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Market-Oriented Policies on Care for Older People in Urban China: Examining the Experiment-Based Policy Implementation Process

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Abstract

The rapidly ageing population and increasing care needs provide the rationale for care systems progressively shaped by a growing market in a global context. In China the approach to policy making, which has been largely experimental, has involved market-oriented reforms since the 1980s. While marketisation processes have been well studied in various European care systems, very little is known about their implementation in the Chinese context. Based on qualitative interviews with local government officials and care providers in Shanghai, this article discusses the Chinese policy process in the field of care for older people and the barriers to effective implementation. It investigates the experiment-based marketisation policy process, the power hierarchy and the lines of accountability of the state in the care field. Multi-layered barriers are identified in the market-oriented policy process. These include (1) inherent bureaucratic obstacles at practice level: reluctance to exercise discretionary power, administrative inefficiency, incoherence of care schemes and poor inter-department communication; and (2) complexities and failures at policy-making level: the infeasibility of policies, underestimation of operational capacity and inadequate involvement of practice knowledge. These findings have implications for balancing the efficiency, effectiveness and sustainability of care policies in an era of public service austerity.

Keywords: care for older people; marketisation; experimental policy approach; urban China; policy process; policy implementation

Introduction

In the context of trends of global ageing and urbanization and industrialisation (Bergman *et al.*, 2013), care for older people is increasingly shaped by markets across many countries in the world. The marketisation of care, which concerns the application of markets and market mechanisms in social care, has been widely investigated in welfare states (Glendinning, 2012; Shutes and Chiatti, 2012; Bolton and Wibberley, 2014). As a "path-dependent" concept (Williams and Brennan, 2012), the marketisation of care varies across countries,

emphasising different historical pathways of care provision and changing demographic, political, cultural, and socio-economic contexts.

With a dramatic increase in care needs of the older population and reduction in the availability of family carers, China's traditional family-centred informal care system is no longer sustainable (Hu *et al.*, 2020). Urban China has witnessed a rapidly developing care market since the 2000s. Its marketisation processes represent a "quasi-market" – a market with competitive independent agencies replacing the monopolistic state providers while differing from the conventional free market (Le Grand, 1991; Le Grand and Bartlett, 1993). The quasi-marketisation characteristics emerge in the field of care for older people in urban China: non-state social care providers increasingly involved in care provision, both not-for-profit and for-profit organisations competing in the market, care service vouchers allocated by the state to older people to purchase from non-state providers, and community officials or care managers representing older people to make choices in the quasi-market (Zhang, 2018).

Marketisation strategies applied in care policy and practice in urban China share common features with the processes in other countries as well as distinct characteristics associated with its Party-State context. The quasi-market of care for older people is embedded in the context of the top-down political system. Although the strong state remains an overriding factor, the role of the Chinese government has also undergone a fundamental shift from a provider to a purchaser of services, which is one key feature of the marketisation of public services (Considine *et al.*, 2020) and in the field of care for older people (Bode *et al.*, 2011). Both central and local governments have enacted various market-oriented policies in the field of care for older people, such as contracting-out care projects to independent care providers and providing cash and non-cash subsidies to older people to purchase care services (Shanghai Municipal Government, 2016). As a traditionally family-centred care system, those marketisation strategies and processes in familial welfare states in Europe (e.g. Italy) and East Asia (e.g. Japan, South Korea) have been extensively applied in urban China, such as the familial care model of "migrant in the family" in Italy (Shutes and Chiatti, 2012). Older people and their families in urban China increasingly seek care services from the market (e.g. employing rural migrant care workers).

Market-oriented care policies in China have been largely experimental, enacted in a compressed period through pilots in selected local jurisdictions before a larger or nationwide implementation. This process valued the speed of reactions more than policy durability or outcomes. Yip and Hsiao (2009), for example, point to the non-evidence-based policy approach in China. The policy generation process and central-local government relationships have been critically discussed in China's marketisation context (Chan *et al.*, 2008; Heilmann, 2008).

However, there is a general lack of knowledge of the market-oriented care policy process. To address this gap, this article applies an analytical approach

that considers the policy implementation from a context-sensitive and multi-layered perspective (Schofield, 2001; Hill and Hupe, 2003; Hill and Hupe, 2014; Fischer and Miller, 2017), which has been applied in analysis of policy implementation in welfare states and supranational governance (Hill and Hupe, 2003; Newig and Koontz, 2014). Specifically, this article analyses the market-oriented policy context in urban China and pathways through which marketisation was put on the political agenda; examines the power hierarchy and the accountabilities of different levels of government in the field of care for older people; and investigates barriers in the implementation process embedded at each level. It focuses on discretionary power and inbuilt bureaucratic barriers at practice level and lack of knowledge of practice at decision-making level.

Context: Experiment-based marketisation in China – "crossing the river by groping for the stones"

The Chinese policy process generally embraces typical phases identified by the stages approach (Sabatier, 2007; Hill, 2013): getting issues on the agenda, policy formulation, policy implementation, and evaluation of outcomes. At the same time, the policy process is a complex and multi-layered political process (Hogwood and Gunn, 1984; Hill and Hupe, 2003), during which both decision-making and implementation involve multiple actors and layers (Gornitzka *et al.*, 2005; Cerna, 2013), while the continuum, crossovers or gap exist between typical stages (Lindblom and Woodhouse, 1993; Hill and Hupe, 2003). The complexities in both the context and the policy process often explain why policies fail to accomplish their intended outcomes (Ghaffarzadegan *et al.*, 2011). With reference to the Chinese context, Ning (2012) identifies a circular policy process that represents a loop between the understanding stage and the implementation stage.

China's policy process is characterised as an experiment-based approach in the context of an authoritarian Party-State (Heilmann, 2008; Mei and Liu, 2014; Peters and Zhao, 2017) with high flexibility and diversity of local governance (Tang, 2018). The "experiments in practice" and "experimental point" approaches, which involve taking large-scale vigorous, or controlled and cautious, policy innovations through real-life experiments, were applied and propagandized by political leaders at the socio-economic reforms stage in China. In 1980, Chen Yun, one influential politician who led China's economic recovery during the 1980s and 1990s, proposed that Chinese economic reforms should be like "crossing the river by groping for the stones". This idea was repeated subsequently by other powerful political leaders. For example, Deng Xiaoping, who set up the market-economy and "Reform and Opening Up" in China, reinforced this idea with reference to China's reforms and modernisation process. In this experimentation policy process (Heilmann, 2008), central

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government encourages local authorities to conduct problem-solving trials and promotes successful local experiences widely or nationally.

Experiment-based "marketisation reforms" have been widely introduced as crossing the river by groping for the stones since the 1980s in China (Wei, 2001; Wedeman, 2003). This political philosophy has been embedded in the policy-making and implementation in China, and has affected viewpoints and experiences of policy-makers, implementers, practitioners and the public, strongly influenced by central government (Mei and Liu, 2014; Peters and Zhao, 2017). Following the market-oriented economic reforms, China is gradually applying market mechanisms in social policy across various fields, such as healthcare reform (Millar *et al.*, 2016), medical insurance (Yip and Hsiao, 2009) and market-oriented housing reform (Zhang, 2006; Mei and Liu, 2014).

The market-oriented policy process in the field of care for older people in urban China is similarly experimental in nature and has occurred over a short period of time since the 2000s. In 2000, the Civil Affairs Bureau in Shanghai conducted small-scale home care projects in purchasing care services and constructing care facilities to contract out in 12 selected *jiedaos* (sub-districts) of six districts. Following trials in Shanghai, many cities have started trials of home care for older people. Based on these trials, the Chinese central government started to issue policies to construct the care system, such as "*Accelerating the construction of care provision system for older people*" (2006), "*Guidelines for Comprehensively Promoting Home Care*" (2008), "*Construction plan of social care for older people (2011-2015)*" (2016), and *Twelfth and Thirteenth "Five-year plans of national economic and social development*" (2011 and 2016, respectively).

During the Twelfth Five Year Plan period (2011-2015), trials have been conducted in many cities to develop the care market and coordinate different stakeholders. Based on collective experiences in these years, the State Council of China (2016b) started to take further action on developing home care and community care. The Chinese central government enacted a few key care policies in 2016 (i.e. the starting year for the Thirteenth Five Year Plan), such as "Central financial budget will support the trials of home care and community care for older people" (Ministry of Civil Affairs of China & Ministry of Finance, 2017), "Comments on the comprehensive opening-up of the care service market & improving the quality of care services" (State Council of China, 2016a). Furthermore, the Ministry of Civil Affairs of China (2016) selected 26 cities from 23 provincial divisions for trials of reforms of home and community care.

Considering the historical and political background, it is an understandable choice for China in the 1980s to "cross the river by groping for stones", because that was an unprecedented moment to start socio-economic reforms. Moreover, after significant demographic and socio-economic changes have taken place in recent decades, China's marketisation and industrialisation processes have

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surprised the world (Fan *et al.*, 2011; He *et al.*, 2016) with extensive aggregated experience. At the same time, policy-making, implementation, and monitoring process have kept to the old path to "cross the river by groping for stones". To illustrate the care policy process in China, it is imperative to draw on the distinctiveness of each policy stage and the relationships between them. The role of local implementers, whose experience and viewpoints have not been included in existing research is given special attention. This discussion focuses on the experiment-based policy approach in urban China with cases in the specific area of care for older people.

Methodology

The research underpinning this article applied a qualitative case-study approach, aiming to provide an understanding of policy making and implementation in the context of marketisation in social care, through the eyes of local government officials and care providers. Semi-structured interviews conducted in Shanghai composed the main data source, while relevant policy documents were collected to support the analysis of policy priorities and directions of the development of care for older people.

Shanghai is one of the most rapidly ageing cities in China, with 2,990,200 people aged 65 or over that accounted for 21.83 % of its population (Shanghai Municipal Statistics Bureau, 2018). Meanwhile, the marketisation level in Shanghai is one of the highest among all provincial divisions in China (Wang *et al.*, 2017). As the new symbol of China's modernisation and economic power, Shanghai has the forefront position in Chinese modernity and economic development based on the reform and opening in recent decades (White, 2015), which is being "hailed as the prime showcase for Chinese developmental vision" (Wong *et al.*, 2016). In this context, the Shanghai government gives priority to developing social care for older people, while implementing the marketisation strategies in social care as an "experiment point" in China.

Shanghai has also led China's piloting reforms in social policy. For instance, Shanghai introduced "socially administered pensions" to replace "enterprise-run retirement schemes" in 1984, "Retirement Insurance Regulations for Employees" in 1994 and "Regulations on Society-Run Retirement Insurance for Rural Elders" in 1996; based on these pilots and regulations, the central government promotes a universal retirement scheme for all urban employees across China in 1997 (Wong and Gui, 2016). Shanghai's examples or pilots in a variety of social policy fields have been praised and promoted to other urban areas in China, which positions Shanghai as an acknowledged leader in China's social policymaking and the ideal case study. Local government officials and care providers have extensive experience and in-depth views on the process of marketisation, especially the implementation of care policies and embedded challenges.

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The views and experiences of local government officials and care providers were prioritised because the study's focus was on the ways in which national and municipal care policies were implemented. Purposive sampling and snowballing sampling techniques were employed to recruit participants. There were three stages of data collection:

- Preliminary (August 2015): early exploration of the research context, including interviews with 3 Chinese academic staff and 3 home care agency managers in Shanghai,
- Formal (February to May 2016): 30 interviews with 21 care provider representatives and 9 government officials and,
- Follow-up (October to December 2018): interviews with 2 sub-district government officials and 2 care agency managers and a workshop on "*Social Care for Older People and Marketisation Trends*" to facilitate discussions with academics, local policy-makers and consultants in Shanghai.

At the formal data collection stage, overall, 30 respondents were recruited, including 21 representatives from 13 care agencies and 9 government officials from 5 sub-district jurisdictions in Shanghai. Within the category of care providers, participants include 9 owners or senior managers who are in charge of the whole agency, 3 marketing managers who communicate with funders, co-operators, and purchasers, 7 managers in the care service sector who arrange the care schedule and the management of care workers, and 2 care manager and care workers. Recruited government officials worked in four *jiedaos* (sub-districts) in Shanghai (two sub-districts in Pudong District, one in Yangpu District, and one in Huangpu District), including 5 government officials working at the sub-district governments or the Civil Affairs Bureau (at the sub-district level) and 5 community officials. These local government officials were actively involved in policy implementation, monitoring and inspecting, and equipped with knowledge of care demands and feedback at the frontline. Thematic analysis was applied to analyse the data collected from semi-structured interviews and policy documents.

Findings

Based on the perceptions of care provider representatives and sub-district and community officials participated in this study, the following sections explore the characteristics of the policy process in the field of care for older people in China and the challenges and issues embedded in the process. The analysis is divided into three sections: Section One clarifies the hierarchy of power and accountabilities in the care policy process; Sections Two and Three examine the barriers to effective policy implementation in two dimensions: inherent bureaucratic

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obstacles at practice level and lack of knowledge of practice at the policy-making level.

The power hierarchy in the Chinese care policy process

The findings from interviews indicate that the general accountability of different governments in the care policy experimentation in Shanghai can be summarised as follows: central and municipal governments are in charge of policy-making; district and sub-district authorities implement, follow up and feed back to superior governments; policy-making governments then decide whether to expand, maintain or terminate trial schemes. Regarding the regulation of the care market, macro regulatory responsibilities (e.g. licensing, legal framework) are set up by the central and municipal governments, while practical regulatory responsibilities (e.g. contracting out, monitoring) are taken by local authorities at sub-district or lower levels. Sub-district executives contract out, suspend, renew, or terminate state-paid care projects and oversee care delivery. At the front-line, community officials work as practitioners in the routine monitoring of care services, collecting feedback from service users and reporting to the sub-district governments.

"The Chinese pathways include two layers: upper and lower. Upper layer means the macro directional care policy; lower layer focuses on how to implement within local governments' budgets."

Hao, a government official at the sub-district level

Table 1 shows the complex hierarchical policy process in Shanghai, and the levels of policy design, implementation, assessment, review, and termination or continuum. The following discussion will go on to explain the complexities that occur at each stage.

The lines of accountability of the state in the care field are similar in state-paid care schemes and self-funded purchases but the engagement of governments generally deviates towards the former. For state-paid care schemes, care providers keep close working connections with the community and sub-district governments. Local authorities outsource previously public care agencies to independent care providers, while carrying out frequent inspections and interventions during care delivery. The interview data show that in Shanghai in 2016, older people who qualified for state-paid services could get access to 20-25 hours home care per month or subsidies to live in a care home (CNY ¥200-300 per month, equivalent to GBP £22-33). In addition, a few sub-district governments allocate local funding to expand the coverage of state-paid home care services and subsidy recipients of the municipal care scheme in their jurisdictions. Meanwhile, self-funded purchases are mainly settled between care providers and service users in the market. There were concerns emerging from the

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TABLE 1. The experiment-based care policy process in Shanghai

Process	Accountability & Pathways
Power Hierarchy	Centralised: - Top level chooses experiment sites (e.g. the central government selects cities, Shanghai municipal government selects district or sub-district jurisdictions for pilots); - Local authorities (district & sub-district levels) implement schemes and collect feedback; - Top level makes regional or national policies.
Design	Designing "on the go" without a concrete proposal.
Implementation	Discretionary power held by local authorities, whose participation is "managed" by the top level.
Evaluation	- Implementers evaluate care projects based on local criteria lacking a standard or consistent process. - Municipal or national leaders evaluate the trial outcomes based on collective outcomes provided by local authorities or inspections conducted by chosen municipal departments; - Political factors influence the decision (e.g. priorities changing when different leaders take charge).
Termination/Continuum	Top-level decides the termination or continuum without explanations to local authorities and service users.

study about the inequality of attention given by the state between older people who are self-funders and state-paid care recipients.

Regarding the evaluation of market-oriented care schemes, there was consensus among interviewees that care schemes or projects were normally assessed based on local criteria without a standard process. This led to inconsistencies between different policy schemes. They also maintained that, although evidence from various practice or policy trials was available at sub-district or organisational level, it has not been taken into consideration by policymakers in a sincere way and this, according to interviewees, has led to crude decisions on policy maintenance or termination because practical experience, feedback on implementation and evaluations of trial schemes have been overlooked.

Analysis of the dynamics and relationships between the market and the state suggests that care providers in Shanghai have little power to interfere in the municipal or national policy-making process, but focus their influence at the implementation level in negotiations with local governments. Care providers with advantaged status might skew the market in their favour with an excessive engagement in local decision making; for example, the data from this study suggest that many large chain care agencies seek an influential role in the care market to influence the price setting and care labour training and qualification. The increasing involvement of providers is, according to the arguments of several interviewees, associated with risks of negative outcomes in care practice in China, such as bribery and preferential treatment, and associated with a

secretive commissioning process and an insufficiently monitored care delivery process. As explained by one of the participants, some local government leaders contracted out projects to providers for linked personal interests, which undermined the market order.

"The decision-making process of some local governments is a 'black box'. They designate care projects to chosen providers without any open competition procedure. Allocating all projects to one designated agency is insider trading rather than a real contracting 'out'."

Qing, an executive of a care agency

At the same time, community participation in policy implementation and care practice is significant in urban China. The community functional branch (*shequ*) represents the forearm of local governments and collects and processes plenty of first-hand information about residents. The fieldwork data suggest that the community functional branches not only provide free services to older people, but also bridge the gaps between different stakeholders: inspecting care practice, mediating the relationship between care providers and service users, coordinating with volunteer groups, practising governments' orders and feeding back. Older people and their families commonly contact the community branch at the first stage of their approach to the government. Community officials are entitled to routine inspection of the care delivery. Complaints that concern the quality of care, care relationship or other issues in practice, are commonly addressed by community officials. Only complicated problems or influential cases are reported to the sub-district or other superior governments.

"When older people are unhappy about care services, they can talk to volunteers and community officials. Community officials update the information to *jiedao* very quickly. If the complaint gets 'fermented', there will be severe consequences for us [care providers]. Local governments will have negative comments on the quality of services; the reputation of this care agency will get influenced in this area."

Wang, care manager

Organised volunteers, another important group at the community level, provide significant practical and emotional support to older people and contribute to the front-line implementation process. For example, the "neighbour pairing help scheme" involves neighbours helping older people with shopping and other daily activities and paying regular visits to check the health and care needs of older people as well as collect their feedback on care services to local governments. Volunteers fill the gap in the policy outcomes, particularly when local authorities keep a distance from feedback collection. Arguably, the significant input of volunteers and community staff bolsters an imperfect implementation process.

Discretionary power and inbuilt bureaucratic barriers at practice level

The significant local variation in the political system in China (Lieberthal, 1997; Ran, 2013) indicates that local governments have a degree of autonomy and discretionary power in policy implementation. Executive leaders at or above the sub-district level in Shanghai influence decision-making in every jurisdiction. Local government officials and care providers alike argued that the approval of their working proposals depended heavily on the personal preferences and management styles of local government leaders (e.g. head and deputies of sub-district authorities), which were described as key influencing factors in care policy implementation and practice.

"I submitted a proposal on the safety issue of 1756 older people who live alone in my jurisdiction. This group has high-level risks and dangers at night. For the worst situation, it won't be known even if they die at home. If the employment of care workers for the night is too expensive, I suggested applying of a technical infrared sensor for this group at their house on the budget of this *jiedao*. But my leader rejected my proposals without discussion. Well, it is OK, I will not apply it, even though I have the left-over budget."

Hao, government official at the sub-district level

"We have to ask for agreements on our proposals from lots of government executives. It depends on the personal preferences of the leader (to approve it or not), rather than the value of the proposal."

Chao, deputy of a care agency

Despite such discretionary power, the interview data suggest that local executives at the implementation level are still unlikely to move forward. Unlike "resource constraints" or "budget pressures" for the UK government in the emerging care market in the 1990s (Hardy and Wistow, 1998) or "neoliberal austerity" in welfare states in recent years (Schwiter *et al.*, 2018), the consensus view of local government officials at the sub-district level uncovered in this study is that financial deficit does not restrict the expansion of care schemes in Shanghai (although not representative for other areas in China). Officials argued that most local authorities in Shanghai had enough budget to increase financial support for older people, regardless of the coverage of benefit recipients or support level of subsidies. The surplus of annual budgets in the field of welfare was a common phenomenon shared by local government officials working across different jurisdictions. Instead, they suggested that local executives were reluctant to allocate resources to the welfare sector.

These findings lead to the following question: what lies behind this reluctance to exercise discretionary power at the local level. The fieldwork data suggest political priorities of "stability" and "protecting the most vulnerable group" as the main reasons. Referring to political priorities, some interviewees suggested that a "stable" or "harmonious" society with fewer disparities, arguments,

or complaints remains the top concern for most local governments. Many local executives embrace the political philosophy of being a "happy medium" and keeping a "stable" society and prefer to maintain a so-called "equal society" with their neighbour jurisdictions. Complaints or protests were considered a greater problem instead of delayed policy implementation.

"'Inequality, not scarcity, which persecutes people.' Local governments cannot provide more services or financial support for residents even if we have sufficient funding, because the increase of welfare in one sub-district would lead to the discontentment of residents in our neighbour jurisdictions."

Zhan, government official at the sub-district level

The paternalistic political background and the cultural and ideological emphasis on "equality" are identified as two main explanations of this political idea. Referring to the power hierarchy, paternalist management by the central government or head government at each level (e.g. municipal government in Shanghai) and strict bureaucratic hierarchy are embedded in the Chinese political context, where "passive" coping strategies are commonly applied by local authorities. For instance, several government officials participating in interviews argued that the deliberate delay in the policy implementation was a common choice for local authorities at the district and sub-district levels when new care policies or schemes are issued.

Meanwhile, the heavy workload at the implementation level stops officials from acting swiftly as new policies are proposed and from paying consistent attention to the care sector, unless there is a direct order from the superior governments. For example, as one of 16 pilot cities for the long-term care insurance chosen by the central government in June 2016 (Ministry of Human Resources and Social Security, 2016), Shanghai Municipal government selected three districts for the primary pilot in 2017 and extended the pilot to all districts in 2018 (Shanghai Municipal People's Congress, 2018). In the follow-up interviews in December 2018, two sub-district government officials both argued that the care needs assessment and care services allocation in their jurisdictions had been more significantly accelerated and extended during the long-term care insurance pilot than ever before. Top-down instructions had made a crucial difference.

As key players in the care market, local government officials work as mediators between policy-makers, practitioners, service users and purchasers for the practical approach of policy implementation, which in the meantime leads to heavy workload and responsibilities coming from both top and lower levels. Local government officials participating in the study argued that the time pressures on operational staff stand in the way of improvements to the quality of support for older residents. For instance, service user feedback is an important element in maintaining quality standards but some community officials

interviewed said collection of feedback was often left to volunteers or to self-reports from older people and their families. Feedback was therefore inconsistent and of limited value.

The cultural and socialist philosophical idea that values equality has impacts on Chinese politics and on the marketisation path. It was a common viewpoint among interviewees that many Chinese people (especially the old-age group) harbour antipathy towards inequality. Some government officials argued that such views delay policy implementation because they need to take into consideration people's protests against inequality. Inevitably, the marketisation process increases inequalities, and older people's purchasing power depends heavily on their individual economic background. The promotion of marketisation in the care sector is antithetical to the reduction of inequality between older people. Balancing these two conflicting aims creates a dilemma for policy-makers and civil servants, and might explain some delays in policy implementation.

Furthermore, the interview data also emphasise the incoherence of care policies and projects made by different divisions within the governments. For example, inadequate inter-department communication led to inefficient resource allocation and a waste of public resources. Financial support from different authorities was repeatedly allocated to a small group of older residents without investigating care demands. A local government official explained that disabled older people in his jurisdiction had received frequent subsidies and material goods from different offices of the Bureau of Civil Affairs (e.g. Office for Ageing Issues, Office for Disabled Group, Office on Poverty Issues) and different departments at several levels of governments (e.g. municipal, district, sub-district). As a result, one group with multiple benefits became generally richer than a large number of older people who were overlooked.

Lack of knowledge of practice at decision-making level

In addition to barriers at the operational level, policy implementation also involves complexities and failures at policy-making level. For example, in the context of environmental policies, this has been explained as a deliberate political choice and that central government expects that policies will be poorly implemented, or not implemented at all (Ran, 2013). The findings of this study suggest a similar picture in the social care field. The discussion in this section focuses on findings related to the decision-making level. These include: the infeasibility of policies; underestimation of operational capacity and practice knowledge; inadequate involvement of implementers in policy-making; the rough efficiency of policy-making; and the questionable sustainability and effectiveness of policies.

Some sub-district government officials argued that it is the infeasibility of policies, rather than the poor performance of local authorities, that is

responsible for poor implementation. They suggested that policy-makers (central and municipal governments) and decision-makers of the practical marketisation schemes (heads of sub-district governments) rarely know or care about care practice, which results in the situation that some policies and schemes are either poorly conceptualised or impractical. They maintained that sometimes decision-makers themselves do not have a good understanding of policy objectives.

Specifically, these local government officials argued that some reports made by the central government are impressive but impractical, and that when these policies come to the practice level of *jiedao* (sub-district) and *shequ* (community), detailed, specific and complicated problems arise. When a new policy does not reflect the complexities of practice or contradicts practical situations, local governments have no other choice but to wait for further instructions from superior governments in the centralised political context. This process inevitably delays the implementation process. It also leads to increasing dissatisfaction on the part of the public towards local authorities, because the public has little idea about the levels of policy-making and implementation, the accountability of each level and the capacity of local governments.

Another argument made by participants is that Chinese care policies and plans are generally expressed in a macro and abstract format, which involves little consideration of practicalities and leads to uncertainty for local discretion. Local government officials in this study strongly criticised those policies that either show supportive attitudes on paper without budget allocation or list strategies without instructions or specifications of the boundaries of local government discretion. They argued that insufficient information has been given to local authorities in the marketisation process, which makes policy implementation difficult or leads to reluctance in taking actions. Many participants among local government officials argued that they had to wait for further instructions if they were unsure about how to manage a dilemma in implementation.

Furthermore, as Hupe and Hill (2016) argued, underestimation of discretionary influence at the operational level is another influential reason for problematic implementation and this is evident in the marketisation process in China, as shown in findings from this study. These suggest that the practical knowledge of implementers is widely ignored, and they are excluded from higher levels of policy-making. Even in areas selected as pilot sites for national schemes (e.g. long-term care insurance), frontline information or feedback is rarely transferred to the national level. Some participants suggested that feedback is passed to superior governments layer by layer and policy-makers will be selective in their use of it.

According to participant local government officials, feedback is usually provided in a pre-structured format that prioritises quantified information (e.g. how many older residents used the service), but overlooked qualitative comments

and opinions. The engagement activities and structured feedback collection suggest that stakeholder participation is still at an early stage in China.

"Instead of constructing a care building for 100 million (CYN) with 1 million annual operational costs, I would suggest investing in hourly care services to older people. These services would significantly increase their quality of life . . . [However,] nobody will listen to us. People at my level [sub-district leader] cannot get involved in policy making or revision. The macro plan and policies are made at the municipal level. Even governments at the district level have no powerful plans."

Hao, a government official at the sub-district level

"We do have a care industry association, but it is an extension of government departments instead of a non-governmental organisation. The association does not have the bargaining power; instead, it listens to the government."

Ju, the executive of a home care agency

As a consequence of these problems at the policy-making level in China, it is common across different policy fields, including care for older people, that local governments attempt to cover the failures made at the top level. Because of their discretionary powers, local authorities take responsibility (and blame) for negative consequences, even if the problems are embedded in the policy itself. Some participant local government officials argued that, regardless of the reasons, implementers face criticism for policy failures from both top level and the public.

"Local government staff are always the 'bad guy' for not implementing 'good' policy made by the superior governments."

Wei, a government official at the sub-district level

Nevertheless, some participants perceived that involvement in the policy process had been widened in recent years. For example, the Shanghai government had begun promoting the involvement of diverse stakeholders in reference group meetings, while selected care providers and local government officials had been invited to discuss care policies and practice issues with government leaders. Ju, an executive of a home care agency, pointed out that the "National Development and Reform Commission" and the "Bureau of Civil Affairs in Shanghai" had invited some care providers to attend seminars in which care providers were able to get their voice heard at the decision-making level. At the same time, while he acknowledged that "our involvements have impacts on policy makers' discussions," he also said that "there is a long way to go for getting any impact in practice. First, they [policy makers] need to take into considerations of many other stakeholders. Second, it takes a lot of time for the implementation."

Even though the reaction time of policy implementation is relatively rapid in China (Li, 2010; Kostka and Hobbs, 2012), this does not equal efficiency. Mertha (2009) points out that in the authoritarian context of China, the policy-making authority is much stronger than civil society and this influences the effectiveness and responsiveness of policies. Government decisions are more likely to be effectively carried out in a "smoother" process because implementers usually follow the instructions proposed by the top and hardly raise an objection to them. However, this raises questions about the sustainability and effectiveness of care policies, which might be made at different periods or by different departments and lack coherence. Also, the policy context is fast-changing and sometimes new policies are issued before addressing the feedback from pilots. In general, the experiment-based policy process in the field of care for older people in China involves a large amount of political and administrative orders other than research or practice evidence. During the rapid social experiment process, policy-makers continue to set up new policies targeting to resolve or just tick off problems on their agenda, with little considerations on the potential outcomes of each policy.

Conclusion

The research discussed in this article examined the market-oriented care policies in urban China and the widespread experiment-based policy approach associated with socio-economic reforms. The discussion has focused on the complex and multi-layered character of implementation process in the policy field of care for older people. Barriers to effective care policy implementation in urban China have been identified at both practice and policy-making level.

At the practice level, this article has identified bureaucratic obstacles that impede market-oriented care policy implementation in Shanghai, focusing on the poorly monitored discretion of local sub-district governments and has explored the explanations of local leaders' decisions on the exercise of discretionary power. It has identified and examined local executives' reluctance to allocate available resources for the benefit of independent (for-profit or not-for-profit) providers and their prioritisation of actions that aim to build a "stable" or "harmonious" society with fewer disparities between neighbour jurisdictions. The consequences of these decisions can be seen in delays in implementing the new market-oriented care schemes. At the same time, community officials and volunteers bridge the gaps between different stakeholders (e.g. local governments, older people, care providers, care workers) in care policy implementation, although the significance of the role of the community is largely overlooked by local governments and policy makers.

At policy-making level, policy-makers show a lack of understanding of care practice and policy outcomes – which also contributes to poorly conceptualised

or unfeasible policies –which do not take account of evidence and feedback from care practitioners and local policy implementers. Yet, local implementers are commonly blamed for policy failures from both top level and the public, regardless of accountabilities and responsibilities. The involvement of local implementers and care providers in the policy process shows an increasing trend; however, it is still an early stage for getting policy or practice impact.

These findings have significant implications for care policies and practices in the context of China's marketisation process. The barriers identified in this research suggest policy-makers should first consider setting up more explicit lines of accountability of different levels of government. Second, greater attention should be paid to practice evidence and the evaluation of outcomes of the marketisation path. Third, the findings also suggest that local government and community officials should be protected from excessive workloads, not only to improve their wellbeing but also to raise the standard of services for older people. At the practice level, attention needs to be given to improving the monitoring and inspection of care services and to ways of overcoming the reluctance of local authorities to engage in change. There also needs to be enhanced awareness of the value of the work of community officials and volunteers and to ways of supporting them in carrying out this low-cost but invaluable duty.

Through its exploration of the barriers standing in the way of effective implementation of market-oriented care policies, this article contributes to a new understanding of the experimental policy approach in the field of social care. The experimentation approach to marketisation schemes in many cities in China has generated practical experience as well as evaluation outcomes that can provide feedback into the policy process. Through learning from the evidence of the outcomes of its own experiments as well as from evidence arising from the marketisation processes in welfare states, China could apply a more evidence-based, outcome-valued and sustainable marketisation process of care for older people.

Beyond the specific case of social care for older people in China, the in-depth analysis of the experimental policy approach has implications in a broader context. Facing the global challenges associated with population ageing and increasing care needs and costs, countries throughout the world are looking for more efficient and effective care policies and arrangements in a period of public service austerity. China's marketisation policies promptly respond to the rapidly changing context, but the findings of this research highlight the risks and barriers inherent in the experiment-based policy approach. It is hoped that this article might generate further discussion of different policy approaches and how to balance the "efficiency" and "sustainability" of care policies in the global ageing context.

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