locales suffered from underdeveloped non-state sectors at the outset of their respective policy experiments: Table 2 gives the size of the non-state sector for each location, as a percentage of the total labour force given in annual yearbooks. This figure is smaller than the provincial average in each case (and also well below the overall, nationwide size of the non-state sector), which suggests that local leaders were actively searching for means to deepen the economic transition in their jurisdictions. Given the warming of party leadership to capitalism with Chinese characteristics by the late 1990s and the encouragement of local experimentation, it is no surprise that Luodian's policy experiment spread quickly.

Some commentators also saw fit to frame these policy experiments as attempts to address the problem of local party and state officials losing touch with the masses. 'Our cadres should be from the masses, to the masses. For

private sector in a particular city. In other cases, delegations of selected cadres chose a common destination so as to band together and pool resources upon arrival. In the Xian'an case, cadres were sent to coastal provinces without particular destinations specified nor particular connections pre-established (interview with former county party secretary who implemented *ganbu dagong*, 25 April 2008).

some time now, among local leading cadres there is a common problem: they move from school to [government and party] organs, then from one organ to another. They lack mass work experience and do not understand the life of the masses'. While this editorial strikes a chord with those who might feel that the mass line has been lost in the reform era, there is also an underlying, pro-market message. The masses have embraced the market, and cadres — particularly those from economically backward regions — must understand this reality and lead that transition.

These *ganbu dagong* programmes contrasted with existing cadre training, exchange and transfer programmes in at least two ways: the former were extra-institutional in nature and initiated by local, rather than central authorities. *Ganbu dagong* programmes were explicitly framed as a kind of alternative training for young officials, distinct from existing cadre training and education programmes. It is common for cadres to be sent periodically to party-managed training academies known as Party Schools, and there have been centrally-organized programmes in which inland cadres are sent to universities in coastal regions for training classes.²⁹ In contrast to such formal training programmes, the new policy experiments lacked any overarching organizational structure, and were unencumbered by institutional frameworks. For participating cadres, there would be no classrooms, party-approved curricula, lectures or study materials. Cadres were to immerse themselves in market economies located far from home and from those experiences draw lessons about how to bring that economic vitality inland.

The ganbu dagong programmes were also distinct from existing cadre exchange programmes (gua zhi) in which cadres were sent to other regions to work, temporarily, in different party and government offices. These exchanges were intended to round out the experiences of cadres in other party and government organs, not to hone their market acumen. While cadres might benefit from learning how economic planning or state-owned enterprise management works from inside the state, they are not asked during these placements to examine the state from the outside. Importantly, by participating in the established party and state programmes, young cadres were missing out on the dynamism taking place beyond the state, in the market economies taking off throughout the coastal regions.

^{28.} See 'Nanchang Anyi County issues "exile command" to hundreds of cadres to get outside experience seeking employment' (*Nanchang anyi xian xiada 'fangzhu ling' baiyu ganbu waichu tiyan dagong*), *Xinhua* 6 April 2002: http://news.xinhuanet.com/newscenter/2002-04/06/content_347406.htm (accessed 23 September 2011).

^{29.} A listing of 2013 training classes for cadres from western provinces to study in eastern cities is available at http://www.ndrc.gov.cn/zcfb/zcfbtz/2013tz/W020130115532719121737.pdf (accessed 15 May 2013). Western cadres may study in universities in cities such as Ningbo and Shenzhen, and courses may focus on topics such as industrial district management, agricultural technology, and tourism development, among others. These courses are organized under the National Development and Reform Commission's Counterpart Support (duikou zhichi) programme.

Other official cadre exchange programmes, such as one-to-one exchange (*jie duizi*) or one-to-one aid (*duikou zhiyuan*), in which cadres from wealthier regions were sent to developing areas (often in the west of the country), were also highly institutionalized and top-down in organization. Cadres from coastal areas might give guidance to inland cadres on poverty reduction strategies or help with transfer investments from coastal areas to the interior. Such east-to-west support could include financial subsidies, enterprise development and infrastructure support. ³⁰ Importantly, these programmes circulated cadres within the party-state. ³¹ *Ganbu dagong* experiments were riskier, both for the initiating leaders and the participating officials, as they created a more porous boundary between state and non-state realms. In so doing, they challenged existing structures.

Furthermore, ganbu dagong experiments differed from extant cadre transfer policies. Circulating cadres through inland and western provinces has been a long-standing practice in CCP personnel policy, one that generates political leaders with a broad understanding of issues facing diverse localities and populations (Manion, 1985). In one study of cadre transfer policies to Tibet in the 1980s, central authorities were found to generate incentives such as increased pay, retirement pensions and family benefits to entice cadres to move west (Huang, 1995). These cadre transfer programmes are top-down in nature, highly institutionalized and part of central personnel policies.³² Movements of cadres took place within the framework of existing party and government offices rather than encouraging the flow of government officials to non-state domains. In the case of personnel transfers to Tibet, the goal was the movement of highly educated, technically trained cadres to develop tourism and local economies. This contrasts with the focus on young (but still educated) cadres in various inland ganbu dagong experiments. Table 3 presents a summary of differences between these experiments and other cadre transfer programmes.

THE CASE OF GANBU DAGONG IN XIAN'AN COUNTY, HUBEI

While not the first location to experiment with and implement this programme, one county in Hubei was the first to garner national media attention

^{30.} Some examples of these east—west exchange programmes can be found on the 'East—West Interaction' (dongxi hudong) page at the official website of the National Development and Reform Commission: http://xbkfs.ndrc.gov.cn/dxhd/default.htm (accessed 15 May 2013).

^{31.} For an overview of cadre transfer programmes managed by party personnel bureaus such as the Central Organization Department, see Hao et al. (2010). According to Hao et al., the COD has sent five delegations of cadres to Tibet and six delegations to Xinjiang, totaling 3,747 and 3,749 officials, respectively. Cadres were responsible for implementing development programmes in these western regions.

^{32.} Huang (1995) draws on official Ministry of Personnel reports and yearbooks to piece together the details of the cadre transfer policies to Tibet in the 1980s.

Programme period

Approximately 2-3 months

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	Ganbu Dagong programme	Other training, exchange and transfer programmes (e.g., gua zhi, jie duizi)		
Source of initiative	Local state (county level and lower)	Central party and state bureaus		
Programme base	Extra-institutional	Existing party and state institutions (e.g., Party Schools, central personnel programmes)		
Positional arrangement	Cadre temporarily leaves current position in the party and/or government for private sector work	Cadre leaves home bureau temporarily but retains current position in party and/or government		
Training format	Participant observation; no formal classrooms, curriculum, or job responsibilities	Can include classes with standard curriculum, internship-type work arrangements, site visits, etc.		
Learning objective	Cadres gain first-hand experience in more advanced market economy and investment climate	Cadres build knowledge of governance and economic management issues in different regions of the country		

Up to 2 years

Table 3. A Comparison between Ganbu Dagong and Other Cadre Training and Exchange Programmes

for sending batches of local cadres to coastal provinces to seek work.³³ This national attention provided the impetus for leaders in other places to adopt the policy experiment, particularly after the nod of approval implicit in coverage by central state media. In the half decade after the Xian'an experiment, similar programmes diffused to seven other provinces. In some ways, this attention was part of a larger reform programme carried out by party secretary Song Yaping, a grassroots Hubei reformer associated with sweeping and controversial reforms carried out to cut bureaucratic bloating and problems with local public debt.³⁴ Sending cadres to find work in the coastal areas became one initiative within this reform agenda in 2000, culminating in the first group of 187 cadres departing from Xian'an in February 2001. Several waves of cadres were sent to find employment throughout the first half of the decade, with the last group dispatched in 2005. Despite the national media attention and diffusion to other provinces, the Hubei programme was implemented and managed by the lowest levels of local government; Song

^{33.} See, for example, 'Revelations from Hubei Xian'an's one thousand cadres seeking employment', *Xinxi daokan* [*Information Review*] 2004, Issue 36: http://www.people.com.cn/GB/paper2836/12929/1162229.html (accessed 22 June 2011).

^{34.} For excellent summaries of Song Yaping's reforms, see Wu (2010) and Fewsmith (2010b). Song's memoirs have also been published, and these offer his reflections on the motivations behind and implications of his reforms (Song, 2009).

Yaping obtained permission from city-level party officials before carrying it out.³⁵

The motivations for this policy experiment were both practical and philosophical. On the practical side, releasing hundreds of cadres to seek work elsewhere relieved pressure on public payrolls straining under the weight of overemployment and the weak local economy.³⁶ On the more philosophical level, the programme was an attempt to redirect local cadres' attention toward the dynamism of market practices in other parts of the country. In the words of one Xian'an official, it was intended 'to expose cadres to other places and broaden their thinking'. 37 This exposure, local leaders hoped, would provide an antidote to the conservative thinking that was keeping local officials from embracing market reforms and market opportunities. Even more, the programme reflected a desire on the part of local leaders to challenge the incentives motivating local cadre behaviour within the party's cadre management system. As one former official explained, 'China's current cadre system is upward-oriented; cadres are only responsible for what comes from above. What's unique about this cadre employment programme is that it reorients cadres toward society, i.e., downward'. 38 In this sense, promoters of the programme were appealing to the party's traditional 'mass line'. whereby cadres were to maintain close contact with society and channel this understanding of mass needs into policy. Sending cadres to coastal regions thus embodied a more profound critique of the CCP's existing means for managing and training cadres and sought to break cadres out of the insularity encouraged by the contemporary cadre management system.

With these motivations in mind, the contours of the Xian'an programme were similar to *ganbu dagong* experiments elsewhere in the country. Participants were to meet several qualifications. Cadres had to be younger than forty-five, with at least an associate's degree (*dazhuan*), and in a leading party position at the township level or above. For example, township party secretaries and vice-secretaries, section and vice-section chiefs were eligible for selection. The programme duration was two years, during which cadres were released from their work responsibilities in the Xian'an government and directed to find work in the boom regions of the east. For their efforts, participants would receive a modest monthly stipend of

^{35.} See Song (2009: 85), for a discussion of higher-level approval for this experiment. Permission from provincial- and central-level organs was not necessary for moving forward with the programme.

^{36.} In 1999, when Song Yaping took office as the district party secretary, Xian'an was designated one of the province's 'county-level poverty districts', characterized by 'bloated institutions, a surprising number of civil servants, and 300 million yuan of public debt' (Xinxi daokan [Information Review] 2004, Issue 36: http://www.people.com.cn/GB/paper2836/12929/1162229.html, accessed 2 December 2013).

^{37.} Field interview, 15 April 2008.

^{38.} Field interview with a former party secretary in charge of a *ganbu dagong* programme, 12 December 2011.

150 yuan (less than US\$ 20). The target participant was thus a young local official, potentially a rising star, who would take lessons from the dynamic coastal market economies, bring ideas back to management practice in the local government, and apply them to local economic development. This programme lasted beyond Song Yaping's tenure as party secretary; he left office at the end of 2003 and has since been housed in the Hubei provincial party committee's policy research office. By the time he left local government in 2003, over 600 cadres had participated in the cadre employment programme; by 2005, that figure had grown to over 1,000.

The results of this half-decade policy experiment are mixed. This is due in part to practical difficulties with programme implementation. On a personal level, cadres were reluctant to leave for two years and wade through the uncertainties of employment markets where they had few or no connections. This is an important consideration in a society in which personal connections drive success in the job market and in politics. Cadre families also posed constraints; relocating for two years or facing separation for this period of time were both unattractive prospects. There was also the problem of a local talent drain. Since officials selected for participation were young, relatively well educated, had leadership skills, and were clearly ambitious, it is not surprising that attrition rates were high. Many participants chose to remain where they found work and simply did not return when their two years were up: this applied to one-third of cadre participants (Fewsmith, 2010b: 4; Song, 2009: 95).

WHITHER THIS POLICY EXPERIMENT?

The idea of sending cadres from poorer, inland locations to experience first-hand the successes of market economies in other parts of the country would appear, on the surface, to have many advantages. It is a modest intervention to combat growing inequalities in regional development. Over the longer term, such an experiment has the capacity to bring about deeper change in the human capital which is essential to China's development story. It is also cost effective for local governments to carry out, in the sense that it involves 'free' training and takes bureaucrats off the public payroll for extended periods of time. In some ways, it is also a logical variation of existing public management programmes in which officials are sent to other areas or offices to take up temporary jobs in a different bureaucracy.

Despite this potential, *ganbu dagong* programmes have faded from view and have been largely abandoned by their initial party supporters. There are two major sets of reasons for the failure of this programme, one at the level of local politics and a second at the level of systemic, institutional interests. Each of these affects the probability of a broader and deeper rollout of the experiment beyond the dozen or so locales where it has been observed. While local explanations for failure are related to practical issues with policy

design, it is the institutional explanations which reveal the most about the scope for such experiments at a more general, national level.

At the local level, the failure of the policy can be attributed to at least three factors. First, the experiment fizzled out due to lack of support beyond the level of local 'policy entrepreneurs'. Local policy experimentation, more often than not, hinges on initiatives taken up by local leaders. Moving beyond ad hoc trials and sustaining the experiment requires the building, over time, of a sufficient base of support, organizational and otherwise, beyond the advocacy and resources of the initial entrepreneur. In the media coverage surrounding the locales listed in Table 2, for example, there is no indication of higher-level patrons of the initiative. This has also proven true in other contexts, notably various experiments with inner party democracy and deliberative democracy (Fewsmith, 2009, 2010a). Furthermore, few participating cadres were promoted upon their return to sending locales.³⁹ This implies that those who might sustain the programme in local government have not risen to positions where they could advocate for deeper institutionalization of the programme.

A second local-level reason for policy failure is a flaw in the overall design of the enterprise. In sending party and state officials to seek employment elsewhere in the country, there is the risk of attrition of local talent. As mentioned earlier in the Xian'an case, there was a clear talent drain over the span of the programme's existence. Some sending locales tried to enact rules to counter this particular problem. For example, Anyi County put in place a regulation that cadres would not be rehired if absent from their posts for five or more years, but the deterrent effect was weak. ⁴⁰ In the end, this combination of weak mechanisms for perpetuating the policy experiment and the local talent drain damaged the programme's viability.

Third, it may also be the case that a key motivation behind the programme — to expand private sector acumen among public managers — has lost salience as a development priority across participating locales. In recent years, the size of the non-state sector in experimental sites has largely converged with national levels, suggesting that non-state sector growth is no longer in need of special attention and 'guerilla' policy interventions. Table 4 presents the most recently available data on the size of the non-state sector across the fourteen experiment sites. On average, the non-state sector in these locales comprised 0.92 per cent of the labour force, which compares favourably with a national figure of 0.91 per cent.

At a more fundamental level, the programme has a difficult relationship to existing party institutions of personnel management. One observation of these policy experiments is that they were perceived, even by implementers, as critiques of existing, institutional channels for training party and state

^{39.} Field interview with a former party secretary in charge of a *ganbu dagong* programme, 12 December 2011.

^{40.} See 'Nanchang city's Anyi county issues exile command', Jinghua Times 7 April 2002.

		Per cent of labour in no		
Province	Locale	At start of experiment	Current	Change in size of non-state sector
Guizhou	Luodian county (Qiannanzhou)	0.16	0.95 (2009)	0.79
Shandong	Jiaxiang county (Jining)	0.37	0.92 (2011)	0.55
Hubei	Xian'an district (Xianning)	0.21	0.92 (2010)	0.71
Jiangxi	Anyi county (Nanchang)	0.29	0.85 (2011)	0.56
Hubei	Yicheng district (Xiangfan)	0.30	0.93 (2008)	0.63
Anhui	Daiqiao township (Lujiang)	0.25	0.96 (2011)	0.71
Qinghai	Menjiang county (Haibeizhou)	0.15	0.85 (2009)	0.70
Shaanxi	Lantian county (Xi'an)	0.34	0.80 (2010)	0.46
Yunnan	Xichou county	0.15	0.96 (2011)	0.81
Sichuan	Pengxi county (Suining)	0.53	0.97 (2010)	0.44
Shandong	Fan county (Puyang)	0.46	0.93 (2011)	0.47
Henan	Runan county (Zhumadian)	0.11	0.96 (2011)	0.85
Sichuan	Suining county	0.57	0.95 (2011)	0.38
Sichuan	Suining county	0.60	0.95 (2011)	0.35
Average		0.32	0.92	0.60

Table 4. Change in Size of Non-state Sector by Experiment Site

Notes: Data are for city-level jurisdictions given in parentheses. If no city-level jurisdiction is given, data are for county-level units. Most recent available year for data on size of non-state sector given in parentheses. *Sources:* County, city and provincial yearbooks.

managers. In this sense, ganbu dagong is an extra-institutional policy experiment. It transgresses in important ways the existing channels for cadre management and education in reforming China. To make the case even more strongly, experimentation with ganbu dagong programmes represents dissatisfaction with the existing (CCP-led) system of cadre education. According to one proponent of this policy experiment, mainstream cadre training options are relatively weak instruments for building human capital. The two options — either 'closed' programmes in domestic, party-managed training academies, or more 'liberated' training abroad — are problematic in several ways. In-country Party School teachers are 'thick on traditional theory' and 'not necessarily more advanced than their students', 41 while training abroad is simply unrealistic for grassroots cadres in the locales that might benefit most from global exposure, given the prohibitive cost. In cadre exchange programmes within China, placement sites are often unwilling to give cadres real responsibilities. In short, existing cadre training options, in the eyes of some local leaders, are outmoded, too resource intensive, or too soft. Importantly, these experiments in training cadres to seek work independently step outside of state boundaries, and as such skirt existing party and state institutions. As one official wryly observed, 'Historically, reformers come to no good end because they hurt vested interests'.42

^{41.} Interview with a former party secretary in charge of a *ganbu dagong* programme, 25 April 2008.

^{42.} Interview with a former party secretary in charge of a *ganbu dagong* programme, 12 December 2011.

CONCLUSION

This study of the rise and fall of China's *ganbu dagong* programmes sheds light on the processes by which grassroots leaders initiated programmes with multiple objectives, trying to change the mentality of inland state managers and bring market practices into economically lagging central and western regions. By experiencing first-hand the dynamism of market economies in China's booming coastal regions, inland managers might bring back real knowledge about how to navigate through China's competitive and globally oriented market economy. Such deepening of the country's transition to state capitalism would alleviate what local leaders perceived as one cause of growing inequalities — regional and urban—rural — in the reform period.

This experiment illustrates several aspects of development-oriented policy making that are not only relevant to reforming China but have broader implications for development policies elsewhere. In the narrower sweep of China's experience, this case study illustrates the enduring nature of modern China's tradition of local policy experimentation, which has roots in the ruling party's formative experiences with crafting transformative policies in the countryside. An important and understudied aspect of this experiment is what it reveals about the process of public-private sector mobility in a transitioning state such as China. By implementing these experiments in cadre employment, local leaders created a new, local state-sanctioned route for cadre–entrepreneur (public–private sector) mobility. This choice to change sectors was not simply an independent decision made by individuals seeking opportunities in a new market system, but one that was encouraged and abetted in many cases by local political leaders. Over the course of the party's slow embrace of the market, local officials were actively creating programmes that made cadres more entrepreneurial.

More broadly, local policy experiments are relevant for carrying out a wide range of reforms, beyond those more narrowly associated with democratic governance: they are a means for carrying out local administrative reforms and embarking on economic learning by the local state. Local policy experimentation in China also challenges the conventional wisdom that federalism promotes innovation through policy laboratories (Strumpf, 2002). In extending the concept of local policy laboratories to non-democratic systems, it would appear that decentralization, rather than federalism, is the key underlying condition.

Whatever this policy experiment may reveal about the agency of local leaders and the space for policy experimentation within a unitary state system, the ultimate failure of *ganbu dagong* experiments requires explanation. One key factor is the extra-institutional nature of the programme. Given that there are existing institutions for training cadres, and given the all-important party control over personnel management which this implies, those leaders who attempt to skirt established institutions are placing themselves in a politically risky position. As one proponent of *ganbu dagong* programmes

mused, 'Ganbu dagong is the best of all training types, but it cannot be rolled out nationally because it uses a side door to achieve an aim'. 43

What this reveals is the underlying conservatism that all policy experiments must confront. A decentralized political system which encourages policy experiments seems to offer the possibility of sudden breakthroughs in the range of possible policies and a flexibility somewhere in between federal and unitary political systems. This is tempered in the Chinese case by the reality of a highly institutionalized party-state. The space that policy experimentation might seem to create for innovative public administration is, in the end, highly circumscribed by the hierarchies and bureaucratic matrix which incentivize behaviour that is system-reinforcing rather than system-challenging. Sending local cadres to coastal urban areas, where these young managers may become immersed in a market system still held at arm's length in China's statist economy, is a step beyond some unmarked boundary established by higher authorities. Furthermore, this particular programme failed to gain more than fleeting support because it challenged the entrenched position of party institutions and practices in cadre education and training.

In sum, the 'policy experimentation' framework offers a lens for understanding central–local relations in a decentralized unitary state system, and it presents one explanation for the processes underlying systemic political change. However, this framework must also take into account the inertia demonstrated by existing institutions. Pursuing unconventional policy interventions can be risky for policy entrepreneurs. For this reason, the failures of a programme can say as much as the successes about the potential for change in the system. As one party official noted, 'After participating in this programme, few returning cadres were promoted. This is because of the scarcity of offices. But another problem is that the old political system has not changed. Cadres returning from work, no matter what, must return to this environment'.⁴⁴

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^{43.} Interview with a former inland county party secretary, 15 April 2008.

^{44.} Interview with a former party secretary in charge of a *ganbu dagong* programme, 12 December 2011.

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