John Donaldson (ed.), *Assessing the Balance of Power in Central-Local Relations in China*,

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1 Drawing upon the scholarship on “decentralised authoritarianism” (Landry 2008), this collection conducts a comparative study of how central-local government relations in contemporary China are configured and shape policy-making in several domains. Mainly based on abundant secondary sources and official statistics, it offers an excellent synthesis of the balance of power between different levels of government on issues ranging from investment control to government finance and taxation, regional policy, culture protection and promotion, policy implementation, social welfare, and even foreign policy. Overall, the book offers a fascinating account of the process of decentralisation and re-centralisation that has occurred since 1978 in China, with a focus on shared interests and complementarity more than on conflict and opposition.

2 After an introduction detailing China’s administrative hierarchies and their evolution over time, chapters 2 and 3 focus on province/centre relations in the finance sector.
Philip Hsu (Chapter 2) challenges the idea that provinces overpowered the centre in the early days of the reform period, and that the centre regained power over provinces after the tax-sharing system was imposed. Both periods, he argues, are characterised by shared interests and compromises. Yukyung Yeo (Chapter 3) shows that both central and provincial governments retain a strong influence over investment control within the tax-sharing system, although through different means. Local governments mainly use administrative supervision, he argues, whereas the central government relies on political control. Overall, both influences are complementary, rather than conflictual.

Chapter 4 underlines the complementarity of central and provincial governments in regional policies. The increasing influence of regional governance as a driver of growth and urbanisation reinforced both central and provincial roles, Long Yang argues. His idea that increased cross-district cooperation may, with time, create quasi-administrative hierarchies in areas such as the Jing-Jin-Ji region (covering Beijing, Tianjin, and Hebei) is very stimulating, yet one regrets the absence of in-depth study on competition between provinces and its consequences on regional inequalities in China.

Chapter 5, perhaps the most stimulating, seeks to analyse the complex interaction between administrative hierarchy and urbanisation. John Donaldson contends that urban levels of government (municipalities and prefectures) were the immediate winners of decentralisation during the Jiang era. He then underlines the dramatic shift towards re-centralisation and administrative urbanisation slow-down under the Hu administration. In contrast with the usual stance on Hu’s failure to implement his “new socialist countryside” program, Donaldson contends that Hu’s administration effectively slowed down the process of “turning counties into urban districts,” giving more power to provinces over municipalities and prefectures. This slow-down, however, was short-lived, Donaldson argues, as Xi Jinping has resumed and hastened China’s efforts at urbanisation.

In Chapter 6, Chung Jae Ho argues that the degree of local discretion in implementing central policy mainly depends on policy scope (selective or encompassing), policy nature (involving resources or governance issues), and level of urgency. Chung rightfully shows that the centre is still largely capable of using institutional tools, personnel control, and local surveillance to rein in localities on issues it prioritises. But the chapter fails to explain the complex dynamic of contention, negotiation, and noncompliance on the part of local implementers. An analysis of the cadre evaluation system and the Central Disciplinary Inspection Committee’s role would have been useful here.

Chapter 7 presents an original perspective on central-local relations in the cultural realm. Studying the case of China’s urban cultural heritage, Tse-Kang Leng argues that the contradictory goals of central and local governments have created a multi-stakeholder dynamic not only among those governments, but also among key members of China’s society, resulting in unresolved tensions between exploiting or preserving China’s endangered heritage.

In Chapter 8, Xufeng Zhu offers an interesting argument on China’s evolving social welfare policy, showing that local officials have been encouraged to focus on economic growth and development, and have thus largely ignored calls to establish a costly social welfare regime in the first phase of post-1978 development. In a second period starting with Hu’s presidency, the central state sought re-centralisation, allowing for ambitious social welfare reforms, but also leading to major imbalances.
Finally, in Chapter 9 Professor Li Mingjiang focuses on central/local relations in foreign policy, showing the rising participation of local actors. This participation, he argues, both complements and is subject to the central agenda. While this focus on complementarity is relevant and opens important avenues for research, one wonders to what extent, and how, Chinese provinces can indirectly oppose the central government and impose their own agenda.

Overall, the authors offer an excellent account of central-local relations in a historical perspective, showing that the decentralisation in the 1980s was based on mutual interests as central and local governments both focused on economic growth, while the re-centralisation process in the 1990s resulted from a compromise between local and central governments, whose interests started drifting apart. The focus on compromise and shared interests is stimulating and convincing.

However, despite its significant contributions, the book has two main weaknesses. First, beyond specific examples (mainly in Chapter 5), there is no attempt to analytically differentiate between different levels of “local government,” in particular between provinces and lower levels. Provincial governors and mayors of major cities enjoy enormous autonomy in policy-making, and given their strong interpersonal ties with central elites, they are also successful lobbyists for local interests. By contrast, at the prefecture or county level, what worries the central government most is not so much negotiation and overt opposition, but rather simple non-implementation of central policies. The book could have fruitfully deepened its analysis of the different tools used by the central government to control provinces and sub-level officials, as well as the changing balance of power between various levels of government.

A second weakness (although somewhat inevitable given that the book was published only a few years into Xi’s presidency) is that the book fails to analyse the major shifts brought about by the Xi administration. Xi’s presidency has been extremely concerned with policy implementation, seeking to reinforce the Party’s Leninist organisation, launching top-down anti-corruption campaigns, and reinvigorating sanctions mechanisms for local cadres. Tightening party discipline is likely to have unexpected outcomes, however, by decreasing local officials’ enthusiasm and creativity. Coercing local cadres into compliance could undermine innovation and flexibility, thus reducing what has been one of the strongest catalysts for economic growth for the last three decades. How effective is this strategy, and what reconfiguration of central-local relations does it entail? These are questions one wishes to see addressed in further scholarship.

In any case, this book opens new venues for studies of central-local relations in China, compiling arguments that used to be separated and offering a solid base on which to draw further research. It should be a starting point for anyone seeking to understand the consequences of decentralisation and re-centralisation in post-1978 China.
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