

Bureaucratic Entrepreneurship and Comparative Policy Transfer:

The Journey of New Public Management in China

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Abstract: Career mobility of bureaucratic entrepreneurs is a rarely discussed mechanism for the transfer of policy paradigms between locations. I argue that, in the distinct Chinese personnel system, local cadres who move vertically or horizontally between localities tend to have significant entrepreneurial ambitions to transfer policy paradigms. This article investigates the case of He Qiu, a Chinese bureaucratic entrepreneur, and his work to transfer the New Public Management paradigm across jurisdictions. The comparative analysis of policy transfer episodes over He Qiu's career shows how China aspires to test the effectiveness of various policy paradigms as laboratories for local governments.

Keywords: bureaucratic entrepreneurship; transferable learning; comparative case study; geographical mobility; China; policy paradigm; New Public Management

Introduction

Policy transfer generally refers to a process in which policy ideas in one time and/or place are used in the development of policy ideas in another time and/or place (Dolowitz and Marsh 1996, 2000). New policy ideas are transferred across different local governments through various mechanisms. When governments voluntarily draw lessons from other governments' successful policy experiments (Rogers 1983), the process strongly displays the "laboratories of democracy" ideal associated with federalism in the United States (Volden 2006, Karch 2007). In an alternative process, competition for taxpayers and investments often leads to policy convergence among governments (Berry and Berry 1990, Bennett 1992, Rose 1993). In addition, a central government can force or induce subordinate local governments to adopt programs and policies with economic incentives or coercive regulations (Welch and Thompson 1980, Berry and Berry 2007).

In all of these mechanisms, policy entrepreneurs have been regarded as key actors who 'sell' the policy ideas, thereby raising the probability that policy innovations will be adopted (Mintrom 1997, Dolowitz and Marsh 2000, Balla 2001). Policy entrepreneurs are special political actors who promote certain issues and innovative policy ideas into the political system, with the willingness to bear reputational, financial, and emotional risks (Baumgartner and Jones 2009, Kingdon 1995, Mintrom 1997, Schneider, Teske, and Mintrom 1995).

Despite this accumulation of knowledge on policy transfer and innovation adoption, almost all studies assume stability of the bureaucratic entrepreneurs' careers. The limited literature that has noticed the effect of career mobility of bureaucratic entrepreneurs on innovation transfer considers only those who arrived at their current positions from outside the bureaucracy (Teodoro 2009, 2010). Almost nothing is known about the effect of geographical mobility of bureaucratic entrepreneurs on policy transfer. Part of the reason is that most empirical studies on policy transfer are based on state-level empirical data in the US, where state governors are firmly entrenched in their own jurisdictions. We cannot imagine the governor of California suddenly being elected as governor of New York.

To fill that gap in the literature, this article attempts to explore a rarely discussed policy transfer mechanism that links the career mobility of bureaucratic entrepreneurs with transferable learning. In this context, transferable learning can be broadly defined as a category of policy learning process, in which policymakers, policy advisers, advocates, or other actors absorb and retain information about policy experiences in another place or time to draw conscious parallels with their own place and time. Transferable learning implies the centrality of an active learner: one who is familiar with source policies and aware of what is required in the jurisdiction to which the source policies might be transferred. Specifically, I argue that the geographical mobility of bureaucratic entrepreneurs facilitates transferable learning from their original working localities to their current positions.

Geographical mobility happens frequently in China. In the Chinese nomenklatura-style personnel system (Chan 2004), high-ranking authorities often mobilize lower-level officials from one place to another. Such cadre mobility provides the researcher with an opportunity to examine the relationship between geographical mobility of bureaucratic entrepreneurs and transferable learning. More importantly, both local cadre mobility and policy experimentation have long been regarded as key institutional foundations of the economic miracle in China (Montinola, Qian, and Weingast 1996, Li and Zhou 2005, Heilmann 2008a, Cai and Treisman 2006, Xu 2011). Despite the topic's theoretical and practical significance, no systematic study has been conducted on the relationship between geographical career mobility of bureaucratic entrepreneurs and policy transfer in China.

This article argues that the distinctive institutional settings of geographical career mobility in China encourage bureaucratic entrepreneurs to transfer policy paradigms from their original working jurisdictions to their current positions. I use the term 'policy paradigm' rather than 'policy innovation' or 'policy experience' because the former involves not only specific policy goals and instruments but also a framework of policy concepts, ideas, principles, and ideologies that policy makers customarily work within (Hall 1993). Thus, different policy instruments could be introduced by bureaucratic entrepreneurs within the same logic of a single policy paradigm.

The article begins with a review of studies of policy entrepreneurship and its role in transferable learning. It then elaborates specific institutional arrangements of geographical career mobility, which stimulate bureaucratic entrepreneurs and energize policy transfer. A demonstration is offered by the case of a Chinese local official, He Qiu, who brought the policy paradigm of New Public Management (NPM) vertically from a county to a city and then horizontally from one city to a city in another province

approximately 2,500 km away. Because of geographical cadre mobility, He Qiu energized the transfer of NPM in multiple policy fields, including economic development, reform of state-owned enterprises (SOEs), public health, education, environmental protection. Despite a corruption scandal, some of He Qiu's ideas have been acknowledged by the Chinese central government, which further spread those policy ideas throughout the country.

Bureaucratic Entrepreneurship and Regional Transferable Learning

Policy entrepreneurship refers to the ability and strategy employed by policy entrepreneurs to facilitate policy changes (Schneider and Teske 1992, Levin and Sanger 1994, Mintrom and Norman 2009). The personal abilities of bureaucratic entrepreneurs include management skill, extensive social contacts (political, professional, or business), and knowledge of the internal structures and processes of the public sector (Teske and Schneider 1994, Borins 2000). Bureaucratic entrepreneurs who have professional work experience and who have arrived at their current positions from outside government are more inclined to initiate professional policy innovations than those who were promoted from within (Teodoro 2009, 2010). Mintrom and Norman (2009) suggest four special elements of policy entrepreneurship to promote policy change: displaying social acuity, defining problems, building teams, and leading by example. Studies on Chinese public entrepreneurship have also emerged, but that research focuses on entrepreneurship in the third sector (Zhu 2008, Mertha 2009), and studies on policy entrepreneurship within the government are rare (Hammond 2013, Zhu and Cheng 2013).

Chinese bureaucratic entrepreneurship is prevalent and significantly facilitates transferable learning because of China's distinctive political and institutional arrangements. In a financially decentralized authoritarian system, bureaucratic entrepreneurs have strong incentives to initiate reforms with institutional innovations to enhance fiscal resources and develop the economy (Xu 2011). However, with the politically and administratively centralized authoritarian system where the central government has authority to evaluate, recognize, and legitimize local innovative experimentation, bureaucratic entrepreneurs could obtain reputation, professional visibility, and political opportunity for career advancement from the central government (Cai and Treisman 2006, Zhu 2014). With a pattern of central–local interaction in the hierarchical authoritarian system, the central government supervises local experiments and consciously encourages successful pilot initiatives spreading “from point to surface” (Heilmann 2008b). These political foundations stimulate entrepreneurship through which Chinese local officials at all levels are motivated to adopt new policy ideas to resolve potential problems.

Combining the aforementioned knowledge of bureaucratic entrepreneurship and regional policy transfer, this article suggests a rarely discussed mechanism of policy transfer by hypothesizing that geographical cadre mobility of Chinese bureaucratic entrepreneurs energizes regional transferable learning between localities. Geographical cadre mobility can be by vertical promotion or by horizontal rotation, which is rare in federal democratic countries but common in China.

The mechanism of geographical cadre mobility is different from traditional policy transfer mechanisms, such as lesson-drawing, competition, or coercion. Previous

literature has assumed the geographical stability of policy entrepreneurs' career. Therefore, traditional policy transfer occurs in the processes of interaction and communication among at least two decision makers and policy entrepreneurs in different localities. This article presents a new mechanism that has enhanced the entrepreneurship of one local official to introduce innovation from his original working locality to the current position.

The mechanism cannot be easily classified into the traditional models of internal determinants or external influence. It is not a process of internal determining because the adopted new policies are transferred from another locality. Nor is it a transfer process by external influence because the bureaucratic entrepreneur who introduces a new idea is working within the locality. Thus, having work experience in other local governments far away can be categorized as an internal characteristic of the relevant local official.

The mechanism of geographical cadre mobility offers an alternative, competing theory to that of policy convergence by geographical clustering. Policy convergence between neighboring governments may not be caused by their geographical proximity, but instead by cadre mobility of local politicians between localities (Chien 2008). At the same time, local officials may also be rotated to another local government far from their original working localities, which offsets the effects of geographical proximity.

Cadre Mobility in Chinese Political Personnel System

The political personnel system in China shapes innovative behaviors of local governments. Local officials at each level can perform as bureaucratic entrepreneurs with considerable incentive and power to determine local economic and social affairs (Maskin, Qian, and Xu 2000, Xu 2011) in pursuit of career advancement in the Chinese political personnel system (Li and Zhou 2005). Given the pressure from the performance evaluation system, local politicians learn successful reform measures from other local governments for developing the economy, increasing fiscal revenues, and saving financial expenditure in projects. If a local official received support from patrons in the central or provincial authority, that official will foster more entrepreneurship to initiate large-scale innovative reforms with reduced political risk (Tsai and Dean 2014).

The Chinese political personnel system includes geographical cadre mobility which also shapes the behavior of local officials. The roots of geographical cadre mobility in China can be traced from ancient feudal eras when the rulers of empires attempted to consolidate the regime to prevent corruption. In contemporary China, the central government conducts geographical cadre mobility more frequently than it did in the past, with the additional functions of broadening local officials' experience and for consciously spreading policy innovation from the "experienced regions" to the "learning regions." (Qian and Stiglitz 1996). Consequently, the central authority frequently mobilizes ministers, party chiefs, and provincial governors from post to post and from locality to locality (Lieberthal and Oksenberg 1988, p. 54, Thornton 2006).

Local officials who have experienced geographical cadre mobility, either vertical or horizontal, have a greater degree of entrepreneurship to initiate innovation and bring experience from their original working localities. First, these officials have more tacit knowledge as a result of their accumulated experience in various sociopolitical environments (Zhu and Cheng 2013). Second, career mobility helps local officials to enhance social capital from different sectors, which enables them to utilize more

resources to implement new ideas (Bian 2002). Third, and most importantly, local officials who successfully obtain scarce opportunities of cadre mobility tend to regard policies that they initiated and implemented in their original localities as a successful experiment recognized by the central government, which enables these officials to defeat their rivals in the performance-based evaluation personnel system. Therefore, these local officials develop a greater sense of responsibility and entrepreneurship, which motivates them to introduce “successful” experiments from their original working localities to their current positions.

To summarize, we argue that because of the distinctive institutional settings of geographical cadre mobility in China, local officials tend to have more entrepreneurship in energizing transferable learning from the locality where they have worked originally. Specifically, if a local official is vertically promoted from a locality at a lower level to a higher one, the official will seek to promote such policies bottom-up to the higher government level. Likewise, if a local official is horizontally rotated from one locality to another, the official will also be more likely to introduce policies implemented in the original working locality to the new position.

In the remaining parts of this article, we demonstrate the case of a Chinese bureaucratic entrepreneur, He Qiu, who transferred his policy paradigm of the NPM bottom-up from a county to a city, and horizontally from one province to another. One reason for studying He Qiu is his heavy media exposure in China and openness to academia, which has generated adequate materials for scholars to conduct empirical research. Another reason is He Qiu was rotated by the central government from Jiangsu Province to Yunnan Provinces with a distance of approximately 2,500 km. Although some existing literature mentions the effects of cadre mobility on policy transfer (Chien 2008, Zhang 2015), previous studies focus only on cadre mobility between neighboring governments, and, therefore, cannot distinguish between the two competing effects of cadre mobility and geographical clustering on policy convergence. This study collected data based on materials from open sources. Then, the Chinese version of the case study was carefully checked and confirmed by a deputy secretary-general of Kunming who was a subordinate official closely working with He Qiu.

He Qiu and the Journey of NPM

He Qiu is regarded as one of the most controversial municipal party chiefs in China (Zhang 2004). From 1996, when he served on the standing committee of the Municipal Party Committee of Suqian County in Jiangsu Province and assumed office as the Party Secretary of Shuyang County, to 2011 when he became deputy secretary of the Provincial Party Committee of Yunnan Province, He Qiu showed the entrepreneurship of a reformer in introducing innovations in politics, economy, society, and culture. He became the only local official who won the award for outstanding contribution to Chinese reform in 2008 (Li and Wei 2008). However, He Qiu’s authoritarian style, characterized by assuming government reins and a thorough privatization of public service, also called “selling up” policies, was a bone of contention among public intellectuals and the media. Finally, he was jailed because of a corruption scandal and was sentenced to 14.5 years in prison.

He Qiu advocated government reform within the NPM paradigm. He upheld investment attraction, indexed management of public sectors, public service privatization,

cost–benefit analysis, government transparency, and responsiveness. Due to He Qiu’s career mobility, the NPM paradigm transferred from Shuyang County to Suqian City, Jiangsu Province, and on to the city of Kunming in Yunnan Province. We find that his policy entrepreneurship was a critical factor in innovation and transferable learning through the mechanism of cadre mobility in China.

He Qiu’s NPM ideas were rooted in his educational background and international views. In 1977, he was admitted to Nanjing Agricultural University, becoming part of the first generation of college students in China after the Cultural Revolution. Before he went to work in Suqian, he was in charge of the Rural Science and Technology Department of the Science and Technology Committee in Jiangsu Province. In April 1995, he was chosen to attend a seminar on economics for senior managerial talents in Jiangsu Province, and went to the US to study economics at the University of Maryland. During that period, the concept of the NPM movement exerted a deep influence on him. In interviews, he often mentioned the classic NPM theory text, *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, by David Osborne and Ted Gaebler (Bao and Xu 2009, pp. 191–92), saying that this book taught him how to think of a city or region as a large enterprise, and how to look at the development of a region from the perspective of cost–benefit analysis (Kuhn 2010, p. 472). He loved reading and pondered over politics, economics, management, and sociology (Qiu 2012). According to He Qiu, the ultimate goal of reform was to establish and improve the market economy, minimize administrative power in resource allocation, and maximize market competition in resource allocation (Qiu 2006a).

Experimentation in Shuyang (1996–2001)

In 1996, He Qiu served as the party chief of Shuyang County, creating a laboratory of his NPM paradigm. Shuyang was the least developed county-level area in Suqian City, and was characterized by backward ideas of local cadres as well as a shortage of economic and social resources. He Qiu launched a series of NPM reforms in economy, public service, and government transparency. By 2000, all state-owned and private enterprises in Shuyang County were restructured as privately owned entities. The administrative staff was decreased by 21.6%, wherein 2,380 employees of public institutions were reassigned and encouraged by the government to “go to sea” (*Xiahai*) to set up private enterprises (Xue 2002). Shuyang strived to create an investment climate of low transaction and production costs, as well as assigning the task of investment attraction to each employee in the public sector based on administrative rankings. To attract investment, Shuyang conducted administrative licensing reform in the “five one” manner: one window to the outside, one co-working team, one formal seal, one-whip management, and one 24-hour reception. By the time He Qiu left Shuyang County in 2000, 228 non-government education institutions had been set up and 38 township health centers had been privatized. Shuyang made public the duties, telephone numbers, and mobile phone numbers of all members of the county’s leading body and department heads to improve government transparency.

He Qiu’s efforts were recognized by the higher-level leaders. In January 1991, the CPC Municipal Committee of Suqian called on “the whole city to learn from Shuyang” at its first session of the sixth plenary (enlarged) meeting. In 2000, the municipal authority

of Suqian concluded that “Shuyang will have a bright future” based on a joint investigation into the development of Shuyang. From 1998 to 2000, approximately 4,800 individuals and 220 groups of visitors came to Shuyang (Shuyang County Party Committee and County Government 2004).

Suqian Model (2001–2006)

In February 2001, He Qiu was promoted to the position of mayor of the prefecture-level city of Suqian where Shuyang County is located. Six months later, he became the secretary (chief) of the Municipal Party Committee. He introduced the Shuyang experience to Suqian City and developed his policy paradigm on this basis.

Under He Qiu’s mandates, all officials were pushed to attract investment, which was considered the most important indicator for performance evaluation. He Qiu popularized the Shuyang experience and forced the cadres at all levels to focus on investment attraction and capital introduction by decomposing indicators among all public employees, except the educational and medical departments.¹ Public sector employees who failed to fulfill their tasks were ordered to leave their current positions to dedicate themselves full-time to investment attraction. The Organization Department of the Municipal Party Committee became responsible for the performance evaluation of investment attraction, and political promotion was linked to investment attraction. Officials who failed to achieve their assigned tasks could not be promoted. He Qiu consistently stressed that “no departments are unrelated to investment promotion, and no cadres are unrelated to investment promotion” (Qiu 1999, Zhang 2006).

He Qiu provided impetus to change the state-owned enterprises and capital withdrawal arrangements in Suqian. As a result, 120 out of 122 state-owned enterprises in Suqian City accomplished wide-ranging restructuring of state-owned assets through ownership swap, open access, increased private capital and shares, establishment of an asset exchange center, and improved internal governance structure of legal persons (Zhai and Xu 2003). By the end of 2006, all enterprises except three state-controlled ones were restructured as privately owned enterprises (Bao and Xu 2009, p. 112).

Suqian also drew a clear distinction between the role of the government and that of the market in health services (as public goods) and medical services (as private goods), thereby encouraging medical services provided by private entities, according to Ge Zhijian, then Director of the Municipal Health Bureau in Suqian (Ge 2006). Medical service reform in Suqian involved first a separation of medical treatment and public health, and then a separation of the roles of government sponsor and monitor. The Health Administrative Department became the monitor and no longer the sponsor of a hospital, whereas market entities increasingly provided hospital services. Moreover, public fiscal investment shifted from supply side (hospitals) to demand side (patients), which means that patients could receive more substantial grants from health insurance than previously (Qiu 2006b). During this process, Suqian increased investments in public health and provided social private capital access to medical fields. By March 2006, 134 out of 135 public medical institutions above the town level in the city completed their ownership swap and were converted into multi-type medical services systems based on stockholding, diversified ownership, and single private ownership (Huang 2006).

Suqian education reform is still concentrated on education resource supply through property rights reform and teaching quality improvement by introducing

competitiveness through education industrialization. From 2001 onwards, Suqian followed the principle of “one guarantee and three ways of openness” in education reform. “One guarantee” ensures compulsory education by public finance. “Three ways of openness” refers to the openness of preschool, high school, and professional education to absorbing social private capital through multiple channels, and operating all types of private schools at various levels, particularly during the non-compulsory education period (Sun 2005). He Qiu suggested “running non-governmental education in a manner similar to running public education” (Sun 2007). By early 2006, non-governmental education investment had amounted to 1.6 billion RMB, and 973 private primary, secondary, and kindergarten schools had been established in Suqian City (Bao and Xu 2009, p. 174).

Similar to the policies in Suyang County, government transparency and administrative licensing were continually improved by He Qiu. On February 10, 2003, the *Suqian Daily*, the party newspaper of Suqian, published two eight-page articles in the folio “Main Public Commitments of Some Municipal Organs” and “Division of Duties and Contact Numbers of Party and Government Leading Cadres at the City and County (District) Levels.” The number of administrative licensing items decreased year by year. In 2006, 70 items were available for examination, approval, notification, and commitment, which were 182 items fewer than those in 2000 (Zhang 2006).

Environmental Governance in Jiangsu Province (2006–2007)

In January 2006, He Qiu was promoted to vice governor in charge of environmental protection, transportation, urban, and rural construction of Jiangsu Province. The pollution control of Taihu Lake was one of his most important tasks in less than two years of being vice governor.

With the “River Master System”, a unique system of environmental protection in China which originated in Wuxi City, Jiangsu Province, He Qiu linked the responsibility of environmental protection to leading the cadre performance evaluation. The party and government heads at all levels served as the “river masters” responsible for river pollution control in their jurisdictions (Wu 2009). He Qiu appointed himself as the “Lake Master” of Taihu Lake when the blue-green algal bloom in the lake occurred during his tenure as vice governor of Jiangsu Province (Lv and Yuan 2010). On July 7, 2007, on behalf of the provincial government, he signed the “Responsibility Contract of the 11th ‘Five-Year’ Lake Taihu Water Pollution Control Target” with leaders of Suzhou, Wuxi, Changzhou, Zhenjiang, and Nanjing cities (Jv 2008).

He Qiu also introduced a public–private partnership in environmental governance, which is a typical instrument of the NPM. At the time of the Taihu Lake governance reform in Jiangsu, He Qiu proposed an environmental governance investment mechanism with government guidance, enterprise dominance, and social participation. The government invested more capital in pollution control and encouraged all types of social private capital to be involved in environmental-protection-related infrastructure construction and operation to enlarge environmental investment and financing channels (Qiu 2007). He Qiu once led all the representative officials from counties and cities in the entire Jiangsu Province to visit the sewage treatment demonstration project of zero government investment in Suqian City. He then called for the promotion of this type of practice at that meeting (He 2007).

Kunming Development (2007– 2011)

In 2008, cross-provincial transfer of the NPM policy paradigm was achieved with He Qiu's geographical rotation to the position of Chief of the Kunming Municipal Party Committee. Wide-ranging and in-depth learning transfer was conducted between Kunming and Suqian in the fields of investment attraction, education, medical reform, and others (Liao 2008, Liu 2008, Li 2013). As a bureaucratic entrepreneur, He Qiu did not blindly apply Suqian experiences, but adjusted the concrete policy instruments in view of the actual conditions in Kunming City.

Compared with the situation in Suqian, the main difference in the property reform in Kunming arose from "reform stocking" to "reform incrementation." Reform stocking refers to the condition in which existing state-owned enterprises, hospitals, and schools are restructured as privately owned entities, while reform incrementation means that the government encourages private capital to establish new facilities. Suqian is a newly built prefecture-level city with a relatively weak industrial base and shortage of education and medical resources. Thus, its property reform displayed a tendency of privatization of stocking assets that lacked competitiveness in every field. By contrast, Kunming City is the capital city of Yunnan Province with a long history in which most economic and public service resources are concentrated in the entire province. Kunming reform focused on attracting private capital into incremental parts with high-quality stocking assets to increase the total amount and promote equalization of public service resources. For example, unlike Suqian reform (nothing but privatization), the state-owned enterprise reform in Kunming brought in social private capital through high-quality state-owned enterprise projects; this approach attracted incremental investment with stocking assets and increased the total amount of investments (Li 2009).

He Qiu drew on the Suqian experience and proposed speeding up the development of private medical services to increase the total amount of medical resources in the entire city. As most medical resources in Kunming can be found downtown within the first ring road, upgrading the medical service in the suburban areas under the condition of limited financial resources was the main challenge He Qiu faced. In 2008, Ge Zhijian, Director of the Municipal Health Bureau in Suqian of He Qiu, was invited to deliver a lecture on "Experience of Health Reform and Development in Suqian City" to the staff of Kunming private hospitals (Liu 2008). In March 2008, the Municipal Party Committee and the Municipal Government of Kunming proposed the establishment of private hospitals with social private capital. By 2012, private medical services accounted for 70% of the city's total medical assets (Kunming Municipal Party Committee and Municipal Government 2008a). Kunming medical reform was, in essence, intended to promote the equalization of medical resources in different regions, encourage public hospitals to bring in social private capital, cooperate in running newly-built hospitals, and increase high-quality medical resources in the remote outskirts in the city.

Education reform is a mirror of He Qiu's personally decisive impact on transferable learning about policy paradigms. As early as March 2006, Yao Hong, Deputy Director of the Bureau of Education of Kunming City, led a team to Suqian to learn from the Suqian education reform on the scene. However, upon his return, he commented that "it is hard for Kunming to learn from Suqian" (Sun 2008). Then, in January 2008, soon after He Qiu took office, the Municipal Education Bureau was ordered by the Municipal Party Committee and the Municipal Government of Kunming

to produce a draft plan for rapid development of non-governmentally funded education that reflected both the Suqian experience and the actual conditions in Kunming. Yao Hong was again appointed to lead this undertaking. On February 26, 2008, the Municipal Party Committee and the Municipal Government of Kunming jointly issued two documents concerning education reform, proposing that non-governmentally funded education should emphasize the stage of non-compulsory education. Preschool education should be privately run, with privately operated preschools accounting for more than 90% in 2010. The incremental part of high school education should be also privately run (Kunming Municipal Party Committee and Municipal Government 2008b).

Kunming adopted almost all of the policies implemented in Suqian concerning investment attraction, administrative licensing, and government transparency. Upon taking his post and faced with a low economic aggregate and poor soft investment environment in Kunming, He Qiu focused on investment attraction and industrial park construction to make a dramatic breakthrough in industries and construct a new and modern Kunming. Investment attraction was again set as the first achievement in the official career for performance evaluation (Qiu 2008). The heads of the Suqian Merchant Bureau were repeatedly invited to Kunming to lecture on their experiences in investment attraction (Du 2008). Thirty-five branches of the Kunming Merchant Bureau were organized to visit coastal cities to learn investment attraction skills (Zhang 2008). Upon taking office, He Qiu decreased the 506 items of administrative licensing to only 96 items, making Kunming the capital city with the fewest administrative licensing items. Similar to what happened in Suqian, the *Kunming Daily* published on February 16, 2008 four full-length pages that contained the telephone numbers and duties of the party and government leaders of all departments.

The “River Master System” was transplanted from Jiangsu Province to Kunming City with the geographical cadre mobility of He Qiu. On January 3, 2008, on his sixth day at his new post, He Qiu announced that the “River Master System” that worked in Taihu pollution control would be introduced in the Dianchi Lake environmental governance. The heads of the party and government administration within the area where the river flows through took total responsibility for water quality and sewage interception target in his jurisdiction (Song 2009). He assigned himself as the master of Panlongjiang River, the only mother river that goes through the urban district of Kunming City. He Qiu also proposed a diversified investment mechanism of government guidance, market operation, and social participation in controlling the severe pollution in Dianchi Lake. In August 2009, the Kunming Environment Energy Exchange that trades pollution discharge and carbon emission credits was set up, making Kunming the first city to have a pollution cap and trade with market mechanism in southwest China (Deng and Zhuang 2009). He Qiu encouraged and led social private capital to participate in the construction of round-the-lake roads, round-the-lake sewage interception, and the “4-reclaim, 3-return, and 1-protection” project² (Zuo 2009).

Evaluations of He Qiu’s Bureaucratic Entrepreneurship

He Qiu has received both positive and negative feedback. He Qiu’s supporters were primarily government officials. In their view, He Qiu was a typical reformer and a man of action who introduced institutional innovations for economic development in

underdeveloped regions (Bao and Xu 2009). When the Suqian medical reforms were met with fierce criticism, Hu Jintao, then supreme leader of China, visited Suqian during his inspection of Jiangsu Province and gave He Qiu encouragement (Kuhn 2010, p. 454). Those who criticized He Qiu were mostly journalists and public intellectuals. In their view, He Qiu practiced an authoritarian rule of man, lacked a legal spirit (Cai 2004), and forced his way into the market economy at the expense of citizens' basic rights (Guo 2004).

Certain policies that He Qiu advocated and conducted were revised and disposed of after he left his post. When He Qiu left office as Chief of the Municipal Party Committee in Suqian, a controversy over his privatization policy ensued when a number of public hospitals were operated anew in Suqian under the effect of new policies on medical reform (Meng 2011). In October 2013, Qin Guangrong, Secretary of the Provincial Party Committee in Yunnan Province, unusually reprimanded urban construction in Kunming for disregarding historical context and highly valuing the rule of man instead of the rule of law (Qin 2013). Qin Guangrong's speech can be regarded as a reflection of the negative effect of He Qiu's policies in Kunming.

Finally, He Qiu's political career ended when his corruption was revealed. On March 15, 2015, the Chinese Central Commission for Discipline Inspection announced that He Qiu committed serious violations and was the subject of an organizational investigation. In July 31, 2015, the Supreme People's Procuratorate decided to initiate an investigation on He Qiu's alleged bribery-related crimes. On August 25, 2016, the People's Court held a public hearing of He Qiu's bribery case and on December 15, 2016, the Court announced the verdict on charges of taking bribes and sentenced him to 14 years and 6 months imprisonment. Interestingly, in the same month, the General Office of the CPC Central Committee and the General Office of the State Council issued "Opinions on the Full Implementation of the River Master System." Currently, the "River Master System," first initiated by He Qiu in Jiangsu Province, has been widely implemented in eight provinces and partly implemented in 16 provinces. The "Opinions" proposed that the river system should be fully established in China by the end of 2018. He Qiu's case demonstrates that policy experiments that have been proven effective can spread to other localities in China, regardless of whether the bureaucratic entrepreneur leaves his post or retains his authority.

Conclusion

Although the entrepreneurship of local officials in economic development and policy change in China has been broadly discussed, researchers have limited knowledge of the relationship between geographical cadre mobility, bureaucratic entrepreneurship, and transferable learning about policy paradigms. This article fills a theoretical gap at the intersection of public policy and China studies. We argue that because of the functions to train local officials for cumulated experiences and to consciously spread policy innovation in the political personnel system in China, local officials who are rotated from one locality to another (i.e., vertically or horizontally) tend to have a greater sense of responsibility and entrepreneurship to transfer the experimentation from their original working localities to their current positions. The case of He Qiu illustrates this prediction. When he was vertically promoted from party chief of a county to a city leader, he introduced his policy paradigm of NPM from the county to the city. After he was

horizontally transferred from one province to another far-flung province, he introduced the NPM policy paradigm into his new position for the second time. Public administration scholars have not only classically discussed policy entrepreneurship in terms of social acuity, defining problems, building teams, and leading by example (Mintrom and Norman 2009), but have also accumulated experiences from various working localities.

This article does not merely discuss transferable learning about specific policy instruments, but rather considers the policy paradigm comprehensively in relation to many public policy domains. Given the geographical cadre mobility in China, bureaucratic entrepreneurs enthusiastically introduce numerous policy instruments that they are familiar with as they begin to work in their original localities. These policy instruments follow a consistent policy paradigm that bureaucratic entrepreneurs can use to resolve different problems comprehensively. In the He Qiu case, the bureaucratic entrepreneur has facilitated the transferable learning of the NPM policy paradigm in many policy sectors. Although this article takes the journey of NPM as one example of policy paradigm transference, many other policy paradigms have already been transferred by bureaucratic entrepreneurs who experienced geographical cadre mobility. Therefore, the competition for political careers among local officials can also be regarded as a competition between policy paradigms at the local level. Furthermore, despite the fact that He Qiu has been imprisoned because of corruption, the Chinese central government still acknowledged his contribution in initiating policy experimentation concerning the “River Master System.” Therefore, some instances of He Qiu’s transferable learning failed, whereas others succeeded. The successful and failed policies initiated and transferred by He Qiu demonstrate why a transitional China with an authoritarian regime could not be considered a rigid and inflexible country. Rather, it is actually a dynamic country that is ready to test the effectiveness and adaptiveness of different policy paradigms as laboratories of transferable learning for local governments.

The mechanism of geographical cadre mobility for transferable learning can be verified in other countries. In the US, previous empirical research has found that city managers are more proactive than city mayors in introducing innovations to the public sphere (Moon 2002, Shipan and Volden 2008). Considering that city managers are professional chief administrators who occasionally change their positions from city to city, we can also expect that the geographical mobility of a city manager can further energize innovation transfer across American cities. We hope to see further empirical research based on large-sample quantitative analysis in different countries. In further case studies, the difficulties of empirical methodology can be overcome by introducing the directed dyad-year event history analysis proposed by Volden (2006).

Notes:

1. For example, the investment attraction indicator assigned to a cadre at the county level in Suyang is 1 million RMB annually; the indicator of a substantive cadre at the division level is 800,000 RMB annually (Bao and Xu 2009, p. 76).
2. The ‘4-reclaim, 3-return, and 1-protection’ project refers to specific measures to protect Dianchi Lake, such as reclaiming the pond and farmland, reconstructing the lake and forest, wetland, and so on.

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