Local Favoritism in State Formation*

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Abstract

A large, centrally planned economy with strong state capacity and unconstrained political power can lead to catastrophic outcomes, underscoring the importance of flexibility in policy implementation at local government levels. This paper examines the sources of local flexibility and its role in intense state-led political campaigns in a unique context: the land reform after the founding of the People's Republic of China. During the reform, counties in southern and western China had both cadres from the north (representing the central government) and local cadres, and they were significantly different in implementing the party's policies. Using land ruggedness as an instrument, we find that a 10% increase in the proportion of local cadres at the county level led to a 0.8% reduction in the share of people classified as landlords or rich peasants, suggesting a more lenient attitude in implementing state policy. We further find that this local favoritism partially explains regional differences in mortality during the Great Famine (1959–1961).

Keywords: Local Favoritism, State Formation, Land Reform, The Great Famine

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1 Introduction

State capacity is usually considered crucial for long-term development. When we study the state capacity of a large country, the institutional framework of the state, as well as the dynamics of interaction between the central and local governments, also matters (Acemoglu, 2006)[2]. Much existing research on state capacity focuses on Europe, where most states are non-authoritarian.[1][1][16][17][20][43] They argue that a high-capacity state can enhance domestic peace, improve material prosperity, and promote more pluralistic norms. Therefore, strong state capacity is associated with better long-term development in democratic institutions.

However, the long-term outcome might be very different in an authoritarian regime with high state capacity. If a powerful central government in a planned economy operates without checks and balances, its absolute control over local regions can suffocate local institutional flexibility to rigid institutional structures. In such cases, strong state capacity may result in unintended and potentially catastrophic consequences, such as the famines in the Soviet Union and Communist China.[2] Therefore, maintaining local flexibility is especially important within a strong centralized planned economy.

In this paper, we explore how local flexibility in policy implementation might mitigate such threats. Using a unique dataset hand-collected from county gazetteers and other sources, we examine county-level heterogeneity in the behavior of cadres during China's

[1]For example, Dincecco (2017)[15] discusses reasons why state capacity affects long-term development, while Dincecco and Wang (2024)[18] provide a comprehensive review chapter that discusses the relationship between state capacity and development.

[2]For example, Meng, Qian, and Yared (2015)[37] argue that the inflexible central government and the procurement system were the main causes of the devastating famine that led to the deaths of tens of millions in China between 1959 and 1961. Wang et al.(2023)[42] demonstrate that the large-scale campaign to exterminate sparrows during the Great Leap Forward in China, as part of the "Four Pests" campaign, also contributed to excess mortality during the famine. The Great Leap Forward campaign (1958–1962), led by Mao Zedong, aimed at rapidly industrializing the country, collectivizing agriculture, and boosting productivity through mass mobilization. However, it resulted in severe economic disruption and widespread famine due to unrealistic targets and mismanagement. The "Four Pests" campaign was launched in 1958 to eliminate rats, sparrows, flies, and mosquitoes, aiming to boost public health and agriculture. However, it led to ecological imbalances, such as insect infestations, and was later adjusted to replace sparrows with bedbugs in 1960.

land reform in the 1950s, as well as its economic consequences. After the establishment of the People's Republic of China (PRC) in 1949, the Chinese Communist Party (CCP) sent cadres from the north (established Communist regions) to the south (newly controlled regions). The party had instilled absolute loyalty in these southbound cadres over many years, and they had virtually no local connections, as a result of which they implemented policies with great determination. In contrast, many local cadres in the newly occupied southern regions had weaker ties to the central government but were more closely connected to the local community. The land reform in these newly occupied areas provides a compelling case for studying the differences in policy implementation behaviors. Our results suggest that in the early years of the PRC, local cadres were more flexible in implementing the policies of the land reform ordained by the central government.

We investigate whether the proportion of local cadres in local government influenced the intensity of implementation of the policies of the land reform and other political movements. We use cross-sectional county-level data on the birthplace of cadres from 1950 to 1952 as independent variables, while using the division of social classes, the time of reform, and the amount of confiscated land during the land reform as dependent variables. However, the endogenous nature of the proportion of local cadres across counties suggests that omitted variables—such as the Long March[3] , guerrilla warfare[4], and the Chinese Civil War[5]—may simultaneously affect both local cadre proportions and the variables related to the intensity of the land reform. To address this endogeneity issue, we use the ruggedness of county-level terrain as an instrumental variable (IV). Regions with more rugged terrain were more conducive

[3]The Long March was a strategic retreat by the PRC Army from 1934 to 1936 to escape the Nationalist encirclement campaigns. The route of the PRC Army's Long March was conducive to establishing a mass base, spreading communist ideology, and setting up revolutionary bases. [34] use the Long March route as an instrumental variable to estimate the influence of the CCP on the capacity of the grassroots state.

[4]Guerrilla warfare was a crucial tactic used by the CCP forces during the Second Sino-Japanese War and the Chinese Civil War from the 1930s to the 1940s. It involved small mobile units conducting surprise attacks and ambushes against the enemy, allowing the weaker side to wear down stronger opponents while preserving their own strength. This flexible strategy played a vital role in the eventual success of the Chinese revolution

[5]The Chinese Civil War (1927–1949) was fought between the Kuomintang (KMT) and the CCP for control of China. The CCP ultimately defeated the KMT and established the PRC in 1949.

to guerrillas and secret CCP members[6] before CCP's occupation, and these individuals often transitioned into county-level officials in these areas after the CCP's occupation. We find a significant negative relationship between the proportion of local cadres and the intensity of policy implementation. Specifically, a 10% increase in the local cadre proportion within a county leads to a 0.8% reduction in the proportion of people classified as landlords or rich peasants in the land reform.

We also compare the different roles that local cadres played in other political movements taking place at approximately the same time, suggesting that our main findings are much more significant in villages than in cities. To confirm the validity of our IV, we run subsample regressions and find that our instrument does not affect the execution or intensity of the land reform through any other channel. We select two alternative IVs and conduct over-identification tests, which indicate that our instruments are exogenous. Finally, we examine the role that local cadres played in mitigating the disastrous consequences of the Great Famine and find that counties with a higher proportion of local cadres during the land reform experienced lower grain procurement rates during the famine, lower fertility loss and lower death rates.

Our study contributes to several strands of research in political economy. First, it contributes to the state capacity literature by providing a unique angle from which to understand state capacity and its consequences. According to the literature, powerful local elites and kinship-based networks often become an obstacle to a central government's efforts to build strong state capacity [24][25][38][45]. Therefore, states often seek to weaken local elites and organizations in order to consolidate their own control. However, an omnipotent state also has negative consequences, especially in non-democratic countries, as it sometimes may repress people's freedom, exacerbate inequality, and use mass education to enhance obedience to maintain order[3][39][41]. When a powerful, centralized state is coupled with a rigid

[6] "Secret CCP members" refers to those CCP members who fought against KMT forces in KMT-controlled areas during the Chinese Civil War. "Secret" indicates that they had to conceal their identities in the KMT-controlled regions.

planned economy, the consequences are even more severe, as seen in the Soviet Union and Communist China[36][37]. Complementary to previous research, our study finds that local favoritism is able to mitigate such adverse consequences in places with more local officials, suggesting that weaker state capacity in an authoritarian regime sometimes might be good for long-term development.

Our study also contributes to a more comprehensive and quantitatively causal understanding of local favoritism. The behavior of local officials in practicing local or ethnic protectionism has been extensively studied. However, this literature has not provided a clean causal identification and has primarily focused on the negative impact of local favoritism on resource allocation.[4][5][19][20][26]. Our study advances the literature in the following three respects. First, the land reform provides an excellent experimental setting for studying local favoritism among officials, as China typically does not assign county-level or higher-ranking officials to their hometowns today.[7] Our study setting provides an ideal context to directly examine local protectionism in China from a historical perspective. Second, using unique hand-collected data, we exploit historical facts to construct an IV that yields a clean and credible causal estimation. Third, beyond the negative effects of resource misallocation emphasized in the existing literature, we find that local favoritism by officials can also serve to protect the local population from repressive central policies in an autocratic regime.

The rest of this paper is organized as follows. Chapter 2 discusses the historical background of the land reform and local cadres; Chapter 3 describes the data; Chapter 4 presents the empirical results while Chapter 5 further discusses local favoritism in the 1950s; Chapter 6 discusses the validity of the IV; Chapter 7 explores the persistent effect of local cadres on the Great Famine; and Chapter 8 concludes.

[7]There are many papers examining home bias in China, but not from the lens of officials. For example, Fisman et al.(2017)[22] study how hometown ties to fellow selection committee members increase candidates' probability of election into the Chinese Academies of Sciences and Engineering; Liu et al. (2022) study how a judicial independence reform alleviated local protectionism in the judicial system[33].

2 Historical Background

2.1 Land Reform

The land reform was one of the most important political and economic movements initiated by the CCP from 1946 to 1953. This movement aimed to confiscate land from landlords and rich peasants and redistribute it to poor peasants, in order to build a more equal society and obtain support from the vast poor peasant class.[8] Before 1949, the CCP had completed the land reform in the areas under its control, which were mainly in northern China, accounting for about one third of the country's territory. As the CCP rapidly expanded its occupation of southern China, the land reform was considered a top priority in these regions. Only four months after the founding of the PRC, the CCP's Central Committee issued an order in January 1950 to establish special committees in local governments to advance the land reform. This order clearly outlined the goals and strategies of the reform: relying on poor peasants, uniting middle peasants[9], neutralizing rich peasants, and gradually and selectively eliminating the oppression of the poor class.

While the land reform officially began in the winter of 1950, its timing and duration varied considerably across counties, largely depending on the responses of local government officials. The first and foremost task of these officials was to categorize peasants into distinct social classes: landlords, rich peasants, middle peasants, and poor peasants. After that, cadres confiscated land and personal property form lanlords and rich peasants and redistributed them to poor peasants. The process of land reform was far from peaceful; many landlords were tortured or even beaten to death and many committed suicide out of fear. It is estimated that the number of deaths caused by the land reform was between 1 million and 2 million(MacFarquhar & Fairbank, 1987)[35]. The violent land reform in most places

[8] "Landlords" refers to individuals who owned a large amount of land and were the main targets of the land reform. Rich peasants also owned land, but in smaller quantities than landlords, and faced less severe punishment during the reform. We provide more detailed information in a later part.

[9] "Middle peasants" refers to farmers who owned a moderate amount of land and agricultural tools. They typically worked their own land and may have employed limited hired labor.

was completed by 1952.

2.2 Arbitrary Classification of Social Classes

A crucial step in the land reform was the classification of social classes, which was a key criterion in determining land confiscation and other punishments. According to the *Land Reform Law* promulgated in 1950, landlords were defined as those who owned a large amount of land and for whom land rents were their main source of income. Rich peasants were defined as those who owned less land than landlords and for whom land rents constituted the majority of their income. These two classes were the main targets of the land reform, as they were the "exploiters" of Chinese peasants. Their land and personal property were confiscated and redistributed to middle and poor peasants. In contrast, middle peasants usually owned only a small amount of land and had to rent additional land from landlords and rich peasants to support their living. Poor peasants owned virtually no land and were almost full-time employed by landlords and rich peasants. Therefore, middle peasants and poor peasants were classified as the "exploitees" before the land reform.

Although the definitions of different classes were clear theoretically, it was difficult to distinguish between rich peasants ("exploiters") and middle peasants ("exploitees") in practice. First, the key definition of "exploitation" was hiring of labor, but that was a long-standing tradition in rural China, practiced by landlords, rich peasants, and other peasants. Even middle and poor peasants often hired labor.[10] Due to this ambiguity, the government classified farmers whose rental income exceeded 25% of their total household income as rich peasants in 1948.[12] Even so, due to lack of information on household income, the classification between rich and middle peasants depended largely on the discretion of local officials.[11]

The distinction between landlords and rich peasants was also ambiguous. The typical

[10]For example, a survey conducted by the Shandong provincial government in 1944 found that 14.08% of the middle peasants employed hired labor.[10] According to Xue (2011)[46], even the middle and poor peasants hired labor during busy farming seasons in Guangxi province.

[11]The central government also stipulated that if middle and poor peasants did not oppose the classification, the proportion could be appropriately relaxed, which granted cadres greater discretionary power.[40]

landlord who owned a large amount of land was scarce in traditional Chinese society, and the majority of the so-called "landlords" only owned about 2 acres, so they could be arbitrarily classified either as landlords or as rich peasants.[12] In his well-known field study in Jiangxi province, Mao Zedong observed that "large landlords make up only 1% of all landlords, middle landlords 19%, and small landlords 80%."[47] Therefore, there is no clear distinction between small landlords and rich peasants. Often, the decision was fully in the hands of local cadres who led the land reform. For example, in a village in Sichuan province, county cadres classified all the *Bao-jia* chiefs[13] as landlords simply because they hated them; later, 34% of them were found to be rich or middle peasants.

2.3 Local Cadres versus Southbound Cadres

As the CCP rapidly gained control of almost all of mainland China, there was a growing shortage of experienced and capable cadres, especially in newly controlled southern China. Many CCP guerrilla members were quickly appointed as county cadres. Most of them were born and raised locally, and were labeled as "local cadres." In fact, many local cadres had respectable family backgrounds and wide social networks in their hometowns. That was why they were able to survive under the KMT's control. However, being separated from the CCP's core regions, local cadres received less communist instillation and had weaker connections with the Party. Their strong local connections also made them reluctant to implement radical political movements, such as the land reform, in their hometowns. As a result, in the regions where local cadres dominated, the land reforms were usually advanced much more slowly and mildly, attracting strong criticism from the central government. For example, in Guangdong province, where local cadres were particularly influential, only three

[12] According to a survey conducted by the KMT government in 1937, only 1.34% of households had over 120 acres, and less than 0.1% had more than 500 acres[11]. Huang (2005)[13] also finds that in some counties in Fujian province, the average landholding per landlord was just 2.1 acres.

[13] A *Bao-jia* Chief was a local leader in China during the imperial and early republican periods, responsible for overseeing a system of community organization known as the *Bao-jia* system. This system divided villages or neighborhoods into small administrative units, each called a *Bao*, consisting of several households. The chief of each *Bao* was the *Bao-jia* Chief, typically an elder or a person of influence in the community.

counties actively responded to the central government's directive at the beginning of the land reform, and Mao Zedong was very angry about this.[14][7]

To strengthen the control of newly occupied regions, on October 28, 1948, the CCP issued the *Resolution on Preparing 53,000 Cadres*, dispatching a large number of northern cadres to the south, who were conventionally referred to as "southbound cadres." By March 1949, 62,859 cadres had been sent to the south. The southbound cadres had virtually no local connections, and sometimes could not even understand southern dialects. However, having worked in the CCP's core regions for years, most of the southbound cadres were devout Communist disciples and were highly resolute in implementing orders from the central government, regardless of the damaging consequences to local communities. For example, in Huiyang County, Guangdong province, where southbound cadres dominated, land reform cadres beat 19 people to death between May 30 and June 5, 1951. Over the course of that year, 199 landlords and rich peasants in the county committed suicide due to the land reform.[7] The different characteristics of local and southbound cadres, combined with the ambiguity in social class classification, provide a unique setting for studying local favoritism in the early period of Communist China.

3 Data

In this paper, we use data manually collected from various sources, including the birthplace information of county-level cadres, the classification of social classes during the land reform, and other control variables at the county level. We also collect data on mortality rates and grain procurement rates during the Great Famine. We calculate the birth loss rates during the Great Famine using a 1% sample of the 1990 Population Census at the city level to investigate the persistent effects of local cadres. This paper focuses on the newly occupied areas in south and west China, where there were significant differences between

[14]Dissatisfied with the slow process of the land reform in Guangdong province, Mao Zedong appointed Tao Zhu, a leader from Hunan province, to replace a high-level local official. He also sent 1,000 southbound cadres to Guangdong province to carry out the reform.

southbound and local cadres. We examine how these differences affected policy implementation and their long-term consequences. Our sample includes 15 provinces[15] in south and west China. Due to missing records for variables across different counties, the final sample includes 752 counties.

3.1 Birthplace of County Cadres

We collect information on the birthplaces of main county leaders from January 1950 to November 1952. Main leaders are defined as the secretary of the county party committee, the vice secretary of the county party committee, the county magistrate, and the vice county magistrate. As we can only track the birthplace of leaders at the provincial level, we define a leader as a local cadre if his/her birthplace is in the same province as the county, and as a southbound cadre if his/her birthplace is in another province.[16]

We hand-collect birthplace data from county-level gazetteers. Some gazetteers only record the names of leaders but not their birthplaces. In these cases, we determine the birthplaces using materials such as the CCP's organizational records and internet news reports. By these means, 84.3% of the counties have full records of all cadres' birthplaces. Using these data, we find that during the land reform, nearly 50% of the counties had fewer than 10% local cadres, reflecting the CCP's cautious attitude toward using local cadres. However, in about 35% of the counties, the proportion of local cadres exceeded 50%, suggesting that local cadres were a non-negligible force in many counties in the newly occupied south. In the baseline regression, our main independent variable is the proportion of local cadres, defined as the number of county-level local cadres divided by the number of cadres with recorded birthplaces. In a robustness check, we replace this proportion with the number of local cadres divided by the total number of cadres at the county level (because for some cadres we do not have records of their birthplace). As most counties have complete records

[15]Shanghai, Inner Mongolia, Yunnan, Sichuan, Anhui, Guangdong, Guangxi, Jiangsu, Jiangxi, Zhejiang, Hubei, Hunan, Gansu, Fujian, and Guizhou.

[16]At that time, county level cadres' networks were mostly concentrated at the provincial level, where the culture was relatively homogeneous. Therefore, local cadres are defined at the provincial level.

of cadres' birthplaces, the two sets of results are very similar.

3.2 The Intensity of the Land Reform and Other Political Movements

Because the classification of landlords and rich peasants largely depends on the discretion of government leaders, we choose the percentage of landlords and rich peasants in the county population as the main indicator of the intensity of the land reform. We also use the percentage of rich peasants in the population of landlords and rich peasants combined as a dependent variable because landlords were punished more harshly than rich peasants and a county is considered more mild in the reform if the rich peasants' share of the total number of landlords and rich peasants is higher. We use the intensity of land redistribution as another dependent variable, as it was the fundamental purpose of the land reform. The intensity of land redistribution is defined as the amount of confiscated land divided by the total population or the number of landlords and rich peasants. A county is considered more radical if more land is confiscated from landlords and rich peasants.

We also use the duration and the starting time of the reform, the number of arrests during the suppression of counter-revolutionary movements, and the duration of other political movements as alternative dependent variables in different specifications. These data are all obtained from the county gazetteers and are at the county level. Table 1 reports the summary statistics for the main dependent and independent variables. The mean proportion of local cadres in the sample is 31%, while the mean proportion of landlords and rich peasants is 9%. Rich peasants account for approximately 42% of the combined category of landlords and rich peasants. It should be noted that all starting times[17] are standardized relative to January 1949. Therefore, the mean suppression starting time of 23.34 represents the average starting time of the suppression of counter-revolutionary movements, which is approximately

[17]"Starting times" refers to the starting year and month of political movements, such as the land reform and the suppression of counter-revolutionary movements.

December 1951.

3.3 Death and Procurement Rates during the Great Famine

To demonstrate the crucial role of the flexibility of local cadres in mitigating the catastrophic consequences brought about by an authoritarian regime, we use data from two different sources to quantify the varying severity of the Great Famine in our sample. We employ county-level mortality rates and grain procurement rates in 1960 from Kasahara and Li (2020)[29]. Meanwhile, based on the methodology of Meng, Qian, and Yared (2015)[37], we construct city-level famine birth loss rates using a 1% sample of the population census data from 1990.[18] Table 1 also presents the descriptive statistics of the Great Famine data.

3.4 Control Variables

We include a series of county-level control variables in the regression, such as the log population, a Long March dummy, and the establishment times of the CCP and KMT at the county level. We obtain population data before the land reform from the county gazetteers because population density is a typical measure of economic development in a smallholder economy[19]. The Long March dummy is defined by whether the focal county is on the Long March route; we collect the Long March route data from Guo and Zhang (1996)[14]. We use the Long March dummy to capture CCP activities before the establishment of the PRC. For example, when the CCP Army passed through a county during the Long March, it may have carried out a certain degree of land reform, redistributing land from landlords to peasants. This could have later influenced the classification of landlords and rich peasants in the land reform after 1949. For similar reasons, we also include the establishment times of the CCP and KMT as control variables to proxy for the bases of the two parties. Establishment time

[18]Given the significant error rates in inferring county-level birth losses from the 1% population census sample, we use the city-level and county-level means to estimate city-level birth losses.

[19]There did not exist any county-level panel data for population during the early period after 1949; these data were collected only for the purpose of the land reform.

data also come from county gazetteers.

4 Empirical Results

4.1 Empirical Strategy

We run the following regression to quantitatively examine the impact of the composition of cadres on the intensity of the land reform:

$$Intensity_{cp} = \alpha + \beta Proportion\ of\ Local\ Cadres_{cp} + \delta Controls_{cp} + \sigma_p + \epsilon,$$

where $Intensity_{cp}$ is a series of variables that reflect the intensity of the land reform in county c and province p. $Proportion\ of\ Local\ Cadres_{cp}$ is the proportion of local cadres among all cadres with birthplace records during the land reform [20]. $Controls_{cp}$ are a series of control variables and σ_p captures the provincial fixed effects. β measures the estimated effect of local cadres on the intensity of policy implementation, with $\beta/10$ being the impact of a 10% increase in the proportion of local cadres on the outcome variables.

However, the above OLS regression may yield biased results due to omitted variables. The old CCP-controlled areas before 1949 are correlated with both the proportion of local cadres and the outcome variables. Counties with intense CCP presence are more likely to have had local cadres who directly transitioned from being secret CCP members, and may thus have experienced milder reform after 1949. We use two methods to tackle this problem: first, we use three control variables to proxy for the CCP-controlled areas before 1949; second, to resolve the endogeneity issue after controlling for these variables, we use county-level land ruggedness as an IV. It was easier for the CCP to establish bases of control and organize

[20] Most counties started the land reform between 1950 and 1952. For counties starting the land reform in or before 1950, we define this variable as the proportion of local cadres among all cadres in 1950; for counties starting the land reform in 1951, we define this variable as the proportion of local cadres among all cadres in 1951; for counties starting the land reform in or after 1952, we define this variable as the proportion of local cadres among all cadres in 1952

guerrilla forces in counties with more rugged terrain, so our IV is positively correlated with the proportion of local cadres. We calculate county-level terrain roughness using data from Feng et al.(2007)[48].

4.2 Empirical Results

As discussed above, rural people were categorized into three groups: landlords, rich peasants, and poor peasants. Landlords and rich peasants suffered in the land reform, while poor peasants benefited. Therefore, the proportion of landlords and rich peasants directly reflects the intensity of the land reform. In columns (1)–(4) of Table 2, we use the proportion of landlords and rich peasants as the dependent variable, defined as the population of landlords and rich peasants divided by the total population. In columns (1) and (2), we only control for the logarithm of population and provincial fixed effects, while in columns (3) and (4) we add other control variables. We use robust standard errors for all estimations, and Table 2 presents the results. As expected, both OLS and IV estimates yield negative coefficients. Column (4) shows that an increase of 10% in the proportion of local cadres leads to a 0.8% reduction in the proportion of landlords and rich peasants in the land reform, which is approximately an 8.8% decrease relative to the sample mean (the average proportion of landlords and rich peasants in our sample is 9.1%) and is statistically significant at the 5% level. Given that the average proportion of local cadres in our sample is 30.5%, this estimate is both economically significant and reasonable.

In columns (5)–(6) of Table 2, we use the proportion of rich peasants in the combined population of landlords and rich peasants as the dependent variable. Both OLS and IV estimates are positive and significant, indicating that a higher proportion of local cadres results in a higher proportion of rich peasants in the combined population of landlords and rich peasants. Column (4) shows that a 10% increase in the proportion of local cadres leads to a 4.2% increase in the proportion of rich peasants among landlords and rich peasants. The result is consistent with the hypothesis that landlords were punished more severely than rich

peasants during the land reform, reflecting the flexibility of local cadres during land reform. Compared with non-local cadres, local cadres were more likely to classify people as rich peasants rather than landlords, reducing the severity of the punishment.

4.3 Alternative Indicators of Land Reform Intensity

According to our hypothesis, counties with more local cadres tended to confiscate less land from landlords and rich peasants. Using the amount of confiscated land as the dependent variable, we quantitatively test this hypothesis, and Table 3 reports the results. We define the dependent variable as the amount of confiscated land divided by total population in columns (1) and (2), and as the amount of confiscated land divided by population of landlords and rich peasants combined in columns (3) and (4). Both specifications yield negative and significant estimates. For example, column (4) shows that a 10% increase in the proportion of local cadres leads to a 0.24-hectare decrease in per capita land confiscated from landlords and rich peasants, which is a 12.4% reduction relative to the sample mean.

We also use the duration, starting time, and ending time[21] of the land reform as an alternative intensity indicator. In Section 2, we argue that local cadres were relatively distant from the central government. As a result, it took them longer to accept and implement policies. According to our hypothesis, the starting time of the land reform will be later in counties with higher proportions of local cadres. Furthermore, due to their unwillingness and lower efficiency, the duration of land reform will be longer and the ending time will also be later. Table 4 reports the results, showing that a 10% increase in the proportion of local cadres leads to a 1.9-month increase in the duration of the land reform (column (2)), a 7.4-month increase in the starting time (column (4)), and an 8.8-month increase in the ending time (column (6)). These results suggest that where the intensity of land reform implementation is weaker and the duration is longer, the pace of land reform is slower.

[21]The duration is measured in months. For the starting and ending time, the benchmark is January 1949. For example, if a county began land reform in June 1950, its standardized month would be $(1950 - 1949) \times 12 + 6 = 18$.

4.4 Other Robustness Checks

In this subsection, we conduct robustness checks to address potential caveats to the main results, and Table 5 shows the results. The first concern is that the main results might be driven by the provinces with high missing-data rates (e.g., Inner Mongolia, Shanghai) or strong localism (e.g., Guangdong). Therefore, we exclude Inner Mongolia and Shanghai in our specification in column (1) while we exclude Guangdong in column (2)[22]. Another concern is that in some regions, such as the CCP-controlled areas before 1949, preliminary land reforms may have been carried out before 1949, which could influence the classification and the intensity of land reform after the founding of the PRC. Therefore, we restrict the sample to land reforms that started after 1949 in column (3). To avoid estimation bias caused by the distance from the political center, we add the logarithmic distance to the nearest provincial capital as a control variable in column (4)[23]. As mentioned earlier, 84.3% of the counties in the sample have complete data on the birthplace of local cadres, so we restrict the sample to the counties with complete birthplace data in column (5). Finally, if the duration of the land reform exceeded one year, we use the average proportion of local cadres as the independent variable, instead of the proportion of local cadres in the starting year of the reform, in column (6). All estimated coefficients remain significant, and the magnitudes are similar to the baseline result.

To further mitigate the potential biases caused by missing data of cadres' birthplaces, we replace the main independent variable with the number of local cadres divided by the total number of cadres in the county. Table 6 shows the results. The dependent variables in columns (1) to (6) are defined as follows, respectively: proportion of landlords and rich peasants, rich peasants divided by population of landlords and rich peasants combined, confiscated land per capita, confiscated land divided by total number of landlords and rich

[22]Guangdong province is considered archetypal in terms of localism and to have had the strongest resistance to the central government. The anti-localism movement in 1952 also began in Guangdong.

[23]We do not control for distance in the baseline specification because distance is one of the alternative instruments in the over-identification test.

peasants, duration of land reform, and number of counter-revolutionaries divided by total population. Most estimates remain significant at the 5% level with larger estimated effects.

5 Further Discussion on Local Favoritism in the 1950s

5.1 "Imperial Authority Did Not Extend Below the County Level"

In imperial China, the central government usually had weak control below the county level[34][8]. Due to the vast area under government administration, China has a long-standing tradition of local autonomy[32]. China's local governance remained integrated into the centralized bureaucratic system of the unified empire. Rural society was traditionally governed by local gentries, who had passed at least the lowest level of the imperial examination system[21][23]. Thus, these local elites could be seen as candidates for becoming formal officials, and they took the responsibility of providing public goods to the local community together with clans. Compared with centrally appointed magistrates, who were typically assigned to govern regions away from their native areas, the local gentry had stronger incentives to administer their hometowns effectively and shared deeper emotional bonds and common interests with local residents. The central government recognized the importance of local elites and chose to cooperate with them. In fact, those gentries who performed well in governing the local community were more likely to become formal officials in the future. This explains the emergence of a broad tradition of grassroots autonomy in Chinese history, commonly summarized by the phrase "imperial power did not extend below the county level."

We believe that local favoritism during the early communist period in the 1950s is also evidence of the long-term tradition of grassroots autonomy in Chinese history. Thus, we expect to observe much stronger local favoritism in rural areas than in urban areas. So far, our study has focused on the land reform, which mainly took place in rural areas. During this period, the CCP occupied these regions for only a few years and was unable to fundamentally alter the existing patterns, especially in southern China, where local clans

had stronger autonomy. According to our previous results, local favoritism had a significant impact on land reform, which is consistent with our hypothesis. However, local grassroots autonomy predominantly existed in rural areas, and we should expect to observe weaker local favoritism in cities. In this section, we use two political movements, "Suppression of Counter-Revolutionaries" and the "Three-Antis-Five-Antis," to investigate the different roles of local favoritism in villages and in cities. The two political movements occurred during approximately the same period. The former occurred in both urban and rural areas, while the latter took place in cities. This provides a comparison of local favoritism in villages and cities.

5.2 "Suppression of Counter-Revolutionaries"

The Suppression of Counter-Revolutionaries was a nationwide political campaign that covered both cities and villages in the early 1950s. It aimed to eliminate remnants of the KMT and other counter-revolutionary forces through mass mobilization and judicial trials, consolidating the new government's authority and ensuring social stability. In the early days of the PRC, many forces opposed the rule of the CCP, so "counter-revolutionaries" were originally defined as severe threats to regime stability. However, the definition expanded over time, sometimes even including complaints about the government and slander against political leaders. This gave local cadres considerable arbitrary power. We run similar regressions to those in Section 4 to estimate the impact of local favoritism on the Suppression of Counter-Revolutionaries.

The results in Table 7 validate our hypothesis. In columns (1) and (2), we use the number of people arrested divided by the total population as a dependent variable to quantify the intensity of the movement. In columns (3) and (4), we use the starting time of the suppression as the dependent variable.[24] All IV estimates are significant, with column (4) showing that

[24] As discussed in the land reform section, a later starting time indicates that local cadres were less willing to implement policies, which directly reflects the intensity of local favoritism. Some county-level gazetteers reported the starting time and documented the number of arrests during the first wave of the Suppression of

a 10% increase in the proportion of local cadres leads to a delay of 2.7 months in the starting time of the suppression.

5.3 "Three-Antis-Five-Antis"

The "Three-Antis-Five-Antis" movement took place concurrently with the land reform but focused on cities. This movement targeted crime by government officials and private business owners, including corruption, bureaucracy, and tax evasion. The nature of the targets of the movement meant that it had to primarily take place in urban areas. Similarly to other movements, the targets were defined very arbitrarily, but in cities officials tended to strictly implement central directives instead of catering to local interests, so we should not find significant local favoritism in the "Three-Antis-Five-Antis" movement. We run similar regressions to test the role of local favoritism in cities.

Table 8 validates our hypothesis. We use the starting time as our dependent variable.[25] All estimates are positive, but none is significant. These results indicate that the proportion of local cadres has no significant impact on the starting time of the "Three-Antis-Five-Antis" movement. These results are consistent with our argument that the CCP had stronger control in urban areas and local favoritism was less pronounced in cities.

Counter-Revolutionaries campaign in the 1950s. The campaign lasted for many years, and many subsequent political movements were also labeled as part of this campaign. As a result, there is no clear ending time. Similar to the land reform, we use January 1949 as the benchmark. For example, if a county began the suppression in April 1950, the relative start month would be $(1950 - 1949) \times 12 + 4 = 16$

[25] We use the previously described method, defining the starting times with January 1949 as the benchmark.

6 Validity of Instrumental Variable

6.1 Exclusivity

6.1.1 Historical Evidence

We use land ruggedness as the IV to address endogeneity in our specifications, assuming that land ruggedness should be correlated with the proportion of local cadres but should not influence other outcome variables through other channels. One concern about land ruggedness is that compared with plains, rugged areas naturally have lower concentration of land ownership and may exhibit significant differences in concentration of land ownership among landlords. Various historical documents suggest that this concern does not hold. For example, in Hunan province, 2% of landlord households owned 71% of the land in lakeside regions, 4% of landlord households owned 45% of the land in hilly areas, and 3% of landlord households owned 41% of the land in mountainous areas[28]. Similar records are also found in other official documents. For example, the *Compilation of Important Documents and Experiences on Land Reform* compiled by the Central and South Military and Political Committee recorded that "In the hilly regions of Hunan, landlords and rich peasants accounted for 9.2% of the population; in the mountain regions, they accounted for only 7.6% of the population."[44] These historical records indicate that although landlords in mountainous regions typically own less land, the proportion of landlords does not differ significantly from that in plains areas; hence, land ruggedness does not affect the proportion of landlords and rich peasants through other channels.

6.1.2 Subsample Regression

Although historical evidence suggests no correlation between land ruggedness and land concentration, ruggedness may still affect the dependent variables through other channels. In our sample, 342 counties did not have local cadres, so the proportion of local cadres equals 0. We use these counties as a subsample to test the correlation between land ruggedness

and the main outcome variables. If ruggedness affected the outcome variables through other channels, ruggedness would still show a significant negative correlation with these outcome variables in this subsample. Figure 1 presents the distribution of land ruggedness in the counties without local cadres (left panel) and the distribution of land ruggedness in the full sample (right panel). The distributions of the subsample and the full sample are very similar. The mean of land ruggedness in the counties without local officials is 1.02, with a standard deviation of 0.92, while in the full sample the mean of land ruggedness is 1.02, with a standard deviation of 1.16. Thus, the subsample and the full sample exhibit similar exogenous variations in land ruggedness, and the estimation of the correlation between land ruggedness and the proportion of landlords and rich peasants in this subsample is sufficiently representative.

We use the same control variables to run the regression, and Table 9 shows the results. As above, in columns (1) to (4), the dependent variables are the proportion of landlords and rich peasants, the proportion of rich peasants among landlords and rich peasants, the amount of confiscated land per capita, and the amount of land confiscated from landlords and rich peasants, respectively. In all four specifications, the coefficients of ruggedness are not statistically significant. Although confiscated land is considered the most likely to be correlated with ruggedness, the results in columns (3) and (4) are still nonsignificant. This indicates that for the subsample counties without local cadres, there is no significant correlation between land ruggedness and the key outcome variables. Therefore, the instrument does not affect the estimation results by influencing the natural distribution of landlords, rich peasants, or other dependent variables, confirming the exogeneity of the instrument.

6.2 Over-Identification Test

We further validate the IV by running over-identification tests in this subsection. We do this by selecting two alternative IVs. The first alternative instrument is the speed of the CCP's expansion in the Chinese Civil War, defined as the number of counties newly occupied

by the CCP per month during the war. Most of the southbound cadres were military leaders. They were likely to settle in the occupied regions. If the speed of the CCP's expansion was low, this would lead to a higher proportion of southbound cadres. In contrast, if the speed of the CCP's expansion was high, these southbound cadres would quickly move on to the newly occupied regions, leading to a higher proportion of local cadres. However, the speed of the CCP's expansion did not directly affect the intensity of land reform through other channels. The second alternative instrument is the focal county's distance to the nearest provincial capital, defined as a dummy variable using 200 kilometers as the threshold. Counties closer to the provincial capital are subject to stronger state control, resulting in a lower proportion of local cadres. However, this distance did not affect the intensity of political movements, such as landlord classification, through any other channels.[26]

Table 10 presents the results of the over-identification test. In column (1), we show the baseline estimation using land ruggedness as the IV. In columns (2) and (3), we add the speed of the CCP's expansion and the distance to the nearest provincial capital as instruments, respectively. In column (4), we use both the speed and the distance as instruments. In column (5), we use all three IVs. All estimates are quite similar and significant at 5% level. The only exception is that the p-value of the estimates is 0.271 in column (4). This may be because the two alternative IVs are not as effective as ruggedness. The Hansen J statistics in columns (2) to (5) are all greater than 0.25, indicating that all the combinations of different instruments pass the over-identification tests.

6.3 Decomposing the IV–OLS gap

Another concern in our study is that the IV estimates are much larger than the OLS estimates. Although we have discussed how omitted variables such as secret CCP organizations could lead to bias in the OLS estimates, we doubt whether these omitted variables

[26]In our robustness checks, we add the logarithmic distance to the nearest provincial capital as a control variable. The regression results remain significant, indicating that the observed differences in landlord classification are not driven by the distance to the provincial capital.

can fully explain the IV–OLS gap. To tackle this issue, we adopt the method proposed by Ishimaru (2024)[27], which decomposes the IV–OLS gap into three components: covariate weight, treatment weight, and marginal effect (endogenous bias). The first two components capture the differences in the weights of the control variables and the treatment variable between the IV and OLS estimates, while the third component represents the conventional endogenous bias.

Table 11 presents the decomposition results. In our main result, the weights assigned to the treatment variable show almost no difference between the IV and OLS estimates. The proportion of the IV–OLS gap that can be explained by differences in the weights of the control variables is approximately -0.015. Moreover, the endogenous bias (marginal effect) still accounts for 81% of the total IV–OLS gap (-0.060 of -0.074). The decomposition results suggest that our OLS estimates indeed have significant bias and the IV–OLS gap is mainly driven by endogenous bias. The weight differences between the IV and OLS estimates in the treatment and control variables are minimal and the impact on the IV–OLS gap is negligible. All IV estimates in our study are economically significant and within a reasonable range, so the large IV–OLS gap does not constitute a problem with our instrument.

7 Persistent Effect of Local Cadres on the Great Famine

Our previous results suggest that the local cadres were flexible in implementing central government policy, and we conjecture that due to local favoritism, this flexibility persisted. In this section, we study how this flexibility mitigated the catastrophic consequences caused by the existence of a central government with strong state capacity but lacking in checks and balances. The Great Famine that occurred in China between 1959 and 1961 provides an ideal experiment to study the persistence of local favoritism. Various estimates suggest that between 16.5 and 45 million people died during the famine, and the main cause was that the central government monopolized the purchase and sale of grains under the “unified

purchase and sale" policy[37], which prohibited farmers from buying and selling grain in the market. Farmers could only sell grain to the government, and the amount of grain sold was determined by the output reported by local officials. When the amount was too high, farmers lacked enough food to sustain themselves, resulting in high death rates and high birth loss rates[27]. Therefore, the implementation of this policy depended on local officials' reporting of the grain output, and this local flexibility affected the severity of the famine.

Under this policy, local officials had the power to arbitrarily report grain outputs, facing a trade-off between over-reporting and truthful reporting. During this period, the CCP launched the Great Leap Forward, aiming to rapidly industrialize China and catch up with advanced Western countries in major industrial production.[28] To support this goal, the central government sought to collect as much agricultural output as possible. Local officials who over-reported grain production and sold more grain to the central government were promoted quickly. As a result, many local officials competed to over-report grain outputs to gain promotion. For example, the central government's official newspaper, *People's Daily*, continuously reported on high grain yields across different regions. On June 8, 1958, Suiping county in Henan province reported an average wheat yield of 15,112.5 kilograms per hectare. On June 16, Gucheng county in Hubei province reported a wheat yield of 32,647.5 kilograms per hectare. On September 22, Saishike Farm in Qinghai province reported a wheat yield of 64,387.5 kilograms per hectare, which was the highest reported yield that year.[29] The amount of grain required to be sold to the government was a fixed proportion of the total

[27]"Birth loss" refers to the reduction in the number of births due to famine. We provide a detailed definition and calculation in the following paragraph.

[28]The Great Leap Forward was an economic and social campaign implemented from 1958 to 1960, aiming to achieve rapid industrial and agricultural development. In November 1957, during the Moscow Conference, Mao Zedong proposed the slogan of "surpassing Britain and catching up with the United States," expressing the ambition for China to economically surpass these countries within a relatively short period. This ambitious vision directly influenced subsequent domestic policy formulation. Scholars generally consider the Great Leap Forward to be one of the primary causes of the Great Famine.

[29]The unit used in *People's Daily* is jin per mu. We convert it using the ratio 1 jin per mu = 7.5 kilograms per hectare. Qinghai province is not included in our sample, but these data still illustrate national competition in over-reporting of outputs. In fact, according to data from the National Bureau of Statistics, the national average yield of rice in 1952 was only 488 kilograms per hectare. Despite regional variations in agricultural productivity and the steady increase in agricultural output between 1952 and 1958, the yields reported above were exaggerated dozens of times.

reported output. Therefore, these extreme cases of over-reporting led to very high excess mortality during the Great Famine[31]. In contrast, if local cadres had strong ties to their communities, they tended to truthfully report the grain yields to mitigate local starvation and prevent deaths. For example, Zhao Shuli, the Party Secretary of Yangcheng County, Shanxi province, not only refrained from over-reporting but also requested that the central government distribute more grain. Liu Yi, the Party Secretary of Hequ County, withheld 1 million kilograms of grain that had been procured after the county's over-reporting, refusing to submit it to the central government[30]. These officials were all local cadres and these cases provide clear evidence of long-term persistence of local favoritism.

We quantitatively measure the effect of local favoritism in alleviating the famine by regressing the proportion of local cadres of the severity of the famine. We construct two variables to measure the famine. First, following Meng, Qian, and Yared (2015)[37], we use a 1% sample of population census data from 1990 to calculate the birth loss rates during the Great Famine.[30] Second, Kasahara and Li(2020)[29] calculate the county-level death rates in 1960 using official data published by provincial Statistics Bureaus. We directly use their death rate data to measure severity. We use the same regression specification as in Section 4, with ruggedness as the IV. The main independent variable is still the proportion of local cadres during the land reform period.

Columns (1)–(4) of Table 12 report the results using the first measure of our dependent variable.[31] The dependent variables in columns (1) and (2) are the aggregate city-level birth loss rates, while the dependent variables in columns (3) and (4) are the birth loss rates

[30]The famine occurred from 1959 to 1961, while the periods 1950–1958 and 1962–1965 are considered normal years. Putting these normal years together, we use 1950–1958 and 1962–1965 as our base group and first calculate the birth rate for each region in the base group, and then calculate the birth rate during the famine period (1959–1961). The difference between these two rates represents the birth losses. Due to the very high error rates in inferring county-level birth loss using the 1% population census sample, we focus on city-level results.

[31]As different dependent variables are used in Table 12, we also change the control variables. The control variables in Table 12 include the establishment time of the CCP, whether the focal county is on the Long March route, log population in 1960, grain output in 1960, a series of potential grain productivity data, the urbanization rate in 1964, whether the county belongs to a provincial capital, and whether the county belongs to a previous treaty port. The population and grain data are obtained from Kasahara and Li(2020)[29], and the urbanization rate is obtained from Chen et al.(2020)[9]

averaged over all counties within each city. For the independent variable, we use the city-level proportion of local cadres (the number of local cadres in the city divided by the total number of cadres) in columns (1) and (3), while in columns (2) and (4), we use the average proportion of local cadres across all counties within each city. The estimates in columns (2) to (4) are all statistically significant at the 10% level, suggesting that regions with higher proportions of local cadres experienced lower birth loss during the Great Famine.[32] For example, in column (3), the estimate indicates that a 10% increase in the proportion of local cadres during the land reform leads to a 7.18% reduction in birth loss during the Great Famine. Columns (5) and (6) of Table 12 report the results for the mortality rate, which show similar patterns. The estimate in column (6) means that a 10% increase in the proportion of local cadres leads to a 0.64% reduction in mortality rate.

We further test whether the grain procurement policy was the main channel through which local favoritism alleviated the famine. Meng, Qian, and Yared (2015)[37] show that grain procurement was the main cause of mortality during the Great Famine. Now we test the impact of local favoritism on procurement. We regress the county-level procurement rates in 1960 on the proportion of local cadres during the land reform. The procurement data are also obtained from Kasahara and Li(2020)[29]. Columns (7) and (8) of Table 12 report that having a higher proportion of local cadres during the land reform significantly reduced the procurement rate in 1960. The estimate in column (8) shows that a 10% increase in the proportion of local cadres decreases the procurement rate by 6.6%. Given that the mean procurement rate was 31%, the influence of local cadres during the land reform was highly significant. Our results are similar to Cao, Xu, and Zhang (2022)[6], who argue that resistance to excessive procurement was a significant factor in mitigating the harm caused by the Great Famine.

[32]The p-value for the estimate in column (1) is 0.104, which is marginally significant.

8 Conclusion

In a regime where political power is limited and checked, strong state capacity is usually conducive to economic growth. However, in an authoritarian regime where power is not constrained, strong state capacity can lead to serious or even disastrous outcomes. In such cases, local flexibility provides an important buffer to mitigate the negative effects caused by the state. In this paper, we use China's land reform as a case to study how local favoritism can alleviate the adverse consequences of such a system. Compared with southbound cadres, who were dispatched directly to the south from the central government, local cadres cared more about the fortunes of their hometowns, and often showed a higher level of flexibility when carrying out central government policies. Such local favoritism made the reform much milder in the regions where local cadres dominated. Using unique hand-collected data and an IV strategy, we find that counties with a higher local cadre proportion experienced milder land reform, with fewer people being classified as landlords and less land being confiscated. However, we do not find such flexibility in cities, where the state had stronger and more direct control.

Our study provides a new perspective on state capacity and its consequences. Most of the literature emphasizes the benefits of state capacity for long-term development. Some other studies also point out negative aspects of state capacity, such as repressing people's freedom and exacerbating inequality. We advance such research by showing that local favoritism was able to mitigate such adverse consequences in places with more local officials. Our paper also enriches the literature on local favoritism by providing a quantitative and causal study. In a large country such as China, local favoritism has historically been quite common. In places where most government officials were of local origins, the implementation of central policies was often compromised. Our study finds that local favoritism in the 1950s significantly affected the implementation of central policies and was still helping to mitigate the disastrous consequences of the famine even a decade later. We further argue that such persistent presence of local favoritism may have implications for subsequent political movements, even

the Reform and Opening-up.

Tables

Table 1: Summary Statistics

VARIABLES	N	mean	sd	min	max
Proportion of LC (LC/Cadres with Native Place)	752	0.31	0.35	0	1
Proportion of Landlord (Landlords+RP/Population)	752	0.09	0.04	0.01	0.42
Proportion of RP (RP/Landlords+RP)	693	0.42	0.12	0.09	0.86
Duration of Reform	691	25.60	10.04	8	76
ConfiscateLand/Population	600	0.07	0.14	0.00	2.38
ConfiscateLand/Landlords+RP	600	0.92	1.40	0.00	20.16
Suppression Start Time	648	23.34	8.92	0	130
#Anti-revolution/Population	361	0	0.01	0	0.07
Birth Rate during the Great Famine (‰)	313	35.19	26.26	3.44	204.24
Procurement Rate during the Great Famine (%)	295	0.32	0.13	0.04	0.68
City Level Birth Loss during the Great Famine	149	38.81	15.08	0.20	77.70

Notes: LC, local cadres; RP, rich peasants. The unit of confiscated land is hectares.

Table 2: Local Cadres and the Classification of Landlords and Rich Peasants

	Proportion of Landlords and Rich Peasants				Rich Peasants/ Landlords and Rich Peasants	
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	OLS	IV	OLS	IV	OLS	IV
Proportion of Local Cadres	-0.01	-0.16**	-0.01**	-0.08**	0.04**	0.42**
	(0.00)	(0.08)	(0.00)	(0.04)	(0.02)	(0.18)
ln(population)	-0.01***	-0.01***	-0.01***	-0.01***	-0.00	0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
CPC			-0.00	0.00	-0.00***	-0.00***
			(0.00)	(0.00)	(0.00)	(0.00)
Long March			-0.01*	-0.01**	-0.01	0.01
			(0.00)	(0.01)	(0.01)	(0.02)
KMT			0.00	-0.00	0.00	0.00
			(0.00)	(0.00)	(0.00)	(0.00)
Constant	0.19***	0.28***	0.18***	0.21***	0.34***	0.16
	(0.02)	(0.07)	(0.02)	(0.03)	(0.07)	(0.14)
Province FE	YES	YES	YES	YES	YES	YES
First Stage F		26.63		21.44		20.57
Observations	752	752	707	707	657	657
R-squared	0.158		0.163		0.168	

Notes: Robust standard errors in parentheses; *** p < 0.01, ** p < 0.05, * p < 0.1

Table 3: Local Cadres and Land Confiscation

	Land Confiscation/ Population		Land Confiscation/ Landlords and Rich Peasants	
	(1)	(2)	(3)	(4)
VARIABLES	OLS	IV	OLS	IV
Proportion of Local Cadres	-0.05**	-0.34**	-0.28	-2.42*
	(0.02)	(0.16)	(0.23)	(1.43)
ln(population)	-0.02**	-0.02**	-0.09	-0.13
	(0.01)	(0.01)	(0.10)	(0.11)
CPC	-0.00	-0.00	-0.01	-0.01
	(0.00)	(0.00)	(0.02)	(0.02)
Long March	-0.01	-0.03	-0.13	-0.25*
	(0.01)	(0.02)	(0.09)	(0.14)
KMT	-0.00	-0.00**	-0.02	-0.02
	(0.00)	(0.00)	(0.01)	(0.01)
Constant	0.81***	0.90***	7.43***	8.45***
	(0.25)	(0.26)	(2.85)	(2.94)
Province FE	YES	YES	YES	YES
First Stage F		22.67		22.88
Observations	608	608	577	577
R-squared	0.158		0.134	

Notes: Robust standard errors in parentheses; *** p < 0.01, ** p < 0.05, * p < 0.1

Table 4: Local Cadres and Reform Duration

	Reform Duration		Starting Time		Ending Time	
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	OLS	IV	OLS	IV	OLS	IV
Proportion of Local Cadres	5.45***	16.82*	0.51	74.27***	7.66***	88.28***
	(1.24)	(10.19)	(1.90)	(24.61)	(1.61)	(29.41)
ln(population)	1.01**	1.20**	-4.76***	-4.32***	-3.36***	-2.63*
	(0.44)	(0.49)	(0.71)	(1.17)	(0.81)	(1.44)
CPC	-0.06	-0.08	-0.04	-0.11	-0.11	-0.21
	(0.07)	(0.07)	(0.09)	(0.16)	(0.10)	(0.18)
Long March	0.82	1.54	-1.27	3.53	-0.58	4.67
	(0.70)	(0.96)	(0.80)	(2.53)	(1.03)	(3.06)
KMT	-0.01	-0.00	-0.17*	-0.02	-0.14	-0.02
	(0.06)	(0.06)	(0.10)	(0.17)	(0.10)	(0.17)
Constant	4.11	-2.24	90.14***	69.25***	80.37***	55.76***
	(4.42)	(6.77)	(7.67)	(15.67)	(9.22)	(20.22)
Province FE	YES	YES	YES	YES	YES	YES
First Stage F		21.47		24.83		20.36
Observations	654	654	762	762	716	716
R-squared	0.348	0.249	0.575		0.388	

Notes: Robust standard errors in parentheses; *** p < 0.01, ** p < 0.05, * p < 0.1

Table 5: Robustness Check with Different Settings

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)
	Proportion of Landlords and Rich Peasants					
Proportion of Local Cadres	-0.09**	-0.09**	-0.09**	-0.09*	-0.09*	
	(0.04)	(0.04)	(0.04)	(0.05)	(0.05)	
Proportion of Local Cadres(Mean)						-0.08**
						(0.04)
ln(population)	-0.01***	-0.01***	-0.01***	-0.01***	-0.01***	-0.01***
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
CPC	-0.00	0.00	0.00	0.00	0.00	-0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Long March	-0.01**	-0.01**	-0.01**	-0.01**	-0.01**	-0.01**
	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
KMT	-0.00	-0.00	-0.00	-0.00	0.00	-0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Constant	0.18***	0.22***	0.22***	0.20***	0.22***	0.20***
	(0.04)	(0.04)	(0.04)	(0.03)	(0.04)	(0.03)
Province FE	YES	YES	YES	YES	YES	YES
Observations	699	661	679	707	636	707

Notes: Table 7 presents the results of the robustness check for the baseline estimation results under different settings. Columns (1) to (6) show the IV results. We exclude Inner Mongolia and Shanghai (city) in column (1), as these have the most severe missing-data issue in the sample. In column (2), we exclude Guangdong province, which is considered archetypal in terms of localism and the region with the strongest resistance to the central government. The anti-localism movement of 1952 also began in Guangdong. In column (3), we restrict the sample to land reforms that started after 1949, as some old CCP-controlled areas underwent earlier land reforms during the Long March and the Chinese Civil War, leading to earlier recorded dates in county records. We add the logarithm of distance to the nearest provincial capital as a control variable in column (4), and restrict the sample to counties for which there are no missing records of the birthplace of local cadres in column (5). In column (6), we use the average local cadre proportion during the two years of the land reform period as a proxy for the local cadre proportion for land reforms lasting more than two years. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 6: Estimation Using Alternative Local Cadre Proportion

VARIABLES	(1) Proportion of Landlord and Rich Peasants	(2) Rich Peasants/ Landlord and Rich Peasants	(3) Confiscation/ Population	(4) Confiscation/ Landlords and Rich Peasants	(5) Reform Duration	(6) #Suppression/ Population
Proportion of Local Cadres	-0.10**	0.42**	-6.77**	-47.70*	22.75*	-0.04**
	(0.05)	(0.19)	(3.20)	(27.88)	(12.43)	(0.02)
ln(population)	-0.01***	-0.00	-0.24*	-1.74	1.25**	-0.01**
	(0.00)	(0.01)	(0.14)	(1.52)	(0.49)	(0.00)
CPC	-0.00	-0.00**	-0.02	-0.10	-0.08	0.00
	(0.00)	(0.00)	(0.02)	(0.24)	(0.07)	(0.00)
Long March	-0.01**	0.02	-0.48	-4.41*	1.76*	-0.00
	(0.01)	(0.02)	(0.31)	(2.31)	(1.04)	(0.00)
KMT	0.00	0.00	-0.03*	-0.29	-0.04	-0.00
	(0.00)	(0.00)	(0.02)	(0.20)	(0.07)	(0.00)
Constant	0.21***	0.23**	12.99***	124.21***	-2.10	0.07***
	(0.04)	(0.12)	(3.83)	(42.95)	(6.66)	(0.03)
Province FE	YES	YES	YES	YES	YES	YES
Observations	706	676	624	593	654	380

Table 8 presents the results for which the main independent variable is replaced by the ratio of local cadres to the total number of cadres. The dependent variables in columns (1) to (6) are the proportion of landlords and rich peasants, the proportion of rich peasants among landlords and rich peasants combined, confiscated land per capita, confiscated land divided by the population of landlords and rich peasants combined, duration of land reform, and the number of counter-revolutionaries suppressed per capita. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 7: Local Cadres and Suppression of Counter-Revolutionaries

	#Suppression/ Population		Suppression Starting Time	
	(1)	(2)	(3)	(4)
VARIABLES	OLS	IV	OLS	IV
Proportion of Local Cadres	-0.00	-0.04**	2.62*	27.31*
	(0.00)	(0.02)	(1.41)	(15.97)
ln(population)	-0.00**	-0.01**	-1.96***	-1.95***
	(0.00)	(0.00)	(0.66)	(0.71)
CPC	0.00	0.00	-0.05	-0.03
	(0.00)	(0.00)	(0.08)	(0.09)
Long March	0.00	-0.00	-0.40	0.94
	(0.00)	(0.00)	(0.75)	(1.23)
KMT	0.00	-0.00	0.05	0.07
	(0.00)	(0.00)	(0.09)	(0.09)
Constant	0.05**	0.08***	24.08***	39.85***
	(0.02)	(0.03)	(8.54)	(7.31)
Province FE	YES	YES	YES	YES
First Stage F		21.29		25.39
Observations	370	370	670	670
R-squared	0.257		0.132	

Notes: Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 8: Local Cadres and The Three-Antis-Five-Antis Movement

	Three Anti Starting Time		Five Anti Starting Time	
	(1)	(2)	(3)	(4)
VARIABLES	OLS	IV	OLS	IV
Proportion of Local Cadres	0.02	3.92	0.53	4.89
	(0.30)	(2.75)	(0.40)	(5.05)
ln(population)	-0.01	-0.04	-0.01	-0.10
	(0.10)	(0.11)	(0.13)	(0.17)
CPC	0.02	0.01	-0.06*	-0.07**
	(0.02)	(0.02)	(0.03)	(0.03)
Long March	0.12	0.36	0.78**	1.04**
	(0.29)	(0.35)	(0.35)	(0.46)
KMT	-0.02	-0.01	0.02	0.03
	(0.02)	(0.02)	(0.02)	(0.03)
Constant	37.44***	36.88***	38.52***	38.60***
	(0.99)	(1.28)	(1.42)	(1.66)
Province FE	YES	YES	YES	YES
First Stage F		23.51		19.70
Observations	706	706	579	579
R-squared	0.205	0.051	0.119	

Notes: Robust standard errors in parentheses; *** p < 0.01, ** p < 0.05, * p < 0.1

Table 9: Correlation between Land Ruggedness and Main Outcome Variables

VARIABLES	(1) Proportion of Landlord and Rich Peasants	(2) Rich Peasants Landlord and Rich Peasants	(3) Confiscation/ Population	(4) Confiscation/ Landlords and Rich Peasants
Ruggedness	-0.00	0.01	-0.16	0.68
	(0.00)	(0.01)	(0.23)	(1.67)
ln(population)	-0.01***	-0.00	-0.32**	-2.12**
	(0.00)	(0.01)	(0.15)	(1.01)
CPC	-0.00	-0.00	-0.05	0.04
	(0.00)	(0.00)	(0.03)	(0.20)
Long March	-0.01	-0.02	-0.14	-3.18*
	(0.01)	(0.02)	(0.24)	(1.79)
KMT	0.00	0.00	-0.03	-0.17
	(0.00)	(0.00)	(0.03)	(0.22)
Constant	0.21***	0.40***	18.55***	244.97***
	(0.03)	(0.09)	(6.88)	(11.28)
Province FE	YES	YES	YES	YES
Observations	342	319	293	279
R-squared	0.190	0.125	0.208	0.306

Notes: We estimate the correlation between the main outcomes and land ruggedness in the subsample with no local cadres. The distributions of land ruggedness are very similar between this subsample and the full sample. Therefore, our estimation here is representative. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 10: Over-Identification Test

VARIABLES	(1)	(2)	(3)	(4)	(5)
	Proportion of Landlord and Rich Peasants				
Proportion of Local Cadres	-0.08**	-0.06*	-0.07**	-0.04	-0.06*
	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)
ln(population)	-0.01***	-0.01***	-0.01***	-0.01***	-0.01***
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
CPC	0.00	-0.00	0.00	-0.00	-0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Long March	-0.01**	-0.01**	-0.01**	-0.01**	-0.01**
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
KMT	-0.00	-0.00	-0.00	0.00	-0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Constant	0.21***	0.20***	0.20***	0.19***	0.20***
	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Province FE	YES	YES	YES	YES	YES
Instruments	Ruggedness	Ruggedness Speed	Ruggedness Distance	Speed Distance	Ruggedness Speed Distance
Hansen J Statistic		0.2613	0.6786	0.3501	0.5218
Observations	707	707	707	707	707

Notes: We estimate the baseline specification using different combinations of instruments, where "Ruggedness" refers to land ruggedness, "Speed" refers to speed at which CCP won the war, and "Distance" refers to the distance to the nearest provincial capital. In column (4), the p-value for the estimated proportion of local cadres is 0.271. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 11: Decomposing the IV–OLS gap

Coefficients	OLS	IV	IV-OLS	ΔCW	ΔTW	ΔME
Estimate	-0.009	-0.083	-0.074	-0.015	0.001	**-0.060**
Standard Error	(0.004)	(0.041)	(0.041)	(0.009)	(0.004)	(0.041)

Notes: The robust standard errors are in parentheses. ΔCW, ΔTW, and ΔME represent changes in covariate weight, treatment weight, and marginal effect, respectively. We follow the procedure of [27]

Table 12: Local Cadres and the Great Famine

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Fertility Loss City Level		Fertility Loss County Mean		Mortality Rate		Procurement Rate	
Proportion of Local Cadres (City Level)	-53.29		-71.82*					
	(32.77)		(41.80)					
Proportion of Local Cadres (County Mean)		-54.87*		-71.76*				
		(33.01)		(40.91)				
Proportion of Local Cadres					-63.86***	-64.19*	-0.48***	-0.66*
					(19.67)	(33.11)	(0.17)	(0.36)
Controls	YES	YES	YES	YES	NO	YES	NO	YES
Province FE	YES	YES	YES	YES	YES	YES	YES	YES
First Stage F	19.71	26.99	28.96	38.03	17.86	14.76	10.93	9.09
Observations	138	136	139	137	388	343	363	270

Notes: The first four columns of Table 12 present the results of regressing the proportion of local cadres on the county-level mortality and procurement rates during the Great Famine. The dependent variables in columns (1) and (2) are the mortality rate per thousand people, while the dependent variables in columns (3) and (4) are the grain procurement rate. All data are sourced from [29]. Columns (5)–(8) of Table 12 present the results of regressing the city-level proportion of local cadres on the birth loss during the Great Famine (1959–1961). The dependent variables in columns (5) and (6) are the city-level birth loss rate calculated from the 1990 1% Population Census, while the dependent variables in columns (7) and (8) are the average birth loss rate across all counties within each city, also derived from the 1990 1% Population Census. This approach follows Meng, Qian, and Yared (2015)[37]. Given that the 1% Population Census contains considerable measurement errors at the county level, we primarily focus on city-level results. Similarly, we use the city-level proportion of local cadres (the number of local cadres in the city divided by the total number of cadres) in columns (5) and (7), and we use the average local cadre proportion across all counties within each city in columns (6) and (8) . The p-value for the estimate in column (5) is 0.104. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Figures

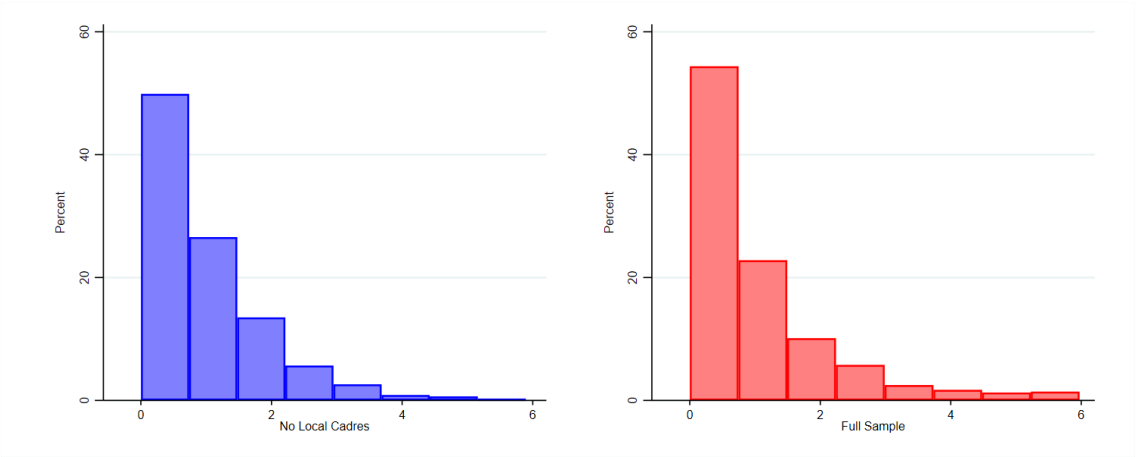

Figure 1: The Distribution of Ruggedness

Notes: Figure 1 shows the distribution of land ruggedness in the subsample with no local cadres (left panel) and full sample (right panel)

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