



**RESEARCH PAPER**

**Centralization and Decentralization in State Governance Systems: The Case of China**

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**ABSTRACT**

The objectives of this study is to focus on a unique political model of China and to explore the changing patterns of centralization and decentralization in State-Governance systems. The state-building process considers a centralization system for political stability but decentralization can promote and enhance the performance of governance. In this study, China is an interesting case as the Communist Party of China balanced the political system and knows how to enhance its performance and how to control corruption. The reforms started in 1978 and significant decentralization was adopted to make the economic decisions for the development which was carefully handled by the central authority. Qualitative research methodology is adopted with the comparative method and case study method to explore the performance under the central control. This research identifies the significant shift from decentralization to re-centralization under the leadership of Xi Jinping to maintain economic growth and political stability and also to oppose corruption. This paper also uses Max Weber's domination model to explain the Chinese model is a blend of rational, traditional, and charismatic forms of authority to rule and maintain control for growth. This research uses China as a case to demonstrate that decentralization can be a tool to enhance government performance without compromising central control. This paper provides insights of the balance of power in a centralized system and recommends that centralization and decentralization can work together by maintaining balance for the development and economic growth of a country.

**KEYWORDS** Anti-Corruption, Centralization, China, CPC, Domination Model, Decentralization

**Introduction**

Some states use power or control over the state institutions and its masses through ideology and get legitimate rights of rule over the population. The state-building process involves the centralization of power and political institutionalization, states try to avoid the chances of instability by enhancing power. Decentralization under State-Governance systems mainly focuses on the decentralized mechanism(Faguet, 2014) to control local and civil society actors for the mobility of institutions.

Decentralization is a word that is used in many ways for many things. Still, it is commonly used to describe the power distribution from the central authority to the local authorities. In many political systems, the central authority makes decisions and the local authority is silent. Decentralization in the world is now justified as it increases the efficiency, and participation of people and increases the government response towards the public. It can be defined as the distribution of power from the center to the lower institutions(Enikolopov & Zhuravskaya, 2007) by any act of formally coding power which includes the administrative hierarchy. Hierarchical divisions of power make the representatives responsible to the superior authorities or responsible to the local people. Distribution of power includes many types of power like the power of making rules, the power of making decisions, and the power to enforce the rules.

Decentralization under a State-Governance system is considered somehow risky because it develops more demand for decentralization by locals and also turns into political opposition. Decentralization can enhance the economy but it holds the expenditure and revenue models because they feel that their State-Governance or power is less secure.

China is complicated in terms of the nature of its political institutions but it does not mean that China will collapse rather its political institutions are able to sustain and exceed 30% substantial expenditures among the eleven State-Governance systems (Chen & Landry, 2009). The adoption of decentralization is complex for political and economic sides as in democratic societies local governments are integral parts and they value decentralization because it works for their own good. But in State-Governance systems, the authority is likely to fear allocating power to use local resources as they can challenge that State-Governance directly.

## **Literature Review**

The common perception about the State-Governance system is that is almost impossible to eliminate corruption because these State-Governances do not promote anti-corruption reforms and take benefits from corruption to stay in power. If these state governments start anti-corruption movements, it is considered that they are doing so to remove their rivals. It is because corruption is controlled by democratic means (Baklouti & Boujelbene, 2021), the rule of law, fair elections and independent media and judiciary.

There are examples of State-Governance systems that curbed corruption like Mao Zedong's successful reforms in 1951-1953, Fidel Castro 1959-1966, Paul Kagame 1999, and Xi Jinping since 2012 (Carothers, 2022). In China, Xi Jinping introduced new codes and broke informal norms his anti-corruption campaign is getting success but the State-Governance and sensitivity of the campaign make it difficult to get a full picture of anti-corruption under the State-Governance system. The discipline enforcement by this campaign also shows the effectiveness of this anti-corruption movement. There are special instructions for the party to take serious actions against the violations of rules and regulations. The anti-corruption arrangements and procedures are institutionalized under this State-Governance system.

The State-Governance systems face two types of major risks, the external threat and the internal threat (Clapham & Philip, 2021). The external threat is from dissatisfied public and revolt and the internal threat means clashes and power game within the government or ruling party. If the State-Governance systems want to avoid the risk of revolt or rebellion, they need to have public trust and support because political survival can be enhanced by the performance, and in history most of the State-Governance systems could not perform well due to the lack of accountability. In this sense, a strong level of good performance is required by the leadership to maintain stability to achieve goals.

In State-Governance systems, loyalty is also an important factor in enhancing performance and maintaining internal stability. With loyalty, the leadership focusses on justice, equality, and integrity when leadership starts an anti-corruption movement, it focuses on ideology, patriotism, and some binding rules for accountability.

Landry explains the study of Gill and Darril 1993, that the soviet reforms failed because they were not aware of how they could get benefits directly from those reforms and their central leadership was not strong enough to support the local officials. But the Chinese case is different in the sense that if officials misperceive the personal reforms, then it is not possible for them to follow the true principles and show their loyalty which will lead towards the failure of promotion. There is also a risk that disappointment create disloyalty so the party tries to reward their efforts maximumly.

Studies explain the decentralization in the State-Governance system, appointment system, and committee control over appointments. He explores that corruption by design does not weaken the state rather it can strengthen the fragmented central powers (Chen & Landry, 2009). To build a clean government in the country China needs courage, recently China has been economically prosperous with a socialist planned economy under Leninist rule. China does not only need to tackle corruption but also needs to heal the consequence. Corruption is part of an ongoing process of modernization and states cannot avoid the corruption phenomenon as it prevails in every country sometimes with the excuse that there are no effective policies and efforts. But the leadership do not have excuse to face this issue and to launch effective policies. Corruption by design shows that it is not uncontrollable if the state uses successful design.

## **Material and Methods**

Our research adopts a qualitative methodology by analyzing the published data from government reports, research papers, and books. The following methods were adopted

**Document Analysis:** we reviewed the existing literature on China's decentralization system and process, China's governance strategies, and its anti-corruption measures since 1978.

**Comparative analysis:** This study compares the Chinese decentralization process with other state governments to understand the distinctive features of China's governance model.

**Case Study:** This study focuses on the case study approach and analyzes China's re-centralization policies and their impacts on governance and anti-corruption efforts.

## **Results and Discussion**

### **The Chinese Case: From Decentralization to Re-Centralization**

Pierre F. Landry explores that during the reform era in 1978, the CPC transferred power peacefully in China and learned a lesson from the Soviet Union as communism ended. Chinese state governance was in doubt and realized that political instability could damage communism anywhere in the world. China's case is unique in the way that there is a State-Governance system but was a decentralized State-Governance and economic decentralization in the Chinese State-Governance has contributed to its development. CPC implements a State-Governance system with a political strategy and practices administrative and economic decentralization in China.

China is the most decentralized even if it can be found in the data of the International Monetary Fund during the period of 1992-2000. This historical data is also remarkable when it is associated with decentralization. The Cultural Revolution and the Great Leap Forward also marked important for decentralization (Landry, 2008). As compared to other developing countries like Soviet Union etc. China can be justified for its decentralization strategies for economic enhancement. Since the reforms China is delivering high economic growth and central planning and dominance have declined. With the strategy of declining central dominance locals have got control over policy areas and competition within local governments accelerates economic development.

It is believed that Leninist countries are not suitable to ensure decentralization with political control as the communist institutions in East Europe contributed in to their collapse (Chen & Landry, 2009). Countries with low economic development have difficulties in decentralization and allocation of funding and expenditures to the localities especially internal security and national security. Landry's study presents the result that in federal and

democratic societies fiscal decentralization is strong which proves a strong relationship between democracy and decentralization. He also says during the reform era the experience of decentralization in China was strange or unusual. China controls its economic development so some would consider it centralized instead of its level of decentralization. In China, the CPC wants power and growth and they have developed mechanisms accordingly because decentralization is necessary and China believes that it should be controlled.

The degree of decentralization undermined the party powers(Myšička, 2009) and it happened in China in the history, the party relied strictly on ideology but during the reform era, China supported further decentralization. There are some arguments that during the early period of reforms, the decentralization of fiscal powers weakened the power of the central government. The fiscal decentralization increased revenue and budget deficit and Beijing introduced fiscal reforms in 1993-1994 as partial re-centralization of revenue collection(Chen & Landry, 2009). The transfer system was inflexible and reforms had effects on further decentralization. This cannot be said that China is working under a state governance system so it is easy for it to impose any decision or policy. As a Leninist country, China always focuses on its organizational capacity as a party-governance. It has complete control over the appointments, selection and promotion of millions of officials. The party controls all the cadre management system and has control over bureaucracy which is the central point of their political system. The political power of the CPC should not be under question because the party exercises its political power and the CPC introduced many reforms for decentralization and cadre management(Edin, 2003). It is required to get party approval to remove, appoint or promote cadres.

The failure of Communist State-Governances in many states suggests that leaders may not prevent it rather they may postpone the State-Governance change. The example of Soviet Union shows that their leaders adopted different approaches for the management between locals and state and political control over there. There was strict central control but later dramatically the policy was changed and in 1957(Chen & Landry, 2009), economic and administrative decentralization program was launched in the Soviet Union. Later they have an aggressive policy of localities for the renewal of cadres with the economic reforms. After the era of Khrushchev Soviet Union adopted a different policy known as the stability of cadres to control to control the elite. At that time the policy of political control was possible because the relations between central and local were based on the economic performance of officials and institutions were well organized in a hierarchy.

In the comparison of Soviet Union, China was a powerful state in a post-Mao era with its capacity of reforms and decentralized policies. Some scholars claim that in the post-Mao era the reform process weakened the CPC and institutionally and Communist Party of China was not well prepared to handle the intra-elite in post-Mao reform era. With the view of party position under reforms one point is that ideological insignificance affected decentralization and the other view is that successful efforts enhanced the new norms, monitoring abilities, and economic and social change.

States choose local government and decentralization to control localities(Ting & Feng, 2019) and their hierarchy defines the responsibilities. But in State-Governance states like China, they control the lowest level by center. The center appoints local agents but the monitoring cost for center is high. The center can tighten the control over some levels but not all. The Chinese decentralization model under reform is consider flexible with the feature of influential distribution of powers. The personal management system China's central government decided to withdraw the central control of cadres but they have strict control.

China enjoyed its State-Governance system and maintained its political control. The strategy of promotion and appointment of cadres is important in China's state-governance

system as they have powers and systems to appoint or retain cadres. The administrative appointment is interesting because if the candidate is appointed too far from the level post, they would not have enough information but if appointed too close it would be challenged later by any talented and their own authority.

The post-Mao era has presented a different experience and the central organization of China adopted the “Two levels down” approach according that any important appointment was approved two levels up and not by the next high level. However it could be analyzed that this system did not perform well. In the 1980s these norms were changed and the party decided to appoint one level down(Chen & Landry, 2009). This rule was applied to all posts including business, media bureaucracy, etc.

The appointment system is very important in the State-Governance system and China’s central government appoints high-level officials and provincial-level officials like governors, secretaries, chief justice, ministers etc., and deputies. In this system, the provincial appointments are made by the provincial departments and their committees and they do all this for the rural and urban areas and all lower levels. Landry examined the socialist strategy and Marxist ideology and used statistical data to analyze political control in China.

The study of history says that corruption always remain in the human history and this issue can be resolved by anti-corruption reforms. China is strong enough to introduce reforms, to launch campaigns and to implement policies. It is clear that Communist Party of China will not allow corruption in the country. Institutional reforms can prevent corruption with strong institutional design. China is large in size with rapid economic growth there are more chances of corruption cases and anti-corruption policies, campaigns and corruption designs can help to minimize the chances of corruption.

In Leninist countries where there is decentralization the local staff enjoys their power and authority in their appointed area but they do not have authority over the resources. Those countries having low economic development cannot afford decentralization because the central authority may have difficulty delegating funds to the local authority. Landry analyses that decentralization in China is dangerous in two ways the first is delegating power to the localities can develop political opposition and more demands can occur from the localities.

During the fiscal reforms in China 1993-1994, the abnormal dependence of central government to the local government was affecting central revenue and leadership decided to choose re-centralization(Chen & Landry, 2009). With the help of these reforms, the central government re-claimed collection of some revenue. These reforms affected the further decentralization and showed that central government can challenge the interests of localities. Lack of organized institutional control the decentralization model was problematic to central political authority. The maintenance of political control during the decentralization is very important. There are examples of instability if State-Governance systems in the era of decentralization but China’s case is unique. China has maintained its political power and control over its local governance.

The Chinese leadership in the Leninist state places emphasis on the ability of the ruling party to control appointments to government positions(Liu & Christensen, 2022). The CPC is the largest political system in the world because to its control over promotion and selection in the most populous nation. The ability to exert control over officials is crucial to CPC because it allows it to exercise national and local authority. Decentralization always erodes some of the political power of the central government, despite the fact that the CPC adopted numerous reforms for it and the appointment of cadres.

The central authority has control over political elite and it controls the cadre management system in China. In the history the Chinese system was under influence of personalities and personal connections and there was lack of strong basis to drive the system. The unity and structure of the party was also affected due to the corruption of cadres both at national at local level. During the reforms and decentralization process there were opportunities for the officials to involve in different types of activities(Chen & Landry, 2009). In history the level of corruption was dependent on the implementation of anti-corruption strategies and institutional policy.

In the decentralization process China maintained authority ties and carefully framed mechanisms to get its objectives. Some scholars have their opinion and they criticize those reforms have damaged the party because of lack of enactment of policies and local discipline. In China the economic decentralization was combined with the political and institutional reforms. The political reforms do not mean any democratization but it is linked with the institutional system to protect the party will and its control over the localities.

In the State-Governance systems the central government decides the boundaries of local government and some critics consider that by doing this the local government is dependent to the central government and central government has complete control over it. If the appointment system is controlled by the central government that means central government is everything but, in this form, they pay high cost to monitor the local officials especially if the country is large in size and population like China. Landry analyses that a centralized system can control everything but it can only pretend it and practically the control is little. To control the local agents is really challenging for the decentralized authority.

After the reform era in 1978, there were some changes to meet the political objectives, and the central control was relaxed but not all levels. The central government could control highly important economic and political assets. Through the control over appointments the central government gets direct control and local cadres cannot ignore the expectations of central authority. If the local authorities ignore the demands of central powers, then they can face dismissal or removal from their post.

The system was overlapping but this is true that it was designed to reduce the bureaucratic superiority over the local officials. In the 1980s it turned to re-centralization but that system could not survive for long. In 1984 the central control was reduced and provincial cadres became under the control of the provincial government and management. After that, the one-level-down approach was adopted. During 1980s the decentralization tied Leninist legacies in China. There were clear standards for officials and institutions. The reforms were maintaining the traditional norms of Mao and the state was under a fragmented authoritarian system during the reform era. With the Leninist legacy, there was hierarchical units and powers to appoint, promote or dismiss the officials. The most important feature is the tenure of cadres and commitment to curb corruption. In 1995 the party revised some regulations related to the appointment of cadres.

In 1990s the party shortened the tenure of local cadres with the aim to curb corruption. And later the “Three Represents” developed the standards of cadre appointments(Guo-Brennan). There were specific sessions for the cadres and “Three represents” became the basic and important scale for the party cadres. At that time there were no strict and in-depth investigations and there were many examples of rule-breaking by cadres.

For the party, it was a challenge to deal with the internal corruption but the ruling party took action against corrupt officials and many local officials were jailed and dismissed. The CPC was struggling the to meet its political needs and objectives to make the country prosperous. Although there was pressure to shorten the tenure but the party was able to

connect the performance and reward among the cadres who performed comparatively well. There is a clear understanding that the CPC controls its cadres and in the State-Governance system Leninist central authority is more powerful than the common expectations to shape the political and economic outcomes.

Landry considers that the Chinese local cadres play a game in the appointment and decentralized system and it is complex to monitor a large number of agents for reward and dismissal. The Chinese decentralization is complex and multitiered but the officials are well-controlled and agents know who is their boss and officials are promoted if they act in accordance to expectations. However the problem is that they need to identify the expectations and their own powers in the process of promotion. In this promotion game agents focus on the principles to avoid engaging in wrong principles.

**Table 1**  
**Comparison of Decentralization and Centralization in China**

<b>Aspects</b>	<b>Decentralization</b>	<b>Centralization</b>
Power Distribution	Local Governments	Central Governments
Decision Making	Local Level	National Level
Economic Policy	Flexible	Controlled
Political Stability	Lower	Higher
Corruption Control	Challenging	Focused

China introduces reforms to modernize the cadres and the senior officials always stress on the party institutions and the junior officials focus on non-party institutions. When the political and economic decentralization increases then interest groups become active to compete within their local areas to get power and influence. If local elites get power over the resources, then it resist fulfilling the demands of their seniors in this way decentralization undermines the political power and influence of central authority. If the localities if powerful in a fiscal sense, then the center loses its hold on them but if localities are fiscally dependent on the center, then they are more obedient to the party. Landry's studies explore that if the localities are independent in finance and resources then it will avoid the control of the central authority. If the central government has control over the local officials and local officials cannot get a chance of personal gain then those cadres sometimes resign from their posts. These strategies weaken the central control over locals. These situations suggest that local conditions are important in political and economic decentralization.

### **Decentralization to Re-Centralization in China**

The liberal theories have a debate on decentralization in party governance systems and liberal theorists believe that in the State-Governance governance system, the political structure cannot survive and it will cause a collapse of the governance system. But in the State-Governance systems, it can be seen that decentralization does not mean that it will definitely cause collapse. It shows that theorists see what they want or expect by this system. Liberal theorists say that if there is decentralization in the State-Governance system it will lead to democratization but China is a unique and interesting example for these theorists as it was a decentralized State-Governance system and did not collapse.

After the era of Deng Xiaoping, there were reforms of decentralization including fiscal, administrative and economic. The liberal and democratic theorists were waiting for this democratization will change the Chinese governance system but everyone can see that after more than 30 years this has not happened what they were expecting. Pierre Landry explains how Chinese leadership maintained its system and flourished as a decentralized power instead of change in the system. Any State-Governance governance system can be affected but it does not mean that the reason is decentralization this is how Landry's study provides analysis and develops a new thinking for the theorist to reassess the decentralization and communist state governances.

Landry explains that China manages its low-level officials and knows how to arrange institutions. The state governance system of China has ability to enforce regulations and norms and has control over the appointments and removal of officials. The Chinese leadership has reduced the inefficiencies of the system with the monitoring and has strengthened the Chinese state governance system that is why system could not move to a different way. If we see the Chinese system through the lens of Landry, the state governance system, its political culture, and economic growth all have a connection with the global stage ad decentralized system.

The whole world was under the changes and development and Western philosophers and liberal theorists were expecting a change in the political system of China. They believe that globalization will lead to democracy and decentralization in China and its state governance system will be ended. But it can be observed that after many years of this expectation, the system in China did not change and they have a party-governance system with central authority. The west has new powerful competitor in this modern world history. There is an interesting lesson that in the process of great changes, there is no change in the basic political and economic system of China. China has turned into centralization since the 18<sup>th</sup> National Congress and some scholars call it re-centralization(Yang & Sheng, 2021). The process of decentralization in China shows that the system has a strong political orientation and driving force internally. From 1949 to 1978 there was fiscal centralization in China(Yang & Sheng, 2021), from 1978 to 1993 it was in early stage of decentralization(Han et al., 2023) but later in 1994 it implemented decentralization however, Xi Jinping it into centralization since 2012(Bulman & Jaros, 2021).

In the Chinese political system there was decentralization but the party designed the formal lines of authority for the local cadres and local cadres consider it respected(Chen & Landry, 2009). The unique feature of Chinese decentralization was in the absence of elections the appointments and power distribution system work under the Chinese political system.

In the 1990s and early 2000s, CPC's senior leadership was involved in managing party affairs and promotion of cadres. There were different levels of seniority but all were not equally affecting the promotion of cadres. Party was concerned about its country so it maximized the reliability of higher officials and the party focused on rewarding loyalty. It can be noticed that in Chinese system the local officials were promoted on their experience basis and not only on their educational expertise and achievements. Some feared that in a state-governance system, decentralization is not helpful as they think that it promotes localism and can cause fragmentation of the political power and it can de-stable the party discipline.

It can be seen that after Mao Zedong the leaders tried to control the overconcentration of power in the Chinese political system and they introduced fixed tenures and limit of offices and they delegated power from the central government to the government organs and agencies. They made these efforts to promote decentralization in the country and also to check the monopoly of power. Basically, they designed all these efforts to regularize the political life and peaceful leadership in the country.

But after the 18<sup>th</sup> National Congress, Xi Jinping modified these strategies and he turned China back to centralization. After the 19<sup>th</sup> Party Congress, Xi Jinping has abolished the term limit of president and this is a big change in the constitution(Shirk, 2018). After Mao Zedong the Chinese leadership followed the other state governance models and communist state governments like the Soviet Union etc. When Xi Jinping came into power, he adopted an opposite way and promoted centralization in China and sometimes it is called re-centralization.



Xi Jinping's centralization has changed everything as he chairs the National Security Commission and other small groups (MARQUIS, 2022) he always emphasizes remaining loyal to the country and party, his centralization has established more stability than his predecessors. Xi Jinping has introduced "Socialism with Chinese Characteristics" after the fragmentation the country was looking for a strong leader and Xi Jinping appears for that role and with central power to control the collapse of Chinese State-Governance.

This is clear that Xi Jinping has adopted models and strategies which have resemblance of Mao's ideas to govern the China as CPC is central authority to control everything to avoid the disturbance State-Governance like the Soviet Union. The control of CPC is really clear as it follows the Mao's strategy to make the leadership more powerful to handle the socio-economic affairs of the state and keep all the forces under the ruling party control and the party control every institution (MARQUIS, 2022) his policies have strengthened the party and central authority. Like Mao Zedong, Xi Jinping focusses on power the party with the social values and he built strong sentiments of the masses for the party to unify them against all the threats including internal and external (Bandow, 2020).

### **Weber's Domination Model and Charismatic Domination in China**

Weber defines "Domination" as a set of central rules and a group of people who will follow them. The domination can be on rational grounds like legal domination or it can be on traditional grounds and it can also be on charismatic grounds based on an individual's personality. Domination usually appears in the form of a mixture of two or three types if we analyze Chinese history and Domination theory, we can find that the Chinese system was centralized with a mixture of traditional and charismatic domination. From Mao Zedong to Deng Xiaoping the system was influenced by charismatic personalities.

Mao Zedong's era was based on charismatic grounds with extraordinary powers and qualities (Yang & Sheng, 2021). He had excellent quality and a personality to rule and he had the unique ability to get people's sincerity. People were willing to follow him with his fantastic personality and attitude. Mao had a great personality to be accepted as a great leader. Then there was gradual development and after that during the second era, Deng Xiaoping also promoted charismatic domination. It is believed that after Mao Zedong and Deng Xiaoping, for a long time there was no charismatic leader like these in China (Yang & Sheng, 2021). Although Mao Zedong was an irreplaceable personality (Laikwan, 2013) in Chinese history but Deng Xiaoping promoted charisma, later there was a decline of centralization in China and the leadership worked on the legal system to maintain stability in the country.

In the 1990s China experienced a socialist market economic system and some further economic reforms. There was the distribution of central powers to the local levels and during this era domination in China was facing different levels of challenges at that time every liberal theorist was expecting that the Chinese economic system would collapse because there were serious concerns related to central authority. It is believed that during this era all three categories of domination were suspended. However, it can also be analyzed that charismatic domination did not completely disappear from China at its early stages.

In China, it did not happen as the world was expecting and after a period of decentralization, China turned into centralization and again a charismatic domination. Weber believes that charismatic domination cannot be stable without the combination of the other two categories but in China, the case is different from Weber's concept. Charismatic domination has appeared in the Chinese system as the re-centralization of the system.

The reshaping of charismatic domination has reshaped the central leadership and organizational integration. There is a clear sense that the local government perceives the

central government as the highest institution, so now the central government has achieved charisma. The central leadership has strengthened the financial powers of the center and also has enhanced the dependency of local government to the central powers. The Chinese leadership is solving the problems by re-centralization by implementing reforms for economic development. Centralization was the way for China to get institutional authority through charisma.

The re-centralization in China is based on the legal and traditional domination. It is believed that charisma disturbs the social order but some believe that charisma has some essential qualities to maintain governance and transform in the society (Yang & Sheng, 2021). Charisma has become neither weaker nor disappeared in this modern era. It can be considered that in this modern society, charisma has become institutionalized with principles and central domination. The centralization and charismatic authority are interdependent on each other's and there is a relation between them. For a short period, there was a weak charismatic authority in China but they have re-gained it by re-centralization.

The re-centralization is promoting political and economic development in China and has positive significance in the Chinese system. There were constant changes and challenges in Chinese societies and it was required to construct a rule of law in the country to avoid any kind of disorder. There should be a charismatic mixed system in this modern era with the legal powers to achieve the modern centralized system and to avoid the traditional circle of this system because of that there was centralization then decentralization and after that decentralization of national powers.

With the centralization of power, Xi Jinping empowers the party discipline, supervision, and organization. Under this strict and firm control, Xi Jinping established an anti-corruption campaign with an improved supervision system to promote clean government in China. Under the leadership of Xi Jinping, there are many administrative changes with the consolidation of central power. In the new era of urbanization, the leadership holds the power to attain the state objectives.

## **Conclusion**

The study of centralization and decentralization in political systems uncovers how the distribution of powers can shape the governance and stability of the state. The unique case of China and its experience with decentralization demonstrate that how the central government can implement decentralization without compromising central power. The Communist Party of China successfully utilized decentralization with its unique governance system. Decentralization in China allowed local governance to make decisions for the development. Pierre F. Landry's analysis of China and its decentralization system explores that despite being a central government system, during the reform era China achieved significant decentralization in fiscal matters and carefully managed its policies to align with central and local governance. Xi Jinping's era shifted back towards centralization and his policies focused on loyalty and anti-corruption efforts. The anti-corruption efforts under the leadership of Xi Jinping reflect the importance of party legitimacy to reduce corruption and to promote economic development. The application of Max Weber's domination model provides insights of the dynamics of centralization and decentralization. It identifies the types of authority including rational, legal, traditional, and charismatic. The Chinese leadership is the combination of these leaderships as Xi Jinping's leadership reflects a return to a centralized system with the blend of these authorities with a focus on anti-corruption governance. One of the key lessons from this unique system is that balancing the political system is important however this system requires monitoring and supervising.

## **Recommendations**

States should adopt balanced approach of governance by combining the centralization and decentralization for the development, growth and political stability. The state governance system should adopt decentralization in fiscal decision making for the development but to ensure the oversight of central government to protect the national interests. Anti-corruption measures should be the priority of all governance models to ensure public trust and to maintain legitimacy of the governments. Strong central leadership like Xi Jinping can ensure that local leadership does not deviate from the national interests however still it needs strict monitoring. This study also suggests that a leader should be a combination of legal, traditional and charismatic forms to get public support and to maintain authority. Other countries can adapt possible elements from Chinese model focusing on the decentralized and centralized approach to enhance the performance of government.

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