“Label” Competition: Field Theory Insights into Inter-Governmental Competition and Transformation Path Among Chinese Cities

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Abstract
Inter-governmental competition has always been a crucial area of exploration in understanding the behavior of governments. Against the backdrop of contemporary China, the development of the Internet and the increasing influence of communication media have brought to light the growing significance of “Labels” that encapsulate the internal functions, characteristics, or relative advantages of regions in assessing the capabilities of local governments. In this process, the creation and dissemination of urban “Labels” not only drive the new transformation path of inter-governmental competition but also contribute to the reform of the official construction of the capital structure and internal Habitus of urban government field. Based on Field theory, a systematic investigation is conducted on the urban “Labels” generated with the development and influence of the Internet and communication media. In-depth analysis of the logic of urban “Labels” generation reveals that the competitive strategy of urban governments is gradually shifting from the previous “clear distinction between Top-Down” mode to a comprehensive path of “integration of Top-Down and Bottom-Up.” At the same time, the evaluation mechanism has shifted from a single “indicator” evaluation to a more comprehensive judgment focusing on “events,” and the path has shifted from simple “competition” to “competitive cooperation” mode.

Keywords: “label” competition, intergovernmental competition, field theory, symbolic capital

1. Introduction
Confucius, the ancient Chinese philosopher, once said a phrase when addressing matters of rewards and punishments for local government officials in the state of Wei during the Spring and Autumn Period, “Wei Ming yu Qi, bu ke jia ren”. Here, “Ming” refers to the conceptualization of feudal hierarchical labels, while “Qi” refers to tangible symbols representing actual power, such as crowns and ritual vessels. The meaning of this proverb is that the conceptualization of one’s own power status through labels and the materialization of power through tangible objects should never be relinquished to other individuals or forces. Just as in contemporary governance practices of local governments in China, the role of “Ming”, actually as labels cannot be underestimated.

Labels serve as both brief comments on individuals and organizations and summaries of cities and regions. They originate from official rankings as well as regional characteristics. In the context of Chinese political practice, the importance of official “labeling” for cities is indisputable. Guided by the political doctrine of “the Party’s comprehensive leadership over all aspects of society — military, political, economic, cultural, and social — both domestically and internationally,” and the unitary system of central-local government relations mandated by the Constitution, the power and resources required for local government initiatives are coordinated and allocated by the central authorities. Within this framework, the “Ming” or label assigned to a city plays a crucial role in attracting attention and securing favorable resource allocation from the central government. In this system, the role of “labels” becomes increasingly important as they become the key for local governments to attract attention and resources from the central government. Especially in today’s era of rapid and widespread information dissemination, competition over “labels” is particularly significant. Therefore, understanding the competition
among contemporary Chinese local governments requires starting from the perspective of urban “labels.” This article aims to apply field theory to explore the logic behind the generation of urban “label” competition, reveal its differences from the traditional path of city government competition driven by economic performance, and discuss its potential impacts and future development trends.

2. Research Review and Theoretical Foundation

2.1 Research Review

“Intergovernmental competition” is an important part of the study of local government behavior. The earliest discussion of “intergovernmental competition” was initiated by Adam Smith, whose discourse in *An Inquiry into the Nature and Causes of the Wealth of Nations* emphasizes that different city governments will compete due to capital (Silvestri, P. & B. Walraevens, 2023). Tiebout proposed the “voting with their feet” theory, which further concretized the content of intergovernmental competition (Tiebout, C.M., 1956). The concept of “intergovernmental competition” was explicitly articulated by Albert Breton, who underscored that governments are fundamentally competitive entities, engaging in competition amongst themselves over the distribution of resources and control, as well as the provision of public goods and services (Breton, A., 1998).

Subsequently, scholars have conducted research on intergovernmental competition within China around various themes, discussing the types, reasons, foundations, and impacts of competition among local governments, leading to the main viewpoint on ‘intergovernmental competition’ as follows. The initial viewpoint was that of traditional federalism, which posits that due to factors such as regular elections of officials, the public ‘voting with their feet,’ and the decentralized system under federalism, resources would flow towards regions that can better provide public services (Migué, JL., 1997). This perspective became a significant focus of academic research into intergovernmental competition for a time following The China’s reform and opening-up policy. However, the intergovernmental competition under traditional federalism is influenced by some constraints, such as the fact that various resources (such as human resources) are not fully mobile, information within regions is not completely transparent, and the government is described as a ‘benevolent government’ (Somin, I., 2011). Therefore, in the context of intergovernmental competition within countries like China, which have either a non-capitalist representative decentralized system or an imperfect decentralized system, traditional federalism has limited explanatory power.

To identify theories that are compatible with the actual situation in China for explaining the reality of intergovernmental competition in China, scholars such as Qian Yingyi proposed ‘market-preserving federalism’ in the context of China’s decentralization reforms. This viewpoint suggests that, on one hand, the central government devolves a part of economic management powers, allowing local governments to retain relatively autonomous economic powers; on the other hand, in the fiscal decentralization reforms based on fixed fiscal appropriations, the central government delegates budgetary decision-making power to local governments, giving them sufficient incentive to protect the market and promote local economic development, thereby increasing their fiscal surpluses (Qian, Y. & B. R. Weingast, 1996). This viewpoint supplements traditional federalism’s explanation of intergovernmental competition in ‘non-ideal’ decentralized systems, especially in developing countries. However, under the impact of the tax-sharing system reform, the explanatory power of ‘market-preserving federalism’ for China’s actual situation is clearly insufficient.

Currently, a widely researched and thematically diverse area within the academic community is the tournament model, exemplified by the ‘Promotion Tournament’ theory proposed by Yu and others (Jihai, Y., Z. Li-An, & Z. Guozhong, 2016). This model addresses the oversight of the micro-mechanisms of local government competition by ‘market-preserving federalism’. It explains how non-federal countries like China often centralize political power while reserving a portion of economic power for local governments. Through the establishment of clear assessment indicators linked to local officials’ promotions, which serve the national development planning, this model motivates local officials to engage in ‘yardstick competitions’ or ‘political tournaments’ for political advancement.

Meanwhile, various scholars have expanded on the primary objectives of the ‘tournament’ model, ranging from competition for economic growth (van der Kamp, D., P. Lorentzen, & D. Mattingly, 2017) to competition for innovation and environmental protection (Wang, D., Z. Zhang, & R. Shi, 2022). However, in the context of the internet era, the deepening of China’s internet social ecology continuously gives birth to new social issues, rapidly attracting public attention and presenting unprecedented complexity in social governance. The development of the internet and social media enables the rapid dissemination of information, posing challenges to the authenticity and effectiveness control for governance entities. The construction of government credibility is tested, and the difficulty of information governance is increasing day by day. At the same time, internet communication prompts extensive public participation, affecting the allocation of government attention, and bringing about issues of governance efficiency and fairness. These changes weaken the demonstrative role of the traditional “tournament” model based on official campaign-style governance. The “viral” dissemination mode of
online information, differing from the official periodic evaluations, diminishes the value orientation and timeliness of intergovernmental competition “tournaments”. Although the explanatory power of the traditional “tournament” model is insufficient, as a governance method adapted to China’s characteristic of concentrating resources to accomplish major tasks, its legitimacy and efficiency still exist (Li, X., et al., 2019). Therefore, how to explain the behavioral patterns and operational logic of current intergovernmental competition in China? This paper proposes the intergovernmental “label competition”, which is based on the “tournament” model in Chinese intergovernmental relations research and inherits its competitive logic but innovates in target setting and value judgment. This “label competition” to some extent provides a new perspective for explaining the behavioral patterns and operational logic of current intergovernmental competition in China. Explaining the “labels” with “commodity” economic attributes and cultural media communication attributes, exploring the operational logic of “label” competition, analyzing the practitioners’ shifts in practice in the intergovernmental competition field, starting from the “field theory” of studying consumer society media landscapes, provides a rational and explanatory analysis framework.”

2.2 Theoretical Foundation

Field theory is a concept commonly used by Bourdieu to explain the structure of social relations. In his work “Sur la télévision” he points out that a field can be defined as a network of objective relationships existing between various positions, or a configuration (Pierre, B., 1998). He believes that the entire society is a vast field of power, gradually differentiated and segmented into smaller fields with specific references during its development. As fields are composed of elements such as interests, capital, and social positions, each field has its own forms of capital and habits. Actors entering different fields are inevitably subject to the potential constraints of the field, and achieving unity between different fields is challenging. Pierre Bourdieu emphasizes that a field is a structured social space, a domain of power with rulers and the ruled, where continuous and enduring unequal relations operate, and simultaneously a battleground for altering or maintaining this power structure (Swartz, D., 2012). In this perspective, Bourdieu reveals the complexity of social spaces and how social actors compete for power and status within these spaces through various forms of capital, such as economic, cultural, social, and symbolic capital. The structured nature of social spaces means that the positions of actors are determined by the volume and type of capital they accumulate in different fields, which are themselves constituted by specific rules and power relations. Therefore, conflicts coexist within specific fields, giving rise to power imbalances due to unequal positions held by participants within the field, which continue to ferment. In this conflict, actors expect to obtain resource allocation within the field to help redress power imbalances and gain recognition and acknowledgment of their abilities or status. Thus, the field is a relational space with a certain hierarchical relationship. The actors in the field and the field interact and shape each other in a dialectical relationship. When the practical needs of the field intersect with the characteristics and habits of the actors, they begin to generate immediate and concrete behavioral practices. The field is a spatial place where actors compete for dominant resources, representing its most essential feature. Various resources constitute different forms of capital, and each field has its predominant forms of capital.

In summary, a field refers to a social structure of relationships. If actors want to gain corresponding benefits, they must enter the field to participate in benefit distribution, compete for capital to determine their position and power in the field. They need to adopt different strategies for various forms of capital within the field to achieve their goals, and the strategies and actions they use constitute the forms of power and capital within the field.

3. Analytical Framework: “Label” Competition Logic in Field Theory

Labels are often seen as a characteristic of products, providing consumers with information about the product. The production of labels, as a form of “manifestation,” not only introduces the information represented by the labels but also creates a halo effect and social identity through the processing of information and conceptual metaphors, combined with the actual market conditions, affecting consumer perception. Furthermore, the realization of the labels’ role follows the logic of commodity, where their effect can only be achieved through the purchasing behavior of the consumer subjects. Similarly, in the field of inter-governmental competition, there is always a “demand — supply demand” logic, especially in the competitive field between city governments in China. The central government or the relevant higher-level government proposes various performance indicators through work planning in different fields and sets up economic incentives or political incentives to push local governments to complete the related tasks.

This logic, akin to a “commodity economy” exchange, permeates the actions between the central government and local governments in China, as well as between local governments themselves. Especially against the backdrop of intergovernmental competition, in the face of the development of the internet and the growth of media influence, the interaction between the central government and local city governments, as well as among local governments at various levels, leads to the deliberate or inadvertent construction of cultural landscape-like “labels.” From official awards such as the title of “Civilized City (Li, B., et al., 2022), “Smart City Pilot
Projects (Guo, M.J., et al., 2016),” and “City Economic Circles (Zeng, C.F., et al., 2022),” to self-initiated labels like “Internet-Famous Cities” and “Cultural Cities” based on regional characteristics, these labels showcase the unique features and relative advantages of regions, as well as the governance capabilities of governments. Relying on these “labels,” subordinate governments present a highly summarized “work report” to the superior governments controlling resource allocation, thereby establishing their position within the intergovernmental competition field and acquiring the corresponding “symbolic capital.” This capital is then used to vie for economic and political resources, ultimately creating a Label game field among governmental entities. Within this field, different city governments, as actors, construct their identities through the formalistic method of “labeling,” circling around the symbolic demands shaped by the political appeals of the central or superior government. Specifically, the central government or superior governments create a series of labels based on their economic or political demands. They mobilize lower-level or local governments by allocating relevant action resources to actualize the demands symbolized by the labels. In response, local governments take a series of actions to address the directives of their superiors or the central government. They actively align themselves with the “labels” constructed by the central government or superiors to secure their position within the domain centered on label construction and interaction. By adopting a “tournament” mode, local governments can assert their own demands. Through this process, they solidify their position within the label-centric domain and acquire the resources and authority necessary to engage in inter-governmental competition. Consequently, the field of inter-governmental competition surrounding these “labels” and the habitus have materialized. It is noteworthy that the “label” competition in intergovernmental competition mainly involves municipal governments at the prefectural level, which is significantly different from other levels of government. This phenomenon stems from two core reasons. Firstly, the reform and development of China’s economy and society have driven a rapid increase in the rate of urbanization, which is not only a key indicator of the modernization process of Chinese society but also has a decisive impact on the national economic development. Secondly, cities are key to China’s governance reform experiments, serving as focal points for the construction of the national governance system and the modernization of governance capabilities, as well as important components of social governance. Therefore, the “label” competition is primarily conducted in cities, both because urbanization is a significant feature of China’s socio-economic development and because cities hold a central position in national governance reform and social governance. Cities, with their organizational strength and material foundation, as well as specific political customs (for example, official evaluation activities such as civilized city and sanitary city are limited to cities), become the ideal actors and venues for “label” competition. In summary, the logic underpinning intergovernmental competition via “labels” is akin to the logic of “commodity economy” exchanges. This operational logic can only be realized through the “buy-in” behavior of consumers or decision-makers playing a consumer-like role. Such “buy-in” behavior enables labels to function within the field, facilitating the transformation of urban resources into symbolic capital within the intergovernmental competition field, shaping the strategies of actors within the field, and continuously affecting the actors’ perceptions of the intergovernmental competition structure under labeling, as well as their cultural identification with this structure.

4. Transformation Path: Action Orientation in Inter-Governmental Competition Under ‘Labels’
4.1 “Label” Competition Combining Top-Down and Bottom-Up Approaches
4.1.1 “Top-Down” Path of “Label” Competition
In the actual path of “label” competition, the most prominent type is the “top-down” competition. This includes various “honorary titles” established by the central government and superior local governments, such as Civilized Cities, Sanitary Civilized Cities, Smart Cities, etc., as well as rankings by other academic evaluation institutions officially commissioned or followed, focusing on certain aspects of socio-economic development, like business environment and resident satisfaction rankings. The competition for these “labels” resembles the “tournament” mode in intergovernmental competition, where regions undertake various construction efforts based on the evaluation criteria set by the state or various evaluation institutions in response to calls for action. The top-down “label” competition is fraught with various issues, including the “Matthew effect” of official “label” awards. The uneven economic development levels across the eastern, central, and western parts of China, and the diverse national economic industrial structures of different regions, coupled with the homogenization of evaluation systems for different “label” competitions, lead to regions with relative advantages that match the evaluation criteria being more likely to receive various labels, resulting in a “Matthew effect” in label awards. “Involution” and redundant construction are also pitfalls of top-down “label” competition. The numerous and periodic “label” evaluations cause local governments to be overwhelmed in response, yet they still need to participate in various evaluations to respond to the political calls of superior governments. In this context, the priority to maintain current evaluations without falling behind takes precedence over the priority to receive official labels. Additionally, the “scientific” nature of various evaluation indicators leads to their
comprehensiveness and complexity, exacerbating unnecessary work for regions participating in various “indicator” evaluations.

4.1.2 “Bottom-Up” Path of “Label” Competition

With the development of the internet, the convenience of media channels, the expansion of their reach, and the deepening influence of media, various regions have spontaneously initiated “label” competition. From competing for the title of a historical figure’s hometown to the origin of a specialty product, the importance of labels as a commodity under market economy conditions has become increasingly evident. Bottom-up “label” competition, unlike the compulsory nature of top-down “label” competition, often involves competition among multiple stakeholders, including governments, businesses, and societies, based on the overall interests of the region. This “bottom-up” approach often carries the diverse interest claims of the region itself. Local governments integrate these diverse interests through policy support, infrastructure construction, and official propaganda to express the “label” landscape and introduce it into the competitive field to attract the attention of higher-level and even central governments. However, bottom-up “label” competition may lead to a “cutting the feet to fit the shoes” situation, where local governments, in pursuit of a popular “label,” engage in trend-following construction regardless of the actual conditions of the region. For example, the nationwide investment frenzy in the infrastructure of “tourist cities” and “internet-famous cities” has indeed spurred economic growth, but blind investment has also introduced financial risks (Ansar, A., et al., 2016). Such an investment strategy may lead to financial strain caused by large-scale projects. Moreover, the homogenized construction carried out by cities at the same time is unlikely to attract the attention of higher-level government, rendering the pursuit of “labels” futile.

In addition to the aforementioned vertical pathways of “label” competition, there is more competition between local governments and themselves. In this process, local governments need to mobilize and integrate various resources related to urban labels within the region, input information to the “field” through certain coding and dissemination methods, and continuously revise existing labels. They utilize existing resources or develop new ones to “combine” or expand new labels. At the same time, in the face of negatively impacting labels, the region itself needs to mobilize resources to actively change and revise old labels, to some extent, this is a region’s “label competition” against its own past.

4.1.3 “Label” Competition as “Coopetition”

The competition for labels among local governments presents a complex relationship of “coopetition.” The emergence of certain city labels requires the cooperation of different parts within the system and the external environment, transitioning the relationship between local governments from a binary “cooperation-competition” to “competitive cooperation.” For example, the competition for labels within various city clusters and regional economic circles, as well as various ecological governance labels, cannot be separated from the related regional cooperation. The realization of the “Chengdu-Chongqing Twin-City Economic Circle” label requires cooperation between Chengdu and Chongqing and other cities in the region (Lu, H., et al., 2022). Similarly, the innovative “river chief system” label for river governance requires the collaboration of cities along the upper, middle, and lower reaches of the river (Chen, F., 2023). In this sense, label competition breaks away from the indicator-oriented “tournament” model and reduces the trend of involution within label competition. In practical terms, it offers a new direction for exploring mutual cooperation and joint development among regions.

4.2 “Label” Competition Judged by “Events” Rather than “Indicators”

In the current context, the intergovernmental competition within the framework of “labels” manifests periodicity and complexity. Additionally, a static set of evaluation indicators often grapples with the challenge of capturing future developmental states and needs. The competition for labels, arbitrated and shaped by “indicators,” tends toward formalism and expedient responses in the campaign-style execution of local governments, which, to some extent, transforms into a pursuit of legitimacy through bureaucratic and formalistic behaviors. Concurrently with the evolution of the internet and the establishment of an internet ecosystem, the governance space for label competition presents a “virtual-real” duality. This results in the reinterpretation and partial reconstruction of each facet of urban construction within the virtual realm of the internet, coalescing around an “event logic” rather than the “indicator logic” that constitutes the labels. In this context, within the influential internet ecosystem, the shaping and competition of urban “labels” transition from “indicator” logic to “event” logic. This shift emphasizes a move towards appreciating tangible achievements and milestones over abstract metrics. In this framework, “events” denote significant, impactful projects or initiatives with the potential to enhance a city’s reputation and identity. This approach prioritizes real-world accomplishments contributing to a city’s brand, setting it apart in the competitive landscape. It reflects a profound understanding that the development and recognition of urban centers are more accurately portrayed by concrete actions and their outcomes, rather than by numerical scores or rankings. This trend encourages cities to concentrate on substantial, qualitative improvements that resonate with the public and stakeholders, fostering a more dynamic and
meaningful form of competition.

5. Conclusion
The competition for “labels” among jurisdictions is fundamentally a “tournament” model oriented around various indicators. However, labels transcend mere comparative information of indicators by internalizing these indicators as conditions of their manifestation, ultimately becoming a crucial part of the inter-jurisdictional competition field. Pierre Bourdieu, in *The Logic of Practice*, highlights that the strategies of agents depend both on their positions within the field, i.e., the distribution of specific forms of capital, and on their perception of the field, which is contingent upon the perspectives they adopt from different positions within the field. In China’s less economically developed central and western cities, the construction of city labels is even more critical. Unlike the eastern coastal cities, which enjoy a certain degree of freedom within the institutional framework due to their unique socio-economic position in China, the central and western regions face relative disadvantages in the “official track” of performance competition and the official promotion tournament. Therefore, how to concentrate resources, clarify local labels, stand out within the framework of national regional development strategies, and thus gain the oblique attention of higher-level resource allocators becomes a significant issue for the central and western regions to obtain corresponding resources under national planning. It’s worth noting that the purpose of the competition for labels generated by the city evaluation system is to promote the modernization of urban governance and construction, fundamentally rooted in the principle of “people first.” However, the government “legitimacy” characteristic associated with these labels and the unique incentive mechanisms of label competition may, to some extent, turn labels into a new form of political patronage, leading to institutional alienation and old problems reemerging in a new era.

In practice, the development of city “label competition” is not limited to the fulfillment of the indicator system prescribed by the official city evaluation system. Compared to various fixed indicators, a city’s label represents a certain degree of autonomy. This autonomy is reflected not only in the bottom-up path of “label” competition but also in its “spectacle” of obfuscation. Negatively, a city might be labeled as “livable” for various reasons, but beneath this label, there may still exist phenomena conflicting with the “livable” label, indicating that label competition can involve overgeneralization. The concept produced by labels in different fields can vary, and the outcomes captured and outputted by the fields can also differ, which is an important consideration for actors in the inter-jurisdictional competition field. Moreover, labels contain more than they express; obtaining or constructing a city label involves affirming certain characteristics while negating others that do not fit the captured label. For instance, a city receiving an environmental demonstration label may negate other aspects, such as industrial labels. Thus, local governments must be cautious about the gains and losses when vying for specific labels. City labels also have temporal resilience; they are not only a display of work achievements but also a responsibility that successors must bear and sustain. Therefore, the tension within labels lies in their inherent contradictions, and the movement of “labels” themselves is the future of “label” competition.

This paper does not make rigid judgments about the future of “label competition” but views it as part of the process of modernizing the national governance system and governance capabilities, a fragment of China’s modernization. By retroactively narrating itself through the next process or trend and locating its position, it contributes to understanding and navigating the complexities of label competition within the broader context of governance and societal development.

References

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