



## **Chinese public administration model: a brief literature review**

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### **Abstract/summary**

Popular Republic of China has undergone several rounds of reforms over its recent history, particularly, in last four decades. There is a wide range of literature about the topic and all of them contribute to shed light on how were undertaken the reforming processes in order to assess more clearly how Chinese Public Administration works. From the bureaucratic model, passing through authoritarianism until experimentalism, the literature evidences the specificity of Chinese case, within the range of non-democratic countries. Despite being not consensual, the expression ‘Chinese Model’ has flourished in academic studies and some other buzzwords like ‘hybrid authoritarianism’ or ‘hybrid collaborative model’ appeared to describe Chinese Administration. Cultural factors and ideologies are in the genesis of some ways of governance and later on, economic opening up brought new challenges, namely in what concerns egalitarian redistribution, sustainable development, roles attribution and power sharing amongst different levels of governance. This evolution of Public Administration in China is reviewed in this work and the main features of the different historic phases and new trends are identified in Chinese path towards a good governance applied to all sectors of society.

**Keywords:** bureaucracy; authoritarianism; experimentalism; public administration; Chinese Model

## **Introduction**

Public Administration has been for decades an area of great analysis from scholars addressing it under very diverse perspectives.

The scope of this paper is the Chinese Public Administration, particularly one aims to make a retrospective since the Mao Zedong era until nowadays, in order to clearly define how was the path and what Chinese Public Administration looks like nowadays.

To achieve the goal of this paper, a review of literature in the field of Public Administration in Chinese context was carried out, as there is a considerable amount of scholar production. Despite this fact, it seems scholar works are quite controversial. Therefore, we consider interesting an attempt to explain some descriptive models and to bring together the different perspectives about the current Chinese Model of Public Administration. The methodology to carry out this purpose is detailed in section 2.

Primarily, regarding the object of analysis, we must always bear in mind its context, that is to say, a country with a socialist system in transition. This topic is the one that turns this specific Public Administration so complex, unique and not very easily understandable. Attending to these characteristics, our literature review was based on the following research questions: “Is there a unique and consensual way to define current Chinese Public Administration model?” “What is influencing the most in terms of reforms (considering literature focus): politics or economy?”

The literature review offers a quite clear answer to both research questions; discussion will be developed in section 3.

## **Methodology**

In order to elaborate a literature review, a search in the Elsevier’s Scopus database was performed. The choice of this database is due to the fact that Scopus is the one which contains the most important journals in terms of “Social Sciences”, “Public Policies” and “Chinese Administration” fields. Only papers published in journals after 2000 were selected to this literature review and then other bibliography mentioned in these papers. The selection of scientific paper works was done according to an exhaustive analysis of titles and abstracts. The final sample is composed of 15 articles or book chapters, which were read in full, selected from a universe of 31 articles. The Figure 1 is an illustration of the research strategy.

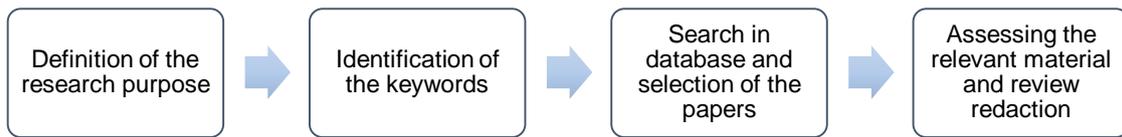


Figure 1. Research Strategy (main steps) of the Systematic Literature Review adopted in this work

The review considered articles that focus on historic period going from 1949 until our days.

## Results

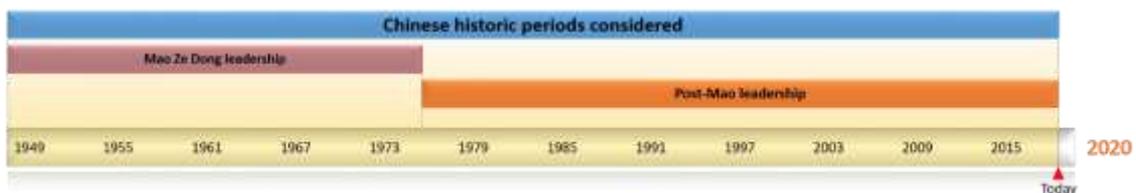
Once the articles were selected, the studies were categorized according to two dimensions: the main scope (or theme) and the historical period, in this specific case, the period lead by Mao Zedong and the post- Mao period lead by Deng Xiaoping and subsequent leaders until now.

Each of the selected articles/papers (15) were categorized according to the focus of each one. Table 1 shows the subjects that have been studied:

Keywords	Articles	Journals
Bureaucracy	5	<i>Post- Communist Economies; The China Journal; Public Administration and Development; Northwestern Journal of International Law and Business</i>
Authoritarianism	3	<i>China Quarterly; Journal of Democracy; European Press Academic Publishing</i>
Experimentalism	2	<i>Post- Communist Economies; European Press Academic Publishing</i>
Chinese Model	5	<i>International Affairs; Journal of Contemporary China; The Foreign Policy Center; International Affairs</i>
<b>Total</b>	15	-

Table 1. Focus of the studies

According to the studies reviewed, an evolutionary description of Chinese Public Administration over the periods indicated in timeline below can be done.



This work is divided into two great periods, first one going from 1949 until 1976, under the leadership of Mao Zedong and the second one, the post-Mao period until nowadays.

### **3.1. Mao Zedong leadership period (1949- 1976)**

China has a long tradition of severe respect of hierarchies resulting from the Confucian ideology that preconize a respect of harmony between man and nature and between human beings themselves, through respect of gender, age, familial and social relations, guaranteed by Confucian paternalist and patriarchal social norms (Quirico, 2013). These paternalist social norms are reflected in the concept of “filial piety” and in moral guidance that rules administrative entities (from the family to the Central State). As a consequence, “there was no need for popular political participation” (Quirico, 2013).

Later in its history, in Maoist period, China was facing a weaker economic phase, with the sector of agriculture being the centre of economy. Politically, there was an attempt to deviate the country from the Soviet model of development; Mao wanted to strengthen the role of Chinese Communist Party by means of “a top-down organization of public spaces of political expression through the so-called ‘Mass Campaigns’ (Quirico, 2013).

Some authors, e.g., Congiu and Onnis (2013), consider even that China betrayed the Marxist– Leninist principles as it was ruled by a small bureaucratic oligarchy.

Before 1978, public administration was highly bureaucratic, hierarchized and administrative. After Cultural Revolution that lasts until 1976, Chinese Communist Party started some gradual changes in a top-down approach as a way of preserving its leadership and control over economic opening; so, these set of political changes was implemented without undermining the model of planned economy (Keay & Zhao, 2018).

### **3.2. Post-Mao leadership period until now (1978-2019)**

#### **3.2.1 Deng Xiaoping and the opening up**

According to several authors, the Post–Mao leadership centred its efforts in restructuring and strengthening the Chinese Communist Party, trying to implement the institutionalization of the Chinese Communist political system, one of major instruments in ‘Holding China Together’ (Quirico, 2013 *apud*. Naughton and Yang 2004).

When Deng Xiaoping assumed the leadership, he began the opening up reform and introduced amongst other measures the end of commune system, firstly to farming sector through the so–called ‘household responsibility system’(Quirico, 2013), in an experimental trial, and later on, to other sectors of economic activity. Managers were held responsible for profit and losses, attempting to gradually supplant the “egalitarian distribution method, whereby the State assumed all profits and losses”(Quirico, 2013).

A relevant point to be considered is the Constitution of 1982 of which, amongst other aspects, literature highlights the reduction of relevance of class struggle in Chinese society, defending that “no organization or individual is privileged to be beyond the Constitution or law” (Quirico, 2013). In this phase, a new slogan motivated politicians and leaders: “development is the most important thing”, no matter about whether a given policy is ‘socialist’ or ‘capitalist’ (Béja 2009).

### 3.2.2 Administrative reforms and ‘Chinese model’

Sequentially, in the nineties, China assisted to a vague of reforms in Public Administration having as theoretical base the German model (Huchet & Richet, 2002). Chinese reforms distinguish themselves from those adopted by Eastern countries issued from the ex-Soviet Union, as they are smooth and gradual – experimentalism. One of the greatest reform in Chinese Administration related to corporate governance of the State-Owned Enterprises. At least, in theory, because there is a wide extension of literature in this theme that considers that this reform was, and still is, quite limited in practice. “As to the administrative reforms of the state asset management system, we have seen that they are primarily about an internal reorganisation of the bureaucracy’s prerogatives, without really changing in any way the efficiency of the mechanisms for controlling companies.”(Huchet & Richet, 2002). So, what results is still a “poor functioning of the internal control mechanisms (massive interference of the local bureaucracy in decision-making processes, inefficient management, the absence of any board of directors or supervisory board”(Huchet & Richet, 2002). In fact, bureaucracy is, in many cases, an obstacle to a more transparent mode of control, being even an important player in the decision-making process of enterprises, especially the most strategic ones (Huchet & Richet, 2002).

In the 1990s, the government also committed to reduce its provision of services and functions by outsourcing them to agencies, despite they remain dependent on State patronage. Currently, the government is facing difficulties in delivering public services, as their demand is increasing because of demographic, immigration and environmental factors.

Table 2 shows the main factors influencing corporate governance in China.

<b>Factors influencing corporate governance in China</b>	
<i>Positive factors</i>	<i>Sources of blockages and inefficiencies</i>
Political stability and a political agenda favouring the reforms	The politicisation of the banking system and soft budgetary constraint for state-owned enterprises
The appearance of competitive forces	The Law on bankruptcy rarely applied, restructuring carried out by the authorities and regional protectionism
Monetary policy, notable, budgetary tightening affecting state-owned enterprises since 1994	A labour market for managers still under-developed
The export enhancement strategy and the reception of direct foreign investment	Institutional and ideological blockage affecting the private sector  Excessive bureaucratic decentralisation of economic power, corruption, and preservation of the political machinery’s hold on power over economic life  State of law vs. rule of law

Table 2. Factors influencing corporate governance in China (source: Huchet & Richet, 2002)

Many scholars, such as Zhao (2010) and Breslin (2011), found that Chinese governance model lies in an experimental approach that promotes simultaneously social stability and economic growth while not undermining party's authority. This suggests somehow the relevance of authoritarianism in Chinese politics. Andrew Nathan (2003) used the expression 'institutionalized' totalitarianism to designate the authoritarian system and the institutionalization of the regime.

The consultative authoritarianism (Teets, 2013) or the authoritarian state capitalism (Guo, 2010) that delivers the rapid growth with stability is considered a hybrid system, very typical of China, which combines different ideologies and approaches, and that is also resulting from the failure of neo-liberalism in some developed countries. This leads to the concept of 'Chinese model'.

The expression 'Chinese model' was firstly used in the beginning of nineties to distinguish the success of Chinese development from the failure of Soviet Union (Zhao 2010). Later on, it was also associated to another expression used by Joshua Cooper Ramo: the 'Beijing consensus' as opposed to the already existing 'Washington consensus'. In fact, 'Beijing consensus' represents Chinese own specific path of achieving economic growth without substantial change in its political system based on one unique Party and strong State intervention (Ramo, 2004). This generates great debate in academic community and political researchers as, generally, communist systems in transitional regimes are seen as inefficient in terms of administrative capacity, innovation, and competitiveness; and it seems China is an exception (Guo, 2010).

It somehow proves the following:

"Given a choice between market economy and its freedoms and market authoritarianism and its growth, stability, improved living standards, and limits on expression – a majority in the developing world and in many middle-sized, non-Western powers prefer the authoritarian model" (Halper, 2010).

'Chinese model' emerged as a new model of political economics and many scholars and politicians, since then, have started to study its potential influence, if applied in developed Western countries (Quirico, 2013). However, Chinese leaders usually avoid the use of the term 'Chinese model' because 'model' implies an idea of possible replication and suggests that it can be transferable to other cases, and this do not correspond to Chinese government's aim. On the contrary, the message to others is "start from national conditions, and take your own road" (Breslin, 2011). Furthermore, there are also negative elements pointed out to this model, it presents limitations that are responsible for many social and political problems, such as social and environmental costs, lack of accountability and politics of patronage (Zhao, 2010). In fact, a model permeated by elements of strong nationalism has led to a strong support of the Party, being an additional legitimation instrument for the current regime but, simultaneously, according to Zang (2017), there is no empirical evidence that the 'Chinese model' promotes vertical and horizontal cohesiveness in Chinese bureaucracy, thus needing to be reassessed. One of the problems in what concerns vertical cohesiveness is that aligning central State interests with those of multi-level bureaucrat leaders is quite difficult and the logic of setting and monitoring performance targets promotes

departmentalism between the different parts of the Chinese bureaucracy (Zang, 2017). “Aligning the interests of local officials with the goals of the central authority in China’s transformation is difficult” (Zhou, 2013).

### **3.2.3 Transfer of authority to Social Organizations - an experiment**

In 2013, a new round of reforms took place and is still in its experimental phase. Chinese government decided to transfer some authority to Social Organizations, a process designed “to improve the relationship between government and society, appeasing public opinion while legitimizing the Chinese Communist Party” (Gao & Tyson, 2017). The requirement of these reforms is that the 31 provincial governments commit to the transfer of authority according to the standards defined by the State Council.

The new reform is designed to improve governance by transferring some responsibilities of public administration and service delivery to Social Organizations. Empirical evidence permits to conclude that it allows few innovations in public administration, as there is still the doubt of which functions should be delegated and which should be retained in Central State. Transfer to Social Organizations is also designed in order to reduce the overall administrative functions, but without weakening the State’s power and without democratization (Gao & Tyson, 2017). The reform is thus based in the transfer of administrative and subsidiary functions and not on executive ones (Gao & Tyson, 2017).

The transfer of authority to Social Organizations is inserted in the general decentralization procedure, aiming at the improvement of public service. Since 2013, Social Organizations in China have received new financial subsidies and incentives in order to concede them more operational capacity and accountability. The Chinese government is dealing with two issues at the same time: devolving public services and responsibilities to Social Organizations and keeping them under control. “Indeed, the transfer of functions to SOs may only serve to reinforce the strength and legitimacy of the CCP, designed as part of a wider CCP strategy to ensure its political longevity”(Gao & Tyson, 2017).

Administrative reform and the transfer of authority to Social Organizations in China is a way of decentralization in an attempt to redefine the limits and relations between state, market and society (Gao & Tyson, 2017). Nevertheless, these relations are not always as pacific as it might seem. Researchers in their field experiences have stated that:

- the leadership of Social Organizations is a relevant factor regarding the ability of such organisations to secure resources and government contracts (Gao & Tyson, 2017);
- the profiles and roles of leaders, their degree of professionalism influence the quantity and quality of administrative functions that the Social Organisations for which they work for undertake (Gao & Tyson, 2017);
- connections to government are of great importance when competing for public service contracts and new arrangements under framework set up by the State Council have no impact on government control (Gao & Tyson, 2017);

- cooperation between government and Social Organizations is facing problems as district-level officials are often confused because of the volume of applications for new projects they have to deal with, leading to the generalized idea that the government “is not sure what to do, or how to determine which projects should be approved.” (Gao & Tyson, 2017);
- the limits of power of Social Organizations are still ambiguous, leading to a certain doubt about what Social Organizations can undertake or not and refraining innovation (Gao & Tyson, 2017);
- the transfer of authority to Social Organizations is highly dependent of their capacity of maintaining strategic political relations at a time when the Central State is not sure if the action, and even existence, of this reform is beneficial or not, fearing that these ones might acquire too much power on their sphere of action (Gao & Tyson, 2017);
- the transfer of authority is mostly based on a subsidiary role, with administrative functions and very few decision-making and executive powers (Gao & Tyson, 2017);
- there is a big pressure to monitor and evaluate Social Organizations in order to reduce the risk of corruption and the desire of Communist Party to achieve good governance without democratization (Gao & Tyson, 2017);
- Social Organisations are playing an important role but the current reform needs to go further in order to enable them to have their own innovation processes (Gao & Tyson, 2017);

### **Final considerations**

Having passed more than 40 years of the opening up reform in Popular Republic of China, the aim of this work is to define what has changed in Chinese Public Administration over these last decades and how the literature addresses this theme. The analysis of main themes that have been studied associated with Chinese reforms was carried out and findings are based on a brief literature review, analysed through defined criteria: i) the focus/scope of analysis and ii) the historical period in which changes occurred. The results obtained were applied to shed light on what we were aiming to understand through the research questions: “Is there a unique and consensual way to define current Chinese Public Administration model?” and “What is influencing the most in terms of reforms (considering literature focus): politics or economy?”

The findings evidence a very peculiar system, which has been passing through cyclic changes, but without any real “disruption” with the past. Chinese reforms in Public Administration have been laid on gradualist and experimentalist bases. The influence of Chinese ancestral culture is somehow still present in political sphere; Confucian elements are easily found in the ideology behind some policies.

The findings derived from this literature review enable to define Chinese Public Administration, generally speaking, as highly paternalist, bureaucratic and dualistic. This dualism can be observed in various aspects of reforms over the decades and,

overall, in the way the country is ruled itself: economically capitalist and politically, a Communist One-Party State. In fact, the apparent inconsistency between institutional theory about development of countries with economies in transition and the Chinese case has become a great challenge to the area of social and political sciences leading to the appearance of the expression ‘Chinese model’.

There are many scholar works on ‘Chinese model’ but they are not very consensual with, in one hand, those who defend that China will continue being an authoritarian and bureaucratic model with no vertical or horizontal cooperation and, on the other hand, those who defend that the government is trying to implement a hybrid collaborative governance with social concerns about equality and sustainability.

So, answering the two research questions: regarding what matters the most in definition and implementation of public policies, this literature review is leading us to think that nor economy neither politics - by themselves – matter most. But in the beginning of the process of opening up, a great focus was given to economic aspects and as time goes by, from late nineties until now, politics starts to play a more visible role as government has to face and deal with more social problems arising from an economy in transition, that is to say, social inequality, environmental problems, the risk of falling into the ‘Middle-Income Trap’. One can establish an analogy of what is going on in China with Maslow’s hierarchy of needs; in fact, as far as the country sees its basic needs fulfilled, it tries to climb the pyramid and to get other needs satisfied, needs more linked to social and welfare aspects.

Regarding the model of Chinese public administration, this literature review enables us to say that there is no unique and consensual way of defining it as it have passed through various reforms since 1978 until now and it was and continues to be, almost always, in an experimental way. However, it is possible to say that it tends to pass from an authoritarian bureaucratic model into a hybrid collaborative model, maybe still authoritarian. ‘Chinese model’ does not aim at being transferred to another countries as it is yet under construction, trying to find its own path in order to get efficient results.

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