**Appendix**

**Table A1. Summary Statistics on Cities with and without Missing Values on Explanatory and Control Variables**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Cities without Missing Values (N=240)** | **Cities with Missing Values (N=53)** | **t-test/ Chi-Squared** |
| Unified urban–rural threshold by 2019 | 20.0% | 17.0% | 0.25 |
| Economic development | 6.50 (6.83) | 5.95 (8.36) | -0.51 |
| Population size | 4.40 (3.34) | 3.06 (2.48) | -2.74\*\* |
| Ethnicity | 7.19 (15.57) | 20.79 (30.56) | 4.69 \*\* |
| Age dependency level | 35.43 (7.94) | 33.80 (7.37) | -1.36 |
| *Region* |  |  | 0.01 |
| -central and western region | 66.7% | 56.0% |  |
| -eastern region | 33.3% | 44.0% |  |

*Notes:* Only variables that do not have any missing values on full sample (N=293) were included for comparison. \* p < 0.05; \*\* p < 0.01

**Table A2. Variable Description and Source**

|  |  |  |
| --- | --- | --- |
| **Variable name** | **Description** | **Source** |
| *Internal fiscal factors* |  |  |
| Initial gaps between urban and rural *dibao* thresholds | The ratio between urban *dibao* threshold and rural *dibao* thresholds in 2010; time-invariant variable | Ministry of Civil Affairs |
| Number of rural *dibao* recipients | Number of rural *dibao* recipients in 2010 (1,000s); time-invariant variable | Ministry of Civil Affairs |
| Social expenditure burden | Ratio between social expenditure and budgetary fiscal expenditure; time-variant variable | Municipal statistical bureaus in each city, 2010–2018; China City Statistical Yearbooks, 2010–2018 |
| Fiscal capacity | Ratio between fiscal revenue and GDP; time-variant variable | China City Statistical Yearbooks, 2010–2018 |
| Fiscal dependency | (Fiscal expenditure − fiscal revenue) / fiscal expenditure; time-variant variable | China City Statistical Yearbooks, 2010–2018 |
| *Top-down pressure* |  |  |
| Provincial directive with lower coercive power | Whether a city’s province had issued a directive encouraging the unification of urban and rural *dibao* thresholds; time-variant | Social assistance-related directives in each province, 2010–2018 |
| Provincial directive with higher coercive power | Whether a city’s province had issued a directive setting specific targets or a timetable to narrow and finally unify the thresholds; time-variant variable | Social assistance-related directives in each province, 2010–2018 |
| *Horizontal competition* |  |  |
| General competition | Percentage of cities within the same province that adopted the unification policy; time-variant variable | Author’s coding and calculation |
| Specific competition | Whether a city with a similar economic ranking (within the same province) has adopted the unification policy; time-variant variable | Author’s coding and calculation |
| *Control variables* |  |  |
| Urbanization rate | Proportion of urban population in 2010; time-invariant variable | 2010 Chinese Census |
| Urban–rural income gap | Ratio between urban and rural household disposable incomes in 2010; time-invariant variable | Provincial Statistical Yearbook in each province, 2010 |
| Economic growth | Annual GDP growth; time-variant variable | China City Statistical Yearbooks, 2010–2018 |
| Level of economic development | Density of night-time light measured by satellite in 2010; time-invariant variable | US Air Force’s Defense Meteorological Satellite Program, 2010 |
| Party secretary in early stage of tenure | Whether Party secretary was appointed within the past three years; time-variant variable | Online source  ([https://www.hotelaah.com/index.html](about:blank)) |
| Mayor in the early stage of tenure | Whether mayor was appointed within the past three years; time-variant variable | Online source  ([https://www.hotelaah.com/index.html](about:blank)) |
| Population size | Number of permanent residents in 2010 (mil); time-invariant variable | 2010 Chinese Census |
| Ethnicity | Proportion of ethnic-minority population in 2010; time-invariant variable | 2010 Chinese Census |
| Age dependency level | Proportion of dependent population (aged 15 and below and 65 and above) in 2010; time-invariant variable | 2010 Chinese Census |
| Education level | Proportion of population with tertiary education in 2010; time-invariant variable | 2010 Chinese Census |
| Region | 0 (western and central regions) or 1 (eastern region); time-invariant variable |  |

**Table A3. Provincial Directive on the Unification of Urban and Rural *dibao* Thresholds**

|  |  |  |  |
| --- | --- | --- | --- |
| **Panel A. Provincial Directive with Lower Coercive Power** | | | |
| *Year* | *Province* | *Number of provinces* | *Cumulative number of provinces* |
| 2011 | N/A | 0 | 0 |
| 2012 | N/A | 0 | 0 |
| 2013 | Hunan, Henan, Fujian, Jiangsu, Jiangxi | 5 | 5 |
| 2014 | Shandong, Qinghai, Zhejiang | 3 | 8 |
| 2015 | Inner Mongolia | 1 | 9 |
| 2016 | N/A | 0 | 9 |
| 2017 | N/A | 0 | 9 |
| 2018 | N/A | 0 | 9 |
| 2019 | N/A | 0 | 9 |
| **Panel B. Provincial Directive with Higher Coercive Power** | | | |
| 2011 | N/A | 0 | 0 |
| 2012 | N/A | 0 | 0 |
| 2013 | N/A | 0 | 0 |
| 2014 | Shandong, Zhejiang | 2 | 2 |
| 2015 | Jiangsu | 1 | 3 |
| 2016 | N/A | 0 | 3 |
| 2017 | Fujian, Anhui | 2 | 5 |
| 2018 | N/A | 0 | 5 |
| 2019 | N/A | 0 | 5 |

**Table A4. Descriptive Statistics of Variables**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Observations** | **Mean (SD)/Percentage** | **Min** | **Max** |
| *Internal fiscal factors* |  |  |  |  |
| Initial gaps between urban and rural *dibao* thresholds | 240 | 2.22 (0.56) | 0.87 | 3.70 |
| Number of rural *dibao* recipients | 240 | 154.84 (148.22) | 0.71 | 1168.80 |
| Social expenditures burden (%) | 2,071 | 13.11 (4.35) | 1.09 | 41.99 |
| Fiscal capacity | 2,071 | 7.64 (2.73) | 1.84 | 20.40 |
| Fiscal dependency (%) | 2,071 | 54.13 (21.05) | -11.56 | 98.17 |
| *Top-down pressure* |  |  |  |  |
| Provincial directive with lower coercive power | 2,045 | 23.13% | 0 | 1 |
| Provincial directive with higher coercive power | 2,045 | 8.75% | 0 | 1 |
| *Diffusion mechanism* |  |  |  |  |
| General peer pressure (%) | 2,045 | 3.84 (9.22) | 0 | 77.78 |
| Specific peer pressure | 2,045 | 3.77% | 0 | 1 |
| *Control variables* |  |  |  |  |
| Urbanization rate | 240 | 49.23 (15.24) | 19.11 | 93.32 |
| Urban–rural income gap | 240 | 2.62 (0.59) | 1.48 | 4.62 |
| Economic growth (%) | 2,071 | 9.71 (4.13) | -19.38 | 25.10 |
| Level of economic development | 240 | 6.50 (6.83) | 0.21 | 44.50 |
| Party secretary in early stage of tenure | 2,071 | 62.9% | 0 | 1 |
| Mayor in early stage of tenure | 2,071 | 59.5% | 0 | 1 |
| Population size (millions) | 240 | 4.43 (3.33) | 0.23 | 28.85 |
| Ethnicity (%) | 240 | 7.19 (15.57) | 0.01 | 88.11 |
| Age dependency level (%) | 240 | 35.43 (7.94) | 20.95 | 68.75 |
| Education level (%) | 240 | 8.16 (5.25) | 0.74 | 38.47 |
| Region | 240 |  |  |  |
| Central and western region |  | 66.67% | 0 | 1 |
| Eastern region |  | 33.33% | 0 | 1 |

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Description automatically generated

***Panel A.*** *Provincial directive with lower coercive power*

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***Panel B.*** *Provincial directive with higher coercive power*

**Figure A1. Spatial Distribution of Provincial Directive on the Unification of Urban and Rural *dibao* Thresholds, 2019**