

**INSTITUTIONALIZATION OF STATE POLICY: THE ROLE OF
STATE-OWNED ENTERPRISES, PROVINCES AND
MUNICIPALITIES IN CHINA'S URBAN HOUSING MARKET**

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ABSTRAK

Peruntukan perumahan bandaran telah kekal sebagai satu cabaran serius di China di mana penduduknya berbilang lebih daripada 1.3 billion. Semenjak reformasi pasaran bermula pada tahun 1978, peralihan institusi telah memberikan pelaku institusi seperti, perusahaan milik pemerintah (SOE), dan kerajaan negeri dan perbandaran banyak diskresi dan otonomi untuk mentakrif semula peranan mereka dalam pasaran perumahan bandaran. Namun, hanya terdapat sedikit sahaja karya yang telah mendekati struktur dasar yang telah muncul akibat peralihan dalam pasaran perumahan bandaran. Dengan itu, tesis ini membentangkan satu analisis terperinci untuk menjelaskan dinamik dan dampak perubahan institusi keatas pasaran perumahan bandaran China. Khususnya, ia bermatlamat untuk meninjau bagaimana desentralisasi perancangan telah membezakan pembentukan dasar kepada beberapa peringkat untuk mengkoordinasi objektif kecekapan pengurusan tanpa berkompromi dengan matlamat kebajikan pemerintah.

Bukti menunjukkan bahawa perubahan institusi telah mengubah dengan signifikan peranan SOE dalam sektor perumahan bandaran di China. Tiga fasa ketara dapat dikesan dengan fasa pertama didominasi oleh pembinaan dan peruntukan 'in-kind', fasa kedua bersifat sumbangan SOEs kepada dana wang simpanan perumahan (HPF) dan

penyertaan dalam kempen jualan rumah milik-awam, dan fasa ketiga dipandu oleh penyertaan SOE dalam pembinaan perumahan, spekulasi dan pembekalan rumah berpatutan. Sebagai perkakas pemerintah, SOE telah disyaratkan oleh institusi pemerintah untuk meneruskan peranan mereka bagi membekalkan perumahan berpatutan.

Sebagai perantara antara pencetus dasar pusat dan pelaksana dasar perbandaran, kerajaan negeri memainkan peranan koordinasi utama untuk menjamin agar matlamat yang ditetapkan oleh kerajaan pusat diperantara dengan berhati-hati kepada kerajaan perbandaran yang tumpukan perhatian keatas pelaksanaan dasar. Strategi institusi kerajaan negeri adalah mustahak untuk menjelaskan kenapa setengah-setengah negeri berprestasi lebih tinggi daripada negeri lain. Dengan menggunakan dua negeri sebagai contoh, empat institusi, iaitu, institusi pimpinan, peralatan perundangan, kegunaan tanah dan budaya kehidupan telah digunakan untuk menunjukkan mengapa Shandong telah mendahului Shanxi dalam pembangunan perumahan bandaran.

Akhir kata, tesis ini menunjukkan bagaimana kerajaan bandaran menjalankan dasar pelaksanaan dengan menginstitutionalisasi proses perancangan dasar iaitu peruntukan, penyebaran, kalibrasi dan penentuan. Dengan menggunakan Qingdao sebagai satu kes, tesis ini menunjukkan bagaimana perubahan institusi telah memberi kerajaan bandaran

otonomi yang signifikan untuk melaksanakan dasar perumahan. Disamping itu, dengan mengkoordinasi secara aktif dengan kerajaan negeri dan kerajaan pusat, kerajaan bandaran dapat mengkalibrasi semula dasar perumahan demi menjamin agar perancangan perumahan keseluruhan mengambil kira dampaknya keatas penduduk yang disasarkan.

Penemuan menyokong penghujahan Marxis Structuralist bahawa pemerintah di sesebuah ekonomi developmental menjalankan beberapa fungsi untuk menstruktur semula hubungan pengeluaran bagi menjamin kepentingan masa tidak diabaikan. Dasar pemerintah diinstitutionalisasi pada beberapa peringkat untuk menjamin agar kesan akhir dapat mencapai matlamat yang disasarkan. Tambahan pula, peralihan institusi dalam perkakas governan dan institusi yang terjalin dalam fungsi perbadanan-meso adalah penting dalam mengaturkan pengeluaran dan pendedaran sosial bagi menangani perubahan dalam matlamat dasar kerajaan. Tesis ini mencadangkan agar teori pemerintah menerap setengah-setengah aspek teori institusi dan evolutionari untuk mendekati peranan pemerintah dalam pembangunan ekonomi.

ABSTRACT

The allocation of urban housing remains a serious challenge in China, which has a population of over 1.3 billion in 2014. Since market reforms began in 1978, institutional change has given institutional players, such as, state-owned enterprises (SOEs), provincial and municipal governments, discretion and autonomy to re-define their role in the urban housing market. However, little work has examined changes in the policy structure arising from the transformation of the urban housing market. Hence, this thesis presents a profound assessment to unravel the dynamics and impact arising from institutional change in China's urban housing market. Specifically, it aims to examine how the decentralization of policy planning has differentiated policy making into different levels of government to coordinate government agencies to meet the objectives of management efficiency without compromising the government's welfare goals.

The evidence shows that institutional change has significantly transformed the role of SOEs in China's urban housing sector. Three distinct phases can be identified in the changing structure of the urban housing market with the first phase characterized by in-kind housing construction and allocation, the second phase by SOEs' contribution to Housing Provident Fund and participation in publicly-owned houses sale campaign, and the third phase led by SOEs involvement in housing investment, speculation and affordable house

provision. As an instrument of the state, SOEs have been conditioned by state institutions to continue their welfare role to deliver affordable housing.

Provincialization and localization of policy planning in China are consequences of decentralization processes generated by market reforms. As the intermediate between central policy initiation and municipal policy implementation, provincial governments play a major coordinating role to ensure that the goals set by central government are carefully coordinated with municipal governments for implementation. This unique framework helps explain how China has managed to guide the evolution of urban housing sector throughout the processes of marketization and privatization. By using two provinces as examples, four key institutions, namely, leadership, legislative, land use and living culture institutions were used to show how provincial institutions have unraveled to play an important role in shaping urban housing in China, which also explains why housing provision between provinces has been unequal.

Finally, the thesis shows how municipal governments exercise policy implementation by institutionalizing the policy transmission processes, namely, delivery, diffusion, calibration and finalization. Using Qingdao as a case, the thesis shows how institutional change has offered the municipal government significant autonomy to implement housing

policies. Meanwhile, by actively coordinating with provincial and central governments, municipal implementation scheme consolidates the interests of various institutional players through the institutionalization of state policies in an inclusive way of well addressing the interest of stakeholders

The findings support the Marxist Structuralist arguments that the state in a developmental economy performs a wide range of functions to restructure the relations of production so as to ensure that the interests of the masses are not overlooked. Unlike a single complex superstructure as demonstrated by most western explications, the institutionalization of governance structures in China has taken place through strong coordination between central, provincial and municipal governments to make sure that policy outcomes meet targeted plans. Also, institutional change in the governance instruments and the institutions embodied in the functions of meso-organizations are important in organizing social production and distribution to meet the changing goals of government policies. The thesis also suggests that state theory needs to absorb some aspects of institutional and evolutionary theories to better address the role of the state in economic development. A comprehensive understanding of policy system in a civilizational state of China requires a profound historical and cultural reference, especially the strong embeddedness of

Confucianism, to further develop the unfolding Beijing Consensus as a robust theoretical fashion.

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LIST OF ABBREVIATIONS

CRH	Cheap Rental Housing Program
CPC	Communist Party of China
CPD	Central Publicity Department
CPPCC	Chinese People’s Political Consultative Conference
DoHURD	Department of Housing and Urban-Rural Development
ECH	Economic Comfortable Housing Program
HPF	Housing Provident Fund Program
HSC	Housing Security Center
HSN	Housing Security Network
IAD	Institutional Analysis and Development
ICT	Information and communication technologies
LUT	Land Use Tax
NPC	National People’s Congress,
NPCSC	Standing Committee of the National People's Congress
PCH	Price Capped Housing
SAI	Structure Agency Institutional
SASAC	State owned Assets Supervision and Administration Commission
SOE	State Owned Enterprise

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Appendix A: List of Publications and Paper Presented