Julius-Maximilians-
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Methodological Questions of Chinese Economic Research

Theory to analyze China's political economy

Session Overview

- *Warm-up & Recap*
- *Introduction of two theoretical approaches*
- *Critically assess the limitations of these perspectives*
- *Continue structuring your own project & apply a theory*

Why are **theories** important in scientific research?

Why Theories Matter in Scientific Research

“Conditionality” & “Relationality”

- Theories help define what we observe and how we interpret it
- They guide the formulation of research questions & hypotheses
- They connect abstract reasoning with real-world phenomena

Importance of Theories and Method(ologie)s

If the theoretical and method(olog)ical **premises** are false/flawed, then the **conclusions** drawn from them are also wrong, which can have massive (practical) implications/consequences

Blueprint for Empirical Research

- (Abstract)

1. Introduction
2. Literature Review
3. **Theoretical Framework**
4. Method(ology)
5. Results
6. Discussion
7. Conclusion

3. Theoretical Approach: Ask Yourself

Which theory helps you explain or understand your topic?

What are the key concepts and mechanisms?

How do these relate to your research question? “Why” and/or “How”?

What assumptions does the theory make (e.g. about actors and institutions)?

How will you apply the theory to your case?

→ **Remember: A theoretical framework is not decoration; it guides your research logic**

Which **two methodical approaches in qualitative policy research** based on Treib's text (2014) were introduced in last week's session?

Two Core Approaches in Qualitative Policy Research

1. Process-Tracing (Prozessanalytische Policy-Forschung)

Goal: Identify *causal mechanisms* in policy decisions/behavior

- Focus on “why” and “how” a decision was made → corresponding behavior
- Assumes that actors’ orientations and interpretations are (re)constructable
- Methods & Sources: case-specific procedural “step-by-step” reconstructions of policy outcomes, expert interviews, documents

Example: decisions/behaviors in ministries, implementation of economic policies

Two Core Approaches in Qualitative Policy Research

2. Interpretative Policy Research

Goal: Reconstruct the *meaning-making, worldviews* & *framing* of actors in policymaking

- Focus on “how” actors interpret their environment, roles and policy problems
- Assumes that *reality* is socially constructed → there is no single “truth”, but multiple actor perspectives
- Methods & Sources: Participant observation & ethnography; Discourse analysis of speeches, texts, media coverage; In-depth interviews focusing on narratives & frames

Example: how public debates shape economic, environmental or welfare policy

Two Theoretical Approaches to Study China's Political Economy

1. Actor-Centered Institutionalism (ACI)

→Focuses on actors and institutions in analyzing interactions

→Explains how institutions shape behavior

2. Political Steering Theory (PST)

→Focuses on intentional und unintentional steering actions by actors

→Explains how political actors try to solve socio-economic problems

Both are part of **interaction-oriented policy research**

→They reconstruct the **observed behavior** of actors and corresponding **policy outcomes**

Actor-Centered Institutionalism (ACI)

Background

ACI was primarily developed and elaborated by Renate Mayntz and Fritz W. Scharpf at the Max Planck Institute for the Study of Societies in Cologne, German

Key elements

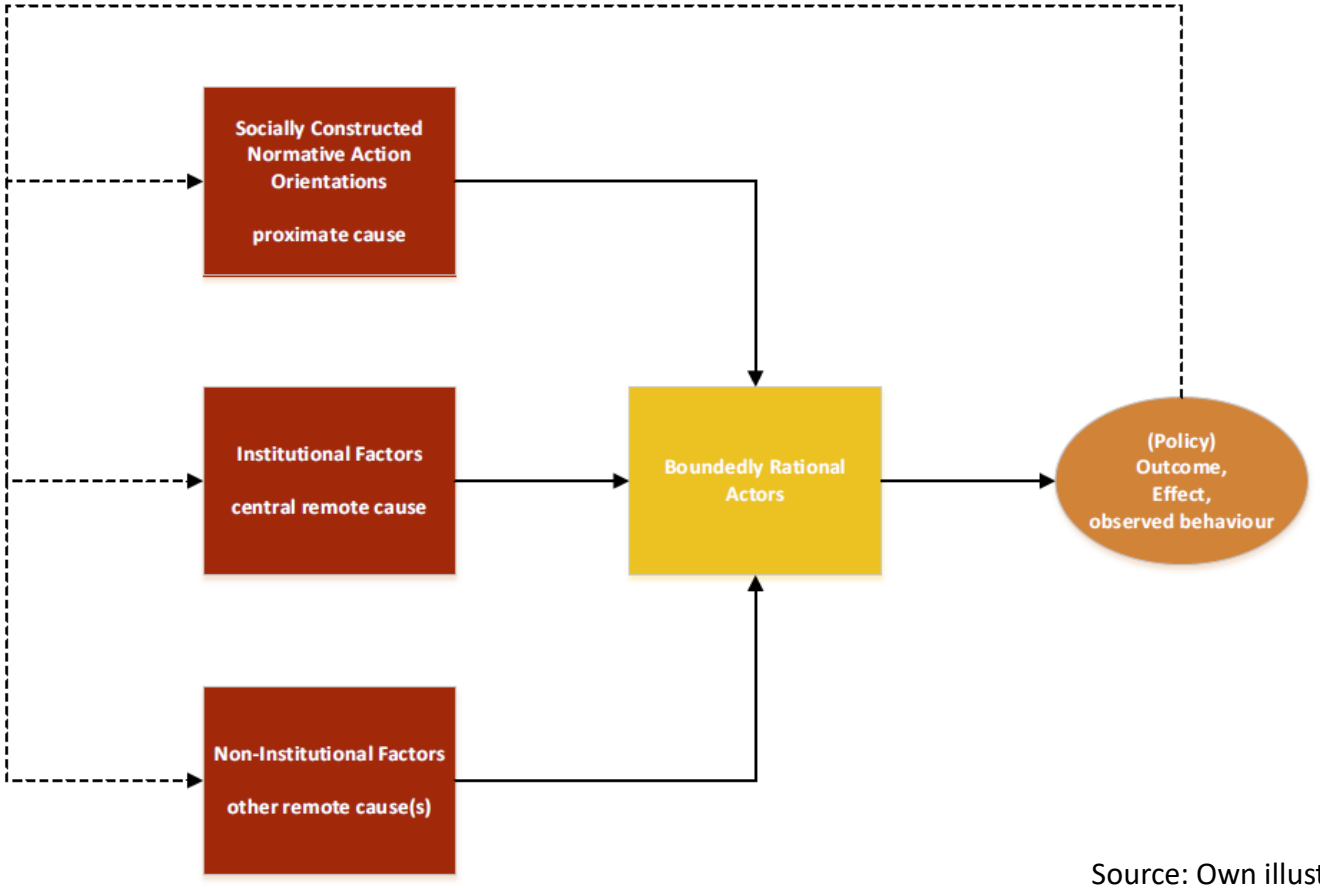
1. Individual and *composite* actors have socially constructed ***action orientations*** that are seen as the "**proximate cause**" of their behavior

2. **Institutions** are formal and informal "*norms of appropriate behavior*" that shape, but do not necessarily determine, the observed behavior of actors → "**central 'remote cause'**" of the observed behavior

→ Institutional setting is a stimulating *social context of action* that can both *facilitate* and *constrain* the behavior of actors

3. **Non-institutional influencing environmental & contextual factors** (e.g. crises perception, framing effects) can also influence the observed behavior of actors

Actor-Centered Institutionalism (ACI)



Source: Own illustration based on Mayntz and Scharpf (1995: 45) and Scharpf (1997: 44)

ACI and Institutional Change

Institutional change can occur in a variety of ways

1. **Feedback effect** between policy outcomes and the institutional setting

→Specific policy outcomes can lead to (incremental) changes in the institutional context

2. **Exogenous shocks** and perceived crises can lead to (profound) changes in the institutional setting

3. **Changes in the action orientations** of one or more specific actors can lead to a change in the general social context in which the actors interact

4. **The emergence of new actors (or the disappearance of established actors)** in a particular policy field can lead to institutional changes

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How would you **criticize** ACI?

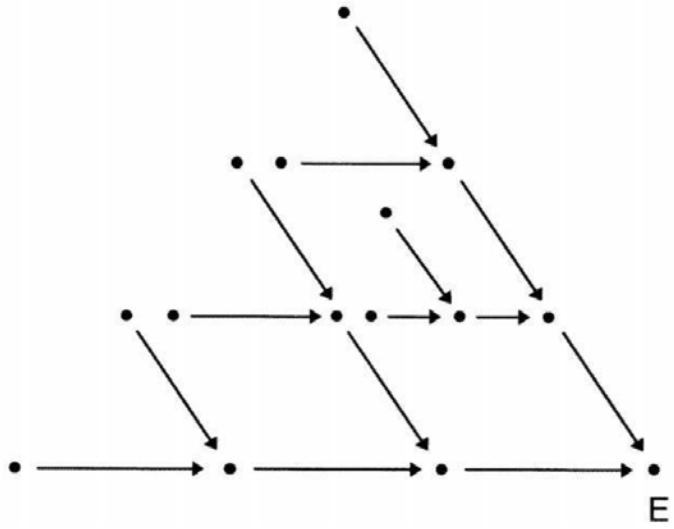
Criticism of ACI

No single clearly defined **chain of causation** can be derived from the differently weighted influencing factors and variables that ultimately produce the effect

→Not a full-fledged theory, but a "**research heuristic**": analytical "openness" a strength? (Treib 2014)

Backward-looking research design

(E = effect, observed behavior or dependent variable;
All other dots represent independent and intervening variables)



Political Steering Theory (PST)

Background

PST has been elaborated and developed along the lines of ACI, notably by Renate Mayntz, to reconstruct and understand responsive political decision-making processes and the corresponding behavior of actors

Definition

Mayntz (2022: 279) defines political steering "**as the deliberate political attempt to steer, guide or direct (parts of) society, including the economy**"

Political Steering Theory (PST) I

Key elements

Originally, a rigid "**top-down perspective**" (Mayntz 2022: 279)

…formally superordinate *steering subjects*, which are "***typically the government, the state or some public authority***" (ibid.: 260) steer the behavior of hierarchically subordinate *steering objects* **to solve perceived problems**

…underlying "**problem-solving bias**": political actors are primarily concerned with solving social and, in particular, socio-economic problems to promote the **common good** and **serve the public interest**

→"**Steering Capacity**" (Steuerungskapazität) of *steering subjects* and "**Governability**" (Steuerbarkeit) of *steering objects* can be systematically examined (ibid.)

Political Steering Theory (PST) II

→Steering attempts can also fail: "***steering action***" (Steuerungshandlung) & "***steering effect***" (Steuerungseffekt) (Mayntz 1987)

An essential factor that constitutes a **steering action** and thus conditions the generation of a particular **steering effect** is, for example, the use of a specific ***steering instrument*** by the steering subject

→**Steering instrument**: A means that can be used by actors in a targeted manner to solve perceived problems

→The possible selection, application and corresponding effectiveness of a steering instrument may depend on the ***steering resources*** available to the respective actors, e.g. financial, legal, human, technical and natural resources (Mayntz & Scharpf 1995)

From PST to Governance Theories

The initially rigid, state-centred, "**top-down**" approach of political steering has been **criticized** for its lack of explanatory power regarding the **observed behavior** & **relevance** of ***formally subordinate actors*** in policy-making processes

→*Implementation research* & in *studies of social movements*, which focus primarily on protests against decisions made by superordinate political actors, have been instrumental in introducing a "**bottom-up**" **perspective** into PST

→Both the reciprocal **vertical** and **horizontal** forms of **social coordination** in political decision-making processes were subsumed under the term "**governance**" (Mayntz 2009)

PST became a **mode of governance**

PST in China Studies I

Schubert & Alpermann 2019

Vertical modes of steering

- **Hard steering** involves authoritative decision-making by actors that is implemented through “command and control”
- **Soft steering** is understood as a discursive practice that is ultimately meant to lead to “self-enforced” implementation by the actors

Horizontal modes of steering

- **Negotiation & Bargaining** → “fragmented authoritarianism” (Lieberthal, Oksenberg and Lampton)
- **Competition & Experimentation** → “experimentation under hierarchy” (Heilmann)

PST in China Studies II

Special modes (or strategies) of steering

- **Counter-Steering**, the responsive steering action (or resistance) of the *steering object* to the steering attempt by the steering subject (Habermas & Luhmann 1971)

- **Meta Steering**, or ‘steering of steering’, steering of one actor leads to the steering of another actor (Jessop 2004)

How would you **criticize** PST?

Criticism of PST

Shift from “top-down” PS to multi-level governance has **not only revealed some new analytical weaknesses, but has also failed to address existing ones**:

1. Made a **clear distinction** between the **steering subject** and the **steering object obsolete** (Mayntz 2009)

2. Has not led to the elimination of the underlying “**problem-solving bias**” (Mayntz 2001)

Adaptation of PST I

A reference-dependent revision is proposed that places the respective **action orientations** of actors more prominently at the center of interaction-oriented policy research (Gündoğan 2024)

→ single, clearly defined hypothetical causal link

Definition

A **political steering action** involves a **behavioral response** by an actor aimed at changing the perceived non-compliant behavior (and/or underlying action orientation) of another actor in a particular "***direction***" (Mayntz 1987: 90) so that it (again) conforms to a preconceived ***normative frame of reference***

→ With the help of their **instrumentalized political steering resources**, actors attempt **to steer (negatively) perceived behavioral deviations from their norms and expectations** in such a way that they (again) **correspond to their respective action orientations**

Adaptation of PST II

Through this proposed **reference-dependent revision**, the analytical deficits can be addressed

1. Distinction between the steering subject and object obsolete (Mayntz 2009)

Clear distinction between steering subject and steering object is not blurred or abolished, but rather it depends on the respective ***interaction setting***

…who has deviated from whose given **normative frame of reference** and who then, in response to that, attempts to minimize or eliminate the perceived (negative) behavioral deviation of whom

2. Has not led to the elimination of the "problem-solving bias" (Mayntz 2001)

PS actions by actors need not necessarily be limited to a specific normative starting point (*solving a particular problem to maximize the well-being of a group of people, such as the citizens of a country*), but can relate to ***any*** **action orientation**

The perceived negative deviation from a normative frame of reference is "***the problem***" *per se*

Steering Modes	Direct Steering	Indirect Steering	Meta Steering
Definition	An intervention by an actor that is primarily directed against the perceived misconduct of another actor → Intended conformity or synchronization of the behavior of the steering object with the normative frame of reference of the steering subject	An intervention by an actor that is primarily directed against an action orientation of another actor on the basis of which the perceived misconduct takes place → Intended conformity or synchronization of the normative frame of reference of the steering object with that of the steering subject	When a direct or indirect steering action by a steering subject steers not only the steering object itself, but subsequently also the behavior or action orientation of another actor or actors → Intended or unintended conformity or synchronization of the behavior or action orientation of the steering object(s) with the normative frame of reference of the steering subject
Steering (Resistance) Instruments	**Positive Steering Instruments** Rewards used by steering subjects to encourage, motivate or stimulate steering objects to change their behavior so that it conforms (again) to the steering subject's normative frame of reference **Negative Steering Instruments** Sanctions used by steering subjects to force or coerce steering objects to change their behavior so that it conforms (again) to the steering subject's normative frame of reference	**Communicative, Rhetorical and Discursive Practices** Steering subjects use communicative, rhetorical and discursive practices so that the steering object(s) adopt the desired normative frame of reference of the subject **Changing the Stimulating Social Context of Action** Actors change the stimulating social context of action, in which mostly other actors operate or interact with each other, so that they are more likely to adopt certain norms and display corresponding behaviors that comply with the frame of reference of the steering subject	All steering (resistance) instruments that fall under the modes of direct or indirect steering can be used

Source: Own Illustration

Continue Structuring Your Own Research Project

1. Working Title → What is the topic (policy issue) of your project?

2. Relevance → Why is this important to study?

3. Research Question → Refine your question: Why? How?

4. Research Aim → What do you want to find out?

5. Theoretical Approach → *Which theories & concepts might help you answer your question?*

6. Method → What type of research design would you choose? (e.g. qualitative vs quantitative?)

7. Empirical Material / Data Sources → What kind of data might be available or needed?

Tasks for next session

Read text:

Starke (2022) – Process Tracing

Thank you for your attention