## *Rediscovering Intergovernmental Relations at the Local Level: The Devolution to Township Governments in Zhejiang Province*<sup>\*</sup>

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## Abstract

Aterials

Previous research about decentralization reform in China has primarily focused on the vertical relations between the central government and provincial governments; however, the decentralization reform within one province has not been sufficiently studied. Although the provinceleading-city reform has been discussed, there is still limited research about the decentralization reform for townships. This article investigates

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intergovernmental relations at the local level by examining the emerging reform for townships in Zhejiang province. It explores the detailed process of the devolution of administrative power from county-level governments to township governments in Zhejiang province, which has been acknowledged as a model across China. In the top-down administrative system of China, township governments were in the dilemma of overloaded responsibilities and limited administrative power. The decentralization reform for townships supplies a different local perspective from the traditional top-down approach and implies the possible responses to township citizens' needs. The devolution of administrative power to township governments brings townships social improvement and economic development. Some challenges for the further devolution reform at the local government are also discussed.

**1. Introduction** In previous studies on the vertical intergovernmental relations in China, scholars have been inclined to discuss the relation between central and "local government," the latter referring to the provincial government in specific areas. For example, one of the most crucial initiatives during the Deng Xiaoping era was the devolution of power,<sup>1</sup> from the central government to provincial government.<sup>2</sup> A focus on the relation between central and provincial government has become conventional practice in research into China's vertical intergovernmental relations.<sup>3</sup> Zheng points out that the analysis of de facto federalism in China not only explains the relationship between central and provincial government but also applies to the one between provincial and municipal (or county-level) government.<sup>4</sup> These studies suggest that the central government is the starting point for discussion about China's decentralization, but they bypassed the importance of the relationships among local governments including those below the county and municipal levels.

It is the decentralization among local governments that is far more complicated to capture in China. As the lowest level in China, township governments' role and nature are critical. The power structure and range of township governments differ from those of upper-level governments. For example, township governments do not have independent fiscal power and administrative power, but they have to meet the demands of township citizens. Therefore, they are subjected to more bottom-up pressure than upper-level governments. As a consequence, the top-down analytical approach that sees the central government as a starting point