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The Project System as a Governing Technique in Rural Grassroots China: Operational Logic, Dilemma Formation and Adaptation Pathways

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Abstract

The project system serves as a technical apparatus through which the state delivers resources to rural areas and enhances governance effectiveness. However, it faces multiple dilemmas in practice. From the perspective of governing techniques, this paper argues that the project system operates primarily under the logic of task-oriented management, proceduralization and indicator-driven evaluation. Yet, a threefold tension exists between its operational logic and the structure of rural grassroots governance, thereby weakening governance efficiency. The fragmentation of responsibilities and vertical contracting of projects have undermined the coordination capacity of local governments. Top-down procedural control has suppressed the space for autonomy of grassroots entities. The conflict between bureaucratic assessment and informal rules has weakened the effectiveness of mobilization. This paper suggests that the project system can be adjusted in three aspects: establishing a vertical-horizontal coordination mechanism, allowing flexible space for action for grassroots actors, and developing a composite evaluation system that integrates bureaucratic indicators and public demands.

Keywords

Project System, Task-Oriented, Proceduralization, Indicator-Driven, Governing Technique

1. Introduction

Since the reform of tax distribution system, the project system has gradually become an important means for the central government to transfer resources to local areas. In the process of project-based governance, a large amount of fiscal resources are allocated to the grassroots in the form of special funds, which has not

only improved the supply of public goods in urban and rural areas, but also reshaped the process of grassroots governance in China. Previous studies have conducted comprehensive discussions on this matter from multiple perspectives. Researchers have affirmed that the project system has enhanced the efficiency of fiscal utilization, strengthened supervision by higher authorities over lower levels, and stimulated the initiative of local governments. However, more empirical studies have revealed the dilemmas of the project system in grassroots governance. For instance, the mismatch between project resources and actual grassroots needs leads to the imbalance of public services. The strategic behaviors adopted by grassroots governments to cope with superior evaluations have led to formalism. The implementation of projects fails to effectively enhance grassroots governance capabilities, resulting in the suspension of resources. These phenomena indicate that project resources have not been transformed into governance performance, but have instead exacerbated governance involution. This raises a question that needs to be explored: as an important institutional arrangement for the state to transfer resources to the grassroots and enhance governance effectiveness, why does the project system encounter such dilemmas in practice? It cannot be simply attributed to policy implementation deviations; rather, it requires a deeper explanation based on its operational mechanisms and its structural tensions with grassroots governance.

This paper is a conceptual synthesis of existing academic achievements and does not report original empirical findings. The paper selects relevant research literature on rural grassroots project governance and conducts a systematic review and summary. The literature mainly focuses on themes such as China's project system, rural grassroots governance, and the operation of project governance in rural areas, either analyzing how projects are planned, implemented, evaluated and received at grassroots, or examining how the institutional arrangement of the project system affects the rural political process. Based on the literature, this paper extracts three operational logics of the project system: task-oriented, proceduralized, and indicator-driven evaluation. On this basis, this paper further analyzes how these technical logics interact with the overall structure of rural governance, the autonomy of grassroots actors, and the complexity of motivations in the project operation, thereby forming institutional tensions. Finally, the paper proposes directions and suggestions for improving project-based governance from three aspects of administrative structure, grassroots action space, and the evaluation system.

2. Literature Review and Analytical Perspective

2.1. Literature Review

Studies on the relation between project system and the dilemmas of grassroots governance are mainly carried out from three perspectives.

- From the perspective of fiscal power, the project-based governance is placed within macro context of national fiscal system reform. The focus is on how

changes of fiscal resource allocation power influence the structure of administrative power. The main feature of the project system is the upward concentration of fiscal resource allocation power, while the governance responsibility is decentralized downward. In the structure where fiscal power shifts upward and administrative power shifts downward, the fiscal autonomy of grassroots governments weakens, resulting in a "floating regime" that relies on superior governments and lacks organic connections with the local society (Zhou, 2012a). Consequently, grassroots governments lack the motivation to provide public goods and become dependent regimes that are attached to superior governments (Rao & Ye, 2007).

- The analysis from the perspective of bureaucratic organizations shifts the focus from the static financial structure to interactions between hierarchical organizations. It concentrates on the impact of inter-organizational games on the project-based governance. The project system is regarded as a contractual relationship between hierarchical organizations, and the allocation of residual control rights among organizations shapes the behavioral patterns of all governments. Project control rights such as target setting, inspection and acceptance rights, and implementation incentive rights are distributed among different levels of government. Due to their different interests, governments at all levels will engage in continuous negotiations over the residual control rights, seeking a balance between the project goals and their own interests, and implementing policies flexibly (Zhou, 2015).
- The perspective of state autonomy has shifted towards the relationship between the state and society. The focus is on whether the state can maintain its relative independence and control the allocation of project resources. Theda Skocpol pointed out that the state may pursue independent goals that go beyond the needs of specific social groups or classes (Skocpol, 1985). The project system serves not only as a resource allocation mechanism but also as a means of carrying out the will of the state. However, the state has encountered the problem of insufficient autonomy in project operations. Grassroots governments distribute project indicators based on political performance rather than the needs of villages. The patron-client structure, composed of grassroots-level governments, village elites, and contractors, has become increasingly prevalent, generating a profit-sharing system (Li, 2015). In such circumstances, the balance of relationship between grassroots organizations and farmers is replaced by an interest distribution structure for project resources. The governance entities of villages are not subject to constraints from the state or local authorities, while ordinary villagers are marginalized (Li, 2016). Maintaining village governance order relies more on state resources, leading to the involution of resource input (Li & Zhong, 2015).

These researches reveal the impact of the project system on grassroots governance from various angles. The perspective of fiscal power captures the relationship between fund allocation and the financial predicament of grassroots organiza-

tions, but pays insufficient attention to how projects operate at grassroots. The perspective of bureaucracy depicts the game among different levels of government over the distribution of control rights, but relatively neglects the impact of projects operation on organizational behavior. The perspective of state autonomy reveals the political process of grassroots interest distribution, but lacks a systematic integration of the project system's operational logic. These analyses view the project system as either a vehicle for national will or a mechanism for interest bargaining. They combine the operational outcomes of the project system with the fiscal system, the bureaucratic organization, and the social elite, but rarely conduct in-depth analysis of the technical operation logic of the project system itself and the resulting governance tensions. Essentially, the project system is a governance apparatus designed to enhance governance efficiency. Its technical operation logic may itself have a significant impact on the behavior of governance actors, and this influence, acting simultaneously with other systems or mechanisms in grassroots governance, may lead to unintended consequences (Table 1). Analyses of the perspective of governing techniques begin from this point.

Table 1. Comparison of different analytical perspectives.

Analytical Perspectives	Research problems	Features of the project system	Governance consequence
Fiscal power	How changes in fiscal resource allocation power reshape administrative power and grassroots fiscal autonomy	Upward concentration of fiscal power; downward devolution of governance responsibilities; special-fund and project-based allocation	Weakening of grassroots fiscal autonomy and incentives for public goods provision
Bureaucratic organizations	How inter-organizational games over residual control rights influence actions of local governments	Project system as a contractual relation among hierarchical organizations; control rights distributed across levels	Continuous negotiations over residual control rights; flexible implementation
State autonomy	Why state cannot maintain its autonomy in resource allocation in project governance	Project system as a resource allocation mechanism; patron-client and profit-sharing structures	Insufficient state autonomy; elite capture; village rely on state resources
Governing techniques (this article)	How technical operation mechanisms of projects reshape behavior of grassroots actors	Project system as a technical apparatus of goal setting, task-oriented, proceduralized, and indicator-driven	Fragmentation of governance affairs; Excessive control; Stagnant assessment and neglect of public needs

2.2. Analytical Perspective

The perspective of governing techniques focuses on the role of technical experts or technical tools in state governance. This concept can be traced back to Plato's idea of a "philosopher king" governing the state. In modern times, it has evolved into a technocratic theory that advocates the transformation of society through technical expertise and scientific management methods (Liu, 2016). The concept of governing techniques has significantly different connotations across contexts. It refers to governance led by technical experts as well as the use of various tech-

nical means and tools in governance. governing techniques are also related to Foucault's concept of governmentality. They refer to the technical apparatuses through which power operates, including procedures such as classification, quantification, statistics, registration, inspection, assessment, audit and evaluation. These techniques guide the conduct of individuals, groups, and organizations. In this context, institutional design, performance assessment and other approaches of management are also considered to be forms of governing techniques.

Unlike the technocratic tradition, which concentrates on the role of technical bureaucratic elites in the political process, discussion about governing techniques in China focuses on solving governance problems through innovation of administrative techniques. In other words, it emphasizes on enhancing the efficacy of techniques at the level of instrumental rationality rather than structural replacement of power elites. Studies have shown that since the reform and opening up, state governance has undergone a profound transformation from "total domination" to "technological governance" (Qu, Zhou, & Ying, 2009). This transformation involves embedding the principles of scientification, standardization, and proceduralization into the public governance process and leading to the formation of a task-oriented governance logic characterized by calculability, monitorability and incentivization (Peng, 2020). From this perspective, the project system is not only a fiscal allocation tool or a contractual arrangement of bureaucratic organizations, but also a set of technical apparatuses consisting mainly of goal setting, indicator decomposition, procedural control, and performance assessment. It transforms public affairs into quantifiable tasks and replaces the ambiguity of the traditional administrative process with technical rationality, thereby intervening in grassroots governance.

The project system operates through special funds and involves planning, application, review, implementation, inspection and evaluation. It mobilizes organizations at all levels in a top-down manner to ensure that policy intentions are implemented at the grassroots level. Some studies focus on funding flows, organizational competition or elite collusion in project implementation. The perspective of governing techniques focuses on how the project system regulates and reshapes grassroots governance behaviors through specific operational mechanisms. From this perspective, grassroots dilemmas stem not only from fiscal structural imbalance, misaligned organizational incentives or elite capture, but also from the nature of the project system as a governing technique and its tension with the grassroots governance structure.

Accordingly, this paper explores the relationship between the operational logic of the project system and grassroots governance dilemmas. Three questions are discussed in the following sections: What is the operational logic of the project system? Why do structural tensions arise between the project system and grassroots governance? How can the project system be adapted to address dilemmas in grassroots governance?

3. The Operational Logic of the Project System

3.1. Task-Oriented

Following the fiscal system reform in the 1990s, the relationship between the central and local governments shifted from financial contract system to the tax distribution system, while a fiscal transfer payment system was established. This transformation effectively enhanced the central government's control over fiscal resources (Wang, 1997), providing institutional guarantees for resources allocation to local areas. Task-oriented management is a governance concept that emerged from this transformation. It emphasizes a focus on tasks, dividing complex governance tasks into clearly defined items, and organizing resources and assigning responsibilities around them. This operational logic is mainly manifested in two aspects. Firstly, fiscal funds are allocated, achieving "money following the matter" through the specialization of funds. A large portion of the central fiscal transfer payments to local governments has been earmarked for specific purposes, and local governments also set up special funds and allocate them to lower levels (Zhou, 2012b). These special funds are allocated on a project-specific basis, with disbursement, use, and supervision all centered on the projects. This ensures that funds are used for their designated purposes only. This technical approach transforms abstract policy goals into executable and traceable processes of fund use, making "money following the matter" the basic principle of fund allocation.

The task-oriented logic is also reflected in the itemized operation of project management. The project system comprises rational procedures such as project initiation, application, review, supervision, acceptance and evaluation (Qu, 2012). Projects with specific policy goals are decomposed into a series of sequential, independently operable stages according to the implementation process. Each stage has clearly designated responsible entities and operational standards, forming a traceable process. Projects are transformed into executable tasks that progress within a systematic framework. This improves the standardization and controllability of governance and provides a basis for assessment and accountability. By converting ambiguous and diverse governance demands into executable, traceable, monitorable, and assessable itemized lists and allocating resources accordingly, the project system achieves an itemized reconfiguration of governance tasks.

3.2. Proceduralization

Almost all countries need to address the issue of effectively implementing policies from central to local areas. In China, policy implementation mainly relies on the organizational structure and operational rules of the bureaucratic system. Weber pointed out that the bureaucratic system possesses high technical superiority and is the most rational organizational form in modern society (Weber, 2019). With its strict hierarchies, clear divisions of labor, standardized procedures and rules, the bureaucratic system can ensure the efficient operation of the organization. However, in practice, the bureaucratic system is insufficient to guarantee effective

policy implementation, and adaptation of policy implementation is very common at the grassroots level. The transmission of policy instructions between administrative levels in China mainly relies on the circulation of documents, deployment through meetings, and oral instructions. During the step-by-step transmission of policy intentions, deviations are inevitable. The project system incorporates procedural mechanisms within the bureaucratic framework, aiming to establish a more direct connection between the central and grassroots levels through standardized operation, strengthen central control, and improve the controllability and effectiveness of policy implementation.

Project operations follow systematic procedures covering key stages such as project application, approval, fund disbursement, implementation, inspection and project completion acceptance. Project control is distributed among organizations at different levels: higher levels formulate project rules and indicators, lower levels are responsible for project approval and resource allocation, and grassroots units undertake project application and implementation. The project's core authority is no longer concentrated in a single entity, but rather dispersed. Procedural operation is essentially a form of technical decentralization. On the basis of the bureaucratic system, it embeds the governance process into standard procedures to regulate the rights, responsibilities, and behavioral boundaries of entities at each level. This technical design can strengthen the monitoring of lower levels by higher authorities and also improve the standardization of policy implementation.

3.3. Indicator-Driven

Agent motivation is a key issue in policy implementation. This is because, in the hierarchical principal-agent relationship, the principal expects policies to be implemented in accordance with set goals, but the agent may act out of self-interest, deviating from expected behavior. The goal management responsibility system is an effective method of addressing the problem of monitoring local agents. It involves decomposing the goals and tasks set by higher authorities into specific, quantifiable, and operational indicators, which are then used to evaluate governments and officials at all levels. At the same time, responsibilities are formalized through the signing of responsibility agreements (Wang & Wang, 2009). The indicator-based operation of the project system is based on this.

Policy goals are typically expressed in qualitative terms. Higher authorities transform vague policy intentions into observable parameters through a quantitative indicator system and assign different weights to the indicators. These indicators include dimensions such as input (e.g., funds and personnel), output (e.g., the number of facilities and service coverage), process (e.g., implementation progress), and outcomes (e.g., public satisfaction). Indicator weights convey policy preferences: higher weights indicate more important tasks, thereby guiding grassroots units to prioritize resources in these areas. Indicator completion is included in cadre assessment, and assessment results are linked to cadre promotion and

accountability. The progress and quality of project completion are important performance indicators. Exceeding targets, becoming a highlight or model, and receiving recognition from higher authorities are achievements that serve both as bonuses for promotion and as advantages when competing for the next round of projects. Indicator-based operation runs through the entire project process. By converting vague policy intentions into clear and measurable task indicators, it directs grassroots behavior. Quantitative indicators linked to interests are an important means of enhancing incentives of grassroots implementation. The project system thus becomes a technical tool for effectively mobilizing lower-level governments and cadres.

4. The Tension between Operational Logic and Grassroots Governance

The operational logic of task-orientation, proceduralization, and indicator-based management has dominated project operations. It has been largely effective in mobilizing resources and a range of actors at all levels, promoting the transformation of governance toward more scientific and refined approaches, and enhancing the professionalism and efficiency of governance. However, this technology of governance, grounded in scientific management and efficiency principles, also reveals inherent limitations when interacting with the grassroots governance structure, generating structural contradictions that are difficult to reconcile.

4.1. The Conflict between a Task-Oriented Logic and the Holistic Character of Grassroots Governance

The governance significance of task-orientation lies in enhancing efficiency. This operational logic presupposes that any governance issue can be broken down into relatively independent project units. As long as each project is implemented according to standardized procedures, the goal of overall governance can be achieved. Similarly, projects can be decomposed into several tasks. As long as these tasks are completed properly, expected outcomes can be achieved. Grassroots governance issues are packaged as projects in fields of economy, culture, and livelihood. Tasks are issued and resources are allocated by higher-level administrative departments through their subordinate agencies. Each project is further decomposed into specific task, while responsibilities are assigned to relevant entities to ensure full implementation. This governance approach, which takes discrete tasks as its basic unit, departs from the conventional practices of task allocation and resource distribution in the traditional hierarchical system, allowing the intentions of higher-level policies to pass through hierarchical barriers and reach the grassroots level in a more direct manner.

However, task-oriented logic faces challenges related to the holistic character of grassroots affairs. The prerequisite for the efficient operation of projects is a high degree of overlap between the boundaries of discrete tasks and the boundaries of governance issues. But grassroots governance problems are not isolated matters.

They are comprehensive issues intertwined with politics, economy, culture, and society, and cannot be simply parceled into discrete tasks. The large-scale top-down allocation of special funds has shifted the focus of grassroots government work toward project implementation. But the assignment of tasks through vertical lines does not mean that the tasks can be completed solely by a certain department. In practice, grassroots departments that undertake projects assigned through vertical lines often cannot independently complete project tasks. In affairs requiring horizontal collaboration or those related to the countryside, the township government undertakes a large amount of coordination work (Fu & Jiao, 2015). Although the vertical control of the project system achieves penetrating supervision, it lacks institutional arrangements for vertical-horizontal coordination, and the overall coordinating capacity of the grassroots government is fragmented. The responsibility for coordination is shifted to the grassroots level. To ensure the smooth progress of the project, the grassroots government has to expend a great deal of effort in horizontal coordination.

For this reason, grassroots project governance often encounters an efficiency paradox: the project system attempts to break governance issues down into discrete project units in order to enhance efficiency, but grassroots governments devote considerable effort to cross-departmental and cross-level coordination in order to bridge the gap between project boundaries and complex local affairs. Although these coordination tasks are not core tasks of the project, they are essential to project implementation. However, when grassroots governments focus most of their attention on coordination, projects may be marginalized and core objectives of projects may be diluted by coordination tasks. As a result, intended effects may be undermined and projects may be completed while the underlying problems remain unresolved.

4.2. Conflict between Procedural Control and the Autonomy of Grassroots Actors

Procedural control reflects the tendency of the state to exert control over the grassroots and society. Michael Mann divides state power into despotic power and infrastructural power. The latter refers to the state's ability to penetrate society through infrastructure and institutions (Mann, 1984). The project system is a tool for the state to exercise this power. Project operation follows a standardized process of "application-approval-implementation-acceptance", embedding responsibility attribution, power boundaries and implementation standards into each stage, thereby establishing a predictable governance framework. It aims to enhance implementation efficiency by defining responsibilities and to strengthen supervision and guidance of grassroots behavior through procedural arrangements. In order to ensure the effective operation of this mechanism, subordinates must strictly follow instructions given by higher authorities. However, grassroots actions often deviates from expectations in practice.

The autonomy of grassroots entities is prevalent in governance processes, and

deviations in grassroots actions precisely reflect this autonomy. Kenneth Lieberthal pointed out that the decision-making system within specific policy areas in China exhibits the characteristic of "fragmented authoritarianism" (Lieberthal, 1992). Power decentralization creates independent spaces for departments at different levels. This autonomy is fully demonstrated in the hierarchical operational process of the project system, which invloves "central contracting-local packaging-grassroots implementing". Governance actors at different levels are not passive executors but active actors with independent demands. Local governments integrate and reorganize project resources from various sources, attempting to secure greater resource allocation rights within the procedural framework, and villages actively seek to undertake projects hoping to obtain more resources and opportunities for development (Zhe & Chen, 2011). Local governments and grassroots organizations flexibly use projects within the permitted policy scope to achieve their own interests and goals. The procedural operation of the project system attempts to limit the action space of grassroots actors through standardized processes, thereby achieving control at a distance by higher authorities over lower ones. However, excessive compression of autonomous space at the institutional level not only undermines the governance capacity and responsibility of grassroots organizations but also leads to insufficient incentives for governance actors (Gui, 2014). Grassroots actors are not effectively constrained. Instead, deviations in implementation occur. When it comes to situations requiring flexible handling, they fall into a dilemma of responsibility without authority and can only resort to formalistic responses, or seek flexibility through strategic measures, rendering the procedural design ineffective in practice.

Therefore, the grassroots-level practice of the project system often reveals a tension between procedural compliance and governance effectiveness. This response reduces effectiveness when autonomy of grassroots actors is excessively compressed and there is imbalance in the distribution of power and responsibilities, procedural operation may undermine governance efficiency.

4.3. Conflict between Indicator-Driven Operation and the Complexity of Grassroots Motivation

Indicating is a technical means for mobilizing grassroots organizations and cadres in the project system. It operated through the decomposition, dissemination, implementation, and evaluation of task indicators. Project tasks are transformed into quantifiable indicators and the completion of these indicators is linked to the interests of local governments and cadres in resource allocation, rewards and punishments, and promotion. These indicators serve as standard for project implementation and basis for evaluating officials' performance. Essentially, indicator-based operation is a mobilization mechanism that converts macro policy goals into perceivable gains and losses, in order to achieve behavioral guidance and icentives. However, grassroots cadres not only have to fulfill task indicators but also face multiple pressures such as other assessment requirements and ethical concerns.

The governance behaviors of grassroots officials are shaped by the structural environment in which they operate. This institutional environment encompasses both formal refgulations and informal rules. The pressure-based system is a significant feature of the operation of local governments in China. Local governments not only break down tasks into smaller units and delegate them to subordinates, but also adopt a one-vote veto system for key indicators and tasks (Rong & Cui, 1998). The pressure of assessment and accountability has made grassroots officials focus their attention on rigid indicators but pay insufficient attention to matters that cannot be quantified or are not within the scope of assessment. The indicator-based operation of the project system reinforces this tendency. However, the actions of grassroots officials are also constrained by informal rules. For instance, traditional community organizations such as clans exert moral constraints on rural officials, motivating them to provide public services (Tsai, 2007). The prestige capital of grassroots officials within the community (Luo & Wu, 2023), and emotional-based competition for face (He, 2014), also influence their behaviors. These informal rules compel grassroots officials to respond to public demands. Therefore, their governance behaviors are simultaneously constrained by both bureaucratic task assessment and accountability, as well as social emotions and ethics of the grassroots society. When rigid indicators and soft demands are not fully compatible, the incentive signals emitted by indicator assessment and the constraints of infrmal rules conflict, and grassroots officials will be trapped in a dilemma of behavioral choice.

Thus, although the project system attempts to mobilize grassroots actors through indicators, under the influence of multiple motivations, this may result in an incentive mismatch. When the indicators are severely out of sync with the public needs and informal rules exert strong pressure, grassroots actors may focus more on completing indicators while setting aside public livelihood demands, or adopt flexible strategies to find a balance between bureaucratic tasks and grassroots needs. This coping approach will reduce the effectiveness of mobilization, thereby weakening the effectiveness of project-based governance.

5. Adaption Pathways for Project-Based Governance

The task-oriented, procedural and indicator-based nature of project-based governance enhances the precision of resource allocation and the state's ability to monitor and mobilize at the grassroots level. This plays a positive role in the modernization of national governance. However, it also carries the risk of alienation. On the one hand, governing techniques are not neutral, but rather an expression of state intentions. Project-based governance is influenced by both technical logic and political logic. The former pursues standardization and efficiency, while the latter emphasizes state control and the realization of policy goals. The tension between these two logics may lead to a deviation from the original governance goals. On the other hand, governing techniques have a tendency to self-expand, transforming from a means to an end. Actors focus on achieving indicators, complying

with procedures and digital performance, while neglecting non-quantifiable elements such as emotional identification, ethical values, etc. This may result in cognitive and behavioral deviations, and even give rise to formalism. To address this, adjustments can be made from the following aspects.

5.1. Establishing a Mechanism for Coordinated Project Operation

In project governance, project units that undertake governance goals are vertically contracted and operated in a task-oriented manner, with different departments responsible for their implementation. This approach facilitates the allocation and supervision of financial resources, but it divides grassroots governance issues according to administrative functions. This can lead to problems such as fragmented governance and insufficient information sharing between horizontal departments. Resolving this predicament requires establishing a mechanism for coordinated project operation and transforming project governance from vertical contracting to vertical-horizontal collaboration.

The vertical-horizontal coordination mechanism involves the integration and sharing of scattered project resources, information, and implementation capacities through institutionalized means, in order to promote coordinated action between vertical and horizontal departments. This can be achieved in two ways.

- Firstly, similar governance tasks should be consolidated. The project contractor can combine governance tasks with similar objectives or overlapping geographical areas into a comprehensive project and create a task list and implementation plan to minimize conflicting instructions and the duplication of resources.
- Secondly, a vertical-horizontal coordination system should be established. A project coordination group can be set up and led by local or grassroots governments, involving multiple horizontal departments, with their respective responsibilities clearly defined. Consultation platforms, such as joint meetings or coordination meetings, can also be established to facilitate information sharing and communication.

Strengthening cooperation between vertical and horizontal departments, the vertical-horizontal coordination mechanism reduces reliance on informal coordination in project governance and better facilitates the achievement of overall governance goals.

5.2. Creating Flexible Space for Action to Grassroots Entities

A lack of autonomy among grassroots entities can reduce the effectiveness of project implementation. Grassroots officials have a better understanding of public opinion and can respond more quickly to unexpected situations. They can adjust their actions according to local circumstances. These behaviors generally bridge the gap between policies and actual situations at the grassroots level. However, if project operation overly constrains the autonomy of grassroots entities, the initi-

ative of governance entities will be undermined, and the efficiency goals pursued by technical governance will be compromised. Therefore, an appropriate space for autonomous action should be preserved to sustain the autonomy of grassroots entities.

Flexible space for action means that, within the existing institutional framework, there should be the opportunities for adaptation at the implementation level in order to strike a balance between control and efficiency. It can be achieved in three ways.

- Firstly, a clear framework of responsibilities and rights must be established. This can be achieved by setting out red lines for actions of entities through a "negative list", such as prohibiting the misappropriation or diversion of project funds.
- Secondly, moderate integration and allocation of non-fiscal resources should be allowed. For resources self-raised by villages and communities as well as donations from the society, grassroots organizations should be allow to integrate and allocate them, so that they can be allocated according to governance needs.
- Thirdly, adjustment space for project implementation should be reserved. Grassroots organizations should be granted authority to respond flexibly in terms of personnel allocation, progress milestones, and other aspects.

Flexible space for action enables grassroots entities to better leverage their information advantages and on-site response capabilities, allowing them to adapt to dynamic governance scenarios in a context-specific manner and improve the efficiency of project implementation.

5.3. Establishing a Participatory and Responsive Evaluation System

Under the dual constraints of the existing evaluation system and the emotional and moral norms of the community, grassroots officials not only strive for performance outcomes but also need to maintain recognition and meet emotional needs of their grassroots social network. When tasks set by higher authorities fail to align with the needs of local residents, indicator incentives and the pressure of informal rules create tensions, weakening the effectiveness of mobilization. Therefore, it is necessary to improve the existing evaluation system.

Establishing a participatory and responsive evaluation system that integrates rigid indicators with informal rules can help create synergy between the two to mobilize grassroots officials. Such evaluation system means breaking away from the assessment model that relies on task indicators, and simultaneously incorporating both task indicators issued by higher authorities and demands articulated by the grassroots into the evaluation process. This can be achieved in two ways.

- Firstly, participatory mechanisms should be introduced to allow residents to provide qualitative feedback that can inform project priorities before and dur-

ing implementation. Although public satisfaction is already included as an indicator in the existing system, it is usually measured through standardized surveys and used to provide officials with a summary score when the project is completed. Residents are not allowed to suggest which projects should be prioritized or how implementation should be adjusted. Participatory mechanisms such as public hearings and community deliberation before project initiation are institutional channels through which residents can influence project selection and design. These mechanisms would give qualitative feedback decision weight in setting the priorities of projects and tasks, rather than confining it to a satisfaction score after projects have been completed.

- Secondly, the emotional identification of the community should be incorporated into the evaluation process. Particular attention should be paid to how project adjustments reflect local feedback and to how officials respond to community concerns in project evaluation and official assessment. Public trust and comminity recognition can serve both as outcome indicators and process evidence to inform project decisions.

A participatory and responsive evaluation system can help to reshape the action orientation of the grassroots governance entities, shifting the focus from numerical compliance to balancing accountability to higher authorities with responsiveness to public interests.

6. Conclusion

The predicament of project-based governance at grassroots is the result of the conflict between operational logic and the structure of grassroots governance. The operation of the project system is dominated by the logic of task-orientation, proceduralization, and indicator-based evalution. However, the project system is not only a technical apparatus but also a manifestation of the state's will. It reconfigures the governance process by defining "what can be included in the governance scope" through itemization, by regulating "how to conduct governance" through proceduralization, and by evaluating "what constitutes good governance" through indicator-based assessment. The use of technique apparatus is an act of power. As James Scott pointed out, modern states constantly attempt to transform complex social realities into clearer and more manageable forms in order to intervene in society, but the clear and simplified approaches usually lead to failure (Scott, 1998). The practical predicament of the project system confirms this paradox. The practice of the project system, which simplifies governance problems through governing techniques, stems from its tendency to control, and is manifested institutionally as the top-down unilateral allocation of power. However, excessive simplification creates new governance problems because the ignoring of local knowledge and social complexity. Does this mean that unintended consequences are inevitable? The most fundamental approach is to adjust the configuration of power so that it is subject to institutional constraints, such as grassroots autonomy, social participation and multiple evaluation systems.

Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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