Place Leadership with Chinese Characteristics?
A case study of the Zaozhuang Coal-mining region in Transition

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in the past, a battle site, destroyed.
Nowadays, rebuilt as a ‘Ancient Town’ for Tourism
4 Empirical case study

- Media reports on Zaozhuang’s tourism

<table>
<thead>
<tr>
<th>Media name (in Chinese)</th>
<th>News title</th>
<th>Date of publishing</th>
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</thead>
<tbody>
<tr>
<td>Wenweipo (wen hui bao)</td>
<td>Zaozhuang’s ‘sea turtle’ dual Ph.D. mayor is ready to show capability</td>
<td>2008-03-07</td>
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<td>People’s Daily (ren min ri bao)</td>
<td>Mayor Chen Wei disentangles the restructuring of Zaozhuang</td>
<td>2009-03-13</td>
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<tr>
<td>China Tourism News (zhongguo hyou bao)</td>
<td>Zaozhuang’s mayor Chen Wei - the best tourism ambassador in China</td>
<td>2010-10-25</td>
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<td>China Daily (zhongguo ribao)</td>
<td>Seeking for scientific paths in resource cities: proactive transformation in Zaozhuang</td>
<td>2012-04-15</td>
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Outline

- Research gap and aims
- Theoretical accounts
- A contextualization of place leadership in China
- Empirical case study
- Conclusions
1 research gap and aims

- Institutions and regional economic change – poorly understood (Martin, 2000; Gertler, 2010)

- A more agency focused, multi-scalar and relational-evolutionary integrated approach (MacKinnon et al., 2009; Bathelt and Glückler, 2014; Hassink et al., 2014; Grillitsch, 2014).

- Place-leadership approach, bringing ‘people’ back into the core of regional development studies (Stimson et al., 2009; Collinge and Gibney, 2010; Sotarauta et al., 2012)
1 research gap and aims

- Leadership – collective action, collaborative capability that shape institutional environment (Gibney et al., 2009; Collinge and Gibney, 2010)

- Leaders are institutional entrepreneurs (Sotarauta, 2011)

- The new notion is in its infancy, and still conceptually vague and empirically insufficient…
1 research gap and aims

- The role of the Chinese local state in regional economic development e.g. the local state corporatism (Oi, 1995); the entrepreneurial local state (Zhu, 2004)

- regard the local state as a behavioral agency as a whole, the role of state leaders (groups of officials) has been largely neglected.
1 research gap and aims

“Any conceptualization of local economic restructuring [in China] must humanize the state and take into consideration the role of the local leaders and their economic and political interests.” (Ma, 2002, p.1552, EPA)

Research Questions:

1. What kind of version of place leadership in Chinese context? why it is essential for China’s regional development?

2. how does place leadership in a Chinese context shape institutional bases for industrial dynamics in practice?
Institutions – firm based and locally embedded, affect the ways of economic interaction – downward process. upward process?

the importance of individual human actors in restructuring regional economics in a Western context
## 2 Leadership, institutions and industrial change

### Some examples

<table>
<thead>
<tr>
<th>region</th>
<th>Key human actors</th>
<th>role</th>
<th>source</th>
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<tbody>
<tr>
<td>Basque Country, Spain</td>
<td>Transformational Political leaders</td>
<td>Created a clear vision, inspired commitment</td>
<td>Arrosipde et al 2011</td>
</tr>
<tr>
<td>Sophia Antipolis, France</td>
<td>Politician: Pierre Laffitte</td>
<td>Developed Initial vision enacted new institutions</td>
<td>Parker 2010</td>
</tr>
<tr>
<td>Styria, Austria</td>
<td>Styrian Minister: Herbert Paierl</td>
<td>‘Initiator’ of appropriate cluster policy</td>
<td>MacNeill and Steiner 2010</td>
</tr>
<tr>
<td>Bitterfeld-Wolfen, Germany</td>
<td>Economic leaders</td>
<td>Network builders, Altruistic managers</td>
<td>Bathelt 2013</td>
</tr>
</tbody>
</table>
2 leadership, institutions and industrial change

- Three styles of leadership as building blocks for the empirical part:
  - Interpretive leadership
    *shapes actors’ prevailing perceptions and knowledge*
  - Formal leadership
    *is oriented to goal achievement and expected consequence by positional power.*
  - Network leadership
    *directs all the opportunities and resources of networks to the desired direction*
3 the context: why local state leadership in China?

- National leaders: From Mao to Deng (Wei, 2000; Fan and Sun, 2008)

- Sub-national leaders: key actors for local experiments and reforms
  e.g. Qiu He (official with personality) (Fewsmith, 2006; 2010)
  e.g. Bo Xilai (the Chongqing Model) (Zhang and Peck, 2014)
  Grass-rooted cadres in China (Eaton and Kostka, 2013)

We see these cases are logical outcomes enabled by Chinese-specific political arrangements and institutional settings:
3 the context: why local state leadership in China?

- Two main institutional fundamentals that constitute the Chinese version of place leadership, namely local state leadership

- 1. the unique version of decentralization
  Asymmetric decentralization (Chien, 2007; 2010) or ‘Regionally decentralized authoritarian’ (Xu, 2011).

- 2. the cadre cross-region shuffling system.
  The term of ‘airborne cadres’ (空降领导)
3 the context: why local state leadership in China?

- What are the differences from the Western concept of local state leadership?

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<tr>
<th>Item</th>
<th>Western democratic context</th>
<th>Chinese authoritarian context</th>
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<tbody>
<tr>
<td>Leaders</td>
<td>Elected Mayor, Councilor, Party leader</td>
<td>Appointed Mayor and CPC secretary (Mainly at municipal and county level)</td>
</tr>
<tr>
<td>Potential followers</td>
<td>Local governors, residents, communities, non-state organizations</td>
<td>Local subordinates, state-backed individuals and organizations</td>
</tr>
<tr>
<td>Civic engagement</td>
<td>Strong and active</td>
<td>Weak or even absent</td>
</tr>
<tr>
<td>Accountability</td>
<td>Voters, affiliated party, council</td>
<td>Upper states and higher-ranked officials</td>
</tr>
<tr>
<td>Decision-making</td>
<td>Shared, open, collective, slow process, with a variety of purposes</td>
<td>Less-shared, non- or semi-transparent, fast process, with a coherent purpose of economic development</td>
</tr>
<tr>
<td>Power exercise</td>
<td>Formal and based on rules of the law</td>
<td>Formal and informal (with a flexible, emergent and tentative manner)</td>
</tr>
<tr>
<td>Orientation</td>
<td>Relationship-oriented</td>
<td>Task-oriented</td>
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Source: author own compilation based on related literature
4 Empirical case study

The case and methodology

1. A typical coal-mining region in crisis

2. Since a new mayor came to power in 2006, the rapid growth in the tourism industry has been observed.


4. ‘Zaozhuang Practice’ (China Daily, 2012)
4 Empirical case study

- **Methodology**
  - In-depth interview (March and April 2013)
  - With 37 informants in 25 organizations (coal SOEs, tourism companies, government authorities and vocational colleges)
  - Semi-structured questions, lasting about 2 hours for each interview

- **Important notes:**
  - Official introduction from Beijing
  - Possible biases due to the lack of civic voices.
Empirical case study – interpretive leadership

Empirical analysis:

- Interpretive leadership: bring a shared vision for local development
- 1. an in-depth investigation process on local conditions
- 2. introducing a new development vision by providing easy-to-understand conception, namely “the theory of a tank of fuel” (一箱油理论)
- 3. interpreting the vision with feasible action guidelines: namely ‘One campaign, three strategies’ (一大战役，三大战略)
4 Empirical case study – formal leadership

- **Formal leadership**: reshaping governmental institutions by authority.
- Formal authority: to restructure the local government system (e.g. new agency for tourism and service industry) and to create new organizations (e.g. tourism training system).

- Authority was also used to reform the local Cadre Evaluation System (CES). From the GDP-ism to the transition-ism

- Coercive power – giving local state agencies and SOEs compulsory tasks.
  1. local coal SOEs to start new tourism businesses
  2. the Zaozhuang Two-Day Trip program (attract government personal from elsewhere as tourists)
4 Empirical case study – formal leadership

- “All of the 59 municipal governmental units. For example, we received an annual quota of 2,500 tourists” (Interview with ZDRC, 2013).

- about 1.5 million state-affiliated tourists over China were methodically attracted from 2009 to 2011 (ZSB, 2012)
4 Empirical case study – network leadership

- Network leadership: creating a broader facilitative environment
- Leader-participated marketing and regional branding

Examples of mayor-participated tourism promotion in CCTV programs.

Source: captured by the authors from CCTV Online.
4 Empirical case study – network leadership

- Example 1

- Taking advantage of the emerging ‘high-speed railway economy’, to raise wider public attention by tourism promotion in railway stations over China.

Source: author, Match and May, 2013.
This type of leadership is derived from leader-context interaction, which reshaped the context itself:

“Owing to our ‘railway station’ marketing project, Zaozhuang was deliberately selected as the only ‘resource-exhausted pilot city’ in East China by the State Council.” (Interview, 2013)
4 Empirical case study – network leadership

- Example 2:
- Using local historical assets (WWII) as a bridge to network Taiwanese tourists.

“Our aim is clear, that is, to show that we respect the historical facts, and we want Taiwanese to see this, join us, and make a greater contribution together to Taierzhuang’ development.” (Qilu Evening News, 23 April 2012)
5 conclusions

- Conceptually:
  - place leadership does not produce immediate effects on local industrial dynamics, but rather through influencing and shaping institutions as ‘mediators’ of economic practice (Bathelt and Glückler, 2013)

- Chinese local state leaders as key initiators, promoters, and entrepreneurs in institutional change for the restructuring of regional/local economies

- Place leadership should be treated as fundamental to explain the motive and upward causation of local (economic) goal-oriented institutionalization and reforms in China.
5 conclusions

- **Empirically:**
  - Interpretive leadership – context embeddedness and visionary resetting
  - Formal leadership – institutional ‘layering’ and ‘combination’ and ‘conversion’ and ‘task assignment’
  - Network leadership – multi-scalar interaction and facilitative environment improvement/creation for local development issues.
Thanks for your attention!