

Accepted Manuscript

Career concerns and multitasking local bureaucrats: Evidence of a target-based performance evaluation system in China

Yvonne Jie Chen, Pei Li, Yi Lu



PII: S0304-3878(18)30024-5

DOI: [10.1016/j.jdeveco.2018.02.001](https://doi.org/10.1016/j.jdeveco.2018.02.001)

Reference: DEVEC 2204

To appear in: *Journal of Development Economics*

Received Date: 17 February 2017

Revised Date: 30 January 2018

Accepted Date: 6 February 2018

Please cite this article as: Chen, Y.J., Li, P., Lu, Y., Career concerns and multitasking local bureaucrats: Evidence of a target-based performance evaluation system in China, *Journal of Development Economics* (2018), doi: 10.1016/j.jdeveco.2018.02.001.

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Career concerns and multitasking local bureaucrats: Evidence of a target-based performance evaluation system in China

Yvonne Jie Chen*

NUS

Pei Li†

Xiamen U.

Yi Lu‡

Tsinghua and NUS

January 29, 2018

Abstract

This paper examines whether a target-based performance evaluation system can properly motivate local bureaucrats to implement an environmental regulation policy at the cost of slow economic growth. In late 2005, the Chinese central government made cutting sulfur dioxide (SO₂) emissions the main performance evaluation criterion for prefectural city mayors and Party secretaries. Using a difference-in-differences framework, we find that the performance evaluation system caused a significant decrease in SO₂ emissions, as well as in the GDP growth rate. Our mechanism analyses further corroborate that local bureaucrats in Two Control Zone cities were willing to trade off GDP growth to achieve the more stringent emissions reductions goal. Our findings contribute to the understanding of multitasking agency problems for government agents.

Keywords: Target-based performance evaluation; Air pollution; Economic growth; Multitasking agency problem; China

*Lee Kuan Yew School of Public Policy, National University of Singapore, 469C Bukit Timah Road, Singapore, 259772 (sppcj@nus.edu.sg)

†Corresponding author. Department of Public Finance and Wang Yanan Institute for Studies in Economics, Xiamen University, Xiamen, China 361005 (bengcome@gmail.com).

‡School of Economics and Management, Tsinghua University, Beijing, 100084, China; School of Economics, National University of Singapore, 117570, Singapore (luyi@sem.tsinghua.edu.cn)

Download English Version:

<https://daneshyari.com/en/article/7357529>

Download Persian Version:

<https://daneshyari.com/article/7357529>

[Daneshyari.com](https://daneshyari.com)