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Parallelism and evolution in transnational policy transfer networks: The Case of Sino-Singapore Industrial Park

Abstract: This paper examines the policy transfer process and outcomes outside the occidental context. It extends the voluntary transnational policy transfer framework with an evolutionary perspective and a scalar understanding of space and power at the subnational level. The Sino-Singapore Suzhou Industrial Park (SIP), a government-to-government collaboration in promoting industrial development, was studied. It reveals that two parallel policy transfer networks were developed in the early days of SIP, which were embedded in different scales of governance and pursuing divergent targets. Their relationship affected the policy transfer outcomes for SIP, and reveals the important governance and temporal dimensions in transnational policy transfers.

Keywords: transnational policy transfer; policy transfer network; politics of scale; Suzhou Industrial Park; China; Singapore

1. Introduction

Globalisation, facilitated by the advance of telecommunication technologies, has spread to all parts of our society. The organisation of political, economic and social activities in one country is inextricably connected to those happening in other parts of the world, making it impossible for any economy to remain isolated. Related, there is a noticeable convergence of the global challenges, such as environmental and urban problems, that are faced by different countries and regions (Meseguer 2005). Confronted with these common problems, policy makers at city, regional and national levels could learn from their counterparts elsewhere (Rose 1991). Therefore since the 1990s, an upsurge in transnational policy transfer (TPT) studies has emerged from both comparative politics and public policy studies. Different forms of TPT have been discussed, including policy convergence (Bennett 1991b), diffusion

(Marsh and Sharman 2009), translation (Stone 2012), transplantation (Jong 1999), policy learning (Bennett and Howlett 1992) and lesson drawing (Rose 1991), which offer a wide insight into the actors and contents of transfer (Dolowitz and Marsh 1996), the timing and spatial scales (Rose 1993), and the reciprocal relations in the transfer process (Evans and Davies 1999)¹.

Debates and discussions on TPT started to draw a wider attention by the release of two special issues by *Policy Studies* in 2009 and 2012. Papers in these special issues critically reflected the theoretical and empirical progress of the TPT literature. Four limitations were widely agreed upon. First, current literature suffers from skewed case selection, with a dominant attention paid to developed countries as ‘policy donors’ (Marsh and Sharman 2009). Similarly, there has been a prevailing preference for successful policy transfers. But failures in TPT could uncover deeper, and sometimes hidden, challenges to the transfer process (McConnell 2010). Third, nuanced indicators and methodologies are needed to examine the outcomes of TPT (Evans and Davies 1999; Evans 2006). This is difficult as lessons tend to be modified and synthesised to fit local contexts, therefore, as time goes by, ‘the foreign origins of a programme are forgotten. It then becomes described as no more and no less than “the way we do things here” ’ (Rose 2005, p139). Last, it is suggested that TPT studies need to move beyond positivist, rationalist approaches associated with ‘methodological nationalism’ (Stone 2004), towards culturally-embedded and socially-constructed perspectives (Dolowitz and Marsh 2012; McCann and Ward 2012). As Dolowitz and Marsh (1996, p357) pointed out,

‘Most policy transfer studies have an inadequate conceptualization of the role subjective perception and judgements play in the definition of problems and solutions...few scholars look at how the definitions of problems or solutions are

¹ See Dolowitz and Marsh (1996) and Bennett (1991) for extensive reviews.

socially constructed. More importantly, they ignore the way that subjective definitions affect how and where searches are conducted and, also, what solutions are considered’.

The last point in particular, echoes the arguments of cultural and institutional geographers regarding the specificities of local and regional contexts (Morgan 2004; Scott 2001). These specificities not only shape their economic growth trajectories but also how policies are articulated and implemented locally (Wolman and Page, 2002). This implies that studies of TPT at the sub-national levels, especially those mobilising a scalar understanding of space and power (Cox 1993), could add greatly to the current TPT literature (Evans and Davies 1999).

Extending the voluntary policy transfer framework with an evolutionary perspective (Martin 2010) and a multi-scalar governance configuration (Bunnell and Coe 2001), this paper aims to fill the above research gaps by focusing on an inter-Asian TPT initiative, the Sino-Singapore Suzhou Industrial Park (SIP), which was widely regarded as a collaboration failure in the late 1990s but turned out to be the first major ‘successful’ policy learning project in China (Zeng 2016). Specifically, this paper will answer the following questions: 1) how does the TPT process evolve? 2) How could the ‘scalar of politics’ at the subnational level impact this policy transfer cycle? It is admitted that market forces and economic situations would also play crucial roles in the TPT process. However, this paper focuses on the governance structure, culture/identity and political issues surrounding different scales of politics, as these tend to be the dominant influencers in the context of Asian regions (Miao and Hall 2013). In what follows, the TPT process and its embeddedness in different governance scales will be developed. After the methodology section, the empirical study of SIP will be presented. In the conclusion, the main findings obtained from this study will be summarised and discussed.

2. Transnational policy transfer in multi-scalar governance systems

Different terminologies have been used in TPT studies. For Dolowitz and Marsh (1996, P344), 'policy transfer' is a rather broad social and political phenomenon that refers to 'a process in which knowledge about policies, administrative arrangements, institutions etc. in one time and/or place is used in the development of policies, administrative arrangements and institutions in another time and/or place'. A growth in the quality and quantity of policy transfer could in turn stimulate the process of policy convergence (Bennett, 1991b). A structuralist explanation of the process of convergence is offered by the policy diffusion literature around the idea of 'international regimes', which are 'sets of implicit or explicit principles, norms, rules, and decision-making procedures around which actors' expectations converge in a given area of international relations' (Krasner 1983, p2). One case in point was the sweeping trend towards liberalisation and deregulation in the 1980s, and later reregulation since the new century in many developing countries. 'While the intensity with which these processes were carried out varied remarkably, they were seemingly driven by something more than just domestic considerations.' (Meseguer 2005, p68). Studies on both convergence and diffusion, however, tend to focus on the patterns and consequences of TPT, but undermine the rationales of the very process. Yet as argued by many (Bennett and Howlett 1992; Meseguer 2005), motivations in TPT could influence its outcomes in significant ways. Distinction is often made between (indirect) coercive transfer and voluntary transfer. The former largely ignores the local willingness, absorption capability, and the institutional infrastructure (Dolowitz and Marsh 1996); whereas the latter is triggered by self-awareness of internal and external crises and opportunities (Hall 1988). Therefore voluntary transfer has a strong resonance with other concepts such as policy learning and lesson drawing, which emphasises the proactive role of the receiving countries in this process. Increasing the depth of learning requires both policy senders and receivers to understand and improve the fitness

between their constitutional settings, institutional structures and culture values (Jong 1999). Here the bridging roles played by *transfer networks* are widely recognised (Stone 2004). Much less discussed however, is the embeddedness of transfer networks in different scales of governance, and how such power configurations could influence the outcomes of TPT. Moreover, the mainstream TPT literature tends to view this transfer process as of a pragmatic, ‘once-and-for-all’ nature, which terminates when domestic problems are more or less solved. This paper on the other hand takes an evolutionary perspective towards TPT and places transfer networks central to discussion. MacKinnon et al. (2009) for example, have argued for interpreting evolutionary and institutional concepts in the landscape of a geographical political economy, as the social relations and power structures among groups of actors both condition and interact with technological changes and social networks. Such constant interactions, in turn, bring dynamics to TPT, to which the next section will turn.

2.1 Policy transfer dynamics

Evans and Davies (1999, p377)’s voluntary transfer network provides a useful starting point to explore the TPT process. For them, there could be twelve stages involved in an ‘ideal’ transfer process, including 1) recognition; 2) search; 3) contact; 4) emergence of an information feeder network; 5) cognition, reception; 6) emergence of a transfer network; 7) elite and cognitive mobilization; 8) interaction; 9) evaluation; 10) decision; 11) implementation and; 12) outcome. Among the twelve stages, 3)-8) detail the formation and functions of transfer networks, which are synthesised in a single umbrella stage in this paper (presented below). This is not only to simplify analysis, but also because of the inherent complexity and context specific nature of this process. This paper further improves Evans and Davies’ framework by arguing that more than one transfer network, composed of different interest bodies and spanning across diverse scales of governance, would emerge during this process. Which network will be more influential could largely depend on how well the

political goals of these networks match those pursued by the ruling parties (Robertson 1991, p55). Moreover, a feedback loop is added between the outcomes and the searching process to fully represent the evolutionary nature of TPT, as shown in figure 1. Although it is stylised as a linear process, attention is drawn towards the multi-stage, multi-level feedback potentials throughout this process.

[insert figure 1 here]

(1) Recognition: This is a stage when the governments and entrepreneurial elites discover and acknowledge dissatisfactions towards the existing systems and/or the emergence of an international regime, which shapes the rationales of their international lesson-seeking efforts (Bennett 1991a, p33). This is also the stage where cognitive obstacles, as defined by Evans (2006), might occur.

(2) Preferred outcomes and commencement of searching: after identifying the problems, the elites and politicians will need to decide what changes they want to make and the ‘ideal’ outcomes they want to achieve. Guided by these preferred outcomes, searching will start, a process that is differentiated between the ideational, institutional, and network modes of TPT (Stone 2004, p562). Proximity might play a major role in this stage, i.e., searching for international experiences could normally start with a jurisdiction that is geographically, institutionally, and culturally proximate to one’s own (Berry and Berry 1999).

(3) Formation of transfer networks: This is an ‘umbrella’ stage covering six steps in Evans and Davies (1999)’s original model. For these authors, transfer network differs from Marsh and Rhodes’s (1992) ‘policy community’ and Adler and Haas’s (1992) ‘epistemic community’ in that, it is mainly an ad hoc network focusing on actions. So its continuity is not assured compared to the other two. Nonetheless, there are substantial overlaps between

these three concepts. This paper takes an eclectic view on ‘transfer network’, which comprises multiple elites, experts, organisations and governments who have authoritative claims to politically relevant knowledge and/or powers and resources in pursuing their goals. This is also the stage where different scales of governance could come into play, as actors are motivated to participate in these networks mainly for pursuing their particular political goals.

(4) Evaluation and decision: In this stage, policy makers who commissioned the information gathering tasks need to compare the evidence and projected outcomes prepared by different transfer networks. It is also in this stage that detailed route maps towards preferred outcomes will be drawn out. This could include the principles of learning, the power structures between stakeholders, the timeline of operation, and the periodical achievements. The relative significance attached to ‘soft’ policy transfer versus ‘hard’ transfer (Evans and Davies 1999) could also become noticeable.

(5) Implementation: This is the stage where the chosen route map is put into action. Here the danger is that, for various reasons, implementation might be interrupted, abandoned, or the direction be shifted, causing divergences from its designed outcomes (Stone 2004).

(6) Outcomes and feedbacks: This is perhaps the most exciting yet least understood stage in political studies, because few rigorous and convincing criteria have been offered so far in evaluating the (successful) occurrence of policy transfer (Evans and Davies 1999, p381). In a generic manner, Bennett and Howlett (1992, p289) proposed three outcomes of learning, including organisation change, program change and paradigm shift. Paradigm shift involves the re-evaluation of an organisation’s core values and beliefs, and represents the highest learning achievement. At the other end, organisation change mainly involves improving the intelligence and effectiveness of the organisation, without necessarily touching its core values. The proactive role of the transfer networks could be noticed in each stage

during this transfer cycle, which in turn enables the penetration of multi-scalar power and governance relations, as the next section will unveil.

2.2 Multi-scalar governance in policy transfer

The ‘politics of scale’, developed by political geographers such as Cox (1993), Brenner (2001), Macleod and Goodwin (1999), denoted that the ‘new spaces of engagement’ will be constructed through ‘networks of associations’. They refer to Smith (1992), who argued for ‘scaling as everyday life’, operating on various levels such as the body, community, urban, regional, national and supranational. Scale exists as a social construction, so it is not an absolute but a relationship that we conceive and experience. Adopting this social/political perspective, Bunnell and Coe (2001, p570) defined scale as ‘a fluid and multidimensional concept, delineating the complex interactions between physical space, institutional and regulatory jurisdictions’. Following this conceptualisation, they went on to criticise the current studies on innovation systems for ‘taking their geographical stand too rigorously’. This criticism echoes that of Edquist (2005), who suggested a functional approach in understanding the innovation process. Ten functions were suggested, including for example competence building, creation and change of organisations and institutions. These functions could be further classified as ‘soft’ and ‘hard’ policies. Whereas the former refers to constitutions, legislation, norms and culture, the latter includes those implementable items, such as programmes, projects, and specific regulations. Formalising and transferring ‘soft policies’ tend to be more complicated than ‘hard policies’. As such, the central government generally takes the lead or is closely involved in this process. Conversely, regional and local governments could function independently in the learning and implementing of ‘hard policies’.

In the context of TPT, the typical functions assumed by the central government could

include: 1) setting up the legislation foundation; 2) providing financial incentives/programmes; 3) promoting collaborations across regions and; 4) working with local governments and private sectors in specific projects. For regional and local governments, their responsibilities could involve: 1) preparing regional development targets; 2) drafting action plans; 3) mobilising local resources and; 4) lobbying and collaborating with national government and the private sectors in pursuing regional goals. Depending on their functions, resources and motivations, as well as the complexities of policies to be transferred, different levels of governments could participate and/or influence the TPT process.

In table 1, three potential governance configurations in the TPT process are outlined. In scenario 1, the national government takes the most active role in ‘soft’ policy transfer and interpretation. The regional government is the main implementer of the action points, who could also influence how and to what extent the ‘hard’ policies are carried out. In comparison, the local government has the lowest status in the TPT process. This scenario represents a centrally planned system, as in the case of Akademgorodok Science Town in Russia (Castells and Hall 1994).

Scenario 2 is the opposite. In this situation, it is the local government who reaches out to international experience proactively, whereas the national government mainly functions as gatekeeper and selectively endorses local entrepreneurial initiatives. This scenario captures the rolling-out of decentralisation and public entrepreneurship worldwide (Harvey 1989), although the degree, format and legality of local governments engaging in economic activities vary across countries (Peters and Pierre 1998). Confined by their resources and power, however, the local authorities could very likely need to reach out to the regional and national governments, as demonstrated in many of the eco-city projects in China (de Jong et al. 2016). Competition between local governments to gain these supports could be severe and sometimes unhealthy.

In scenario 3 the regional government takes the lead in the TPT process. Although regions are at a less commanding position than the central government in shaping ‘soft policies’, at least in the UK, an awareness of regional disparities and growing popularity of regional studies in the 1990s and early 2000s had once strengthened the regions’ autonomy and competence in pursuing a unique culture and social imagination (Lawson 1999), and accordingly leveraged their relative importance in soft policy transfer. Local governments in this scenario tend to be more involved than the state because of their closer alignment with the regional players.

[insert table 1 here]

This simple scenario analysis by no means captures all the details in different countries and at different times. The current prevalence of localism in many countries might imply that scenario 2 would become the dominant power configuration of TPT at the subnational level. The City Deal initiatives in the UK for example have further weakened regional meso-level governance power in favour of locally based policymaking and implementation (Waite et al. 2013). Singapore represents the other end of the spectrum (scenario 1) where its national state is the most powerful scale not only in legislative terms but also in policy implementation (Kwok, 1995). Comparatively, the Chinese central government holds firmly the constitutional power, but its regional scale is highly proactive in policy interpretation, implementation and adaption (Miao and Hall 2013). Many scholars thus approached the scalar governance relations in China from that of principal and agent. In particular, it is argued that the regional governments enjoy double benefits as ‘both a state political agent and a local economic principal ... The dual identity places both broad discretionary power and immediate economic benefits within easy reach of local officials’ (Gong 2006, p85). Therefore scenario 3 is highly credible as a depiction of the state of affairs

in China. Notwithstanding these diversities, the aforementioned scenarios offer a step forward in uncovering the multi-scalar governance functions and relations in the process of policy transfer. In what follows, the case study of SIP will be presented to enrich these theoretical discussions.

3. Singapore extraterritorial investments and research method

The economic miracle of Singapore has been built upon foreign direct investment (FDI), strategic state interventionism and a strong elite leadership (Olds and Yeung 2004; Yeung et al. 2001). In the early 1990s, for example, Singapore launched an ambitious ‘Strategic Economic Plan’, which adjusted its investment focus to the Asia Pacific region. There were four major parts to this regionalisation strategy (Pereira 2004), among which the encouragement of its public sectors to invest in neighbouring regions is most relevant to this paper, because these investments were often carried out in the form of collaborative industrial parks (Phelps 2007), which entailed policy transfer on the programme level.

From the rich literature exploring Singapore’s extraterritorial industrial park investments in Indonesia, Vietnam and India (Phelps 2007; Yeoh et al. 2002), it seems that these earlier partnerships were mainly concerned with FDI attraction and revenue generation, with little significance attached to ‘soft’ policy transfer. The policy receiving countries therefore might learn some ‘hard’ practices of project management and real estate development, but they were far from grasping the essence of the ‘Singapore Model’.

It is on the scale and scope of TPT that the Suzhou Industrial Park (SIP) stands out. Conceived in 1992, only two years after China and Singapore established their diplomatic relations, SIP was launched by the then Singapore Prime Minister Lee Kuan Yew as ‘a government-to-government technical assistance agreement to transfer our knowledge and experience in attracting investments and building industrial estates, complete with housing

and commercial centres, to an unbuilt site of about 100 sq.km in Suzhou' (Lee 2000, p650). It remains as the largest extraterritorial industrial estate investment initialised by Singapore (Phelps 2007).

By now there are three Sino-Singapore collaborations in Suzhou, Tianjin and Guangzhou with different overarching objectives (de Jong et al. 2013). But as the first government-to-government (GTG) joint venture in China, SIP was placed under the spotlight since the day it was conceived. The steady increase of FDI in the first five years demonstrated the promotion effort from both partners. However, since the late 1990s, various problems started to surface (see for example Han (2008) for a detailed account) and in 2002, Singapore declared its 'disengagement' with this project, and SIP was widely regarded as a failed initiative among academics (Ching 2010; Han 2008; Pereira 2002; Shaw and Yeoh 2000). This shareholding transfer, coupled with its political and economic significance, makes SIP a unique (albeit a partially failed) case of TPT that deserves close study.

Two complementary methods were used in data collection, both followed one consistent and structured template to set 'means of explicit rules' (Berg 1998, p224). The first was face-to-face interviews conducted between June and July 2015. The author had eleven interviews in Singapore with some of the key government institutions and government-linked companies. This was in addition to another nine interviews with practitioners and academics in Suzhou who were either directly involved in SIP or had deep insights into it. Two senior officials from the SIP Management Committee spoke on behalf of the local authority, and one former regional officer was interviewed. The author was also able to draw upon her previous research on Chinese industrial parks, especially interviews with the national Torch Centre, to get a sense of national perception on SIP. Interviews were semi-structured and lasted for approximately one hour. A wide range of issues were covered, including the motivations and rationales of establishing SIP, the networks that emerged and the roles of

such networks, the stakeholder structure and its evolution, and the perceived barriers in the TPT process.

The second method was document analysis, including archives dating back to the colonial period of Singapore, and a rich and reliable historical account of SIP. Content analysis was used in data analysis, which followed a rigid five-step procedure recommended by Weber (1990) and Insch et al. (1997). The same coding and categorizing procedure was repeated three times. The consistent results obtained from this process supported the reliability of this method. Findings are presented below.

3. Policy transfer in the development of SIP

In this section, the TPT process embodied in SIP is structured around the key transfer stages to provide a clear sequence of evolution.

Recognition: Many scholars have distilled the motivations of Singapore in initialising SIP (Pereira 2004; Perry and Yeoh 2000) but depicted China as a passive receiver of the ‘Singapore Model’. The reality, however, was nothing of the sort. Actually since the end of the ‘cultural revolution’, the Chinese leaders had been under great pressure to find alternative ways forward. Besides selectively adopting the capitalist system, the crucial role played by science and technology was highlighted. In 1978, the first National Science Congress was organised amidst significant economic, political and sovereign uncertainties (Baidu Encyclopedia 2015). Local and regional governments were encouraged to work with their scientists and technicians to find solutions. The following 14th National Congress enabled the incorporation of the market mechanism in its planned system for the first time after 1949.

These Congresses had significantly aroused the motivations of local governments and elites to debate the problems and to suggest ways forward. In the case of Suzhou, it used to boast thousands of village factories that mushroomed in the late 1970s, mainly engaged in

low-tech manufacturing jobs. Their flexibility, competitive labour cost, and entrepreneurial approach won them the moniker of the ‘Sunan Model’ (Wei et al. 2009). But the limitations of these village factories gradually became noticeable, especially in terms of equipment obsolescence, backward industrial structure, increased costs of raw materials and growing market competitions. Three significant economic downturns, in 1972, 1986 and 1989 (Hu 2007) further motivated local and regional governors to reflect on the regional development mode and seek for external experiences.

Preferred outcomes and commence searching: Against China’s specific socio-economic context at that time, three preconditions had arguably defined what, from whom, and how to learn from abroad. First was that the learning outcomes should help boost the Chinese economy as quickly as possible. Second, the changes caused by these learning outcomes should not trigger major social and institutional disturbance. Third, the learning process should be well-planned, controllable and easy to monitor [Interview: the Torch Centre, 27th Oct 2014]. Based on these criteria, two international experiences attracted China’s attention. The first was the booming economies of the ‘Four Asian Tigers’ that derived from their export-led growth strategy (Sarel 1996). However, regulating and controlling the mushrooming small manufacturing companies was not an easy task. This is why the second model, the Silicon Valley model, entered the radar of the Chinese elites, who were however mainly attracted by its planned physical landscape and the (potential) ease in monitoring companies’ activities, instead of its ‘real ingredients’ (Heitzman 2001; Rosenberg 2002). To the Chinese governments, a model that combines Asian Tigers’ fast growth and Silicon Valley’s concentrated expansion could be ideal.

The emergence of Zhongguancun Electronic Street in Beijing – the predecessor of nowadays Zhongguancun Self-Innovation Zone – helped to solve the above paradox. The predecessor of Zhongguancun resembled an industrial district, where companies located

together and engaged in import-export business (Cao 2004). Its economic prosperity had quickly attracted other regions to follow (Zhongliang 2011), but the social turbulence in the late 1980s once again raised Beijing's concern for social order. It was during this period that the eyes of China turned to Singapore. As Deng once famously appraised, 'Singapore enjoys good social order and is well managed. We should tap on their experience, and learn how to manage better than them' (Deng 1993). Encouraged by Deng's affirmation, more than 400 Chinese officials visited Singapore that year to study how this tiny country could achieve economic success in a well-managed way (Pereira 2002). Singapore's authoritarian system with a single party leadership assured its Chinese partner that economic development would not necessarily surrender political control (Zhang 2012). Among the various merits of the Singapore model, its experience in developing industrial townships had drawn the greatest interest because many regions in China had already embarked on constructing large-scale industrial zones [Interview: Singapore Cooperation Enterprise, 16th July 2015].

Formation of transfer networks: Two parallel transfer networks emerged in the case of Suzhou. The first one was led by the regional government of Jiangsu Province, which was determined to build an industrial park on the west of the built-up area of Suzhou called the 'Suzhou New District' (SND), and which was designed to be sizeable, comprehensive and relatively self-contained (Yeung 2013, p140). To this purpose, the regional government had borrowed heavily from the practice of Zhongguancun (Rowe 2005), and it had been very successful in attracting investment from Taiwan and Japan (Han 2008). So it seems that the source of learning in SND was primarily domestic. Regional government took the lead and the local government was its ally, whereas Beijing adopted an endorsement attitude to its growth. So it presents the third scenario in aforementioned scalar configurations.

In comparison, the second transfer network which underpinned the birth of SIP was truly transnational, but its configuration had changed several times which made it interesting.

At the start, the Suzhou Municipal government played a crucial role in mobilising partners for this network. In particular, the bridging role of the then Mayor of Suzhou, Zhang Xinsheng, was well documented (Han 2008; Pereira 2003). For example, in December 1992, a delegation from Suzhou, led by Mayor Zhang, visited Singapore and proposed the idea of collaboration. Lee sounded his doubt about the attitude of Beijing. But Zhang, through his personal relation with the son of Deng, managed to deliver the proposal of a joint industrial park to Deng directly and obtained support within a few days (Lee, 2000) – which was very rare in China as the normal approval procedure would easily take months. Through the elite mobilisation skills of the local government, a tripartite network was gradually emerging, including the national governments of Singapore and China as well as the municipal government of Suzhou. However, the regional government was loosely involved in the negotiation process (Han 2008, p91). One interviewee in the SIP committee [interview, 23rd June, 2015] recalled that the then Mayor Zhang’s behaviour of bypassing his direct superiors in reaching out to Singapore and Beijing had annoyed the regional leaders. Previous studies also noticed that not long after the establishment of SIP, Zhang was moved to a trivial department in the regional shuffling of manpower (Pereira 2003). Culture differences in business conduct had further impeded the involvement of the regional actors. When Jiangsu province offered part of the SND to Singapore in 1992 to build SIP, it was turned down directly because Singapore perceived SIP as a ‘mini-Singapore’ and preferred virgin land to fulfil its vision (Pereira 2002, p132). A former regional officer who was involved in the negotiation process explained that such a gesture had put the regional government in an awkward, ‘faceless’ situation to participate in this project further [interview, 25th June, 2015].

Although the conceiving of SIP was largely led by the local government, once the formal negotiation started, the local authority’s leadership was replaced by the state. Specifically, SIP was declared of national interest in 1994, and Beijing since then had been

proactively shaping the TPT trajectory and contents (both soft and hard policies). An informant from the Torch Centre revealed that Beijing had placed its hope on SIP to become the prototype of growth centres which it could later implant in other parts of China [interview: 27th Oct 2014]. A China-Singapore Joint Steering Council and China-Singapore Joint Working Committee were established on the top level to oversee its implementation (Han 2008). The local government reverted to being an active contributor in the ‘hard’ policy transfer, whereas the regional public player was still largely missing.

Evaluation and decision: No thorough evaluation was conducted for SND as it was a local initiative. For SIP, however, several rounds of reciprocal visits and meetings were carried out beforehand in order to decide the principles, content, structure and the procedure of policy transfer (Han 2008, P22). The in-principle agreement was signed between Suzhou and Singapore one year after its conceptualisation, which laid down the voluntary nature of this TPT (South China Morning Post, 1993). In particular, a ‘software transfer’ programme was agreed by both sides, through which the Chinese authorities could learn Singapore’s successful public administration and economic management experience (CSSIP 1999, P10).

Again, all these pre-evaluations and pre-specifications were led by the national government, whereas the local players were engaged in drafting detailed implementation plans. But priorities diverged among the different actors as later recognised by Lee (2000). Singapore, following its earlier practices in other Asian regions, highlighted the value of exporting a complete package of ‘Singapore model’ to this extra-territorial project. For China, whereas Beijing might see the value of ‘soft policies’ in reshaping its socio-economic system, the local governments were keen in getting quick gains. Such divergence in evaluation became another obstacle to SIP’s smooth development (Shaw and Yeoh 2000; Singapore Eyes 2014).

Implementation: With two paths of learning and networking being developed, it was not surprising to find two parallel projects being carried out in Suzhou. The first one, SND, was led and financed by the regional government since 1990. With an over 20 per cent average economic growth rate, SND had become an effective competitor against SIP by late 1997 (Jin 2016). Moreover, Pereira (2002, p132) identified unintentional ‘best practice’ diffusion from SIP to SND because of their geographical proximity.

Compared to SND’s ‘learning-by-competing and learning-by-observing’ approach, SIP had formal arrangements governing TPT. China established an ‘Adapting Singapore Experience Office’ (ASEO), which corresponded to the ‘Software Project Office’ (SPO) set up by Singapore. These two agencies met quarterly in SIP to review the software transfer program. According to an interview with the Chief Director of ASEO [Interview, 17th June 2015], the focus of policy transfer had changed several times. It started with macro issues such as township development, urban planning and public work management, and then evolved to hardware management, planning, and system coordinating. Now the focus was on eco-friendly development, R&D support, talent management and business outsourcing. However, this informant did notice a gradual withdrawal of Singapore from TPT, but he welcomed this more balanced power relation with the latter.

The most often used approaches in implementing TPT included short-term staff exchange and training programmes. Between 1994 and 2002, more than 120 Singaporean senior managers served in CSSD, which provided the Chinese colleagues the opportunities of learning-by-working with these officers (Inkpen and Pien 2006, p796). In formal training programmes, ASEO and SPO worked closely with each other. By 2001 more than 1500 Singaporean experts, including senior civil servants, academics, practitioners, consultants and think tanks, were used to teach the trainees (Inkpen and Pien 2006), and more than 2000 Chinese officials had attended such training by 2012. Quite often, the Chinese attendees were

required to report back what they had learnt and the senior ones also helped draft regulations in China by incorporating the ‘good practices’ of Singapore. So far, more than 100 regulations have been enacted in this way (Huang 1999). One of my interviewees, the Deputy Chief in IE Singapore [interview, 14th July 2015], for example, had offered a course on such training programme before. He was impressed by the hard-working attitude of the Chinese officials. Nonetheless, he sounded his doubts for the short-term nature of these training exercises, and complained the courses were more like ‘talk work’. Furthermore, and confirming the reflection of the ASEO officer, the involvement of Singapore in these programmes had shrunk significantly after the share transfer, which was also noticed by a senior planner in SIP [Interview, 8th June 2015].

Outcomes and feedbacks: The two tracks of policy searching, networking and implementing led by the regional and national governments unsurprisingly resulted in some conflicts. One most cited example was the regional bias towards SND. It was alleged that SND had targeted the same foreign investors as SIP, and local officials had been deliberately confusing potential investors by undermining the status of SIP (Pereira 2003). Apparently even Beijing found it difficult to intervene in the local politics. ‘The mountain is high and the emperor is far away’ is perhaps one of the profound lessons learned by Singapore. Eventually, both governments agreed to reverse the shareholding structure in June 1999. In this new arrangement, the proportion of shares held by the Chinese consortiums rose from 35 per cent to 65 per cent, and both regional and local governments were given more shares (Ching 2010). The Jiangsu regional government further integrated SND and SIP into its so-called ‘one-body, two-wing’ blueprint, and thus officially ended their competition.

In the eyes of foreign scholars and commentators, this shareholding transfer represented a failure of Singapore’s extraterritorial initiative, and officially ended the TPT

process between the two entities (Perry and Yeoh, 2000; Pereira, 2002; Peng and Porter 1999). But looking from the Chinese perspective, China did learn substantially from Singapore, especially on the ‘hard’ policies, such as urban planning and infrastructure system design. Some organisational changes were also noticeable. For example, a Singapore-style, ‘One-Stop Service Centre’ was established in SIP in 1995, which could process 85 per cent of its businesses on the spot, and 100 per cent within 5 working days (Xia 2015). The SIP Administration Committee was among the first in China to implement a ‘transparent’ policy. One senior planner from the SIP committee confirmed that, ‘all of our approved planning documents are open to the public, so we are under constant inspection to deliver what we have promised’ [interview, 8th June 2015].

Singapore also benefited from this pioneer cooperation project. Perhaps the most valuable benefit was its high reputation and first-mover advantage in China as the expert in industrial township development. For example, after the establishment of SIP, many industrial parks in China invited Singaporean companies to design their land development plans and infrastructure system. Ascendas-Singbridge, a leading provider of sustainable urban solutions backed by the Singapore government, had around 43 commercial projects scattered in nine cities across China, and enjoyed a prestigious brand value, as revealed by one sales manager in its Suzhou sub-branch [interview, 17th June 2016].

4. Conclusion

This paper extends the TPT literature with an evolutionary perspective and a scalar governance framework focusing on the subnational level. Through the angle of an evolutionary perspective, it was noticed that the autotomy enjoyed by the regional players in the case of SIP, and indeed in post-Mao China generally (Yang 1997), had encouraged two competing policy transfer networks (SND vs. SIP) which in turn damaged the confidence of Singapore, leading to its withdrawal from the dominant shareholding position. Nonetheless,

one unexpected result of this shareholding transfer was the smoother collaboration between China and Singapore thereafter, as the two competing networks were merged by the regional government after it practically took over the control. A scalar framework therefore is essential to understand how power was mediated in the evolutionary process of TPT. Economically, SIP also bounded back from its financial difficulties in the late 1990s to become one of the top three industrial parks in China. Leaving aside the global economic environment, the up-and-downs of SIP reflect the salient roles played by the policy transfer networks besides other well-documented institutional factors such as organizational structures, cultural similarity, high-level involvement, and financial contribution of the public sectors (de Jong et al. 2013). More broadly, this paper also reveals the complexities when multiple transfer networks coexist and pursue different political and economic goals. The question that arises here is whether it is more effective to achieve TPT goals by having just one facilitating network, and thus internalise diversities and conflicts between different actors; or to encourage competition openly by allowing several networks to flourish. The latter has perhaps become the popular prescription under the current liberal regime, but its potential inefficiency is also apparent as in the case of SIP, and thus deserves further study.

The significance of the TPT networks also played out through their embeddedness in the multiscale governance structures. SIP for example, has over the years transformed from a local initiative (scenario 2) in the conceiving stage to a project of national significance (scenario 1) in its first decade, and more recently to a regional showcase with strong central support (scenario 3). This implies that the configurations of governance and power could change along the TPT process, which intricately relate to the transfer outcomes as well. MacKinnon (2009)'s argument for linking evolutionary concepts to political economy approaches resonates strongly with the findings from this study. The worldwide trend towards devolution and decentralisation seems to suggest that the local-lead scenario will

become more popular in the future. However, in China, the regional level retains its salience and power in organising TPT. Of course China's specific political and institutional settings might qualify it as an exceptional or transitional case. More thorough, and ideally comparative studies, are needed to further examine the relative importance of the three scenarios for TPT.

By studying SIP, a TPT initiative outside the Anglo-American context, which failed its collaboration targets at the beginning but revived later (at least economically), this paper contributes to current TPT studies in terms of case selection bias, difficulties in evaluation, methodological nationalism, and a dominant orthodox approach. Echoing the findings of de Jong et al. (2016) in studying the eco-cities in China, this paper noted that claiming a success or failure for a policy transfer initiative can be problematic, not only because these are dynamic features but also the different tolerance zones adopted by different evaluators when comparing implementation against targets. While such difficulties in assessment can be expected, this paper raises the necessity of incorporating an appreciation of temporal, agency/subjective and indicator/objective factors in future TPT implementation and outcome analyses.

With over three decades' experience in building industrial parks, China itself has been very active in exporting hard and soft policies in other developing countries, notably in Africa (Brautigam and Xiaoyang 2011). It is therefore interesting to see whether some of the good practices gleaned and bad practices to be avoided (such as the complicated power struggles and cultural collisions) from the SIP case are being replicated in Sino-foreign collaborations - thereby further extending the TPT cycle.

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