

## Online Appendix – 1: Extended Analysis Results

**Table A1: County Summary Statistics**

		All	Zhejiang	Shandong	Henan	Hunan	Gansu	Guizhou
Party Secretary appointed by Current Prefecture Party Secretary	<i>Mean</i>	0.45	0.52	0.43	0.31	0.51	0.41	0.58
	<i>Std. Dev.</i>	0.50	0.50	0.50	0.46	0.50	0.49	0.49
County heads appointed by Current Prefecture Party Secretary	<i>Mean</i>	0.49	0.55	0.50	0.36	0.56	0.43	0.58
	<i>Std. Dev.</i>	0.50	0.50	0.50	0.48	0.50	0.50	0.49
Total Edu. Spending Per Student	<i>Mean</i>	2138.83	4785.51	2370.44	1357.73	2017.02	1857.88	1239.56
	<i>Std. Dev.</i>	1621.51	2082.08	1442.65	788.93	1067.42	1106.58	692.83
Total Edu. Spending In Personnel Per Student	<i>Mean</i>	1457.70	3091.47	1586.83	964.34	1373.67	1335.38	921.45
	<i>Std. Dev.</i>	1088.23	1389.61	1064.86	582.01	719.07	871.26	508.07
Total Edu. Spending In New Infrastructure Per Student	<i>Mean</i>	101.32	372.70	122.27	37.57	49.38	71.91	39.03
	<i>Std. Dev.</i>	248.15	547.29	189.99	94.94	105.28	157.05	63.07
Total Government Revenue Per Capita	<i>Mean</i>	1114.76	2614.59	1072.75	704.28	826.72	1392.21	806.24
	<i>Std. Dev.</i>	1291.56	2326.98	864.98	521.96	608.56	1914.56	442.72
Share of Transfers in Total Gov. Revenue	<i>Mean</i>	54.30	40.59	40.02	55.96	58.44	75.93	65.04
	<i>Std. Dev.</i>	19.64	15.97	14.15	18.16	14.87	16.26	15.96
Total Population	<i>Mean</i>	550433	516099	658997	637428	549866	286428	437354
	<i>Std. Dev.</i>	331412	280466	285105	401514	310271	195546	252579
GDP Per Capita	<i>Mean</i>	12056.21	23701.04	17239.25	8929.97	8926.44	9318.41	5058.99
	<i>Std. Dev.</i>	13576.76	19118.96	15357.61	8911.53	9708.43	12058.22	5221.31

Source: Authors' database

**Table A2: The Distribution of County Politicians' Length of Tenure (2001 - 2007)**

<b>Party Secretary</b>														
Year in Office	Pool Sample		Eastern Region				Central Region				Western Region			
			Zhejiang		Shandong		Henan		Hunan		Gansu		Guizhou	
	Percent	Cum. Percent	Percent	Cum. Percent	Percent	Cum. Percent	Percent	Cum. Percent	Percent	Cum. Percent	Percent	Cum. Percent	Percent	Cum. Percent
1	5.96	5.96	3.95	3.95	5.68	5.68	6.57	6.57	4.78	4.78	10.93	10.93	3.16	3.16
2	28.76	34.72	27.63	31.58	29.02	34.70	22.99	29.55	28.67	33.45	33.60	44.53	33.68	36.84
3	19.57	54.29	21.05	52.63	16.40	51.10	20.90	50.45	19.45	52.90	22.67	67.21	16.84	53.68
4	19.32	73.60	23.25	75.88	16.09	67.19	21.79	72.24	22.87	75.77	19.43	86.64	10.53	64.21
5	15.53	89.13	19.30	95.18	17.03	84.23	14.63	86.87	14.33	90.10	8.91	95.55	20.00	84.21
6	7.45	96.58	3.51	98.68	12.62	96.85	7.16	94.03	7.51	97.61	4.05	99.60	8.42	92.63
7	2.61	99.19	0.88	99.56	1.89	98.74	5.67	99.70	2.05	99.66	0.00	99.60	4.74	97.37
8	0.62	99.81	0.44	100.00	0.32	99.05	0.30	100.00	0.34	100.00	0.40	100.00	2.63	100.00
9	0.12	99.94			0.63	99.68								
10	0.06	100.00			0.32	100.00								

  

<b>County Head</b>														
1	9.39	9.39	5.15	5.15	11.80	11.80	11.80	11.80	7.74	7.74	10.00	10.00	7.35	7.35
2	32.21	41.60	31.33	36.48	33.99	45.79	28.42	40.21	32.58	40.32	34.80	44.80	33.82	41.18
3	22.07	63.67	22.32	58.80	21.07	66.85	24.40	64.61	21.94	62.26	24.80	69.60	15.69	56.86
4	17.15	80.82	19.74	78.54	14.89	81.74	18.77	83.38	19.35	81.61	18.40	88.00	10.78	67.65
5	11.99	92.82	16.31	94.85	10.39	92.13	9.92	93.30	11.29	92.90	7.60	95.60	19.61	87.25
6	5.62	98.44	4.29	99.14	7.30	99.44	4.02	97.32	6.45	99.35	3.60	99.20	8.33	95.59
7	1.16	99.59	0.43	99.57	0.28	99.72	1.88	99.20	0.65	100.00	0.80	100.00	3.43	99.02
8	0.17	99.77	0.00	99.57	0.00	99.72	0.80	100.00					0.00	99.02
9	0.17	99.94	0.43	100.00	0.28	100.00							0.49	99.51
10	0.06	100.00											0.49	100.00

Source: Author's database

**Table A3: Education Spending Preferences of Party Secretaries (With Lagged Dependent Variable)**

	Total Spending	Spending on Public Employee
	(1)	(2)
Lagged Dependent Variable	0.172*** (0.033)	0.260*** (0.032)
Appointed by Current Prefecture Party Secretary	-0.010* (0.006)	-0.020*** (0.007)
Year in Office	-0.001 (0.006)	-0.011* (0.006)
Year in Office <sup>2</sup>	-0.000 (0.001)	0.001 (0.001)
Control Variables	Yes	Yes
County FE	Yes	Yes
Year FE	Yes	Yes
Observations	3,710	3,710

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita, log population, log GDP per capita, and share of intergovernmental transfers in total gov. revenue*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A4: Education Spending Preferences of Party Secretaries (with Politician FE)**

	Total Spending (1)	Spending on Public Employee (2)
Appointed by Current Prefecture Party Secretary	-0.009 (0.011)	-0.005 (0.013)
Year in Office	-0.026** (0.011)	-0.035*** (0.011)
Year in Office <sup>2</sup>	-0.000 (0.001)	0.001 (0.001)
Control Variables	Yes	Yes
County FE	Yes	Yes
Politician FE	Yes	Yes
Year FE	Yes	Yes
Observations	4,318	4,318

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita*, *log population*, *log GDP per capita*, and *share of intergovernmental transfers in total gov. revenue*), constant as well as county, politician, and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A5: The Effects of County Head with Strong Political Connection  
(with Politician FE)**

	Total Spending	Spending on Public Employee
	(1)	(2)
County Party Secretary Political Connection	0.033 (0.030)	0.027 (0.049)
County Head Political Connection	0.069* (0.040)	0.055 (0.045)
County Party Secretary Political Connection × County Head Political Connection	-0.100** (0.050)	-0.078 (0.066)
Year in Office (Party Secretary)	0.011 (0.022)	0.001 (0.022)
Year in Office (County Head)	-0.011 (0.015)	0.015 (0.019)
Control Variables	Yes	Yes
County FE	Yes	Yes
Politician FE	Yes	Yes
Year FE	Yes	Yes
Observations	4,315	4,315

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (logged total government revenue per capita, log population, log GDP per capita, and share of intergovernmental transfers in total gov. revenue), constant as well as politician, county, and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A6: The Effects of County Head with Strong Mobilization Capacity (with Politician FE)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Year in Office (Party Secretary)	(0.002) (0.020)	(-0.012) (0.019)	-0.019 (0.013)	-0.018 (0.014)	-0.047** (0.013)	-0.026* (0.014)
Year in Office (County Head)	-0.017 (0.004)	0.001 (0.018)	0.011 (0.014)	0.028** (0.014)	0.256*** (0.029)	0.107*** (0.032)
Year in Office (Party Secretary) × Year in Office (County Head)	(0.003) (0.002)	0.005** (0.002)	-0.000 (0.003)	0.002 (0.003)	0.005** (0.003)	0.007** (0.003)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Politician FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	4,339	4,339	2,229	2,229	2,110	2,110

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita*, *log population*, *log GDP per capita*, and *share of intergovernmental transfers in total gov. revenue*), constant as well as politician, county, and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A7: Education Spending Preferences of Party Secretaries (Mean-centered Year in Office Measures)**

	Total Spending	Spending on Public Employee
	(1)	(2)
County Party Secretary Political Connection	-0.015** (0.007)	-0.021*** (0.007)
Mean Centered Year in Office	-0.003 (0.002)	-0.007*** (0.002)
Mean Centered Year in Office <sup>2</sup>	-0.000 (0.001)	0.001 (0.001)
Log(Total Gov. Rev. Per Capita)	0.189*** (0.036)	0.144*** (0.035)
Log (Population)	0.043 (0.029)	0.003 (0.030)
Log(GDP Per Capita)	-0.001 (0.011)	-0.011 (0.012)
Share of Intergovernmental Transfers in Total Gov. Revenue	-0.000 (0.000)	-0.001 (0.001)
County FE	Yes	Yes
Year FE	Yes	Yes
Observations	4,318	4,318

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of the constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A8: The Effects of County Head with Strong Mobilization Capacity (Mean-centered Year in Office Measures)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Mean Centered Year in Office (Party Secretary)	-0.003 (0.002)	-0.004** (0.002)	-0.003 (0.003)	0.001 (0.003)	-0.002 (0.003)	-0.004 (0.003)
Mean Centered Year in Office (County Head)	0.002 (0.002)	0.001 (0.002)	0.005 (0.003)	-0.000 (0.003)	-0.001 (0.003)	0.001 (0.003)
Mean Centered Year in Office (Party Secretary) × Mean Centered Year in Office (County Head)	0.002** (0.001)	0.002** (0.001)	-0.001 (0.002)	0.001 (0.002)	0.003** (0.002)	0.004** (0.002)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	4,339	4,339	2,229	2,229	2,110	2,110

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita*, *log population*, *log GDP per capita*, and *share of intergovernmental transfers in total gov. revenue*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A9: Education Spending Preferences of Party Secretaries (Controlling for Age)**

	Total Spending	Spending on Public Employee
	(1)	(2)
County Party Secretary Political Connection	-0.020*** (0.007)	-0.025*** (0.008)
Year in Office	-0.006 (0.006)	-0.018*** (0.007)
Year in Office <sup>2</sup>	0.000 (0.001)	0.002* (0.001)
Age	0.026 (0.019)	0.013 (0.020)
Age <sup>2</sup>	-0.000 (0.000)	-0.000 (0.000)
Log(Total Gov. Rev. Per Capita)	0.238*** (0.031)	0.180*** (0.033)
Log (Population)	-0.034 (0.132)	-0.037 (0.127)
Log(GDP Per Capita)	-0.006 (0.012)	-0.014 (0.013)
Share of Intergovernmental Transfers in Total Gov. Revenue	0.000 (0.000)	0.000 (0.001)
County FE	Yes	Yes
Year FE	Yes	Yes
Observations	3,573	3,573

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of the constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A10: The Effects of County Head with Strong Mobilization Capacity (Controlling for Age)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Year in Office (Party Secretary)	-0.007** (0.003)	-0.011*** (0.004)	-0.002 (0.006)	-0.007 (0.006)	-0.007 (0.005)	-0.010 (0.006)
Year in Office (County Head)	-0.001 (0.004)	-0.007* (0.004)	0.001 (0.006)	-0.010 (0.006)	-0.003 (0.007)	-0.009 (0.006)
Year in Office (Party Secretary) × Year in Office (County Head)	0.001 (0.001)	0.003** (0.001)	0.000 (0.002)	0.002 (0.002)	0.002 (0.002)	0.004** (0.002)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	2,914	2,914	1,526	1,526	1,388	1,388

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita, log population, log GDP per capita, share of intergovernmental transfers in total gov. revenue, party secretary's age and its squared term, county head's age and its squared term*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A11: Education Spending Preferences of Party Secretaries (Controlling for illiterate rate)**

	Total Spending	Spending on Public Employee
	(1)	(2)
County Party Secretary Political Connection	-0.015* (0.008)	-0.021** (0.009)
Year in Office	0.004 (0.008)	-0.006 (0.008)
Year in Office <sup>2</sup>	-0.001 (0.001)	-0.000 (0.001)
Log(Total Gov. Rev. Per Capita)	0.246*** (0.026)	0.204*** (0.030)
Log (Population)	-0.098*** (0.014)	-0.124*** (0.015)
Log(GDP Per Capita)	-0.017 (0.014)	-0.034** (0.014)
Share of Intergovernmental Transfers in Total Gov. Revenue	-0.006*** (0.001)	-0.007*** (0.001)
Illiterate Rate (Aged 15+)	-0.010*** (0.002)	-0.012*** (0.002)
Prefecture FE	Yes	Yes
Year FE	Yes	Yes
Observations	4,301	4,301

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of the constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A12: The Effects of County Head with Strong Mobilization Capacity (Illiterate rate 15+ ≤ 5.99%)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Year in Office (Party Secretary)	0.003 (0.006)	-0.000 (0.006)	0.006 (0.008)	0.004 (0.009)	0.002 (0.010)	-0.005 (0.010)
Year in Office (County Head)	0.003 (0.009)	-0.000 (0.009)	0.004 (0.010)	0.001 (0.011)	-0.007 (0.016)	-0.013 (0.014)
Year in Office (Party Secretary) × Year in Office (County Head)	-0.001 (0.002)	0.001 (0.002)	-0.003 (0.003)	-0.001 (0.004)	0.002 (0.003)	0.005 (0.003)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,075	1,075	568	568	507	507

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita, log population, log GDP per capita, share of intergovernmental transfers in total gov. revenue*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A13: The Effects of County Head with Strong Mobilization Capacity (Illiterate rate 15+ > 5.99% and Illiterate rate 15+ ≤ 9.28%)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Year in Office (Party Secretary)	-0.022*** (0.005)	-0.021*** (0.006)	-0.006 (0.009)	-0.006 (0.009)	-0.036*** (0.008)	-0.037*** (0.009)
Year in Office (County Head)	-0.019*** (0.006)	-0.018*** (0.007)	0.011 (0.012)	-0.001 (0.012)	-0.038*** (0.009)	-0.030*** (0.010)
Year in Office (Party Secretary) × Year in Office (County Head)	0.006*** (0.002)	0.006*** (0.002)	0.000 (0.004)	0.002 (0.003)	0.010*** (0.002)	0.009*** (0.003)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,138	1,138	615	615	523	523

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita, log population, log GDP per capita, share of intergovernmental transfers in total gov. revenue*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A14: The Effects of County Head with Strong Mobilization Capacity (Illiterate rate 15+ > 9.28% and Illiterate rate 15+ ≤ 13.44%)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Year in Office (Party Secretary)	-0.001 (0.005)	-0.002 (0.005)	0.007 (0.008)	0.008 (0.010)	-0.001 (0.008)	-0.009 (0.008)
Year in Office (County Head)	0.004 (0.006)	-0.003 (0.006)	0.002 (0.011)	-0.013 (0.012)	0.004 (0.010)	-0.005 (0.010)
Year in Office (Party Secretary) × Year in Office (County Head)	-0.001 (0.002)	0.000 (0.002)	-0.002 (0.003)	0.001 (0.003)	0.001 (0.003)	0.003 (0.003)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,142	1,142	592	592	515	515

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita*, *log population*, *log GDP per capita*, *share of intergovernmental transfers in total gov. revenue*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A15: The Effects of County Head with Strong Mobilization Capacity (Illiterate rate 15+ > 13.44%)**

	All		Home-Grown Party Secretaries		Non-Home-Grown Party Secretaries	
	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee	Total Spending	Spending on Public Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Year in Office (Party Secretary)	-0.003 (0.007)	-0.011 (0.007)	0.007 (0.008)	-0.024** (0.011)	-0.001 (0.008)	-0.006 (0.011)
Year in Office (County Head)	-0.002 (0.007)	0.000 (0.009)	0.002 (0.011)	-0.012 (0.011)	0.004 (0.010)	0.001 (0.013)
Year in Office (Party Secretary) × Year in Office (County Head)	0.002 (0.002)	0.002 (0.002)	-0.002 (0.003)	0.008** (0.003)	0.001 (0.003)	0.001 (0.003)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,019	1,019	592	454	515	565

Note: Dependent variables are per student spending with log transformation. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita, log population, log GDP per capita, share of intergovernmental transfers in total gov. revenue, and illiterate rate (aged 15+)*), constant as well as county and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A16: The Strategies of Spending on Education Personnel**

	Basic Wage	Supplemental Wage	Other Wage	Benefits	Social Security Contribution	Edu. Employee
	(1)	(2)	(3)	(4)	(5)	(6)
Appointed by Current Prefecture Party Secretary = 1	-0.008 (0.009)	-0.058** (0.023)	-0.139** (0.050)	-0.040 (0.035)	-0.048 (0.050)	-0.004 (0.005)
Year in Office	-0.007 (0.008)	-0.088*** (0.022)	-0.031 (0.044)	-0.043 (0.033)	-0.046 (0.043)	0.007 (0.005)
Year in Office <sup>2</sup>	0.002 (0.001)	0.012 (0.004)	0.003 (0.007)	0.007 (0.005)	0.004 (0.007)	-0.001 (0.001)
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
County FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	4,507	3,830	3,522	3,665	4,242	4,507

Note: Dependent variables are per student spending with log transformation, except for education employees, which is not scaled by the number of students. Clustered standard errors at the county level are reported in the parentheses. We do not report the coefficient estimates of control variables (*logged total government revenue per capita, log population, log GDP per capita, and share of intergovernmental transfers in total gov. revenue*), constant as well as county, prefecture, provincial, and year dummies. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A17: County Socioeconomic Indicator Comparison with National Sample**

		<b>National Sample</b>	<b>Selected Provinces</b>
Total Revenue Per Capita	<i>Mean</i>	1086.86	1114.76
	<i>Std. Dev.</i>	1266.94	1291.56
Total Spending Per Capita	<i>Mean</i>	960.29	820.63
	<i>Std. Dev.</i>	1094.88	810.10
Local Budgetary Education Spending Per Capita	<i>Mean</i>	220.82	195.12
	<i>Std. Dev.</i>	151.42	115.40
GDP Per Capita	<i>Mean</i>	10021.12	12056.21
	<i>Std. Dev.</i>	21425.68	13576.76
Total Population	<i>Mean</i>	444870.00	550433
	<i>Std. Dev.</i>	342087.10	331412

Source: Authors' database

## **Online Appendix – 2: An Outline of the Interviews on Local Governance System of Education**

As part of the bureaucratic system, the educational system is very hierarchical in China, and the distribution of local education spending and the motivation of local education bureaus are shaped by pressures and incentives embedded in a wider top-down governance system. The fieldwork conducted in past ten years tried to understand the key political determinants of local policies concerning education finance, the power distribution of appointing and allocating educational staff, and the use of incentives in teacher management. The findings from our fieldwork are very helpful for us to understand the variation of educational outcomes in areas with the similar fiscal and economic conditions.

### ***1. Decision-Making Power in Educational Governance***

In our interviews, we identified three key areas of decision-making that pertain to the education governance system.

#### **1) The appointment and allocation of educational staff**

- At what level the decision on hiring and dismissal of school district managers and high school principals is taken?
- At what level the decision on hiring and dismissal of township center / village school principals is taken?
- How strictly does the county education bureau hire teachers?
- Which body approves the assignment of new teachers and the transfer of teachers between rural and urban schools within the county?
- How much autonomy do the local school district managers have regarding the assignment the teachers and promotion or demotion the school principal within the district?

#### **2) Managerial Autonomy of School Finance**

- How the decisions for fiscal budgeting on school infrastructure, teacher's salary, and public expense in education sector are made?
- To what extent are local school district manager or school principals endowed with fiscal autonomy to determine the public expense of school as well as the allowance and bonus of teachers?
- What is the impact of the fiscal centralization reform on the allocation of decision-making power in education sector?

### 3) Teacher Incentive Scheme

- What kind of quality evaluations are enforced at school district/school level?
- Does the evaluation of teacher accompany with the incentive scheme made by county education bureaus or school principals?
- How is the incentive scheme linked to teachers' long term salary (through their professional grade) and their short term income (through reward and bonus)?

## ***2. Case Studies on Educational Governance Reform***

Under a centralized political system, local politicians often have the incentives to use social spending for personal gains. During the interviews, we paid special attention to the potential constraints to the local politicians when the local governments responded to distorted priorities by diverting funds away from schools.

- How do the political elites in education sector resist against the power abuse by higher-level politicians in the political system?
- Why do some counties promote the decentralized reform on local education governance system? Who has the incentive to promote the reform? Who benefit from the reform?
- What are the strategies and sequences of the decentralization reform? How is managerial power distributed before and after the reform?
- If there are serious political conflicts among local political elites, who usually are de facto policy makers and how do they resolve the conflicts?