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# The Politics of Policy Reformulation: Implementing Social Policy in Provincial China

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## ABSTRACT

How do Chinese provincial governments reformulate the general central policies into implementable local policy outputs? How does this vary across provinces? Despite considerable research on policy implementation in China, strategies of policy reformulation remain understudied. To better understand these strategies, this article proposes a four-scenario typology: an innovative strategy, a defensive strategy, a conservative strategy, and a perfunctory strategy. Using a novel 2003–2017 dataset of provincial documents that were reformulated from central social policy mandates, as well as a preliminary case study of the Household Registration System reform, this article explores the spatial and temporal dynamics of policy reformulation in provincial China. The findings shed light on the complexity of policy implementation in China.

## Introduction

Policy implementation is challenging in China. Indeed, scholarly inquiries have echoed a few widespread public comments, such as, ‘there is a policy above, but there is always an alternative below’ (上有政策, 下有对策), and ‘policy does not go beyond Zhongnanhai’ (政策不出中南海). As Chung aptly summarizes, implementation in China is essentially an unending tug-of-war, which entails ‘a significant degree of contention, adjustment, distortion, and non-compliance on the part of local implementers.’<sup>1</sup>

The challenges faced by the central government that seeks consistent implementation of its policies nationwide can be seen at two levels. First, China’s provincial leaders show varied attitudes towards central policies. While implementing economic reforms, some provincial leaders have acted as pioneers, some have tried to be bandwagoners, and others just remain laggards.<sup>2</sup> Second, great variations exist in terms of provincial policy outcomes. For example, in the performance of decollectivization reform, some provinces were pioneering, others resisting, and the rest bandwagoned in terms of the level of decollectivization.<sup>3</sup>

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<sup>1</sup>Jae Ho Chung, ‘Implementation: Changing Norms, Issue-Variance, and Unending Tugs of War’, in *Assessing the Balance of Power in Central-Local Relations in China*, ed. John A. Donaldson (New York, NY: Routledge, 2017), p. 138. See a similar account: ‘Central policies are always distorted in ways advantageous to implementors’, in David M. Lampton, ‘The Implementation Problem in Post-Mao China’, in *Policy Implementation in Post-Mao China*, ed. David M. Lampton (Berkeley: University of California Press, 1987), p. 18.

<sup>2</sup>Peter T.Y. Cheung, ‘Introduction: Provincial Leadership and Economic Reform in Post-Mao China’, in *Provincial Strategies of Economic Reform in Post-Mao China: Leadership, Politics and Implementation*, ed. Peter T.Y. Cheung et al. (Armonk, N.Y.: Sharpe, 1998), pp. 25–26.

<sup>3</sup>Jae Ho Chung, *Central Control and Local Discretion in China: Leadership and Implementation during Post-Mao Decollectivization* (Oxford: Oxford University Press, 2000), pp. 7–8.

While these lines of inquiry help enrich the understanding of provincial variations in policy implementation, the authors argue that, yet another dimension should be assessed: policy reformulation. By policy reformulation, the authors refer to the process during which provincial governments transform the general central policies into implementable government documents. As Li suggests, policy implementation in China often consists of three steps: reproducing policy documents (policy reformulation), concrete government actions, and the involvement of the public.<sup>4</sup> Therefore, policy reformulation deserves careful investigation as it is often the first step that lays down foundation for further implementation. Moreover, policy reformulation produces policy outputs, that is, the policy content at a much more operational level than a law which is delivered to the citizens.<sup>5</sup> Policy output is different from policy outcomes, as the latter denote changes in the behavior or conditions of target populations, such as the economic growth rate or the level of air pollution.<sup>6</sup>

Policy reformulation matters in transferring central policy creation into local policy outcomes. For example, the central government might initiate a policy to improve people's life expectancy. The policy outcome can be determined by comparing life expectancy during different periods, but long before this is possible, the provincial government must reformulate the broad central target into a concrete policy. For example, a new legislation regarding healthcare or new guidelines about how to improve long-term care. The document that contains the details of legislative or regulatory action-to-be-taken at the provincial level is a policy output described here as a result of policy reformulation by a provincial government. The distinction between policy outputs and policy outcomes stimulates the authors' research curiosities: *How does a provincial government reformulate a general central policy into an implementable local policy output? In what ways does this vary across provinces?*

These questions are important to address for several reasons. Theoretically, they help to understand how a provincial government, as an agent of the central government, uses its discretion during policy reformulation. In particular, they improve the understanding of whether a provincial government is working, shirking, or sabotaging as it reformulates central policies.<sup>7</sup> In addition, as mapping provincial variations of policy implementation is an important academic endeavor,<sup>8</sup> this exploratory study complements previous research on provincial leadership's policy preferences and provincial policy outcomes. Moreover, since provincial policy outputs are one important factor shaping policy outcomes, an improved understanding of the strategies of provincial reformulation also lays the foundation for analyzing China's widespread implementation gaps.<sup>9</sup>

The rest of this article is structured as follows. First, the authors take stock of existing efforts to map provincial variations of policy implementation and propose a typology to chart policy reformulation strategies in provincial China. The research agenda is informed by the principal-agent theory and focuses on policy outputs as a result of strategic reformulation. Since the dominant focus of

<sup>4</sup>Ruichang Li, 'Zhongguo gonggong zhengce shishi zhong de "zhengce kongchuan" xianxiang yanjiu' ['A Study of Symbolic Policy Implementation Phenomenon in China'], *Gonggong xingzheng pinglun* (3), (2012), p. 59.

<sup>5</sup>Søren C. Winter, 'Implementation Perspectives: Status and Reconsideration', in *The SAGE Handbook of Public Administration*, ed. B. Guy Peters et al. (London: SAGE Publications Ltd, 2012), p. 8.

<sup>6</sup>*Ibid.*, p. 8. See a similar distinction between policy outputs and policy outcomes: Kevin P. Lane, 'One Step Behind: Shaanxi in Reform, 1978–1995', in *Provincial Strategies of Economic Reform in Post-Mao China: Leadership, Politics and Implementation*, ed. Peter T.Y. Cheung et al. (Armonk, N.Y.: Sharpe, 1998), p. 235; Gunter Schubert, 'Political Legitimacy in Contemporary China Revisited: Theoretical Refinement and Empirical Operationalization', *The Journal of Contemporary China* 23(88), (2014), p. 603.

<sup>7</sup>John O. Brehm and Scott Gates, *Working, Shirking, and Sabotage: Bureaucratic Response to a Democratic Public* (Ann Arbor: University of Michigan Press, 1997), p. 21.

<sup>8</sup>David S.G. Goodman, ed., *China's Provinces in Reform: Class, Community, and Political Culture* (London and New York: Routledge, 1997), p. 2; Jae Ho Chung, 'Studies of central–provincial relations in the People's Republic of China: a mid-term appraisal', *The China Quarterly* 142, (1995), p. 501; John A. Donaldson, 'Why Do Similar Areas Adopt Different Developmental Strategies? A Study of Two Puzzling Chinese Provinces', *The Journal of Contemporary China* 18(60), (2009), pp. 421–444.

<sup>9</sup>For a discussion on implementation gaps, see: Sarah E. Anderson, Mark T. Buntaine, Mengdi Liu, and Bing Zhang, 'Non-governmental monitoring of local governments increases compliance with central mandates: a national-scale field experiment in China', *American Journal of Political Science* 63(3), (2019), pp. 626–643; Xiaojiong Ding, 'Policy implementation in contemporary China: the making of converted schools', *The Journal of Contemporary China* 19(64), (2010), pp. 359–379; Tucker Van Aken and Orion A. Lewis, 'The political economy of noncompliance in China: the case of industrial energy policy', *The Journal of Contemporary China* 24(95), (2015), pp. 798–822.

previous literature on policy implementation is on fiscal, economic, or environmental policies, the authors then present a research design on social policy and describe the novel dataset populated with provincial documents as policy outputs of central social opinions (意见). After that, the authors explore the spatial and temporal dynamics of the four reformulation strategies. To demonstrate the potential of the typology to shed light on policy implementation in China, the authors then present a preliminary case study of the Household Registration System (户籍制度) reform. Finally, conclusions and implications for future studies are suggested.

## Policy Implementation in Provincial China: beyond Leadership Preferences and Policy Outcomes

To elucidate challenges to consistent implementation of central government policies in China, many studies have applied a principal-agent model.<sup>10,11</sup> For instance, Whiting observes that ‘[T]he Chinese party-state shares with other large, hierarchical organizations significant agency problems; local agents of the state tend to behave opportunistically, contrary to the interests of their principals.’<sup>12</sup> Similarly, Minzner argues that ‘[T]he Chinese government itself is simply a very (very!) large principal-agent problem.’<sup>13</sup> The central government is constantly ‘confronted with the need to come up with mechanisms to effectively control and monitor its local agents.’<sup>14</sup>

Building up from the insights of previous studies, the authors outline the main features of the model in Table 1. In general, the model assumes that both the central and provincial governments behave strategically and opportunistically to maximize their interests. The central government is understood to possess ‘ownership’ rights and act as the principal in charge of policy formulation and monitoring, but its control is largely indirect.<sup>15</sup> By contrast, provincial governments are considered to have ‘operational autonomy’ as they function as the agents in charge of policy reformulation and further implementation. In such a relationship, policy reformulation is often seen as the first step of implementation: many central policies are rather broad and general and need to be reformulated into provincial policy outputs before they can be further implemented.<sup>16</sup> A central policy often offers guidelines and benchmarks, while provincial policy outputs are more concrete and detailed. Finally, in terms of provincial policy outcomes, the central government’s control mechanism is largely limited to outcome-based incentive schemes—most importantly the Target Responsibility System—to shape

<sup>10</sup>Jiayuan Li, ‘The paradox of performance regimes: strategic responses to target regimes in Chinese local government’, *Public Administration* 93(4), (2015), pp. 1152–1167; Dongshu Liu, ‘Punish the dissidents: the selective implementation of stability preservation in China’, *The Journal of Contemporary China* 29(119), (2019), pp. 795–812; Jiaqi Liang and Laura Langbein, ‘Performance management, high-powered incentives, and environmental policies in China’, *International Public Management Journal* 18(3), (2015), pp. 346–385; Jiaqi Liang and Laura Langbein, ‘Linking anticorruption threats, performance pay, administrative outputs, and policy outcomes in China’, *Public Administration* 97(1), (2019), pp. 177–194.

<sup>11</sup>Still, there are limitations in applying the principal-agent framework to China. For a critique of the principal-agent model, see Linda Chelan Li, ‘Central-local relations in the people’s republic of China: trends, processes and impacts for policy implementation’, *Public Administration and Development* 30(3), (2010), pp. 177–190.

<sup>12</sup>Susan H. Whiting, ‘The Cadre Evaluation System at the Grass Roots: The Paradox of Party Rule’, in *Holding China Together: Diversity and National Integration in the Post-Deng Era*, ed. Barry Naughton et al. (New York: Cambridge University Press, 2004), p. 101.

<sup>13</sup>Carl F. Minzner, ‘Riots and cover-ups: counterproductive control of local agents in China’, *University of Pennsylvania Journal of International Law* 31, (2009), p. 90.

<sup>14</sup>*Ibid.*, p. 120.

<sup>15</sup>Monitoring can take the form of direct police patrols, such as central inspection or central supervision, or fire alarms, such as occasional monitoring by NGOs. For central inspection or central supervision, see Bing Zhang, Xiaolan Chen, and Huanxiu Guo, ‘Does central supervision enhance local environmental enforcement? Quasi-experimental evidence from China’, *Journal of Public Economics* 164, (2018), pp. 70–90; and Chung, ‘Implementation: Changing Norms, Issue-Variance, and Unending Tugs of War’, p. 151. For NGOs, see Anderson et al., ‘Non-Governmental Monitoring of Local Governments Increases Compliance with Central Mandates’, pp. 626–643. For a general review of fire-alarm and police-patrol, see Mathew D. McCubbins and Thomas Schwartz, ‘Congressional oversight overlooked: police patrols versus fire alarms’, *American Journal of Political Science* 28(2), (1984), pp. 165–179.

<sup>16</sup>Li, ‘Zhongguo gonggong zhengce shishi zhong de “zhengce kongchuan” xianxiang yanjiu’ [‘A Study of Symbolic Policy Implementation Phenomenon in China’], pp. 67–68.

**Table 1.** Main features of a principal-agent model of policy implementation in China

Actor	Level of government	Responsibility	Control over provincial policy outputs	Control over provincial policy outcomes
Principal	The central government	Policy formulation and monitoring	Indirect	Indirect
Agent	The provincial government	Policy reformulation and further implementation	Direct	Direct

the final outcomes.<sup>17</sup> In comparison, provincial governments have more control over policy outcomes, as they produce the more concrete policy outputs that directly shape the final policy outcomes.

Principal-agent theory expects that an agent's preferences are quite different from those of the principal.<sup>18</sup> Accordingly, previous research has shown how leaders in different provinces have shown varied attitudes towards a given central policy. For instance, Lieberthal and Oksenberg differentiate three kinds of political leadership in response to central policies. The first is composed of provincial leaders who 'see themselves as agents of the Center' and 'turn their province into a pace-setter'.<sup>19</sup> The second type is provincial defenders, who 'give greater weight to advancing the interests of their locality: hastening its economic development, hoarding resources for its benefit and extracting maximum benefits from the Center'.<sup>20</sup> Lastly, there are provincial leaders who just want to survive, with the primary purpose of hanging on, 'neither defending their province nor acting for the Center', seeking 'neither to be pace-setters nor laggards',<sup>21</sup> and complying only in appearance.

In a similar vein, Cheung classifies three categories of provincial leadership in the implementation of economic reform in eight provinces in China. Firstly there are pioneers, such as the leaders in Shanghai, Guangdong, and Shandong, who tend to 'maximize the room for provincial initiative within the constraints of central policy', and who 'lead their provinces ahead of the rest of the nation in economic reform, whether in depth or pace'.<sup>22</sup> Then there are bandwagoners, such as the leaders in Zhejiang, Fujian, Hainan, and Sichuan, who 'tend to operate within the confines of central policies' and 'often become ardent implementors of economic reform after these schemes are officially promulgated',<sup>23</sup> so that they are less enthusiastic in protecting and defending provincial interests. Lastly there are laggards, such as the leaders in Shaanxi, who do not 'favor change at all' and only pay 'lip service to reform but did little to bring about change in practice'.<sup>24</sup>

Another important assumption of the principal-agent model is the challenge of moral hazard, namely 'the problem of inducing agents to supply proper amounts of productive inputs when their actions cannot be observed and contracted for directly',<sup>25</sup> often due to information asymmetry between the principal and the agents.<sup>26</sup> In the case of China, this is demonstrated by the widespread implementation gap, namely the discrepancy between policy goals at the central level and provincial policy outcomes. More importantly, the implementation gap varies across provinces. Indeed, many studies have shown how performances of policy implementation differ from one province to another. For example, Chung describes some provinces as 'pioneers' in the implementation of

<sup>17</sup>Whiting, 'The cadre evaluation system at the grass roots', p. 101.

<sup>18</sup>Gary J. Miller, 'The political evolution of principal-agent models', *Annual Review of Political Science* 8, (2005), p. 205.

<sup>19</sup>Kenneth Lieberthal and Michel Oksenberg, *Policy Making in China: Leaders, Structures, and Processes* (Princeton, N.J.: Princeton University Press, 1988), pp.345–346.

<sup>20</sup>*ibid.*, p. 346.

<sup>21</sup>*ibid.*, p. 347.

<sup>22</sup>Cheung, 'Introduction: provincial leadership and economic reform in post-mao China', p. 25.

<sup>23</sup>*ibid.*, p. 25.

<sup>24</sup>*ibid.*, p. 26. Many other studies also investigate the variations of provincial leadership. See: Donaldson, 'Why do similar areas adopt different developmental strategies', pp. 434–436; Hans Hendrischke and Chongyi Feng, ed., *The Political Economy of China's Provinces: Comparative and Competitive Advantage* (London and New York: Routledge, 1999), p. 201; John Fitzgerald, ed., *Rethinking China's Provinces* (London and New York: Routledge, 2002), p. 175.

<sup>25</sup>Bengt Holmstrom, 'Moral hazard in teams', *The Bell Journal of Economics* 13(2), (1982), p. 324.

<sup>26</sup>Bengt Holmstrom, 'Moral hazard and observability', *The Bell Journal of Economics* 10(1), (1979), p. 74; Miller, 'The political evolution of principal-agent models', p. 205; Terry M. Moe, 'The new economics of organization', *American Journal of Political Science* 28(4), (1984), p. 755.

decollectivization policy. They operationalize and implement these controversial policies long before the central government begins to push in this direction.<sup>27</sup> He describes most provinces as 'bandwagoning'; these provinces 'avoid pushing ahead with a controversial policy or lagging too far behind in implementing it since both might entail enormous political costs.'<sup>28</sup> Lastly, there are resisting provinces.<sup>29</sup> Following this typology, Wang looks into the variations of provincial outcomes in implementing macroeconomic regulation and control policies. In particular, provinces such as Beijing, Tianjin, Ningxia, and Xinjiang are pioneering, while provinces such as Neimenggu, Shanxi, and Heilongjiang are bandwagoning. Lastly, provinces such as Liaoning and Anhui are resisting.<sup>30,31</sup>

Despite the rich mappings of the varied provincial preferences towards central policies and the wide range of policy outcomes in China, a knowledge gap remains when it comes to the variation of provincial policy reformulation. Theoretically, as agents of the central government, provincial governments have ample discretion in policy reformulation, according to the much-highlighted norm of 'implementation according to local conditions' (因地制宜). Therefore, the authors would expect provincial policy reformulation to vary from place to place. However, such variations have not been much researched so far, so a study on this dimension could complement the many previous studies. Empirically, an understanding of provincial policy reformulation can also help to address the widespread implementation gaps in China. Since policy reformulation produces policy outputs, one may expect that the variations of provincial policy outputs may have contributed to the varied policy outcomes across China. In order to reduce the implementation gaps in China, one might find some tools and mechanisms that enable provincial governments to reformulate central policies into more effective policy outputs. And the authors believe an understanding of the strategies of provincial reformulation can be a first step in that endeavor.

## A Typology for Strategies of Provincial Policy Reformulation

In the Chinese context, implementation typically features 'flexibility and fine-tuning at the provincial level because the provincial government is often given the discretion to decide on the details and schedule of implementation.'<sup>32</sup> It follows that, as an agent of the central government, a provincial government often needs to take two aspects of reformulation into consideration. Firstly, what is the timing (the schedule) of policy reformulation? In other words, how quickly do provinces reformulate a central policy into an operational policy output? When a central policy is delivered, a provincial government needs to evaluate the extent to which it requires a reprioritization of the existing provincial policy landscape. An urgent central policy might be deemed non-urgent as it may conflict with existing provincial policies, and thus ending up being delayed. Therefore, the time used to craft a reformulation, including a choice to postpone action, is an important dimension to consider. When compared with other provinces, one provincial government's reformulation can be considered as either 'ahead' or 'delayed'.<sup>33,34</sup>

<sup>27</sup>Chung, *Central Control and Local Discretion in China*, p. 87. Anhui, Gansu, Guangxi, Guizhou, Ningxia, and Sichuan fall into this category.

<sup>28</sup>*Ibid.*, p. 110. Fujian, Guangdong, Hebei, Henan, Hubei, Jiangxi, Neimenggu, Qinghai, Shaanxi, Shandong, Shanxi, and Zhejiang are bandwagoners.

<sup>29</sup>*Ibid.*, p. 137. Heilongjiang, Jilin, and Liaoning are described as resisters.

<sup>30</sup>Chia-Chou Wang, 'Pioneering, bandwagoning and resisting: the preferences and actions of Chinese Provinces in the implementation of macroeconomic regulation and control policies', *The Journal of Contemporary China* 24(92), (2015), pp. 315–337.

<sup>31</sup>On the variation of social health insurance provision in China's provinces, see also: Xian Huang, 'Four worlds of welfare: understanding subnational variation in Chinese social health insurance', *The China Quarterly* 222, (2015), pp. 449–474.

<sup>32</sup>Cheung, 'Introduction: provincial leadership and economic reform in post-mao China', p. 10.

<sup>33</sup>Previous studies have also highlighted the timing dimension of policy implementation in China. See *ibid.*, p. 27; Lan Xue and Jing Zhao, 'Truncated decision making and deliberative implementation: a time-based policy process model for transitional China', *Policy Studies Journal* 48(2), (2020), pp. 298–326.

<sup>34</sup>Li and Zhou propose a promotion tournament model to explain economic development in China. They find that provincial leadership competes for promotion based on economic performance. In line with that, provincial governments might also compete in policy reformulation, both on the timing dimension and on the content dimension (see later paragraphs). See

**Table 2.** Strategies of policy reformulation

Policy content		Timing	
		Ahead	Delayed
Constructive Passive		Innovative	Defensive
		Conservative	Perfunctory

Secondly, a provincial government must carefully assess the content (the operational details) of its policy reformulation. To what extent should they adapt the intentions of the central policy to favor their own provincial context? Should they comply with the central principal's policy guidelines strictly, or should they pursue their own policy preferences at the same time? Therefore, the policy content dimension is also very important. A 'constructive' policy reformulation refers to the inclusion of a high degree of locally relevant inputs into the policy content. In comparison, a 'passive' policy reformulation shows weak local initiatives and demonstrates strong adherence to a central policy.

Based on the variations in these two dimensions, Table 2 shows an idealized typology of provincial policy reformulation strategies: innovative, defensive, conservative, or perfunctory.

In the *innovative* scenario, the provincial government reformulates a central policy ahead of some other provinces while constructively putting more local inputs into the policy content, thus adapting the central policy more self-consciously to provincial particularities. This strategy largely echoes previous accounts of pioneer-style provincial leadership.<sup>35</sup> A *defensive* strategy shares the same quality of an innovative strategy in more tailoring of a central policy to local context, but accomplishes this in a passive way, often with delayed policy output. This strategy echoes previous accounts of defender-style leadership.<sup>36</sup> A *conservative* strategy is characterized by relatively few local inputs, yet with speedy policy output, indicating that the provincial government is acting more as a loyal agent of the central government.<sup>37</sup> Lastly, provinces that follow a *perfunctory* strategy delay their policy reformulation in comparison to other provinces and, when the document finally appears, it includes few local inputs. This strategy exhibits a quality of the 'survivor'<sup>38</sup> type of provincial leadership, basically showing activeness in neither the timing dimension nor the policy content dimension.

## Operationalizing the Typology in Social Policy Implementation

### *Empirical Context: provincial Documents as Policy Outputs of Central Social Opinions*

In order to operationalize the four different strategies and explore their spatial and temporal dynamics, the authors designed and populated a unique dataset comprised of policy documents from all provincial governments.<sup>39</sup> Those documents are the policy outputs of 111 central opinions in the sector of social policy from 2003 to 2017.

According to *The Constitution of the People's Republic of China*, the division of functions and powers between the central and local state organs is guided by the principle of 'giving full scope to the initiative and enthusiasm of the local authorities under the unified leadership of the central authorities' (Chapter One, Article Three).<sup>40</sup> The State Council is responsible for macro-management

Hongbin Li and Li-An Zhou, 'Political Turnover and Economic Performance: The Incentive Role of Personnel Control in China', *Journal of Public Economics* 89(9–10), (2005), pp. 1743–1762.

<sup>35</sup>Cheung, 'Introduction: provincial leadership and economic reform in post-mao China', p. 25; Chung, *Central Control and Local Discretion in China*, p. 87.

<sup>36</sup>Lieberthal and Oksenberg, *Policy Making in China*, p. 346.

<sup>37</sup>This is also a typical type of provincial leadership, for example, in Jiangsu province, see: J. Bruce Jacobs, 'Uneven Development: Prosperity and poverty in Jiangsu', in *The Political Economy of China's Provinces: Competitive and Comparative Advantage*, ed. Hans Hendrischke et al. (London and New York: Routledge, 1999), p. 143.

<sup>38</sup>Lieberthal and Oksenberg, *Policy Making in China*, p. 347.

<sup>39</sup>Excluding Hong Kong, Macau, and Taiwan.

<sup>40</sup>The National People's Congress of the People's Republic of China, 'Zhonghua renmin gongheguo xianfa' ['Constitution of the People's Republic of China'], accessed May 5, 2021, [http://www.npc.gov.cn/zgrdw/englishnpc/Constitution/node\\_2825.htm](http://www.npc.gov.cn/zgrdw/englishnpc/Constitution/node_2825.htm).

of economic and social affairs through central policies, including 'regulatory documents' (规范性文件), such as opinions. The local governments are then expected to ensure the effective implementation of those opinions. In general, the first step of implementation of policy opinions from the State Council is a provincial reformulation of the opinion's vision into an implementable policy document.<sup>41</sup> The actual reformulation processes are likely to vary from one opinion to another and from one province to another province. Therefore, probing the reformulation of central opinions at the provincial level can provide insights into implementation dynamics in China.<sup>42</sup>

Previous implementation research has been preoccupied with sectors such as fiscal policies and environmental issues, while social policies have not received sufficient attention.<sup>43</sup> The empirical analysis thus can serve as a complement to these existing studies. The domain of social policy in China is vast. It addresses challenges of social, demographic, and economic change, and aims at improving people's well-being. Given the enormous and enduring regional differences, implementing social policy via effective local initiatives is critical to the realization of China's national socio-economic vision, and thus deserves a careful investigation.

### Data and Measurement

The dataset is drawn from the opinions published on the State Council website from 2003 to 2017.<sup>44</sup> All provinces were directed to implement these opinions. Following Chan et al.'s scope, the authors cover five sectors of social policies in China: social security policy, labor policy, health policy, education policy, and housing policy.<sup>45</sup> In total, there were 111 central opinions issued on these sectors during the period under observation.<sup>46</sup>

In order to find the corresponding provincial policy reformulations of those central opinions, the authors searched manually through Google, Bing, and Baidu, and the pkulaw database.<sup>47</sup> Documents were located by searching on the key terms of each selected opinion's title, together with the name of the province. For instance, one might search for 'Beijing' and 'on the deepening reform of examination and enrolment system', which is a key term of the *State Council's Implementing Opinion on the Deepening Reform of Examination and Enrolment System*. In this way, the policy document that presented the Beijing government's reformulation was discovered, namely *Beijing's*

<sup>41</sup>Li, 'Zhongguo gonggong zhengce shishi zhong de "zhengce kongchuan" xianxiang yanjiu' ['A Study of Symbolic Policy Implementation Phenomenon in China'], p. 65. This reformulation is often explicitly required by the State Council opinion itself.

<sup>42</sup>The following example gives a brief picture of the whole reformulation process. The *State Council's Implementing Opinion on the Deepening Reform of Examination and Enrolment System* was formulated by the Ministry of Education, with the help of other central ministries. On 3 September 2014, it was issued to provincial governments. According to this opinion, each provincial government was required to reformulate this opinion into schemes. For instance, based on this opinion, the Education Department of Hebei Province formulated an *Implementing Scheme on the Deepening Reform of Examination and Enrolment System*, which was approved by the Hebei Provincial Government and issued in the name of Hebei Provincial Government on 21 February 2016. See: State Council, 'Jiaoyubu jieshao guanyu shenhua kaoshi zhaosheng zhidu gaige de shishi yijian youguan qingkuang' ['Ministry of Education Introduces the State Council's Implementing Opinion on the Deepening Reform of Examination and Enrolment System'], accessed May 5, 2021, [http://www.gov.cn/xinwen/zb\\_xwb28/](http://www.gov.cn/xinwen/zb_xwb28/); Hebei Education Examinations Authority, 'Guanyu shenhua kaoshi zhaosheng zhidu gaige de shishi fangan zhengce jiedu' ['Interpreting the Implementing Scheme on the Deepening Reform of Examination and Enrolment System'], accessed May 5, 2021, <http://www.hebeea.edu.cn/html/ptgk/zcdh/2016/0229-181958-913.html>

<sup>43</sup>For a discussion on this topic, see Shih-Jiunn Shi, 'Social decentralization: exploring the competitive solidarity of regional social protection in China', *Journal of Asian Public Policy* 10(1), (2017), p. 76; and Xufeng Zhu, 'Dynamics of Central-Local Relations in China's Social Welfare System', *Journal of Chinese Governance* 1(2), (2016), p. 251.

<sup>44</sup>State Council, 'Zuixin zhengce' ['Latest policies'], accessed May 5, 2021, <http://www.gov.cn/zhengce/index.htm>

<sup>45</sup>Chak K. Chan, King L. Ngok, and David Phillips, *Social Policy in China: Development and Well-Being* (Bristol, U.K: Policy Press, 2008), p. vi.

<sup>46</sup>Among the 111 central opinions, 18 are in the education sector, 29 in health, 33 in labor, 26 in social security, and five in the housing sector.

<sup>47</sup>Beida Fabao, 'Falv fagui' ['Laws and regulations'], accessed May 5, 2021, <https://www.pkulaw.com/>



*Implementing Scheme on the Deepening Reform of Examination and Enrolment System*.<sup>48</sup> This procedure yielded a total of 2,642 observations.<sup>49</sup>

The novelty of this procedure is that it effectively collects provincial documents as implementation outputs of central social opinions. Meanwhile, the authors acknowledge that a province can be a proactive actor who formulates relevant policy documents before the central opinions came out. Indeed, this is what Heilmann would call 'experimentation under hierarchy'.<sup>50</sup> For instance, Jiangsu and Zhejiang both formulated an opinion on Urban Resident Basic Medical Insurance in April and May of 2007, respectively. However, the *Guiding Opinion of the State Council about the Pilot Urban Resident Basic Medical Insurance* came out in July 2007. It appears that those two provinces are 'experiment points', and then the experiences from them helped the central government formulate an opinion on this issue and promoted it to the whole country. This article's data collection approach excludes Jiangsu and Zhejiang on the ground that they did not formulate a relevant document to implement the State Council's opinion. Therefore, in the dataset, those two observations are treated as missing data. The authors recognize the limitation of this approach for not being able to capture this form of 'pre-implementation' process. However, studying this policy process is beyond the scope of this study. Still, the authors believe since the focus is on social policy, this 'experimentation under hierarchy' will be less salient than in the economic sector. Because improving the provision of social and public goods often goes beyond the short-term interests of most local elites, provincial governments tend to have weaker incentives to conduct policy experiments in social policy sector.<sup>51</sup>

### **Measuring the Timing Dimension of Reformulation**

The authors calculated the number of days between the date when the central opinion was officially issued and the official document date of the corresponding provincial reformulation. For instance, the General Office of the State Council issued its *Opinion on Developing Commercial Endowment Insurance* on 29 June 2017, and the implementing scheme formulated by the Financial Office of Yunnan Province<sup>52</sup> was issued in the name of the General Office of Yunnan Province on 31 January 2018.<sup>53</sup> Accordingly, the reformulation time is measured as 216 days.

### **Measuring the Policy Content Dimension of Reformulation**

In his study of the local documents formulated to implement one central opinion on the issue of food safety, Li finds that provincial governments pursued one of the following three strategies to reformulate a central opinion, including directly transferring the central opinion to lower levels of government (so there is no change of the central opinion), copying and pasting large parts of the central opinion without big change (which turned out to be the most typical way), and carefully

<sup>48</sup>When provincial governments reformulate central opinions, they normally refer directly to central opinions in their introduction, using the terms such as 'in order to implement (a specific central opinion)', or 'according to (a specific central opinion)'. This was the criterion for finding the provincial documents. In a very few cases where more than one provincial document referred to the same central opinion, the one with the closest relationship to the central opinion was chosen.

<sup>49</sup>Simple arithmetic indicates that 111 opinions multiplied by 31 provinces yields an expectation of 3441 policy reformulations. There are three main explanations for the missing data. First, the central opinion is not relevant for a province, as this province had already implemented policies that spoke to the opinion. Second, the province is non-compliant and did not formulate a document. Third, the document exists but is unavailable online. While missing data can be a challenge, the results are still valuable and, especially in the case of China, are the most comprehensive one can get.

<sup>50</sup>Sebastian Heilmann, 'From Local Experiments to National Policy: The Origins of China's Distinctive Policy Process', *The China Journal* 59, (2008), pp. 1–30.

<sup>51</sup>Sebastian Heilmann, 'Policy Experimentation in China's Economic Rise', *Studies in Comparative International Development* 43(1), (2008), p. 23.

<sup>52</sup>People's Government of Yunnan Province, 'Jiedu Yunnansheng renmin zhengfu bangongting guanyu jiakuai fazhan shangye yanglao baoxian de shishi yijian' ['Interpretations of The General Office of Yunnan Government's Implementing Opinion on Speeding up the Development of Commercial Endowment Insurance'], February 13, 2018, accessed January 7, 2020, [http://www.yn.gov.cn/zwgk/zcjd/bmjd/201904/t20190404\\_155065.html](http://www.yn.gov.cn/zwgk/zcjd/bmjd/201904/t20190404_155065.html).

<sup>53</sup>People's Government of Yunnan Province, 'Yunnansheng renmin zhengfu bangongting guanyu jiakuai fazhan shangye yanglao baoxian de shishi yijian' ['The General Office of Yunnan Government's Implementing Opinion on Speeding up the Development of Commercial Endowment Insurance'], February 6, 2018, accessed January 7, 2020, [http://www.yn.gov.cn/zwgk/zcwj/zxwj/201910/t20191031\\_183811.html](http://www.yn.gov.cn/zwgk/zcwj/zxwj/201910/t20191031_183811.html).

adding details to the central opinion.<sup>54</sup> Inspired by Li, the authors use the degree of text similarity between each central opinion and the corresponding provincial document as an indicator of the constructiveness dimension of the policy content. This is based on the assumption that effective policy implementation requires that ‘this policy has been successively adjusted to local requirements and conditions’.<sup>55</sup> It is assumed that lower degrees of text similarity indicate higher degrees of constructiveness with more local inputs.<sup>56</sup> In order to measure the degree of text similarity between each central opinion and a corresponding provincial document, the function *stringsim* from R package *stringdist* was used.<sup>57</sup> The function compares two strings of characters and produces a number between 0 and 1, with 1 meaning 100 percent similarity between the two texts and 0 meaning they are completely different. As the *stringsim* function is mostly used for English, several validation checks were performed; the results can be found in Appendix.

### Operationalizing the Four Strategies

Based on the measurement of the time used to produce a reformulation and the constructiveness of the policy content, the authors coded each provincial document into one of the four reformulation strategies for each given central opinion, as shown in Table 3. Firstly, in order to identify each provincial document as either ahead or delayed in terms of timing, the authors chose the national average reformulation time of each central opinion as a benchmark.<sup>58</sup> Then the authors subtracted the reformulation time of each provincial document from this national average. If the result is positive, then it indicates that the provincial government is relatively slow to reformulate the corresponding central opinion into a provincial policy document. On the other hand, a negative result means that the provincial government takes less than the national average time to reformulate the central opinion into an implementable policy.

Similarly, in order to differentiate each document as either constructive or passive in terms of policy content, the authors determined the national average level of text similarity of each central opinion and set this level as a benchmark. Then the authors subtracted the degree of text similarity of each provincial document from this national average. If the result is positive, it means the provincial government is copying and pasting more than the national average level for a given central opinion. On the contrary, if the result is negative, it shows the provincial government is more active and putting more local inputs into the policy output than the national average level.

**Table 3.** Operationalization of the four strategies of reformulation for a given central opinion

	Negative result on timing ≤ national average reformulation time	Positive result on timing > national average reformulation time
Negative result on text similarity ≤ national average degree of text similarity	Innovative	Defensive
Positive result on text similarity > national average degree of text similarity	Conservative	Perfunctory

<sup>54</sup>Li, ‘Zhongguo gonggong zhengce shishi zhong de “zhengce kongchuan” xianxiang yanjiu’ [‘A Study of Symbolic Policy Implementation Phenomenon in China’], pp. 71–72.

<sup>55</sup>Anna L. Ahlers and Gunter Schubert, ‘Effective policy implementation in China’s local state’, *Modern China* 41(4), (2015), p. 377.

<sup>56</sup>In theory, it is possible that a lower degree of similarity may be because a provincial government simply rephrases the same sentences from the central opinion into its own policy document. In this situation, a lower degree of similarity does not necessarily entail more local inputs. However, as Li’s study indicates, most provincial governments actually do not bother to rephrase the contents of central opinions. Instead, they typically just copy the same texts and paste them into their own documents. See Li, ‘Zhongguo gonggong zhengce shishi zhong de “zhengce kongchuan” xianxiang yanjiu’ [‘A Study of Symbolic Policy Implementation Phenomenon in China’], pp. 71–72.

<sup>57</sup>Mark van der Loo, ‘Package “stringdist”’, last modified October 21, 2019, accessed January 7, 2020, <https://cran.r-project.org/web/packages/stringdist/stringdist.pdf>.

<sup>58</sup>Using a national average as a benchmark is not new. Chung uses the national average level of decollectivization as the benchmark in his exploration of the relative speed of provincial implementation of farming reform policies. Wang uses the national average level of investment as the benchmark for his analysis of comparative implementation of regulation reform. See Chung, *Central Control and Local Discretion in China*, pp. 64–65; Wang, ‘Pioneering, bandwagoning and resisting’, p. 327.

If a provincial document has two negative results, then this provincial government not only reformulates the central opinion relatively quickly, but also adds more local inputs into the policy content. Accordingly, the authors coded this provincial government as pursuing an innovative strategy to reformulating the central social opinion under observation. The same logic was applied to the other three strategies: conservative (quicker, fewer inputs), defensive (slower, more inputs), and perfunctory (slower, fewer inputs). In this way, the authors operationalized the reformulation strategy of each provincial government for a given central social opinion.

Then, the authors carried out this operationalization procedure for all 111 central social opinions, calculating the proportion of each strategy for each province. For instance, in the case of Shanghai, the database includes 73 observations.<sup>59</sup> Out of the 73 policy documents, Shanghai was perfunctory six times (8 percent), defensive 42 times (57 percent), innovative 21 times (30 percent), and conservative four times (5 percent). The authors followed the same procedure to determine the proportions of all four strategies for each provincial government.

## Reformulation Strategies of Social Policy Opinions in Provincial China, 2003–2017

Based on the data and the operationalization as described in the last section, the authors explored the spatial and temporal dynamics of each provincial government's reformulation strategies of social policy opinions from 2003 to 2017. The authors present the results in three steps. Firstly, the authors provide an overview of the configuration of reformulation strategies for each province. In particular, the authors focus on the preferred strategy of each province and show how provincial governments use the four strategies differently. Then, in the next two steps, the authors report each province's leading strategy and then explore its temporal changes.

### *The Configuration of Provincial Strategies and Their Preferred Strategies*

Figure 1 presents the configurations of each provincial government in reformulating the central social policy opinions from 2003 to 2017. It is clear that the four strategies are employed very differently from one province to another. In theory, if a provincial government has no preference among the four strategies, then each province should end up with an equal distribution of the four strategies. However, only Guangxi and Hunan seem to conform to this idealized picture. Therefore, the variations of configuration among the provinces comprise a puzzle to be explored.

In particular, if one defines the strategy that occupies a higher proportion than 25 percent out of all the strategies as a preferred strategy, then different provincial governments have very different preferred strategies.<sup>60</sup> Four provincial governments had just one preferred strategy. Of these, Chongqing, Jiangsu, and Jilin preferred to be innovative, while Henan province preferred to be conservative. Twenty-three provincial governments, such as Anhui and Fujian, showed two preferred strategies. Among those provinces, some such as Anhui preferred mostly to be ahead in terms of the timing dimension, irrespective of the policy content dimension. Others, like Beijing and Shanghai, mostly preferred to be constructive in terms of the policy content dimension, irrespective of the timing dimension. Finally, four provincial governments exhibited three preferred strategies and tried

<sup>59</sup>Shanghai's policy reformulations could not be located for 38 central government opinions. Similarly, all other provinces have a number of missing data. On average, each province has around 25 missing documents, which account around 22 percent (25/111) of the data. The configuration of the four strategies in each province is likely to change if missing data were available. Indeed, this is one of the major reasons why this study is exploratory, instead of explanatory.

<sup>60</sup>It should be noted that a preferred strategy may not be hugely different from other strategies. For instance, both Guangxi and Hunan have quite equal distributions of the four strategies. However, the purpose of this study is mainly to explore the between-province variations (i.e. distribution of preferred strategies across provinces), instead of within-province variations (i.e. distribution of the four strategies within each province). Moreover, in the long term, there should be a shifting of preferred strategies within each province when more data are available. The following section on the shifting of the leading strategy is a good example of this.



Figure 1. Overview of provincial strategies.

to avoid one. Among these, Hainan, Hubei and Tianjin mostly avoided being perfunctory, while Xinjiang mostly avoided being innovative.

### The Leading Strategy of Each Provincial Government

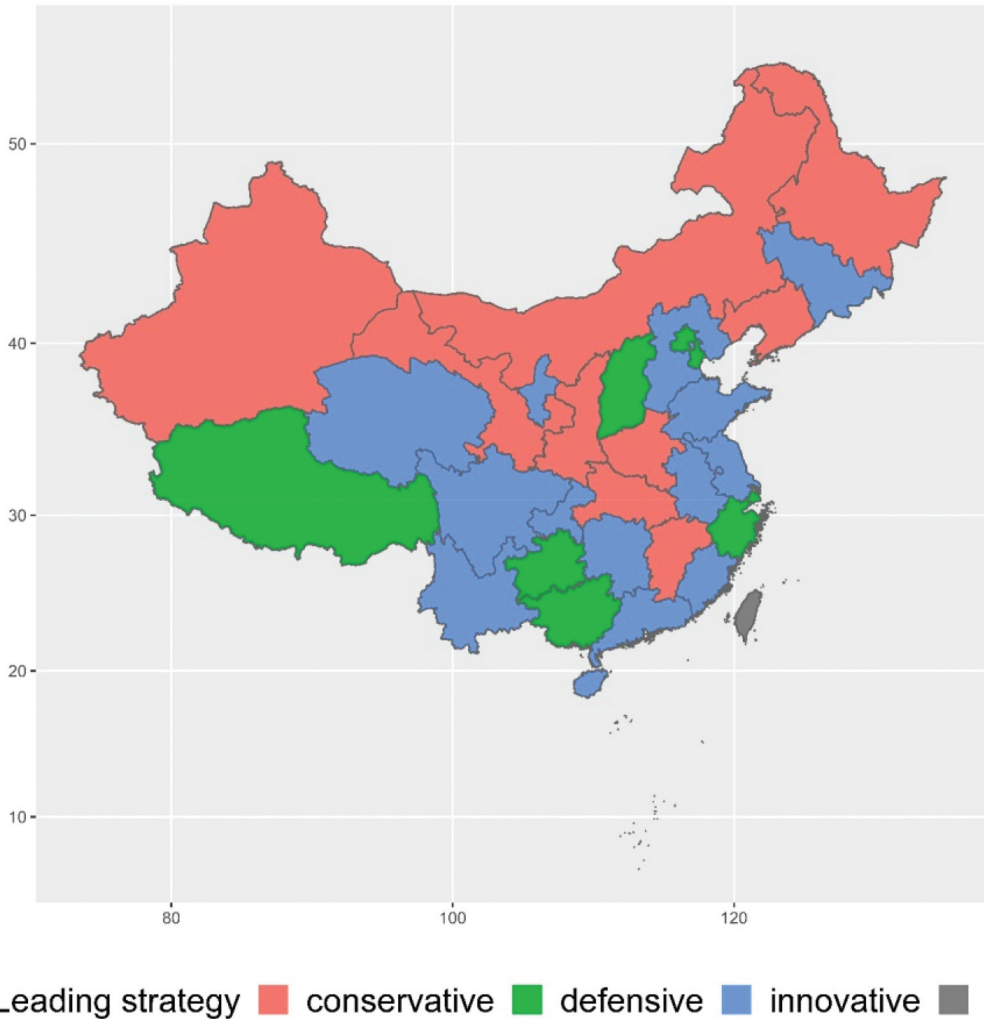
Figure 2 presents the leading strategy of each provincial government in reformulating social policy opinions in China from 2003 to 2017. By a leading strategy the authors mean each provincial government’s most-preferred strategy.<sup>61</sup> The reason for focusing on the leading strategy is that the authors share Chung’s assumption that ‘there may be distinct local norms of interacting with Beijing and such norms may not change frequently. The relative resilience of such norms thus allows that province to respond to central policies in a relatively consistent manner.’<sup>62</sup> Leading strategies are consistent with the province’s most resilient norms, and thus deserve special attention.<sup>63</sup>

Fourteen provincial governments took being innovative as their leading strategy, such as Anhui, Fujian, and Guangdong. Most of these provinces are located in the eastern coastal area or the country’s south or southwest portions. Eight provincial governments took defensiveness as their

<sup>61</sup>For example, Shanghai is an easy case: it pursued a defensive strategy in 58 percent of its policy reformulations. In comparison, Anhui is a bit more complicated. Innovation is identified as its leading strategy, as this strategy was pursued during 38 percent of its reformulations, while a conservative strategy was also pursued 36 percent of the time.

<sup>62</sup>Jae Ho Chung, ‘Shandong’s Strategies of Reform in Foreign Economic Relations: Preferential Policies, Entrepreneurial Leadership, and External Linkages’, in *Provincial Strategies of Economic Reform in Post-Mao China: Leadership, Politics and Implementation*, ed. Peter T.Y. Cheung et al. (Armonk, NY: Sharpe, 1998), p. 257.

<sup>63</sup>Like the preferred strategy, in some provinces, a leading strategy may occupy just a slightly higher percentage than another strategy, such as Hunan and Hainan. Still, since the primary focus is on between-province variation instead of within-province variation, it should be a valid measurement in this study.



**Figure 2.** Provincial leading strategy of social policy opinions reformulation from 2003 to 2017.

leading strategy: Beijing, Guangxi, Guizhou, Shanxi, Shanghai, Tianjin, Tibet, Zhejiang. Lastly, nine provincial governments took conservatism as their leading strategy, such as Gansu and Henan. Interestingly, most of these provinces tend to be located in north or central China.

What is also interesting is that no provincial government took perfunctoriness as their leading strategy in reformulating central social policy opinions. However, this does not mean that no provincial government was ever perfunctory when reformulating a central opinion. [Figure 3](#) shows that provincial governments were often perfunctory, especially Guizhou, Xinjiang, Hunan, Guangxi, Shanxi, Henan, Tibet and Heilongjiang, each of which displayed perfunctory tendencies more than 20 percent of the time.

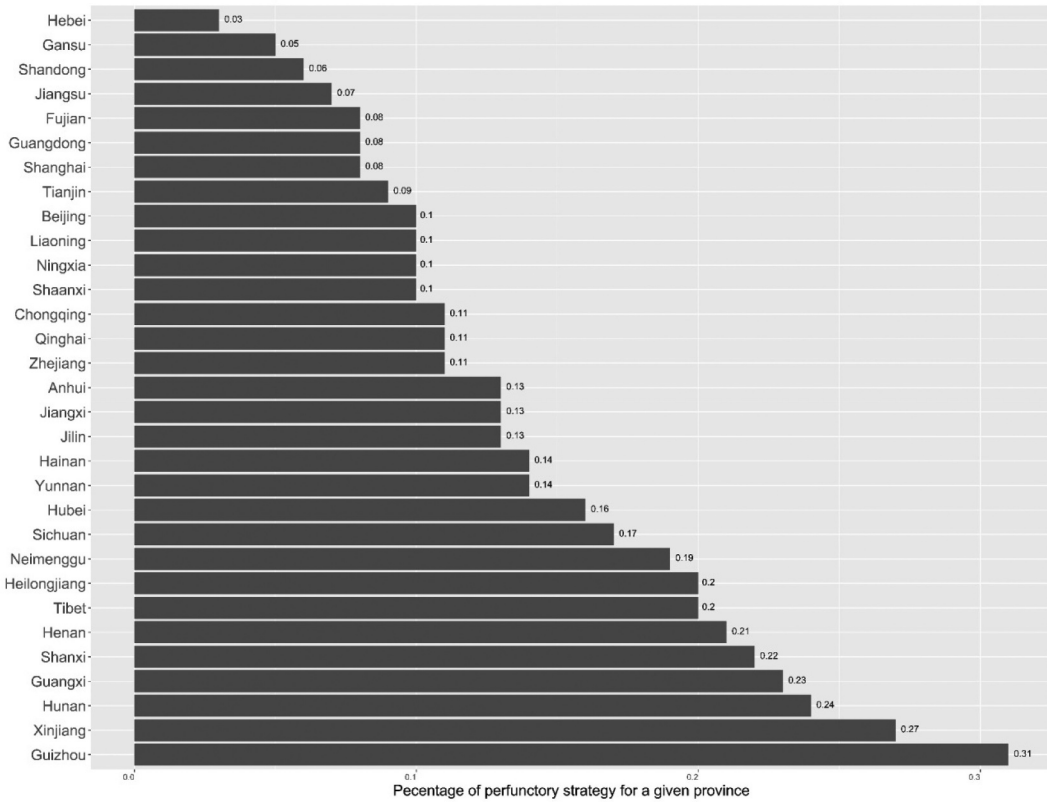


Figure 3. Perfunctory strategy from 2003 to 2017.

### The Changing Leading Reformulation Strategies of Provincial Governments in Social Policy Opinions

In this section, the authors explore whether provincial governments change their leading strategies over time. Policy implementation dynamics may be associated with the degree of local autonomy. Within the time covered in the dataset, the period 2003–2012 under the ‘Hu-Wen administration’ is characterized with relatively decentralized governance, allowing provinces to be more autonomous.<sup>64</sup> In contrast, the following period 2013–2017 under the ‘Xi-Li administration’ features a notable trend of re-centralization, when provinces became constrained in their discretion.<sup>65</sup> Therefore, an interesting comparison could be drawn between those two periods.

Table 4 shows the leading strategies of each province in each period. The picture is quite mixed. Firstly, several provincial governments used the same leading strategy during both periods. Anhui, Gansu, Guangxi, Ningxia, Qinghai, Yunnan and Chongqing, remained mostly innovative. Heilongjiang preferred most a conservative approach. Shanxi was similarly consistent in its highest preference for a defensive strategy.

Secondly, some provincial governments became more innovative during the more centralized period. For instance, Fujian, Guangdong, Hebei, Jiangsu, Shaanxi, Sichuan shifted from being mostly conservative to being mostly innovative. Hunan was almost equally defensive and conservative

<sup>64</sup>Andrew C. Mertha, ‘Chinas Soft Centralization: Shifting Tiao/Kuai Authority Relations’, *The China Quarterly* 184, (2005), p. 791.  
<sup>65</sup>Sangkuk Lee, ‘An Institutional Analysis of Xi Jinping’s Centralization of Power’, *The Journal of Contemporary China* 26(105), (2017), pp. 325–336.

**Table 4.** Provincial leading strategies under the two administrations

Province	Leading strategy (2003–2012)	Leading strategy (2013–2017)
Anhui	innovative	innovative
Beijing	innovative	defensive
Fujian	conservative	innovative
Gansu	innovative	innovative
Guangdong	conservative	innovative
Guangxi	innovative	innovative
Guizhou	conservative	defensive
Hainan	innovative	defensive
Hebei	conservative	innovative
Henan	conservative	defensive
Heilongjiang	conservative	conservative
Hubei	innovative; defensive	conservative
Hunan	defensive; conservative	innovative
Jilin	defensive	innovative
Jiangsu	conservative	innovative
Jiangxi	conservative	innovative; conservative
Liaoning	innovative	conservative
Neimenggu	innovative; conservative	conservative
Ningxia	innovative	innovative
Qinghai	innovative	innovative
Shandong	innovative	defensive
Shanxi	defensive	defensive
Shaanxi	conservative	innovative
Shanghai	innovative; defensive	defensive
Sichuan	conservative	innovative
Tianjin	innovative; defensive	defensive
Tibet	innovative	defensive
Xinjiang	innovative	perfunctory
Yunnan	innovative	innovative
Zhejiang	innovative	innovative; defensive
Chongqing	innovative	innovative

Note: Provinces with two leading strategies happen because they have the same proportions, presumably due to the reduced number of observations in each subset of the data.

during the Hu–Wen period, but shifted to being primarily innovative under the Xi–Li administration. Conversely, Jiangxi changed from a single leading strategy of being defensive to dual leading strategies: conservative and innovative.

Thirdly, some provincial governments tended to be more defensive during re-centralization. For instance, Beijing, Hainan, Shandong all changed from being primarily innovative to defensive. Guizhou and Henan changed from being mostly conservative to defensive. Both Shanghai and Tianjin changed from dual innovative/defensive leading strategies to being defensive. For its part, Zhejiang changed from a single leading strategy, being innovative, to a dual leading strategy of being innovative and defensive.

Fourthly, a few provincial governments turn out to have been more conservative after recentralization. Among them, Hubei changed from dual leading strategies of being innovative and defensive to being mostly conservative; Liaoning changed from being primarily innovative to conservative; and Neimenggu changed from being mostly innovative and conservative to pursuing a single leading strategy of being conservative.

Lastly, while the previous section's analysis of data for the entire 2003–2017 period does not find the perfunctory strategy to be the leading choice of any province, a more granular analysis reveals Xinjiang's exceptional transition from being primarily innovative to being primarily perfunctory.

**Table 5.** Reformulation strategies and implementation outcomes of the State Council's Opinion on Household Registration System reform in 2014

Province	Strategy	Urbanization rate (2014)	Urbanization rate (2017)	Average urbanization rate within group (2014)	Average urbanization rate within group (2017)	Average increase within group				
Fujian	Innovative	61.80	64.80	50.43	55.20	4.77				
Guizhou		40.01	46.02							
Hebei		49.33	55.01							
Henan		45.20	50.16							
Qinghai		49.78	53.07							
Shandong		55.01	60.58							
Shaanxi		52.57	56.79							
Anhui		Conservative	49.15				53.49	52.04	55.66	3.62
Guangxi			46.01				49.21			
Heilongjiang			58.01				59.40			
Hunan			49.28				54.62			
Jilin			54.81				56.65			
Jiangsu			65.21				68.76			
Jiangxi			50.22				54.60			
Ningxia			53.61				57.98			
Shanxi			53.79				57.34			
Sichuan	46.30		50.79							
Xinjiang	46.07		49.38							
Beijing	Defensive		86.35	86.50	64.30	66.36	2.06			
Guangdong			68.00	69.85						
Hainan			53.76	58.04						
Liaoning			67.05	67.49						
Shanghai			89.60	87.70						
Tibet		25.75	30.89							
Chongqing		59.60	64.08							
Hubei		Perfunctory	55.67	59.30				60.81	63.79	2.98
Neimenggu			59.51	62.02						
Tianjin			82.27	82.93						
Yunnan			41.73	46.69						
Zhejiang			64.87	68.00						

Note: based on data from China Statistical Yearbook, 2018. National Bureau of Statistics, 'Zhongguo tongji nianjian 2018' ['China Statistical Yearbook, 2018'], accessed 5 May 2021, <http://www.stats.gov.cn/tjsj/ndsj/2018/indexch.htm>. Gansu is excluded due to missing data.

## Contextualizing the Typology: a Preliminary Case Study of the Household Registration System Reform

The previous section has shown the dynamics of the four reformulation strategies across provinces based on a novel dataset. In order to illustrate how the typology can meaningfully deepen the understanding of policy implementation in China, the authors have conducted a preliminary case study of the Household Registration System reform.

In July 2014, the central government issued *the Opinion of the State Council on Further Promotion of Reform of the Household Registration System* (hereafter referred as the State Council's Opinion).<sup>66</sup> According to this, all provincial governments are required to reformulate the State Council's Opinion into an implementable policy document. As Table 5 shows, provincial governments adopted quite different strategies.

Why did provincial governments opt for such different strategies? First, one key factor seems to be the initial urbanization rate in each province, which influences the timing dimension of reformulation (i.e. quick reformulation or delayed reformulation). The State Council's Opinion was aimed primarily to increase the urbanization rate in China. Indeed, from the National Plan on New

<sup>66</sup>State Council, 'Guowuyuan guanyu jinyibu tuijin hujizhidu gaige de yijian' ['The Opinions of the State Council on Further Promotion of Reform of the Household Registration System'], July 30, 2014, accessed July 24, 2020, [http://www.gov.cn/zhengce/content/2014-07/30/content\\_8944.htm](http://www.gov.cn/zhengce/content/2014-07/30/content_8944.htm).



Urbanization (2014–2020),<sup>67</sup> it is clear that the target is, by 2020, to achieve an urbanization rate of 60 percent for permanent urban residents, and to resettle approximately 100 million rural migrant workers in cities and towns. As Table 5 shows, in 2014, the average urbanization rate within the provinces which adopted an innovative strategy or a conservative strategy, was well below the target. In contrast, the provinces taking a defensive or perfunctory strategy, had an average urbanization rate higher than the target. Therefore, this suggests that different levels of the initial urbanization rate put different degrees of the pressure on the provincial governments, which prompts them to reformulate the State Council's Opinion sooner or later.

Second, in terms of the content dimension of reformulation, it seems the provincial leadership's attention is an important factor. For instance, provincial party secretaries and provincial governors in both Guizhou and Henan have paid special attention to the Household Registration System reform.<sup>68</sup> The leadership's attention might explain why those provinces put more local inputs into policy outputs. Other good examples are Beijing, Shanghai, and Guangdong, where the leadership was very concerned with limiting local population, due to the special status of Beijing, Shanghai, Shenzhen, and Guangdong city. Therefore, they also took more local particularities into consideration and reformulated the general and broad State Council's Opinion into more locally implementable policies.

Another important question is to investigate whether the four different strategies have an influence on implementation outcomes. Indeed, as Table 5 shows, the average increase in terms of urbanization rate differs significantly across the four different groups. Provinces taking an innovative strategy saw the biggest average increase from 2014 to 2017. This might be due to its fast policy reformulation, as well as more locally innovative ways to increase urbanization rate. In contrast, provinces adopting a conservative strategy saw a lower average increase, perhaps because they just followed the State Council's Opinion but without much local innovation. As for provinces adopting a defensive strategy, there was the smallest average increase in the urbanization rate, presumably because they were more cautiously trying to control the population (especially Beijing, Shanghai, and Guangdong). Lastly, the provinces adopting a perfunctory strategy did see some increase in the average urbanization rate. It is higher than the average increase in defensive provinces, plausibly because they were less concerned about controlling the population; but it is lower than the conservative and innovative provinces, perhaps because of the delay in reformulation as well as fewer local inputs.

There may be other important factors to be explored. Still, the authors believe that these preliminary analyses do show that the typology helps better understand why, in general, some provinces adopt an innovative strategy (or other strategies), and what might be the consequences from those different strategies. In this regard, this exploratory case study shows that the typology does provide a useful perspective to study policy implementation in China.

## Conclusion, Discussion, and Implications

This article examines the provincial implementation of central social policies in China from a principal-agent perspective. The point of departure is a need to differentiate among provincial leadership's preferences, policy outputs, and policy outcomes. While many previous studies have focused on varied provincial preferences (in terms of provincial leadership) and policy outcomes, less

<sup>67</sup>State Council, 'Guojia xinxing chengzhenghua guihua (2014–2020nian)' ['National Plan on New Urbanization (2014–2020)'], March 16, 2014, accessed July 24, 2020, [http://www.gov.cn/zhengce/2014-03/16/content\\_2640075.htm](http://www.gov.cn/zhengce/2014-03/16/content_2640075.htm).

<sup>68</sup>The State Council Information Office, 'Guizhousheng huji zhidu gaige xinwen fabuhui' ['Press Conference of the Household Registration System reform in Guizhou province'], May 20, 2015, accessed July 24, 2020, <http://www.scio.gov.cn/m/xwfbh/gssxwfbh/xwfbh/guizhou/Document/1434680/1434680.htm>; Yanguang, 'Henan gaige redian jiedu: shenhua huji gaige yuan nongmin jincheng meng' ['Interpreting critical reforms in Henan: deepening the Household Registration System reform, helping farmers achieving the dreaming of living in a city'], November 19, 2014, accessed July 24, 2020, [http://hn.cnr.cn/tbgz/201411/t20141119\\_516805635.shtml](http://hn.cnr.cn/tbgz/201411/t20141119_516805635.shtml).

attention has been paid to the strategies of provincial governments as they reformulate central government policies into implementable policy outputs. Based on a timing dimension and a policy content dimension, the authors propose a typology of policy reformulation strategies, namely an innovative strategy, a defensive strategy, a conservative strategy, and a perfunctory strategy. Lastly, the authors present results based on the analysis of a unique dataset of provincial documents that were reformulated from 111 central social policy opinions and explore the spatial and temporal dynamics of the four strategies. The authors also conduct a preliminary case study into the Household Registration System reform.

In general, the authors find that various provincial governments employ those four strategies in different ways: Firstly, most provincial governments manifest a great deal of flexibility in their choice of strategy; between 2003 and 2017, each provincial government chose every strategy at least occasionally. Different provinces also showed different preferences among those four strategies. Secondly, the perfunctory strategy was not the leading strategy of any province during the whole period. Thirdly, the authors subjected the data to a more granular analysis in order to explore how leading strategies evolved in a recentralized political context. The results suggest that, while a few provincial governments retained their leading strategy, the majority of provinces adopted different leading strategies during the re-centralization period. Lastly, the preliminary case study of the Household Registration System reform indicates that two important factors account for provincial governments' choice of reformulation strategy, namely the initial urbanization rate and the leadership's attention. Moreover, it suggests that different reformulation strategies do have an influence on the urbanization rates across provinces.

This article offers important implications for future studies. Firstly, there is a need to scrutinize in more depth whether and how the variation of the strategies of provincial reformulation results from provincial leadership's preferences. As the preliminary case study indicates, provincial leadership's attention may be one of the important factors shaping the reformulation strategies. Often, provincial leaders do not reformulate a central policy directly. Instead, it is their provincial bureaucracies that are in charge of the process. If this division of labor is in place, then an interesting dynamic can be expected between the preferences of the leader and the outputs of the bureaucracies. For example, does a pioneering leadership style necessarily lead to an innovative policy output? To what extent do provincial bureaucracies follow the preferences of the provincial leadership faithfully and produce policy outputs in line with their preferences? Further studies along these lines will greatly enhance the understanding of the interaction between the provincial leadership (as the principal of the provincial government) and the provincial bureaucracy (as the agent of the provincial leadership).

Secondly, although this article mainly presents findings about variations of policy reformulation, there is much reason to anticipate a correlation between reformulation strategies and the outcomes of policies that are subsequently implemented. Indeed, the preliminary case study suggests that, in general, different reformulation strategies do contribute to different outcomes. That said, more questions can be asked in this direction. For instance, under what conditions may different reformulation strategies actually produce the same implementation outcomes? Or similarly, how to explain the different implementation outcomes that resulted from the same reformulation strategy? Answering those questions will greatly enrich the understanding of the uneven implementation outcomes in China.

Third, the variation in the choice of provincial reformulation strategies might also be conditioned by issue-specific factors. For instance, urgent issues prioritized by the central government,<sup>69</sup> especially those issues emphasized in the Target Responsibility System,<sup>70</sup> may lead to different reformulation strategies at the provincial level.

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<sup>69</sup>Chung, 'Implementation: changing norms, issue-variance, and unending tugs of war', p. 144.

<sup>70</sup>Kevin J. O'Brien and Lianjiang Li, 'Selective policy implementation in rural China', *Comparative Politics* 31(2), (1999), pp. 167–186.

Fourth, this study invites a renewed focus on policy dynamics below the provincial level. For instance, an innovative provincial reformulation may give more incentives to lower-level governments in terms of implementation, thereby contributing to local innovation. Insight into such questions will help highlight the innate complexity of policy implementation in China.

Lastly, while the authors do claim to contribute to the study of policy implementation in China, there are some weaknesses in this study. The authors do not examine organizational dynamics and decision-making processes that might be relevant to the reformulation of central opinions. It is not clear which provincial actors are responsible for the reformulation, and how those actors behave under what institutional environment. Therefore, it remains a black box that needs to be explored. At the same time, the authors acknowledge the difficulty of collecting data in China and think that missing data might be a concern. For instance, in the case of Shanghai, where 38 reformulation documents cannot be accounted for, those missing data might change the configurations of the four strategies considerably. Thus, this article should be understood as an exploratory study. Lastly, the authors recognize the limitations of the theoretical framework. Although insights are drawn from the principal-agent theory, the authors have only focused on the key features of it, most notably moral hazard, asymmetric information, and differences in preferences. The authors recognize that a more nuanced principal-agent model, including conditions such as multiple agents, multiple principals, principals' moral hazard,<sup>71</sup> should be included in future studies. The fragmented Chinese political system deserves no less.

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## Disclosure Statement

No potential conflict of interest was reported by the author(s).

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<sup>71</sup>Miller, 'The political evolution of principal-agent models', pp. 203–225.