

Literature Review on Policy Network Theory

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Abstract: With the rapid globalization and informatization, countries face a real problem in how to carry out cross region governance. With the loss of explanatory capacity from traditional policy making model, the policy network theory emerged and it is becoming a major part of Public Administration. Review on the birth theory, the main school and evolve its research perspective is made by this paper: Within the governance environment in our own country Although there are strong analysis techniques and value this theory can't easy fit into local use. And the future study need to pay more attention for rebuilding such a theory based on Chinese culture, making it more compatible with what is happening within China.

Keywords: Policy Network Theory; Network Governance; Localized Application

The present day social context shows that it is not a one man show, where the government just makes policy formulation, instead its a process which has many participants, bargainers and collaborators. The “top to down” and “bottom to up” traditional policy implementation models have also clearly shown that they are difficult to implement. And the defects of traditional policy model are more obvious: And it calls for new policy models that would rebuild all these many actors in the policy process. Thus a new type of theory, the policy network theory appeared. This is also referred to as a theoretical framework in which we study how there are multiple actors involved in the process of public policy making and implementation, this theory emphasizes the collaborative relationship between government & social forces like interest groups, NGOs, Expert bodies etc. To systematically review the theory is important to improve China’s policies formulation and push forward Chinese-style modernizations^[1].

1. The Formation of Policy Network Theory: Definition and Characteristics

1.1 Concept Definition

Policy network as a term first appeared in sociology in the 1940s, which studied the interpersonal relationships and interdependence, thus it became an examination of organizational relations model. After 1970s, its adopted in politics, to make up for the shortcoming of corporatism and pluralism, it has been widely used. American scholar Katzenstein put forward the concept of "Policy Network" ^[2]for the first time in 1978. and defined as a mutually dependent structure which is formed during the process of policy making and implementation through different kinds of interest relationship and governance structures^[3]. He claimed that policy network refers to the interactive structure formed by various actors like policymakers community, inter-governmental networks, producers network, professionals network, issue network according to resource dependence. Policies are made and carried out by working together and giving opinions from these groups. And it becomes the theoretical paradigm and analytical tools in order to describe, analyze about the process of modern public policy formulation, implementation, assessment. Therefore, this article defined the theory concept as a relatively fixed, hierarchical or nonhierarchical network composed of many actors such as government department, NGO, enterprise, association, academic community and so on which were in certain policy areas through interdependence formed with respect to common goals.

1.2 Core Characteristics

(1) Plurality of Actors. This is the most important characteristic of policy network theory, which is also the first basic perspective of the American school. A policy network is centered on “many actors” and not one-handed dominance by the government. Involved parties include public and private sectors such as government departments, enterprises, industry organizations, public welfare organizations

(NGOs), universities and colleges, news media, etc. They're not just recipients of policies, they also set agendas and make decisions actively. Each party has their own set of resources and claims, the government is becoming more of a "coordinator" versus "commander" throughout the process of making policies and implementing them^[4].

(2) Resource Interdependence. The "interdependence" between many individuals is what allows the network to exist and grow; this is one of the beliefs held by the British school. The first one is regarding the diversity of the resources, which means different people have control over different resources. Second it has exchange at its core too. It's reciprocal; it isn't subordinate in just one direction. Actors in the policy network constantly swap out important things like funding, info, and power to do stuff^[5].

(3) Structuralization of Relationships. Organizational members and policies will change, but the network of policy is still very stable. Policy networks usually have borders and are not accessible to everyone in society, only certain people who hold significant resources and win the favor of others can get in. It also shows that policy network is not a casual and temporary gathering of people, it's a long time association with certain structures among its members who could repeat their interactions regularly either formally or informally^[6].

(4) Network Autonomy. Network does not have a single goal, the main point being "interest bargain and reach an agreement". The interests and requirements of different people are often different and even contradictory. However, it must also be noted that even though policy networks stress the freedom of actors they are still bound by institutions which include formal institutions like laws and rules as well as informal ones like cultures and traditions^[7].

To sum up, this is a theoretical chain deepened gradually with logic, which becomes the common ground of policy network theory. Plurality of actors is the prerequisite for the formation of any policy network, resource dependence is what fuels the network's growth, structuring of relations happens as the result of a policy network reaching stability after developing over time, and network self-determination represents where the concept of network autonomy comes from all in light of the first three traits. Differences exist as regards

to analytical levels, research methods, and theoretical tendencies among different schools but are not out of place with this basic framework and thus provide a common foundation for further theoretical division and deepening.

2. The Development of Policy Network Theory: Research by Different Schools

As one of the important tools in public policy research, the development of policy networks is not a single, straight-line process. On the contrary, there are various different schools of theory based on the political tradition and objective of governance in other places. And then it formed three schools for the policy network theoretical system which include American school, British school and continental European school^[8]. These three schools come at it from different angles and have together pushed for the systematization of network governance theory, but they've also exhibited a sort of sideways change in global governance itself.

2.1 Policy Network Research by American Scholars

United States is the home country of policy network theory. It has its intellectual roots in the governance problems that arose out of the old bureaucracy around mid twentieth century. Among those who are still arguing over elitism versus pluralism in policymaking, there have been several concepts developed. Within the elitist tradition In 1965 J. Leiper Freeman put forward the term "policy subsystem" and defined public policy formulation as the sum total of decision made in the subsystem, which first depicted the structure of the policy process. By the 1970s an "iron triangle" was becoming evident in America's political practice consisting of government agencies, Congressional committees and Interest Groups. The three became a kind of stable and almost-closed policy making community by exchanging resources and interests, which was perhaps the very beginning of policy network. P. in 1977 In Katzenstein's book entitled *Between Power and Plenty* he first used the term "policy network" to mean that there is a kind of stable interactive relationship among the government and social actor(s) under certain area of policy.

After the elite theory was put forward, the pluralists made criticisms. In 1978, Hugh Heclo used the idea of "issue network", he reinterpreted

the nature of policy system by stressing the broad array of participants as well as diverse level in this participant network^[9]. This contributed to further progress on policy networks. In the 1980's research about policy network also began to be applied to policy implementation. Hjern, Porter put forward the term "implementation structure", the unit of analysis is shifted from an organization to the networks formed by organizations. And at the same time, David Knoke and other scholar began introducing social network analyses into field, helping to make American policy networks operational.

After the 1990's it has been the stage of theoretical combination and frontier research. Postmodern public administrators employed discourse theory to prove that it was inevitable for policy networks would emerge, the power lies in the relationship between them. Secondly, in order to explain the results obtained and make it stronger, Paul Sabatier with others have created the Advocacy Coalition Frame-work. It's viewed as being a competition between different advocacy coalitions on the field of policy-orientated learning and hence provides both new views to understand what it is and the changes that could be made which would greatly further America's policy network theory forward.

2.2 Policy Network Research by British Scholars

One of the main paradigms within current policy research in Britain is British policy network theory, which mainly examines the meso-level of government and interest groups^[10]. It stresses the analysis of interactions at this level. In terms of its ideas, the school is affected by American thought on things like sub-government and policy community, but has always been aware of localization. In the 1970s, Richardson and Jordan brought over American policy network thought to Britain for the very first time, pointing out that in fact the British did not make policies simply with Parliament alone but rather went about things through negotiations inside subsystems made up by government and interest groups together using "bureaucratic accommodation" as a means.

But it was second generation scholars such as Rhodes and Marsh that managed to achieve the localization of theory within the British School. Based on the theory of power interdependence,

Rhodes built up a policy network type and created the famous "Rhodes model"^[11]. This model is based on the distribution of interests, members' composition, vertical and horizontal dependence, etc., to classify it, dividing into five policy network types: Policy communities, Intergovernmental Networks (IGN), Professional networks, producer networks, Issue networks. It greatly improved the typology and systems in the construction of British school policy network theory.

In the 1990s, Britain's policy network theory was constantly enhanced in both application and criticism. Rhodes improved the continuum's typology by adding finer, different tools for various policies analyzing area^[12], but they too had severe issues about democratic legality and not having enough norms^[13].

2.3 Policy Network Research by Continental European Scholars

In the late 1970s and early 1980s, under the influence of welfare state crisis and profound changes in European society, the traditional government-led governance model was put to an extremely difficult situation. Under such circumstances, the policy network theory of continental European school, especially that of German and Dutch schools began to appear.

The German scholar, Benz, Schmitter mentioned that policy networks are long time existence structure between states society organization to achieve a functional dependency; Its main body is complemented to the failure of governments markets horizontally' at the same time Johan P Olsen from a historical institutionalist viewpoint added to this by saying that the creation of policy networks was not random and was shaped by national institutions as well as administrative customs. At the same time, the Dutch school was concerned with researching whether it is effective. Hans Van Til scholars and others focused on researching the influence of the Internet on national sovereignty, legal system, society and carried out some empirical research problems such as transnational data flow, cyberspace crime, digital right. And so on, this is a very important basis for later global network governance theory^[14].

Entering the 1990s, European policy network research showed a trend towards integration. Scholars from both the German and Dutch schools jointly promoted the theoretical deepening towards "governance networks" and

gradually developed two strategic approaches. The first is the "game management" approach, represented by scholars such as Walter J. M. Kickert, who emphasize that in complex policy environments, managers need to employ strategies to coordinate and resolve conflicts and promote cooperation. The second is the "network structuring" approach advocated by Dutch scholars Hans de Bruijn and Erik-Hans Klijn^[15], which posits that in certain situations, it is necessary to proactively reshape the network structure itself, introducing new actors or changing rules to facilitate collective action^[16]. These two approaches proposed respective strategies concerning how to manage actor relationships, resource allocation, and cognitive frameworks. Their contents interweave and

complement each other in practice, collectively constituting the Continental European school's profound elucidation of the dynamic governance mechanisms within policy networks^[17].

2.4 Summary of the Development Trajectories of the Three Schools

The American, British, and Continental European schools of policy network theory are not isolated from one another; rather, they represent different levels of analysis, research focuses, and core concepts that have differentiated under common problem contexts. Their relationship is one of mutual interdependence and mutual reinforcement, as detailed in Table 3-1 below.

Table 1. Comparison of the Three Schools of Policy Network Theory

Comparison Dimension	American School	British School	Continental European School
Level of Analysis	Micro-level	Meso-level	Macro-level
Research Focus	Who influences policy?	How does the policy process stabilize?	How to achieve effective network governance?
Theoretical Origin	Debate between elitism and pluralism	Relationship between government and interest groups	Government failure and market failure
Core Concepts	Iron triangle, issue network, subsystem	Rhodes model, policy community, intergovernmental network	Governance networks, game management, network structuring
Distinctive Features	Provides operationalizable analytical tools	Constructs a typological spectrum of policy networks	Deepens governance mechanisms and network management strategies
Common Ground	Joint opposition to state-centric assumptions; joint emphasis on interdependence and resource exchange among actors; joint recognition of the constraining effect of network structure on policy outcomes.		

In summary, although the three schools follow different paths, they all represent a rebuttal of traditional linear policy models, conceptualizing the policy process as a networked field where multiple actors continuously interact in their strategic choices. The American school emphasizes micro-level interpersonal interactions, primarily studying "who influences", thereby rendering policy networks as operationalizable analytical objects. The British school emphasizes a meso-level classificatory framework, primarily studying "stable development," categorizing policy networks into distinct types. The Continental European school emphasizes macro-level strategic exploration, primarily studying "how to govern", forming two paths—game management and network structuring—thereby further systematizing and normalizing policy network theory.

3. The Application of Policy Network Theory:

Exploring Localization in China

Policy network theory stems from the pluralist society of the West. This theory states that the policy process is a relatively static, interconnected network of interactions between the government and various social actors including interest groups, experts and scholars, NGOs and mass media^[18]. When applied to the Chinese context of governance, it cannot be merely explaining "network events" in policy making. It is also necessary to face the Chinese situation and reveal its uniqueness contained after localizing this theory^[19]. In the following paragraphs it is discussed from these two standpoints: Applicability and Distinctiveness, using some specific cases.

3.1 Applicability Analysis

Although the Chinese political system exhibits "Party leadership, unity in a system", the policy process is certainly not a "Government-focused" one. As for governance framework under which

“Party committees lead, government takes charge, society works together, and the people participate,” there exist many policy network phenomena. But the rest including them core, the structure and operation are different with that of western country^[20].

In recent years, within the ecological environmental protection policy system, a supervisory network jointly constructed by the "government, the public, and the judiciary" has provided an effective pathway to resolve the problem of information asymmetry in the process of environmental law enforcement^[21], fully demonstrating the crucial role of policy networks in the policy implementation phase^[22]. Take the hazardous waste dumping incident in Zigong city, Sichuan province for example, the main participants of this policy network were the ecological and environment department, the public security department, the public, the judicial organ and the dumped company. Stakeholders directly related to environmental benefit were the people who observed daily life information of enterprises about illegal activities, then made phone calls using '110' emergency phones to report such things, being called “informers” of the policy implementing network. Local ecological and environmental departments quickly got in touch with local public security and transport department for law enforcement on site, making use of the advantage of administrative supervision strength to accomplish this task. The company is suspected of environmental pollution crime after confirmation, and then transferred to judicial organs for trial. The company and related responsible people were given criminal punishment as per the rules. This formed a whole case handling loop. It is imperative to mention that this efficient arrangement could also never occur without the assistance from the institutional safety provided through Sichuan Province’s “Ecological Environment Violation Behavior” report reward methods, monetary prizes like this allow for the government to break free from their own battle and instead create a network involving every single one of us^[23].

3.2 Distinctiveness Analysis

As a theory born in the West, after introducing policy network theory into China and applying it to explain the Chinese policy process, there is an inevitable process of local adaptation^[24]. In

China’s own political culture, institutions, and social environment give the policy network a great difference when it is implemented in China. This article mainly reviews on the different points between Chinese policy network from structural perspective as well as operation mechanism.

(1) Core Distinctiveness: The Leadership of the Communist Party of China

It is the essential basis for grasping the difference in characteristics of Chinese policy networks. West is pluralistic: Policy network is based on the 'state – society separation', therefore there is decentralization and lateral interaction among various actors of the policy network, where state (Government) normally acts just one other participant within this bargaining relationship. But the main uniqueness of Chinese policy network is that CPC as “the super network” is at its core position, becoming the central node of this network organization and thus building a hierarchy network shaped by “the Party commands everything,” and multi-actor coordination. This characteristic can be easily found on both the domestic political arena or foreign relations field^[25]. Domestically, the Party does more than just participate in every policy network; it constructs them and steers their course. From top level decisions made by the center to implementation locally, party organization act as both the people who makes the policies directions and also those that implement them.

(2) Operational Logic Exhibits a Closed-Loop Character

The operation of Western policy networks often follows a spontaneous logic of "problem trigger—interest aggregation—bargaining equilibrium." The formation of networks frequently originates from market or societal demands, the process is susceptible to influence from powerful interest groups, and the outcomes often fall into the limitations of "incremental adjustment." In contrast, Chinese policy networks have constructed a closed-loop operational logic of "political orientation—coordinated collaboration—dual guarantees." With the Party's strategic guidance as the starting point, multi-actor collaboration as the core, and institutions and technology as support, this forms a governance process that is goal-oriented, efficient, and orderly^[26]. A village in Pu’er, Yunnan Province, leveraged this to triple its tea output value within two years,

intuitively confirming the practical value of this closed-loop logic^[27]. This closed loop demonstrates that the operation of Chinese policy networks is not based on interest aggregation but on political strategy; its stability stems not from bargaining equilibrium but from the dual safeguards of institutional embeddedness and technological empowerment.

4. Review

Network Theory which became the main analytical theory of policy research since 1970's is no longer about government centrism on how Policy was made through dynamic interactions with many nodes who all together make up a network where resource dependencies and bargaining takes place^[28]. It reconceptualizes the way we do policy analysis giving a systemic view on how to think about policy coordination and governance in multilevel/governance. However, because there are problems with the theory system itself or cross-context adaptability it can still have great application limitations.

The fact that Policy Network Theory is now a mainstream discourse and research paradigm in policy analysis can be attributed mostly to the reasons below. Then policy network theory overcomes the old single line policy procedure as it goes closer to actual descriptions of policy^[29]. Secondly it brings together quite a few different analytical method: structure; network, organization; interactions and interpersonal interactions and offers various perspectives to tackle complex policy problems^[30]. Finally, the multi-actor participatory network created through the policy network theory has increased interaction and cooperation with different actors including the government which promotes the whole process of democracy.

However, at the same time, there are also many shortcomings of this theory. First is the vague basic concept, 'policy network' is itself not clearly defined and has quite different definitions from different people when it comes to what makes up a network, how you define a network etc. It also results in no standardization and unification of analytical paradigms within the theory itself and makes it hard to verify^[31]. It's got a biased one on power structures too: But as for the continental school, it although focuses on state institutions' dominance in the policy network governance structure, its propositions such as "Game Management", "Network Structure Creation" assume that everyone is the

same actor. Most policy network theory tends to talk about how all people have equal interactions, but doesn't explain well how important the structure and power are for governments, like Party organizations. The bias makes it hard for the theory to make sense of the logic of networks under these extreme power imbalances, and also ignores that the interests of the less powerful will get short shrift^[32]. Another point is there are no operation for empirical research tools which is more obvious on localized scene. It's mostly theoretical, still just a bunch of qualitative relationships, so we can't really quantify big things like how much an actor depends on resources from others or the weight of their power inside networks. As a result, the empirical research is mostly about qualitative case interpretation with no fixed analysis method and has little practical significance.

Lastly, it is also worth mentioning that in terms of the application of policy network theory, although there are currently studies on this topic involving education, housing prices, and agriculture, there are still a lot more to explore, like social security policies, technological innovation policies, and culture industry policies. From the current situation, it can be seen that improving on this theoretical system is one of the major research directions.

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