

# Analysis of Chinese Local Governments' Policy Tools in Response to the COVID-19 Pandemic: Taking Provincial Capitals as Examples

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## ABSTRACT

When the whole country faces the outbreak of COVID-19, Chinese local governments have issued a policy response, making an effort from two aspects: plague prevention and work resumption. This research collects 427 policy text, using text analysis research method, according to the theory of policy tools, describing selection and application of policy tools in Chinese provincial capitals, and analyse the advantages and disadvantages in the implementation process. The research found that the subsidy measures among the hybrid policy tools are used most frequently, mostly for resuming work and production. While voluntary and mandatory policy tools are mostly used for plague prevention. Regulations measures are the most widely used. All kinds of policy tools have their own advantages and disadvantages. Based on this, this article puts forward three suggestions, which are improving the system of policy tools, comprehensively using multiple policy tools, and giving full play to the role of the market.

**Keywords:** COVID-19; provincial capital cities; policy tool; plague prevention; work resumption

## 1. INTRODUCTION

The outbreak of the COVID-19 pandemic in early 2020 has had a huge impact on China's economic and social development, physical and mental health, and social stability. The scope of this sudden public health incident has also expanded to the world, and it has become a problem that the whole world needs to solve urgently. In order to effectively prevent the spread of the pandemic and resume normal production and life as soon as possible, the Chinese government has issued a series of response policies in terms of plague prevention and work resumption, and achieved good policy results in the implementation.

In recent years, China has been repeatedly threatened by public health emergencies, and the government's policy choices have played a vital role in the governance process against them. The policy is actually a combination of a series of policy tools. Policy tools play a very important role in assisting the government in promoting and implementing policies. Scholars also use them as a research perspective, widely introduced to many public policy fields, and have a more scientific understanding of the internal structure of the government's policies, providing assistance in formulating public policies locally. Based on this, this research uses the theory of policy tools to describe the policies that have been issued in various provincial capitals, and analyse the advantages and disadvantages of various policy tools in the

implementation process. At the same time, this research also combines with the analysis and conclusions, giving suggestions for improvement of government policies under the normalized management of the pandemic.

## 2. LITERATURE REVIEW

Initially, the research on policy tools was mostly concentrated in the field of economics. In the field of public management, the emphasis on policy tool theory dated back to the "New Public Management" movement that emerged in the 1980s. As for the conception of public policy tools, currently the most widely used in academia is Irving · E · Hughes proposed in the "Introduction to Public Administration", the public tool is the government's behaviour, and in some way to adjust the mechanism of government behaviour[1]. At the same time, many scholars have promoted the classification of policy tools, such as the four main management resources proposed by Christopher, and Bruce Deling and Richard Feder advocated classification according to the degree of mandatory policy tools, etc. [2]. Throughout the development process of policy tools in China and the West, the research on them can be roughly divided into four stages: In the initial stage of the 1970s and 1980s, scholars were full of rationality in the research of policy tools, and it was a traditional policy tool selection method; in the late 1980s, there was an expansive study on the traditional stage; in the 1990s, the new public management movement gave birth to many market-oriented policy tools; from the

late 1990s to the 21st century, policy networks were introduced in the field of research, scientists began to combine the two [3].

Domestic research on policy tools started relatively late, beginning in the mid to late 1990s. In "Public Management", Zhang Chengfu believes that public policy tools are the specific mechanisms that change the government to achieve goals. He divided the policy tools into ten categories according to the degree of government participation in market management, including direct provision of goods and services by government departments, provision of goods and services by government agencies, and contracting outsourcing [4]. In "Introduction to Government Tools", Chen Zhenming defines policy tools as the integration of methods to solve specific problems in specific actions of the government. He later added to this concept, thinking that in the process of making public policies, the sum of all the dynamic behaviours and specific methods adopted by the makers is also the concept of public policy tools. Chen also divided policy tools into three categories: market tools, business management techniques, and socialized tools [5]. After more than 20 years of development, domestic scholars have achieved fruitful results in the research of policy tools. The classification, selection, evaluation and innovation of tools include not only basic concept definitions, but also deeper theoretical constructions. However, there is still the problem of not being able to completely getting rid of the direct application of western research results [6].

In the analysis of policy tools regarding the COVID-19 pandemic, a common method is to conduct content analysis of the policy text. Scholars such as Zhao Xueqin constructed a framework for the analysis of work resumption policies of enterprises, analyse three types of policy tools used by Chinese enterprises on the work resumption, and put forward optimization suggestions such as enhancing the synergy between the two elements [7] ; Li Qiaoxing et al. scholars encode policy texts and use software to perform semantic network analysis, then put forward conclusions and suggestions such as target adjustment and flexible matching [8] ; Jiang Yazhou and other scholars construct a portfolio model diagram of major public health crisis governance policy tools, showing the interaction of the government, the health department, and the market under the mixed tools, and promote the development of the research on the classification of policy tools in the public health crisis in the theoretical field [9]. The existing research viewpoints are clear and the argumentation is solid. Scholars have made full use of the theory of policy tools, combined with the current situation of Chinese government governance, and realized the rich local knowledge of the use of policy tools in the management of major public health crises.

### **3. THE CURRENT STATUS OF RELEVANT POLICIES IN CHINA'S PROVINCIAL CAPITAL CITIES TO RESPOND TO THE COVID-19 PANDEMIC**

Taking the daily number of new cases of COVID-19 and the frequency of posting at the national level into account, the development of the domestic pandemic situation is divided into three stages: From 11 January, 2020 to 20 January, 2020 was the outbreak of the observation period. During this period, Wuhan was a key pandemic prevention area in the country; From 21 January, 2020 to 2 March, 2020 was the key period for response to the pandemic. The pandemic gradually spread to the whole country, and all provinces have issued corresponding response policies; After 2 March, 2020 was the pandemic response period. The pandemic situation in various provinces has gradually stabilized, and the policies introduced have gradually changed from focusing on plague prevention to focusing on resuming work and production.

I browsed the official websites of the governments of 27 provincial capital cities and 4 municipalities in mainland China, and collected a total of 427 policy texts related to the pandemic beginning in January 2020 and ending in January 2021. They are divided into two categories, plague prevention and work resumption.

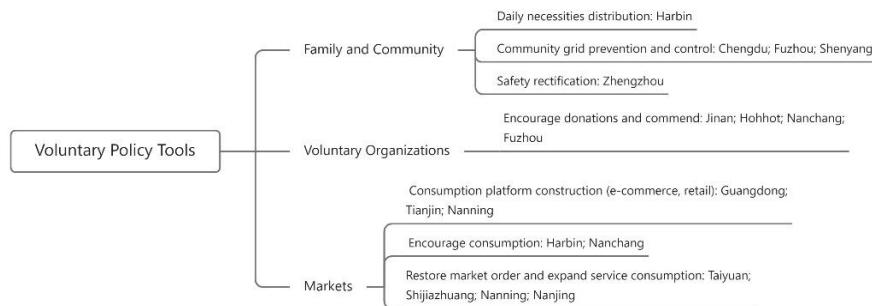
In terms of plague prevention, a total of 184 policy texts have been introduced. Beijing has introduced the most, with a total of 50 items, and Nanjing, Nanning, Xining, Lanzhou and other places have only introduced one. Policies such as medical and nursing drug management, pandemic situation gradual investigation and declaration, district and county control, material guarantee, and knowledge propaganda have been issued more frequently in provincial capitals. Different cities have issued specific policies based on the specific conditions of their locations. For example, Shanghai has issued policies to strengthen the construction of community hospitals in terms of medical care management.

Regarding the work resumption, a total of 243 policy documents have been introduced, which issued the largest number of Beijing, a total of 78 items. A minimal number Urumqi issued for one. This type of policy can be divided into enterprises, education, social institutions, industry as a whole, general arrangement of work content, and restoration of life order according to the objects. The policies issued for various types of objects include not only universally applicable such as tax reduction and exemption, increase of subsidies, and promotion of consumption, but also arrangements based on the status quo of each region, such as the "About Further Strengthening Overseas (Overseas)" issued by Shanghai "Notice on the Prevention and Control of Enterprise Pandemics", as well as supervision of wearing masks and encouraging home isolation, etc.

## 4. SELECTION AND APPLICATION OF POLICY TOOLS IN CHINESE PROVINCIAL CAPITALS

The classification of policy tools referred to in this research is the three categories proposed by Howlett in "Public Policy Research: Policy Cycle and Policy

### 4.1. Selection and application of voluntary policy tools

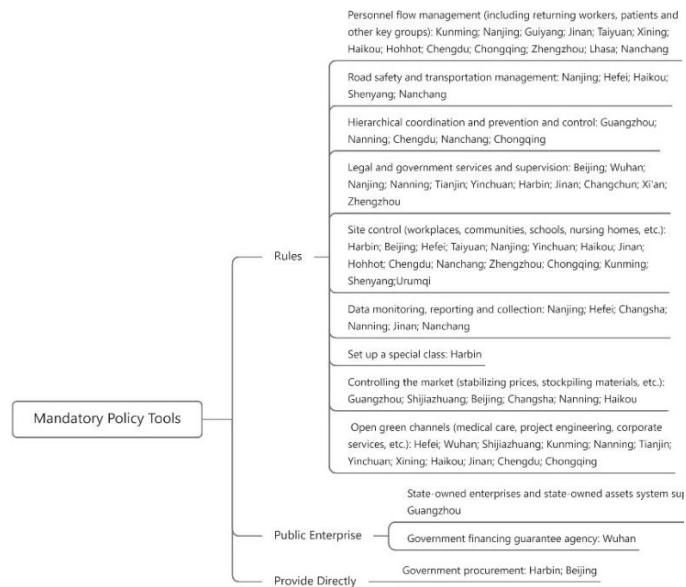


**Figure 1.** Selection of voluntary policy tools

Voluntary policy tools are divided into three categories: families and communities, voluntary organizations, and markets. The typical representative of families and communities is the Harbin government's "Harbin City Response to COVID-19 Pandemic Work Headquarters on the Needs of Residents During the Plague Prevention in Harbin." As mentioned in the supplementary notice of the sales and distribution work plan, a special person should be arranged to manage the temporary pickup points, and guide residents to pick up items at peak shifts and maintain spacing. The Fuzhou municipal government has notable behaviour in adopting voluntary organizational measures.

Subsystem", namely, voluntary policy tools, mandatory policy tools, and hybrid policy tools. Under various policy tools, there is a secondary classification of specific measures. I use it as a reference standard to sort out the provincial capital cities that have adopted various measures.

### 4.2. Selection and application of mandatory policy tools



**Figure 2.** Selection of mandatory policy tools

It has issued a public praise notice to social donors. It not only hopes that donors will set an example, but also fully demonstrates the traditional virtue of giving charity and the deep feelings of helping each other in the same boat. Many cities have also introduced policies to restore market order and promote consumption. These policies can be summarized as "restoration" and "encouragement." In actual application, voluntary policy tools are often used in combination with many other policy tools. For example, when encouraging consumption, Beijing adopts a way of issuing consumer vouchers as a subsidy.

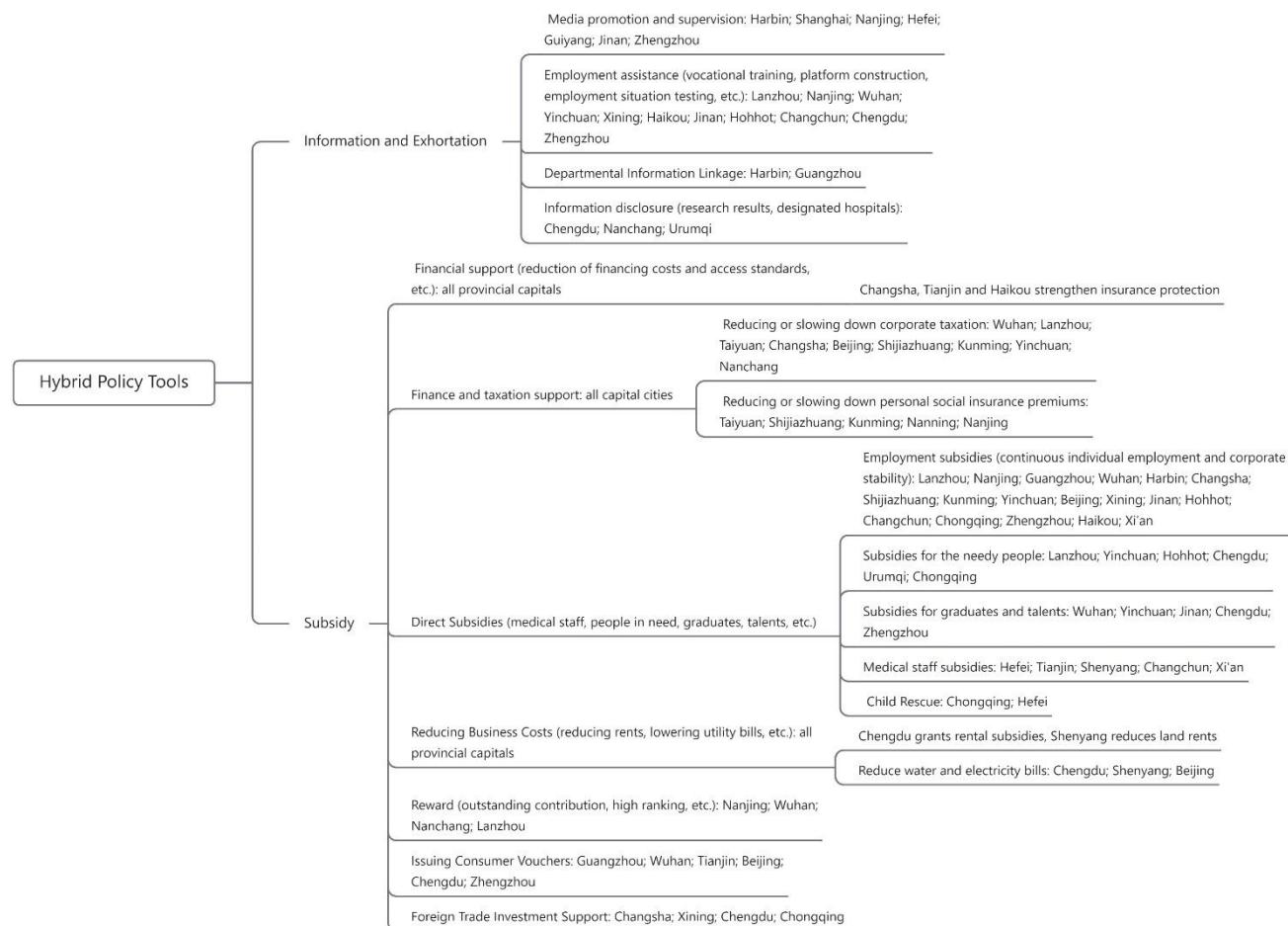
Mandatory policy tools include three types of specific measures: regulation, public enterprises, and direct provision. During the pandemic, the most commonly used measure in provincial capitals was regulate measure. Commonly used regulatory regulations include the need to wear masks and keep distance when gathering together, which has the advantage of easy management. Opening up green channels, which belongs to the service-oriented regulations, has streamlined the approval procedures and stipulated the approval time, making enterprises the main body of follow-up work.

In terms of public enterprise measures, a typical example is the Wuhan municipal government funding the establishment of Wuhan Financing Guarantee Co., Ltd. to

provide quasi-public products and services for small, medium and micro enterprises. This requires a considerable amount of financial support, but it is also an effective measure to effectively reduce the financing costs of small, medium and micro enterprises.

As a representative measure of direct provision of government procurement, the Beijing municipal bureau of finance has issued a series of policies that require purchasers to increase the amount and proportion of procurement for such enterprises. At the same time, when signing a procurement contract, the payment period, method and other aspects are required giving appropriate support. This can effectively help small and medium micro enterprises.

#### **4.3. Selection and application of hybrid policy tools**



**Figure 3. Selection of hybrid policy tools**

Hybrid policy tools are divided into four categories: information and admonitions, subsidies, auctions of property rights, taxes, and user fees. The first two categories of measures are adopted by China's provincial capitals.

Information and admonition are a relatively mild measure, which has played a very important role in the observation period and key period of the pandemic response. The

government uses social media to report the daily increase and decrease of the number of cases, which helps increase public understanding and awareness of plague prevention. It is also a warning: it is hoped that the public can try to avoid moving to areas with more severe pandemics. The government's provision of employment information and vocational training also help people continuously improve

their abilities, find new jobs, and promote the harmonious and stable development of society.

Subsidies are the most widely used type of measure in provincial capitals. For enterprises, the government directly grants large amounts of financial subsidies to enterprises, or through tax reduction or exemption, these measures can effectively reduce the pressure on enterprises; For individuals, the Urumqi municipal government have set subsidy standards for low-income households, disabled people, the elderly and other disadvantaged groups. It also implemented subsidies for meat and vegetables, which are not only effective for special groups, but also more universal, helping to improve the quality of life of residents and achieve social stability.

## 5. RESULTS AND ANALYSIS

From the data point of view, the proportion of provincial capital cities using voluntary policy tools accounted for 48.4%, of which market-type measures were the most used, 53.3%; provincial capital cities using mandatory policy tools accounted for 83.9%, of which all cities used regulatory-type measures; all provincial capital cities have used hybrid policy tools.

Voluntary policy tools have significant advantages in terms of autonomy, cost saving, and spiritual support, but they also have some drawbacks. As for voluntary organizations, it can't be the main provider because of the limited level of contributions, so it plays more of a spiritual role of incentives. More effective and practical support still need to rely on government stand by. Another example is the market, which cannot regulate public goods. In provincial capitals that have adopted policies of restoration and encouragement, they only focus on tertiary industries such as commerce and tourism.

The mandatory policy tool is the most commonly used measure by the government during the pandemic. In regulations involving personnel and places, its biggest advantage is ease of management. It helps to achieve high efficiency in the process of policy implementation. At the same time, it has lower policy implementation costs, and it only needs to issue regulatory policies to ensure implementation costs. But it also has rigid drawbacks, prone to "one size fits all" situation due to incomplete information collection. The policy is difficult to adjust during the implementation process, which is easy to cause dissatisfaction of the managed. Therefore, when mandatory policy tools are used in specific applications, more and more complete preliminary research should be conducted, and sufficient information should be collected to ensure the balance between policy implementation and people's acceptance to a greater extent.

The information and exhortations in the hybrid policy tools are too weak. They are not features of the express regulations, so they can only rely on the people to restrain themselves. Therefore, information and admonitions are often used in combination with mandatory policy tools, such as the Shanghai municipal government's management of the community. While monitoring the flow

of people, it also conducts socialized publicity and health education. The most prominent advantage of subsidies is that they effectively reduce operating costs, allowing more funds to be invested in production, in order to achieve the goal of economic recovery and development as soon as possible. However, a large number of subsidies will inevitably increase government expenditures. The formulation of subsidy standards also requires a large amount of preliminary information collection. For example, Guangzhou has introduced a policy of rent reduction or exemption for enterprises, which requires the government to conduct research in the early stage to respond to this. The standard makes a definite choice. This will have an impact on funds that should have been spent elsewhere. At the same time, as subsidy measure plays an indirect role, for the special situation of China's pandemic, it not only needs the pre-pandemic situation relatively stable as a prerequisite, but will take a certain amount of time to wait for the distance subsidy policy to truly play a role.

## 6. CONCLUSION

In conclusion, hybrid policy tools are the most widely used in the policies that have been issued, and the most frequently used subsidy-type measures are mainly used in the work resumption. Voluntary and mandatory policy tools are mainly used in plague prevention, of which regulation-type is the most used measure. At the same time, these three policy tools have their own advantages and disadvantages in actual application. Therefore, in order to maximize the effect of policies, various policy tools are often used in combination in the process of policy implementation.

China has achieved considerable results in response to the pandemic, but there is still room for improvement. Based on this, this article combines the advantages and disadvantages of various policy tools, China's achievements in response to the epidemic, and possible future development forms, proposes the following three suggestions for improvement: 1. Improve policy instrument system, to achieve a variety of policy tools of the pros and cons complementary; 2. Comprehensive use various policy tools, enhance synergistic effect of a combination of policy tools; 3. Fully play the role of the market, to enhance interoperability between policy tools and elements of the enterprise. I hope give helpful suggestions for the continuous improvement of relevant government policies under the normalized management of the pandemic.

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