

## A Study on the Integrated Governance Model of Development Zone and Town: Take South Jiangsu Region of China as an Example

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**Abstract:** Promoting the integrated development of development zones and towns has become a crucial focal point for achieving high-quality urban and rural development in South Jiangsu, China. This paper commences with an examination of the historical evolution of the relationship between development zones and towns, followed by an exploration of the imperative for their integration. Using the South Jiangsu region as a case study, the paper establishes a framework for analysis based on the theory of scale reconstruction, termed as 'power-space' re-scaling analysis, and delves into the various types and distinguishing features of governance practices concerning the integration of development zones and towns. The research highlights the following key points:(1) The integration of development zones and towns represents an inevitable and progressive stage in the evolution of their relationship, and urbanization in Southern Jiangsu has transitioned into a new phase characterized by the integration of development zones and towns, facilitated by institutional innovations.(2) The reformation of integrated governance mechanisms for development zones and towns manifests in four distinct types: linkage platforms, cooperative agreements, administrative consolidation, and embedded proxies.(3) Examining the subject relationship, spatial domain, and governance structure across various integration practices reveals a discernible pattern of business alienation indicative of re-scaling dynamics."

**Key words:** Development zone, Town, Integration of development zone and town, Re-scaling

### 1 Introduction

"Development zone and town integration" refers to the local governance practice of the development zone and its surrounding towns to promote the overall development of the development zone and town through functional space integration, collaborative mechanism innovation, administrative relationship adjustment and other ways. Since the reform and opening up, there is no doubt that development zones and towns are the two core carriers to promote economic development, spatial growth and population agglomeration in southern Jiangsu. However, in the process of rapid urbanization, due to differences in property status and management system, development zones and towns have conflicts of governance in the aspects of functional division, right boundary and social management responsibility. Under the background of new urbanization, in the face of the social needs of high-quality overall development of urban and rural areas, in order to solve the overall imbalance caused by the division of development zones and towns, since 2006, Kunshan Huaqiao Economic Development District and Huaqiao Town implemented the "integration of development zone and town" management system reform, promoting the integration of development zone and town has become an important way to promote new urbanization and overall urban and rural development in southern Jiangsu.

Most of the existing studies on the integration of development zones and towns are carried out under the theme of "linkage between development zones and towns" and "integration of development zones and towns", focusing on the analysis of the development imbalance of development zones and towns<sup>[1-2,5]</sup>, discussion on the purpose and significance of the integration of development zones and towns<sup>[3-6]</sup>, introduction of individual policies and measures<sup>[5-8]</sup>, operation difficulties and countermeasures<sup>[9-10]</sup>, etc. However, the relevant research still has the following shortcomings: First, it focuses on the introduction of the specific type of "development zone and town integration", and lacks the systematic summary of the types and characteristics of the diversified practice of development zone and town integration; Second, the research mostly stays in the macro description of individual policies and measures, and lacks the theoretical traceability and internal logic analysis of the integration practice of districts and towns.

As the dividends of spatial restructuring released by the adjustment of administrative divisions gradually decline, in the later stage of urbanization, the urbanization transformation under the guidance of high-quality economic development

prompts local governments to rely on optimizing traditional administrative management methods to achieve spatial governance in the new era<sup>[11]</sup>. After the 1970s, influenced by Lefebvre's spatial production theory and neo-Marxist trend of thought, "Scale" and its reconstruction theory gradually became an important object and theoretical tool of political and economic analysis, and was widely used in the study of governance issues at the national and urban regional levels. In the practice of spatial governance of local administrative districts in China, two sets of rescaling system logics, namely "rigid rescaling" and "flexible rescaling", have been formed for the consideration of differentiated governance objectives such as the construction of government structure network or the restructuring and optimization of economic and social factor relations<sup>[11]</sup>. The integration of development zones and towns is essentially a flexible rescaling practice of spatial governance of local government districts based on administrative system innovation.

This paper takes 26 development zones and 42 townships in southern Jiangsu Province that have implemented the practice of development zones and town integration as research objects, obtains case oral history materials and policy documents and other data through field investigation and interview, and systematically summarizes the diversified practice types of development zone and town integration governance in southern Jiangsu Province and analyzes its characteristics of rescaling with the help of rescaling theory tools. In order to provide decision-making reference for China's local district spatial governance.

## **2 The Evolution of "Development Zone-Town Relationship" and the Necessity of "Development Zone-Town Integration" in Southern Jiangsu**

### **2.1 The Evolution Course of Development Zone-Town Relationship: From Separation to Integration**

The evolution of the relationship between development zones and towns has always accompanied the development and transformation of urbanization in southern Jiangsu. Since the reform and opening up, the urbanization process in southern Jiangsu has roughly experienced the following four stages: Namely, rural industrialization

driven by town enterprises (1978-1991), centralized development of parks driven by development zone system (1992-2000), new industrialization stimulated by policy orientation (2001-2010), and integrated governance of development zones and towns driven by institutional innovation (2011-present)<sup>[13]</sup>. Due to the institutional arrangement of urbanization in different historical periods in southern Jiangsu, the relationship between development zone and town has gradually changed from the independent development of towns and townships to the development zone, and then to a new stage of interactive integration. The relationship between districts and towns has gradually changed from township independent development, to development zone as the leading, and then to a new stage of interactive integration development.

Since 2006, adhering to the principle that economic construction should be based on districts and social construction should be based on towns, Kunshan has taken the lead in promoting the reform practice of integrating development zones and towns. By endow development zones and towns with county-level economic management authority, unified planning and construction, economic development, organizational personnel and public management measures, and promote the overall development of urban and rural areas and development zones and towns. By the end of 2023, 26 development zones(Figure 1) and 42 towns(Figure 2) in southern Jiangsu have implemented the reform practice of development zone and town integration according to local conditions through different re-scaling strategies.

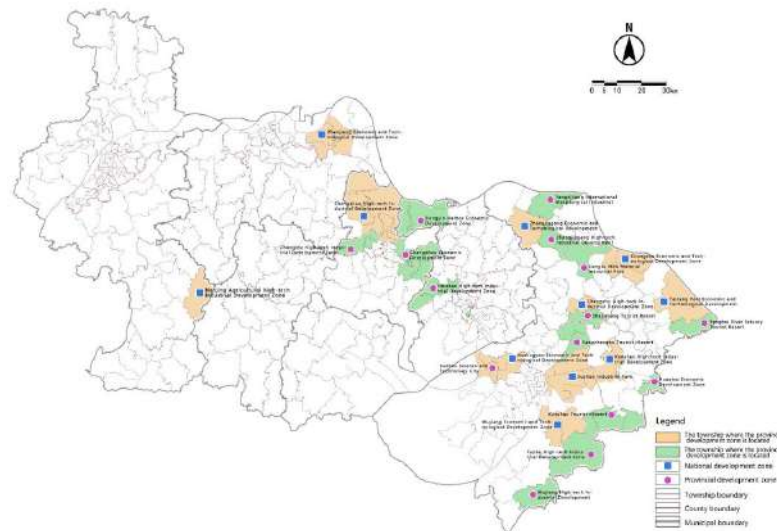


Figure 1 The distribution map of 26 development zones

Source: Author's own drawing

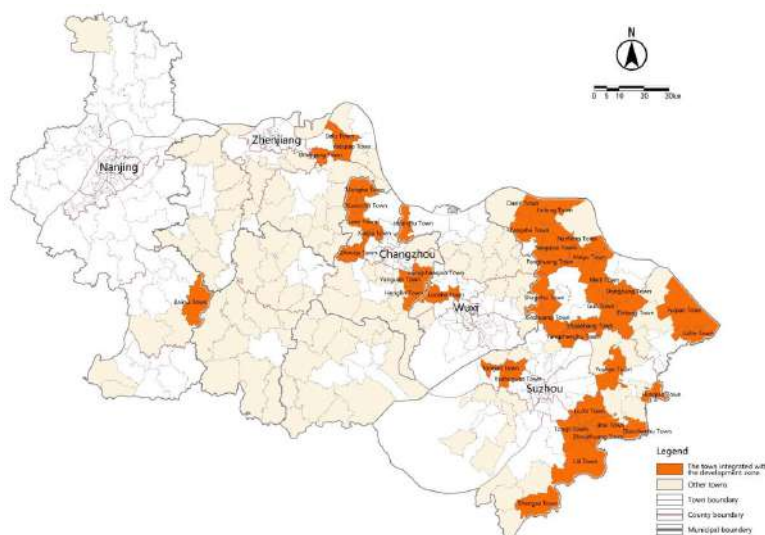


Figure 2 The distribution map of 42 towns

Source: Author's own drawing

## 2.2 The Necessity of Integrated Governance of Development Zone and Town: Build a Community of Development Zone and Town

### 2.2.1 Coordinate Urban-Rural Areas and Promote the Overall Development of Development Zone and Town

Most of the development zones are set up in the town districts in the urban fringe, and there are many geographical states such as spatial overlap and nesting. Under the spontaneous action of market forces, the development zone with increasing comprehensive strength promotes the evolution and development of surrounding towns through the diffusion effect, but the differences in administrative levels and management systems between development zones and towns lead to conflicts of

governance in areas such as power boundaries and social management responsibilities.

Due to the inherent influence of the city-oriented concept, the development level of development zones and towns have a certain "stopgap" feature <sup>[2]</sup>, which damages the overall interests of the city. Therefore, whether it is to coordinate the interests of multiple subjects such as counties, development zones, and towns, or to coordinate urban and rural development, it is necessary for urban governments to overcome administrative barriers at the macro level, establish an innovative mechanism for the integration and coordinated development of development zones and towns, and promote the overall high-quality development of urban and rural areas.

### **2.2.2 Learn From Each Other and Coordinate the Functional Division Between Development Zone and Town**

Since its establishment, the development Zone has focused on economic development as its core goal. As an agency of the local government, although the development zone has the autonomy of economic development and fiscal and tax management, its ability to provide public services and social security is insufficient <sup>[5]</sup>. With the transformation of the development zone into an urban comprehensive functional area, taking into account the upgrading of economic functions and the innovation of social governance is an inevitable requirement for the modernization and improvement of governance capacity of the development zone in the new era <sup>[15]</sup>.

As a basic-level government, the town has the right to manage all the elements in its jurisdiction, but because of the influence of the city-oriented tendency and the fiscal and tax system, the town is often in the awkward situation of power and responsibility not corresponding in the development.

Therefore, promoting the integrated governance of districts and towns, forming a "development zone and township community" from the city level, promoting the functions of development zones and townships to complement each other, and overall allocation of resources such as industry and land are not only the objective needs of the transformation of development zones to comprehensive functions, but also the key path

for towns and townships to enhance development with the help of development zones.

### **2.2.3 Rebuild the Relationship and Improve the Efficiency of Administrative Governance**

The difference in management system is the root cause of economic and social friction between the development zone and surrounding areas, and the governance conflict between the development zone and the dependent administrative district has also become a major obstacle affecting the overall high-quality development of the region. Straightening out the administrative relationship between the development zone and the town is an inevitable requirement and the key to the success of the third venture of the development zone and the promotion and development of the town <sup>[1]</sup>. Implementing integrated governance between development zones and townships, coordinating the interests of multiple power subjects, and coordinating the allocation of resources inside and outside the region <sup>[5]</sup> is conducive to overcoming the governance dilemma of "two skins" between development zones and townships, and improving the efficiency of administrative governance through restructuring strategies such as administrative structure integration and collaborative management innovation. Promote the development zone and township to form an integrated, integrated development of governance pattern.

## **3 The Logical Framework For the Integration of Development and Towns: a Theoretical Analysis Based on Scale Reconstruction**

### **3.1 Overview of Scale and Its Reconstruction Theory**

Scale was originally a parameter tool in geography for measuring spatial scale. Since the 1990s, with the infiltration of geography into fields such as economics, politics, and society, the connotation of scale has evolved from expressing concepts of

spatial physical scale to a hierarchical epistemological framework, structure, or relationship for dividing, combining, and representing geographic processes of different scopes and dimensions <sup>[17]</sup>. Research in scale theory has increasingly focused on the shaping of economic space and the influence on social governance by the process of scale production and reconstruction <sup>[20]</sup>. Represented by Neil Brenner, Western academia has pioneered the study of "reterritorialization" and "scale reconstruction" phenomena of various regional organizations in the context of globalization using scale theory <sup>[18]</sup>. In recent years, domestic scholars have also utilized scale theory based on the phenomenon of scale reconstruction arising from global economic and political transitions. They have explored governance issues such as cross-domain coordination of urban regions <sup>[19]</sup>, administrative management <sup>[11,15]</sup>, development zone transformation<sup>[12,16]</sup>, and new city construction<sup>[20]</sup> based on the transformation process of scale elements such as power hierarchy and spatial domains.

### **3.2 Logical Framework: "Re-scaling" of Power-Space**

Scale reconstruction refers to the process of changes in spatial development and power distribution across different scales. Its purpose is for governance entities to employ strategies of rescaling power and spatial capacity to regulate and intervene in urban development in order to maximize interests <sup>[12]</sup>. As discussed in the introduction, the rescaling of spatial governance of local political regions includes two sets of institutional logics: rigid administrative boundary adjustments and flexible administrative institutional innovations. Institutional innovation in administration, as it neither alters traditional government organizational structures nor involves drastic reorganization of administrative space, is more easily accepted by all parties and smoothly implemented, with generally significant effects <sup>[19]</sup>. From a governance perspective, the integration of districts and towns is a flexible scale reconstruction of local political region spatial governance based on administrative institutional innovation. According to scale reconstruction theory, scale consists of two core elements: "power"(subject interest relations) and "space"(territorial spatial

environment). Power elements exhibit a vertical characteristic, reflecting intergovernmental interest subject structure relations, while spatial elements possess a horizontal characteristic, representing the physical environment characterization of local political region differentiation and reorganization <sup>[11]</sup>. The rescaling of local political region governance is the dynamic adjustment and rematching process of the "power-space" scale relationship (Figure 3).

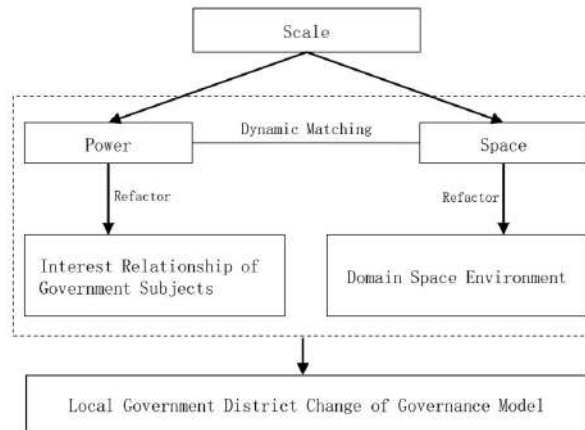


Figure 3 Logical relationship between rescaling and the change of local governance mode

Source: Author's own drawing

The article introduces the theory of scale reconstruction and constructs an analytical framework based on "power-space" rescaling (Figure 4). It uses this framework to analyze the diverse types and differentiated characteristics of scale reconstruction in the practice of district and town integration reforms in southern Jiangsu. Overall, the integration of districts and towns in southern Jiangsu is an initiative by local governments to maximize the overall development benefits of cities. It involves the top-down promotion of scale reconstruction of both the power relations between disjointed and unevenly developed districts and towns and the territorial spaces between them. This process facilitates governance structural adjustments, thereby forming an integrated "district and town community" functional unit. In other words, it is a process of institutional environment reconstruction aimed at achieving coordinated urban-rural development and overall development of districts and towns.

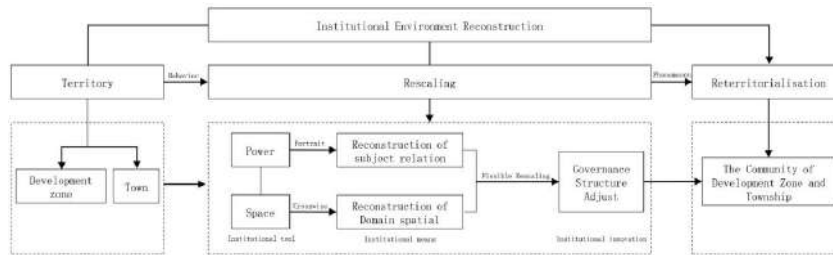


Figure4 Logical framework of rescaling of "Development zone and town integration"

Source: Author's own drawing

#### 4. Practices Types and Re-scaling Characteristics of "Development Zone -Town Integration" in Southern Jiangsu

Based on field investigations of innovative practices in various regional administrative systems and the differential strategies of "power-space" rescaling in each district and town, a summary of the practice types involving 26 development zones and 42 townships in Southern Jiangsu's district-town integration was compiled. These practices can be categorized into four types: platform linkage, agreement cooperation, administrative co-location, and entrusted management embedding (Figure 5 and Figure 6). The diversity of practice types is related to factors such as whether the district and town cross county-level administrative regions, the administrative level of the development zone, and the number of integration subjects, reflecting the pragmatic characteristics of local spatial governance scale reconstruction. Subsequent sections will define the concepts of each type and, based on the logic framework of "power-space" rescaling, analyze the characteristics of scale reconstruction in terms of subject relationships, spatial domains, and governance structures using corresponding case studies.

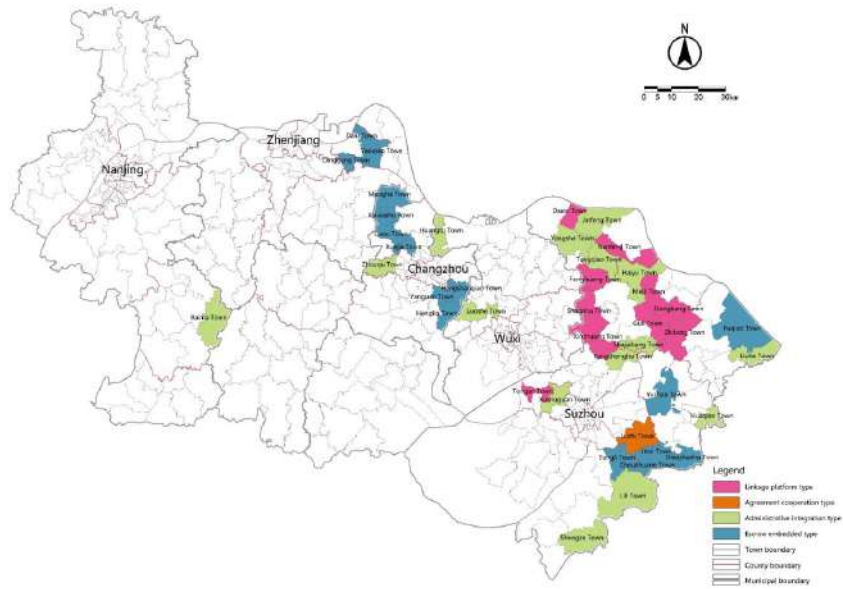


Figure 5 The type distribution map of "development zone and town integration" for towns  
Source: Author's own drawing

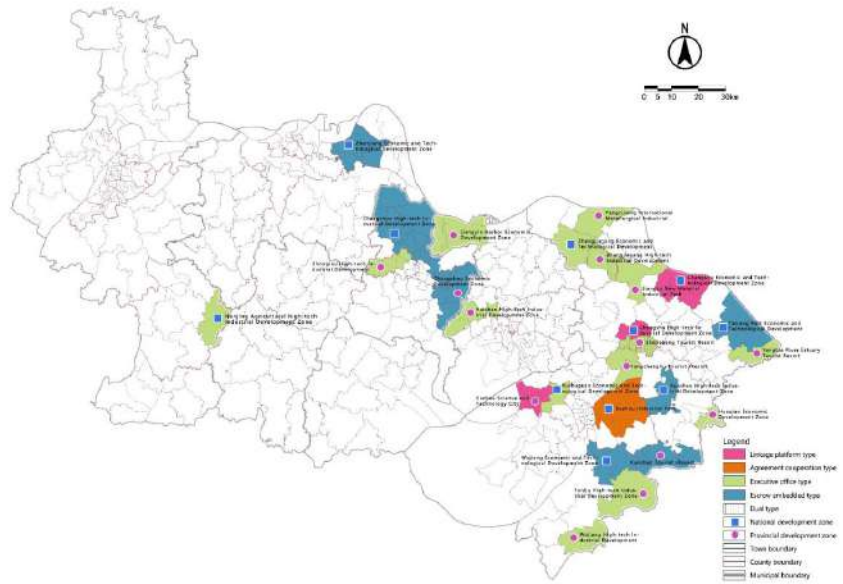


Figure 6 The type distribution map of "development zone and town integration" for development zones  
Source: Author's own drawing

#### **4.1 The type of linkage platform: Municipal-level coordination, Industrial Synergy, Enclave Integration**

Platform-driven integration of districts and towns refers to the establishment of municipal-level coordination mechanisms between development zones and townships, creating a platform for the coordinated development of district and township industries. It relies on the industrial advantages and investment attraction capabilities of development zones to integrate the industrial space of districts and towns, thereby driving the transformation and upgrading of township industries. This type of integration does not involve traditional administrative restructuring but relies on flexible scale reconstruction. "Top-down coordination of industrial development and spatial layout optimization effectively avoids vicious competition between districts and towns" (Interviewee A). For example, the integration of Changshu High-tech Zone, Economic Development Zone, and surrounding townships is a practice of platform-driven scale reconstruction. Since 2012, Changshu City has established a municipal-level working leadership group to strengthen the role of development zones in attracting investment citywide, enhance the development of township industries and the level of industrial park construction, and fully realize the effective allocation of resources throughout the city. Through measures such as unifying external brand image, promoting coordinated investment attraction between districts and towns, and sharing information resources, each township has been allowed to hang the sign of "Development Zone XX Supporting Industrial Park," forming a new pattern of industrial development with districts leading towns and achieving mutually beneficial interaction in investment attraction. In the past five years, under the promotion of district-town integration practices, various linked townships have introduced nearly a hundred projects relying on development zones, facilitating the settlement of high-quality projects such as Olin Automotive and Linde Electronics in various township industrial parks, accelerating the agglomeration and development of township industries.

#### **4.1.1 Subject Relations: Superior Coordination, Development Zone-Town Collaboration**

The linkage platform type of development zone and town integration reflects the characteristic power relations of "superior coordination, development zone-town collaboration" among the three main entities of counties, development zones, and towns. In the organizational framework of the development zone-town linkage working leading group, municipal leaders and the heads of the management committee respectively serve as the leader and deputy leader, while relevant municipal functional departments and each linked town participate as member units. At the municipal level, it undertakes the functions of top-level system design and work coordination supervision, while development zones and towns serve as implementing entities. With the assistance of relevant municipal functional departments, they promote the collaborative development of development zone-town industries through the method of "development zone-leading-town, interactive sharing."

#### **4.1.2 Spatial Domain: Core-Periphery Pattern, Enclave Integration**

The linkage platform type of development zone and town integration exhibits the characteristic of spatial scale reconstruction, characterized by a "core-periphery pattern, enclave integration" in industrial spatial organization. Based on the optimization of industrial spatial resources across the entire municipality, development zones primarily focus on attracting leading enterprises in key industries, while industrial parks in each town serve as supporting industrial parks for gathering upstream and downstream manufacturers of these leading enterprises. Through the industrial spillover from development zones, the supporting parks in towns provide spatial carriers for the construction of complete industrial chains in development zones. Towns are effectively integrated into the overall industrial system and spatial pattern of the municipality through the linkage platform. Through the spatial scale reconstruction of industrial space, a pattern of interactive development in the domain space, characterized by "core-

periphery," is formed between development zones and towns (Figure 7).

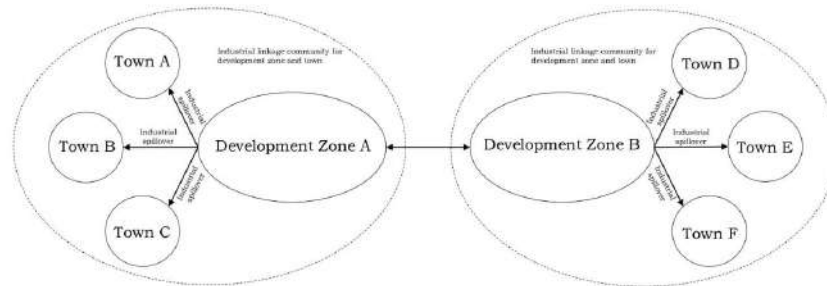


Figure 7 The diagram of domain space re-scaling for the type of linkage platform  
Source: Author's own drawing

#### 4.1.3 Governance Structure: Hierarchical Upward Movement, Empowerment Downward

From a governance structure perspective, the linkage platform-type integration of development zones and towns, beyond the traditional administrative system, is based on the governance goal of overall urban industrial development and improving the construction level of town parks. Under the unified deployment of the municipal-level linkage leading group, it coordinates the function of industrial development in development zones and towns, forming an "development zone-town community" for industrial space governance. Essentially, it is a governance action that empowers towns from development zones in a top-down manner.

In the governance process, by establishing clear incentive and constraint mechanisms through specific reward methods and goal tasks, a two-way evaluation system targeting zones and towns is established. The effectiveness of investment attraction in zones is mainly assessed, while the construction level of supporting industrial parks in towns is the main focus of assessment. This ensures the effective achievement of governance goals for the collaborative development of zone-town industries.

#### 4.2 The Type of Agreement Cooperation: Transfer of Development

### **Rights, Sharing of Benefits**

Agreement-based cooperation refers to the practice of scale reconstruction of development zone-town integration through cooperative agreements between development zones and towns across county-level administrative regions. An example is the collaborative development of the Dushu Lake Open Innovation Collaborative Development Demonstration Zone by Suzhou Wuzhong District (Luzhi Town) and Suzhou industrial parks.

According to the agreement, a core area of 26 km<sup>2</sup> was designated within the jurisdiction of Luzhi Town, including a high-end innovation industry agglomeration area of 6.5 km<sup>2</sup> primarily developed and operated by the industrial park. The high-end innovation industry collaborative area of 8.5 km<sup>2</sup> is primarily developed by Wuzhong District according to the same standard, with support from the industrial park. The ecological countryside area of 11 km<sup>2</sup> is jointly developed by the two districts. Within ten years, the Suzhou industrial park will invest no less than 20 billion yuan in education, healthcare, and innovation platforms in Wuzhong District. After ten years of development, the fiscal revenue will be shared and distributed with 20% to the municipal level, 40% to Wuzhong District, and 40% to the Suzhou industrial park.

Through the delineation of inter-district cooperative parks in the critical zones of county-level administrative regions, and by adopting a fusion development approach of transferring development rights and sharing benefits, effective cross-domain integration of production factors such as land and funds has been achieved. This not only provides expansion space for industrial spillover for development zones but also enhances the quality of industrial development and spatial construction in towns. Currently, the core area has attracted industrial projects with a total investment exceeding 15 billion yuan, covering fields such as electronic information, biomedicine, and fund platforms.

#### **4.2.1 Subject Relations: Exchange of Elements, Win-Win Alliance**

Outside the statutory administrative system, the rescaling of cross-domain spatial governance power structures is achieved through the establishment of the Working Coordination Council for the Demonstration Zone. According to the "Working Rules of the Working Coordination Council for the Dushu Lake Open Innovation Collaborative Development Demonstration Zone in Suzhou City," the Council serves as the decision-making body guiding and coordinating the construction of the demonstration zone, reflecting the characteristic of hierarchical upward movement in power rescaling. The Council is composed of municipal leaders, main officials from various districts, and leaders of relevant departments at the municipal and district levels. From top to bottom, it establishes positions such as chairman, vice chairman, and members, forming a hierarchical structure. This structure facilitates cooperation among multiple entities including municipal government, management committee, district government, functional departments, and towns, based on the exchange of development elements and cross-domain spatial governance, thereby forming a win-win alliance.

#### **4.2.2 Spatial Domain: Critical Integration, Cooperative Development**

The demonstration zone is adjacent to functional areas such as the Dushu Lake Science and Education Innovation Zone and the Huawei Research and Development Center on Sangtian Island. However, it is constrained by administrative boundaries, hindering the effective construction of a mutually beneficial relationship for the development of industries in cross-domain critical areas. Additionally, there are real issues of fragmented and imbalanced urban landscape images along both banks of the Wusong River.

The construction of the demonstration zone is based on the integration of cross-domain critical spaces to form inter-district cooperative parks (Figure 8). This approach, depicted in Figure 8, promotes spatial governance contracts through critical integration and cooperative development without altering the existing administrative affiliations of spatial domains. This process drives the reconstruction of spatial scales, thereby achieving high-quality integrated development of spatial domains for towns.

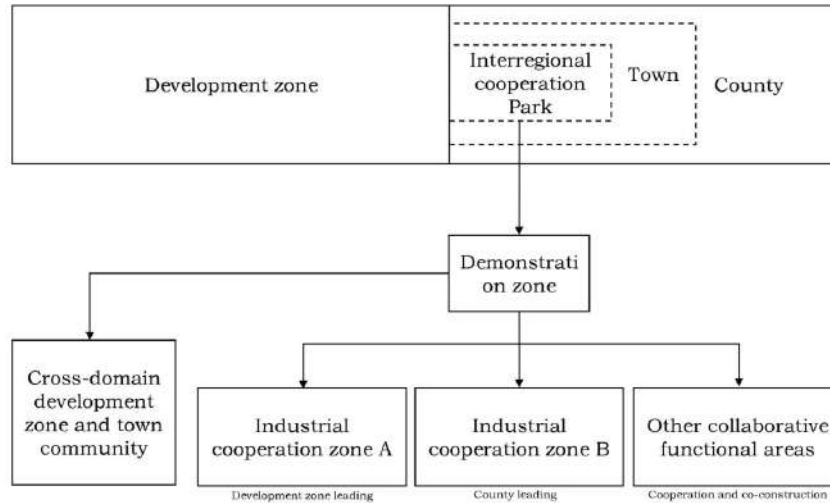


Figure 8 The diagram of domain space re-scaling for the type of agreement cooperation  
Source: Author's own drawing

#### 4.2.3 Governance Structure: Top-Level Promotion, Collaborative Construction

Constrained by administrative district economics, any unilateral action between development zones and towns cannot promote spatial governance in cross-domain areas. It is essential to establish a top-level organization beyond development zones and towns to break free from the constraints of administrative district economics. Agreement-based cooperative integration of zones and towns achieves this by establishing a Working Coordination Council mechanism, with municipal-level leadership coordinating the overall efforts. This mechanism clarifies the functions of decision-making and executive bodies within the council, thus facilitating the realization of "cross-domain critical area construction, governance, and shared governance goals" (Interviewee B). From a governance structure perspective, agreement-based cooperative integration of development zones and towns embodies the characteristics of "top-level promotion, collaborative construction" in spatial scale reconstruction.

### **4.3 The Type of Administrative Integration: Unified Management System, Coordinated Functional Division**

The type of administrative integration refers to the integration of administrative management systems between development zones and towns, implementing a practice of "one team, two brands" co-location offices in the scale reconstruction of development zone-town integration. Following the principle of prioritizing development zone-level economic development and town-level social development, it achieves the integration of zone-town management through "six unifications" in the management system, namely unified economic development, administrative approval, planning and construction, management of social public affairs, financial management, and organization and personnel. This type is relatively common, mainly occurring between provincial-level development zones and towns, such as Huishan High-tech industrial development zone (Luoshe Town) and Wujiang High-tech industrial development zone (Shengze Town).

#### **4.3.1 Subject Relations: Parallel Concurrent, Development zone -Town Integration**

From the perspective of subject relations, the administrative co-location model of development zone-town integration adopts a strategy of complete integration, implementing a rescaling approach of "one team, two brands." This promotes the rescaling of power subject relations between development zones and towns, achieving "parallel concurrent, development zone-town integration" in the administrative system. Specifically, the Party Working Committee and Management Committee of the development zone correspond respectively to the Party Committee and Government of the town. Moreover, the Secretary of the Party Working Committee and the Director of the Management Committee of the development zone concurrently serve as the Secretary of the Town Party Committee and the Mayor of the town, respectively.

#### 4.3.2 Spatial Domain: Boundary Elimination, Integrated Development

Initially, most of the approved areas for development zones were located within the jurisdiction of towns. As development zones expanded their areas, the geographic phenomenon of development zone and town jurisdictions intertwining became increasingly complex. The administrative co-location model of development zone-town integration relies on a rescaling strategy of "eliminating boundaries, promoting integrated development" to drive the complete overlap of spatial domains between development zones and towns (Figure 9). Within the same spatial domain, unified industrial layout, planning, construction, and land development for both the development zone and the town effectively address spatial governance conflicts between development zones and towns.

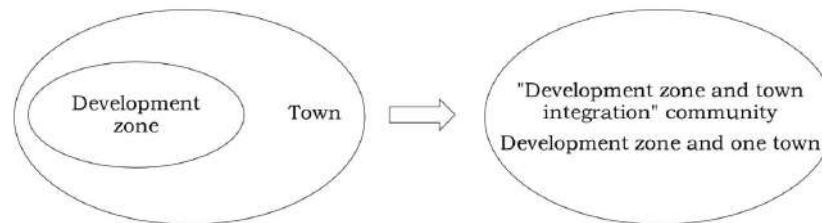


Figure 9 The diagram of domain space re-scaling for the type of administrative integration  
Source: Author's own drawing

#### 4.3.3 Governance Structure: Institutional Restoration, Quasi-Governmentalization

From a governance structure perspective, the governance of development zones, with economic development as its goal, significantly differs from urban governance and rural governance, forming a centralized third-region governance model with "integration of government and enterprises" as its core feature <sup>[21]</sup>. As development zones gradually transition to comprehensive functional areas, besides focusing on economic functions, there is a need to enhance public services and social management functions. The administrative co-location model of zone-town integration achieves mutual complementarity of functional advantages between development zones and

towns by integrating their functions. This promotes the transformation of development zones towards "institutional restoration and quasi-governmentalization."

At the administrative level, provincial-level development zones are mostly at the deputy division level, while towns are generally at the section level. The administrative co-location model promotes the "upward scaling" of town-level power levels, aiding towns in gaining greater influence in the development process. For example, the administrative functional structure of "two offices, eight bureaus, and one platform" in Wujiang High-tech industrial development zone (Shengze Town) is an administrative power structure reconstructed by the city government, granting county-level management authority to zones and towns, thereby enhancing the governance capacity of development zones and towns.

#### **4.4 The Type of Proxy-embedded: Town Leadership by Zone, Unified Management**

The proxy-embedded model refers to an innovative administrative system where the administrative functions of towns are embedded into the development zone and managed by it, without complete integration, in the scale reconstruction practice of zone-town integration. This type mainly occurs between national-level development zones and towns, such as Wujiang Economic Development Zone (Tongli Town) and Taicang Port Economic Development Zone (Fuqiao Town). For towns, "as the leaders of the development zones often hold concurrent positions as government committee members, compared to other general towns, towns integrated with zones have greater opportunities for development resource allocation" (Interviewee C). Additionally, towns are government entities at the township level, with relatively abundant administrative staff positions. "Proxy management of towns is beneficial for development zones to manage surplus staff positions in towns systematically, thus solving the problem of employment status for hired employees" (Interviewee D).

##### **4.4.1 Subject Relations: Hierarchical Nesting, Town Affiliation to Development**

## **zone**

National-level development zones are often at the deputy department level, while towns are mostly at the section level. The significant difference in administrative levels prevents the formation of unified power subject relations between development zone and town. Therefore, in the process of integrating administrative functional structures, the rescaling strategy of hierarchical nesting of towns within development zones promotes the rescaling of power subject relations between zones and towns, forming a "hierarchical nesting, town affiliation to zone" power subject relationship. Compared to the administrative co-location model, the proxy-embedded model demonstrates that the Party Working Committee and Management Committee of the development zone hold a higher administrative level than the Party Committee and Government of the town, with the town being led by the development zone

### **4.4.2 Spatial Domain: Geographic Integration, Development zone Encompassing Town**

In the spatial domain rescaling of proxy-embedded zone-town integration, there generally exist two scenarios: one development zone corresponds to one town or one development zone corresponds to multiple towns (Figure 10). The former scenario is similar to the spatial domain restructuring characteristics of the administrative co-location model of zone-town integration. Overall, through the rescaling strategy of "geographic integration, zone encompassing town," the previously separate development zones and towns form an integrated community of zone-town fusion and development. Under the management of the development zone, there is a comprehensive promotion of optimal allocation of spatial resources within the zone-town scope, eliminating spatial governance conflicts between zones and towns, and promoting overall high-quality development of zone-town space.

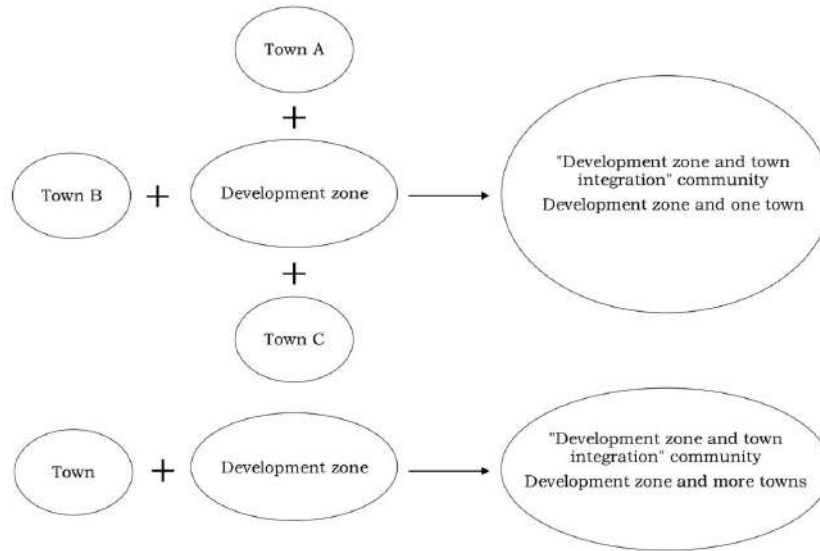


Figure 10 The diagram of domain space re-scaling for the type of proxy-embedded  
Source: Author's own drawing

#### 4.4.3 Governance Structure: Development zone-oriented, Unified Management

The proxy-embedded model of development zone-town integration reflects the governance structure restructuring characteristic of being "zone-oriented, with unified management." Taking Wujiang Economic Development Zone (Tongli Town) as an example, after embedding the administrative functions of towns into the development zone, their power hierarchy is scaled up. The administrative structure of Wujiang Economic Development Zone (Tongli Town) indicates that the development zone focuses on investment promotion and economic development functions, while the town emphasizes social governance and rural work functions. In terms of cross-functional areas, the relationship between the development zone and the town is one of leadership and being led in governance, where the "XX Bureau" of the development zone corresponds to the "XX Office" under the town. This helps to streamline the governance relationship between development zones and towns and coordinate administrative functions, promoting the centralized governance of dispersed economy and fragmented

space at the development zone-town level, thereby facilitating integrated urban-rural development.

## 5 Conclusions

Promoting the integrated development of development zones and towns has practical significance in promoting the complementarity of functional advantages of development zones and towns, the rationalization of administrative relations, the integration of functional space, and the coordinated layout of industries, and is also an important starting point for the redistribution of resource elements in the region and the elimination of conflicts of development zone and town governance. The integration of development zones and towns is an inevitable trend and advanced state of the evolution of the relationship between development zones and towns. In the context of the new urbanization with the overall high-quality coordinated development of urban and rural areas, the reform practice of development zone and town integration has become an important path for southern Jiangsu to seek new "institutional dividends" and improve the spatial governance ability of local political districts.

The development stage, administrative level and the relationship between the development zone and the township determine the diversification of the types of integrated governance practices of the district and town. Taking southern Jiangsu as an example, the integration reform practice of development zones and townships has evolved into four types: linkage platform, agreement cooperation, administrative offices and proxy-embedded. Moreover, the main body relationship, domain space and scale reconstruction of governance structure of each type are different, indicating that the integration development of development zones and townships is a governance reform tailored to local conditions. It also reflects the change of local governance thinking from rigid and radical "space governance" to flexible and flexible "system design".

The scale theory paradigm has a strong explanatory power for the reform practice

of integrated governance between development zones and townships. The essence of integrated governance between development zones and townships is to reconstruct the power relationship and domain space between development zones and towns through the establishment of cooperative mechanisms or innovative management systems and other flexible re-scaling strategies, so as to promote the adjustment of governance structure system. It is the process of institutional environment reconstruction and local governance change under the interest game of multi-level administrative subjects in the city. The integration reform practice of development zones and towns under their jurisdiction is closely related to the stage of urbanization development and institutional environment of the region. Due to space limitations, this paper focuses on the types and characteristics of the practice of integrated governance of development zones and towns in southern Jiangsu Province, such as the adaptability of the integration of development zones and towns, the effectiveness evaluation and the problems still existing in the implementation process are still to be studied in the next step.

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