Policy Accumulation and Social Organization Development: Research Based on Social Organization Policies in China from 2004 to 2021

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Abstract: While there is broad scholarly agreement on the relationship that policy accumulation is the driver of social organization development, research on the extent to which policy accumulation triggers social organization development is still in its infancy. To address this research gap, we analyze the evolution of policy accumulation and clarify the inherent relationship between policy accumulation and the development of social organizations. Based on 471 central-level social organization policies, we show that there are 52 policy target-instrument combinations in the social organization policy area; the evolution of policy accumulation is divided into five stages; policy accumulation is continuous and drives the development of social organizations; and there is a delay effect.

1. Introduction

In modern democratic nations, a trend is the gradual accumulation of policies over time, where governments introduce more new policies than they revoke. This form of policy change involves continually adding new content to the existing policy framework rather than replacing or substituting existing institutional arrangements. This accumulation often results in increasing complexity in the combination of policy goals and instruments across various domains.[1]

The development of social organizations in China is profoundly influenced by policy changes. [2] Marked by the issuance of the "Regulations on the Registration and Management of Foundations" by the State Council in 2004, the foundational regulatory framework for social organizations—comprising the three major regulations—was formally established. This process gradually systematized and legalized the social organization policy system. However, since 2018, a shift towards strict management policies has led to a decline in the number of new social organizations in China. The focus has transitioned from pursuing scale expansion to emphasizing benefits and quality. Consequently, questions regarding policy instrument saturation in the social organization policy field, the evolution of policy accumulation from 2004 to 2021, and understanding the relationship between policy accumulation and social organization development remain pertinent issues.

2. Policy Accumulation and Social Organization Development

Scholars widely acknowledge the increasing volume of policies but are still in the early stages of

understanding the role of policy accumulation. Existing research suggests that factors such as endogenous rule growth, party ideology, and bureaucratic capabilities may influence policy accumulation.[3] Some scholars recognize the negative impacts of policy accumulation, highlighting issues like policy oversupply and diminishing effectiveness due to continuous scale expansion.[4]

Certain scholars have examined social organization policy texts in China, clarifying historical changes and institutional logic. They recognize the influence of party and government cognitions on policy changes. Additionally, they explore social organization policy goals and tool selection, categorizing goals and summarizing various instruments.[5] They have also identified growth patterns in social organization texts, dividing them into three stages: slow growth (2004-2007), stable growth (2008-2011), and accelerated growth (2012-2016).[6]

Considering current academic research, there are unexplored areas. Firstly, policy instruments evolution is mainly analyzed in five-year spans, lacking a longitudinal study of when a policy instument first appeared and whether it has persisted. Secondly, a dual perspective combining social organization development and policy changes, using text analysis and quantitative methods, is needed to understand the formation mechanism of the social organization policy system. Questions like whether policy accumulation is continuous or intermittent and whether it drives social organization development or vice versa remain in the "black box."

Departing from previous studies, we provide a holistic analysis of the policy landscape for social organizations, focusing on net policy changes since the formal establishment of the three major regulations. Using methods like textual content analysis, we explore characteristics and patterns of policy accumulation in the social organization field. We delve into the intrinsic logic and mechanisms of the relationship between policy accumulation and social organization development, aiming to offer recommendations for improving the social organization policy system.

3. Research design

For the purposes of this study, we focus on policy developments during the period 2004-2021.

3.1. Concept and Measurement of Policy Accumulation

We define policy accumulation as the continuous addition of new policy elements to the existing framework without compensatory reductions. In other words, as long as new policy elements are introduced without abolishing others, accumulation occurs. We identify policy elements as combinations of goals and instruments. Goals determine what the policy seeks to address, while instruments determine how those goals are achieved.[7]

In the social organization policy field, Shao et al. identified four stages: establishment and exit, resource acquisition, service provision, and evaluation and supervision. Through coding analysis of policy literature, we distinguish fifteen policy goals and fifty-two instruments, directly related to these stages. Goals and instruments are listed in Figure 1. To achieve these goals, policymakers can use various instruments. For instance, to lower entry barriers, the government may choose instruments like "simplify registration procedures," "direct registration of four types of social organizations," "guidance," and "federation." Here, "federation" refers to encouraging the establishment of community social organization federations at the street level. In this article, we calculate the net change, representing all change events in the policy portfolio within a specific time frame, including expansions and abolitions—the difference between quantities of expansions and abolitions.

We use the number of social organizations nationwide to measure development, supplemented by the annual growth rate and average annual growth rate to identify peak years. Many scholars also use them to measure the development of social organizations in relevant empirical studies.[8]

Area	Policy target	Policy instrument	Area	Policy target	Policy instrument	Area	Policy target	Policy instrument	Area	Policy target	Policy instrument
Register and log out	Lower barriers to entry	Simplify the registration process	Register and log out	Improve the exit mechanism	Liquidation	Support	Talent development	Salary	Party Building	Party leadership	Regular reporting
		Direct registration of four types	Support	Government Outsourcing	Commission			Professional Qualification			Patrol
		Guide		Capital investment	Funding		Facility construction	Event venue			Triple sync
		Federation		Tax incentives	No income tax is levied as sales			Training base		Conditions	Work allowance
	Increased scrutiny	Naming restrictions			Tax exemption status			Service platform			Resource
		Outgoing audit			Pre-tax deduction		Information support	Sample text			Charter
		Public announcement			VAT exempt			Information disclosure	Assessment and Monitoring	Evaluate	Evaluate
		Sponsor's bad behavior record		Talent development	Education and training		International exchange	Legal person database			Annual inspection
		Preliminary review			Pension			Submit for approval			Exception list and blacklist
		Civil affairs department registration review			Annuity			Talent and training push		Supervise	Complaints, reports acceptance and rewards
		Industry management department joint review			Supplementary medical insurance	Party Building	Party organization	Party organization			Spot checks
		Separation of government and society			Labor Contract		Party leadership	Anti-corruption			Credit Union Rewards and punishments
	Improve the exit mechanism	Revoke and ban			Social insurance and housing provident fund			Local performance			Rectify

Figure 1: Policy targets and instruments in social organization policy

3.2. Data source

The primary source of social organization policy text data is from Peking University Law (www.pkulaw.com). In the initial step, a "full text" search was conducted using the term "social organization" with the nature specified as "central regulations." Subsequently, some policies were sampled to ensure the database covered policies significant in previous literature. Notably, Ministry of Civil Affairs Order No. 26, "Regulations on the Management of Foundation Names," and the "Notice of the Ministry of Finance on Issuing the Accounting System for Private Non-Profit Organizations," were included in the analysis.

In total, 471 policy texts were identified. The choice of "central regulations" is rooted in the significance of central leadership in China's social organization policies. This is evidenced by the fact that after the central government promulgates a relevant policy, various regions introduce corresponding policies. Data on the number of social organizations are derived from the "Statistical Report on the Development of Civil Affairs" (2002-2009), the "Statistical Bulletin on the Development of Social Services" (2010-2017), and the "China Statistical Yearbook" (2018-2021).

4. Changes in social organization policies and development of social organizations

4.1. Development of social organizations

It is crucial to distinguish between periods of rapid and moderate development of social organizations. Figure 2 illustrates the number of social organizations and their annual growth rate, identifying four periods of rapid development: 2004–2005, 2007, 2013–2015, and 2017. These periods align with qualitative research on social organization development.[9]

4.2. Changes in policy accumulation of social organizations

To identify "peak years" and "trough years" of policy accumulation, Figure 3 displays the evolution path of policy accumulation. A total of 52 instances of introducing new target-instrument combinations were analyzed.

4.2.1. Initial exploration period (2004-2007): enhancing dual management

In this initial exploration period, the focus was on improving dual management through the addition of 8 new policy target-instrument combinations. This period upheld the traditional concept of "dual responsibility and hierarchical management," emphasizing civil affairs department review. The introduction of an annual inspection system, categorized from 5A to 1A based on performance levels, showcased a commitment to continuous improvement. Party building remained a consistent guiding ideology during this phase.

4.2.2. Breakthrough development period (2008-2011): strengthening support and cultivation

In the breakthrough growth period, 9 new policy target-instrument combinations were introduced to enhance registration, exit, and support. Key additions included measures for withdrawal improvement, tax incentives, and extensive talent training encompassing pension insurance, labor contracts, and supplementary medical insurance. The emphasis on nurturing full-time staff with a comprehensive benefit structure reflected a holistic approach. The period also introduced a supplementary medical insurance plan and pre-tax deductions for public welfare donations, demonstrating a multi-faceted approach.

4.2.3. Key Strengthening Period (2012-2015): Strengthening party building and de-administration

During 2012-2015, 7 new policy target-instrument combinations were introduced, concentrating on registration and exit, support, and party building. Initiatives included lowering entry thresholds, simplifying registration, and strict regulation of civil servants in leadership positions. Party building and de-administration goals were highlighted, responding to the Guo Meimei incident in 2011. Party building took center stage, with policy innovations in work allowances, clean government construction, and anti-corruption efforts. Strategic advocacy in 2015 influenced the government's perception of social organization activities, prompting a recalibration of the government-social organization relationship. Compared to other periods, the overall vitality of policy accumulation during this period was weaker due to clean up and rectification pressures and challenges to the trust in social organizations.
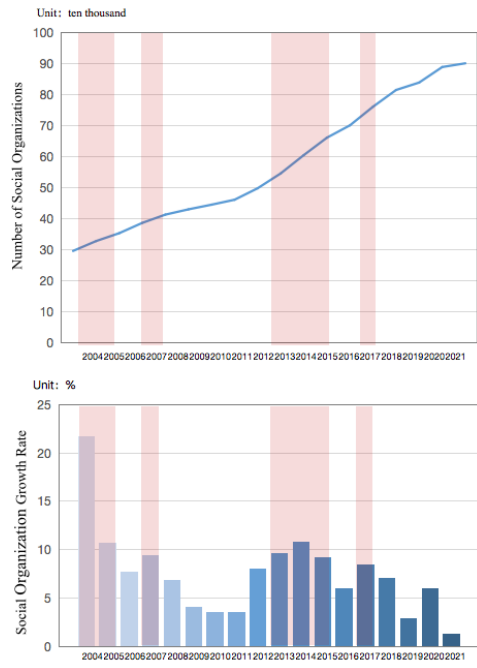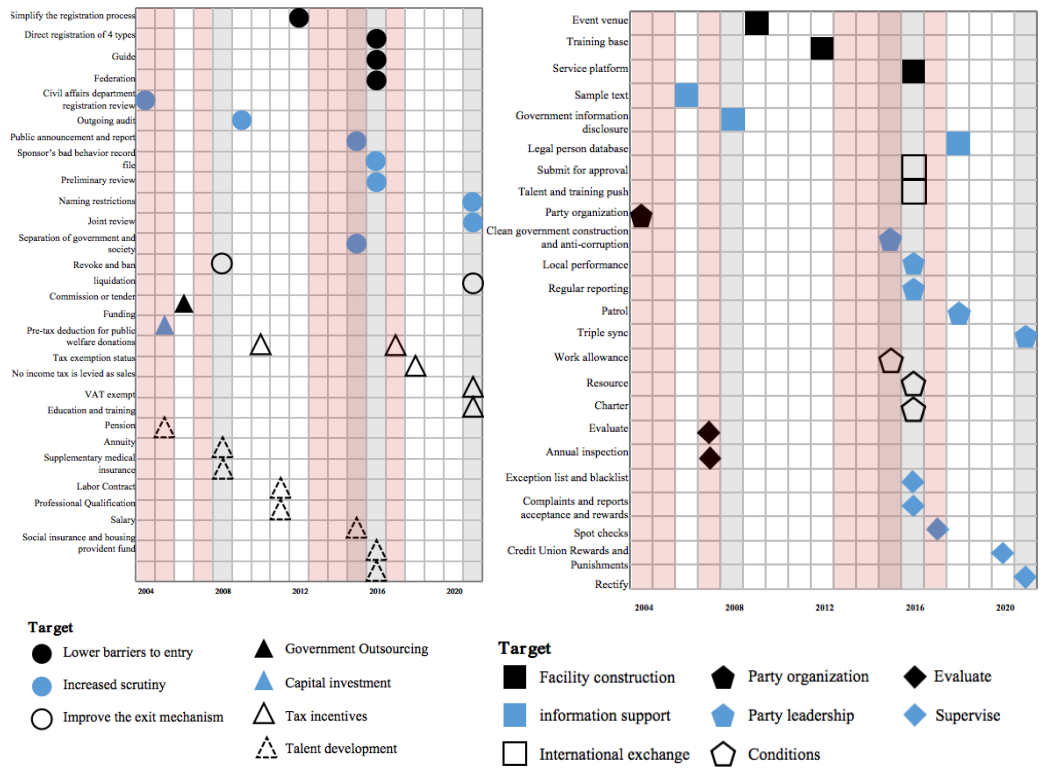
Figure 2: The development of social organizations

Note: The gray shaded area represents the period when there are more new policy instruments, and the pink shaded area represents the period when the annual growth rate of social organizations is large.

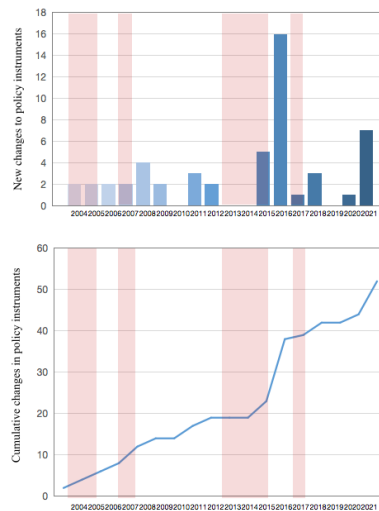Figure 3: Introduction of New policy Instruments

Figure 4: Policy accumulation and the development of social organizations

4.2.4. System Improvement Period (2016-2020): Equal emphasis on cultivation and supervision

From 2016 to 2020, 21 new policy target-instrument combinations covered all areas, emphasizing both cultivation and supervision. Direct registration of four types of social organizations and tax incentives were introduced. This period achieved a regulatory transition to legal governance, breaking away from the dual management system.[10] The peak in policy accumulation in 2016 reflected the government's determination to foster social organization development. The "Opinions on Reforming the Management System of Social Organizations" signified a shift towards a framework equally emphasizing cultivation and supervision.

4.2.5. Stable development period (2021): enhancing legal supervision

In the stable development period of 2021, 7 new policy target-instrument combinations were added, concentrating on strengthening legal supervision. Initiatives such as naming restrictions, joint reviews, and the introduction of a liquidation policy for exit mechanisms showcased a commitment to review and rectification. Tax incentives, VAT exemptions, and party building requirements during registration further solidified the legal framework. This period underscored a meticulous approach to reinforce legal scrutiny and foster support, emphasizing an optimized regulatory structure and standardizing the public service market system.

4.3. Policy accumulation and social organization development

Figure 4 shows policy accumulation and social organization development. From Figure 4, we can see that 2008, 2015, 2016 and 2021 are the "peak years" of policy accumulation, which occurred 4, 5, 16 and 7 times respectively.

4.3.1. There is a delay effect in policy accumulation

Among these 52 changes, 11 occurred directly during periods of rapid social organization growth, and 24 occurred in the following year during a similar growth period. This indicates a time delay, aligning with the time it takes for social organizations to move from idea generation to formal registration.

It provides systematic evidence to some extent that the development of social organizations in China is directly affected by national policies on social organizations. On the one hand, social

organization policies drive the development of social organizations; on the other hand, the practice and local innovation of social organizations promote the development of social organization policies at the central level.

4.3.2. Policy accumulation is an influencing factor in the development of social organizations

The fact that policy accumulation is basically consistent with the development of social organizations can prove that policy accumulation is the key factor driving the development of social organizations. From 2004 to 2007, with the normalization and standardization of registration management in social organizations and the improvement of supporting support and supervision systems, social organizations grew steadily. From 2008 to 2011, 2008 was regarded as the first year of public welfare in China. The Wenchuan earthquake was a focal event that made the entire society further realize the positive role of social organizations. However, the development of social organizations was not as rapid as expected, but the focal event catalyzed them. In order to accumulate policies and promote policy innovations such as clean-up and regulation, review and punishment, and registration and control, the growth rate of social organizations has been reduced. From 2012 to 2017, policy attention almost reached its peak. Local governments innovated and developed new methods and strategies, such as direct registration systems, filing systems, and third-party evaluation of social organizations, simplifying registration procedures, incubation, and cultivation. Such policy accumulation has allowed a hundred flowers to bloom, promoting the rapid growth of social organizations, and the growth rate of social organizations has also reached its highest point. From 2018 to 2021, social organizations will develop steadily in line with policies. The reason why policies drive the development of social organizations is to expand resources and provide legitimacy and normativeness. At the same time, it was also found that there is a "law of diminishing policy effectiveness," that is, the response intensity of the target objects of the policy shows a downward trend after the policy stimulus reaches a certain level. After policy accumulation reached its peak in 2017, the effectiveness of policies declined, and the growth rate of social organizations was difficult to reach again. This does not rule out the possibility that the growth rate of social organizations has reached a "plateau" and the market is gradually becoming saturated.

4.3.3. Policy accumulation is gradual

Policy accumulation is a gradual process, witnessing the addition of new elements almost annually. The years 2008, 2015, 2016, and 2021 stood out for strong innovation vitality. This dynamism can be attributed to significant events, such as the pivotal role social organizations played during the 2008 Wenchuan earthquake. Society's recognition of social organizations' value, especially during crises, has led to a demand for effective government responses through new policies. The observed cyclical nature of policy accumulation might also be influenced by simultaneous factors. Years 2016 and 2021 marked the start of the 13th and 14th five-year plans, respectively.

Once adopted, the policy target-instrument package remains unchanged, aligning with previous research suggesting that policymakers prefer augmenting existing policies rather than replacing them.[11] Caution surrounding policy substitution arises from potential opposition and the avoidance of responsibility.

5. Conclusions

Comparing social organization policies over a period of time with their previous status by evaluating the introduction or abolition of different policy target tool combinations, based on 471 central-level social organization policy documents, can clearly present the evolutionary logic of social organization policies. We found that there are 52 instances of introducing new target-instrument combinations in the field of social organization policy in China; the pattern of

instruments combinations is relatively balanced and saturated, with the largest number of them in the support field. The five stages of policy evolution are outlined, emphasizing dual management improvement, support and cultivation strengthening, party building enhancement, equal focus on cultivation and supervision, and law-based supervision improvement. The study also reveals a consistent correlation between policy changes and social organization development. Policies not only drive social organizations' growth but also exhibit delayed effects and a "law of diminishing policy effectiveness." This evidence contributes to understanding policy effectiveness, emphasizing multiple policy goals-tool combinations and caution against policy oversupply.

In the future, the design of the policy accumulation of social organization policies should focus on optimizing the following aspects: first, optimize the structure of the social organization policy tool portfolio; appropriately improve the policy instruments in the fields of party building, evaluation, and supervision. Among the four fields of withdrawal, support, party building, and evaluation and supervision, the support field accounts for the largest proportion of policy accumulation (42.3%), followed by registration and withdrawal (26.9%), party building (17.3%), and evaluation and supervision (13.5%). The second is to systematically summarize, sort out, and integrate the total number of existing policies and clean up failed policies in a timely manner. Currently, the legal nature and legal person status of social organizations, fund management systems, operating systems, party building systems, government supervision and management scope and authority, government purchase service contract systems, etc. have not formed a unified, comprehensive, targeted, or classified system. In particular, corresponding special management regulations should be formulated based on the classification principle for the four types of social organizations. The third is to comprehensively consider the effects of different policy instruments and give full play to the role of expanding new functions and features under the complementary combination of policy instruments. On the premise of enriching the policy toolbox, we should pay attention to the iteration and innovation of policy instruments and constantly revise existing policy instruments.

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