

# Making Neighbourhoods

The Government of Social Change in China's Cities <sup>(1)</sup>

LUIGI TOMBA

Based on several years of field research in urban neighbourhoods situated in several Chinese cities this paper investigates the effects of housing reform and the spatial reorganization of China's cities on the recognition of citizenship rights. It has two main objectives: firstly, to show that there is a direct relationship between the Chinese state's goal of maintaining social stability and containing social conflicts and the re-zoning of urban residential spaces. And secondly to investigate the role that these spaces and their new governance arrangements play in justifying loyalties towards the state.

*Independent thinking of the general public, their newly developed penchant for independent choices and the widening gap of ideas between different social groups will pose ... challenges to China's policymakers*

*... A harmonious society should feature democracy, the rule of law, equity, justice, sincerity, amity, and vitality.*

(President Hu Jintao, 26 June 2005)

*The setting of boundaries is always a political act. Boundaries determine membership: someone must be inside and someone outside. Boundaries also delineate space to facilitate the activities and purposes of political, economic and social life.*

(Blakely and Snyder, *Fortress America*, 1997, p.1)

## Prologue

Every day, in a public-housing residential community in the former heartland of China's socialist industry, the city of Shenyang, a group of 31 elderly ladies and one old man patrol the two gates of an old residential compound now inhabited by large numbers of laid-off workers and their families. Their main concern is the incursion of rural migrants into the compound to sell their services in competition with the informal "courtyard economy" of shoe repairers and fruit stalls that the local government allows laid-off workers to operate inside the residential compounds. In a different city, Beijing, at the same time, in a gated middle-class neighbourhood, a group of homeowners are putting the final touches on a newly-built garden. It is, in fact, not just a garden, but a community-funded memorial to the four years of struggle necessary to force the real-estate developer to complete the original park. At the centre of the small

area, engraved on a large white stone, are the characters *shouwang huayuan* — "the garden of vigilance."

The two communities watch over spaces that are socially, economically, and politically distinct. The grannies in Shenyang mobilise to protect (from a competitor in the residual economy) their entitlement to what is left of the once all-encompassing welfare reserved for China's industrial working class. The homeowners watch over their right to see a contract honoured and their aspiration to a better and more autonomous lifestyle fulfilled, at least in their backyard. Both act in the limited, shared interests of their own community and contain their grievances within the gates of their compound. They use, however, radically different framing arguments: on one side, the relatively new political rhetoric of consumer rights produced by the state and its media in the attempt to guarantee consumers and increase overall consumption rates; on the other, the traditional arguments of socialist entitlement on which the socialist state has based its moral legitimacy for decades.

The two strategies and framing discourses are concretised in specific spaces that are the result of a radical transformation of China's cities. Rather than being solely an outcome of the commercialisation of urban space, the new spatial distinction within the city is the result of planning and governance strategies.

In this paper I investigate the effects of these spatial arrangements on the production of citizenship rights. My first objectives is to show that, beyond the imperatives of economic growth, there is a direct relationship between the Chinese state's goals of maintaining social stability and containing social conflicts and the re-zoning of urban residential spaces;

1. Support and funding for this research was provided by an Australian Research Council Discovery Grant DP0662894 entitled "Communities and New Patterns of Stratification in a Chinese City."



Advertisement for an up-market housing estate in Chengdu  
© Luigi Tomba

different lifestyles (enshrined in specific residential forms) often translate into different techniques of government. My second objective is to investigate the role that these spaces and their new governance arrangements play in justifying loyalties towards the state. The social classification produced by status-defining spaces contributes to the state's ability to address both the demand for limited societal autonomy expressed by the middle classes living in self-managed gated communities, and the claims to support and basic welfare from disgruntled workers still anchored to the traditional neighbourhoods by their dependence on state subsidies. The materials, information, and interviews presented in this article were collected during about ten months of fieldwork and participant observation conducted between 2002 and 2006 in numerous neighbourhoods in Beijing, Chengdu, and Shenyang.

## Chinese urban space and population management

The recent pace of social change and the need to adapt to the pressure of global capital have produced new challenges to the socialist Chinese state. In response to these challenges, however, the Chinese state seems to have adapted instead of evolving into a more pluralistic system of interest representation. Its governmental strategies today serve both the interests of capitalist development *and* the need for

social stability and political legitimacy. At their core is the reclassification of the population through social structures and new social institutions of stratification.<sup>(2)</sup>

The traditional cellular structure of the socialist city allowed the government to classify and administer the urban population through the organisation of the families of privileged urban residents into all-encompassing organisations such as work-units. While work-units have today either disappeared or lost most of their traditional administrative functions, large cities maintain a network of grassroots political organisations and a clear spatial subdivision that survived the urban construction and the privatisation of housing stock.

Social classification and spatial privatisation, accelerated in the last decade or so, have also resulted in extreme levels of residential segregation. Local governments have facilitated the emergence of this new form of segregation by encouraging communities to build gates around their compounds and to hire private security guards, but also by encouraging a functional zoning of the city, targeting certain areas for "gentrification," favouring residential developments in the inner city and moving production operations toward the periph-

2. Carolyn Hsu, *Creating Market Socialism: How Ordinary People are Shaping Class and Status in China*, Durham, Duke University Press, 2007. On the discourse of stratification, see Ann Anagnost, "From Class to Social Strata: Grasping the Social Totality in Reform-Era China," *Third World Quarterly*, 2008, 29:3, pp. 497-519.

eries. Urban governments in China's new post-industrial cities are dependent on the income generated by land re-development, and their control over land use rights and building authorisations places them in a crucial position to determine the shape of the modern city.<sup>(3)</sup>

This new segregation not only replenishes the empty coffers of local authorities but also serves an important dual function of government: it creates spaces where certain social groups (professional middle class as well as traditional bureaucratic elite) can enjoy, exclusively, the advantages of economic transformation; and it contributes to isolating and containing the resentment of the losers in the process of reform, the traditional holders of socialist entitlements who are now relegated to the remaining old socialist communities or relocated to new anonymous suburbs.

A spatial re-classification, as Aihwa Ong observed regarding the "zoning technologies" that led to Special Economic Zones in the initial years of reform, is "often coordinated with diverse modes of government, that administer the population in terms of their relevance to global capital."<sup>(4)</sup> While explanations that focus on the impact of globalisation provide a plausible reason for the way urban spaces have been reorganised after the *danwei* era, I believe the residential segregation visible in China's cities also contributes to the legitimacy of the state and to extending the reach of its authority. In particular, while new neighbourhoods produce a variety of different lifestyles, they also facilitate a gradation of government intervention. As we will see below, disciplinary and pastoral forms of government combine, in different residential areas, with varying degrees of societal autonomy and state intervention: for example, laid off workers in old public housing compounds experience higher levels of social control in exchange for access to residual welfare and assistance, while professionals in gated communities enjoy autonomy from state interference in exchange for a more "responsible" behaviour and the privatisation of governance functions.

## Governing heterogeneous cities

Modern Chinese cities have a reputation for being large, crowded, jammed, and polluted. After years of controlled urbanisation during the 1960s and 1970s, during which migration from the countryside was kept in check by draconian restrictions on geographic mobility through the household registration system, the economic transformation of the last three decades has boosted a dramatic urbanisation, with the population living in urban centres expected to hit 50 per cent by 2020, up from 17 per cent in 1975.<sup>(5)</sup>

As in most other cities of the developing world, the population resulting from this rapid growth is not at all homogeneous. Unlike other cities in the world, however, what keeps urban social groups apart in China is not only their economic and social conditions, cultural clustering, ethnicity, or race, but also each group's specific relationship with and ability to benefit from state policies. In the Maoist period, being a registered urban resident was enough to enjoy substantial privileges, especially in times of scarcity, but today different social groups share and compete in the Chinese city. Residents include traditionally state-protected urbanites who were employed in state factories and are today suffering from the dismantlement of state-owned industry; public employees and administrators who still enjoy state patronage; professionals and educated youngsters who moved to the cities in search of new employment opportunities offered by foreign and local investments; and those who obtained urban residence for being "assigned" to an urban work unit through the official channels in place until the end of the 1980s. But other groups of "unregistered" outsiders also populate the city – newly arrived urban dwellers, rural migrant workers who might be either temporarily or permanently attracted to the city by a deregulated labour market and by the demand for household services. The opportunity of these groups to achieve social security and a decent level of livelihood depends greatly on their employment situation or on social networks, as they have very limited access to public welfare or to the subsidies granted by large enterprises or public employers to their own workers.

This mix of people, with differing status and relationships to the state, is a recipe for social conflict over space and resources, and a nightmare for stability-hungry local institutions. Its emergence posed new challenges to local and national administrations, and required a substantial overhaul of the traditional planning culture<sup>(6)</sup> and urban governance practices of socialist cities.

3. For further elaboration on the role of local government in encouraging and facilitating residential segregation, please see my "Gating Urban spaces: Inclusion, Exclusion and Government," in Ola Udoku and Samer Bagaeen (eds.), *Gated Communities: Social Sustainability in Contemporary and Historical Gated Developments*, London, Earthscan, forthcoming.
4. Aihwa Ong, *Neoliberalism as Exception: Mutations in Citizenship and Sovereignty*, Durham, Duke University Press, 2006, p. 78.
5. United Nations, *World Urbanization Prospects: The 2001 Revision*, ST/ESA/SER.A/216, United Nations Publication, 2002.
6. One of the characteristics of China's post-socialist cities is the re-emergence of a functional subdivision of the urban territory. While the work-unit system required that areas share functions (for example residence and production) within the same compound, the new planning culture of the 1990s has increasingly recovered functional specialisation (commercial, residential, industrial areas) that often characterises capitalist cities. Victor Sit, *The Nature and Planning of a Chinese Capital City*, Chichester: Wiley, 1999.

The rationale for the new governance structure was, therefore, to balance two apparently contradictory goals: 1) stimulating urban consumption and turning the better-off citizens into “autonomous” and “responsible” consumers, while 2) maintaining a direct patronage over the worse-off and those potentially more dangerous to social stability. Under the old socialist system, the population was managed by the work unit to which individuals belonged.<sup>(7)</sup> Employers provided all essential services, produced economic and political dependency<sup>(8)</sup> and were the main point of contact between urban residents and the state. Social stratification and processes of status attainment depended largely on “where” one worked (a centrally managed state-owned enterprise would guarantee better status than a locally-owned collective enterprise), rather than on what job one had (a manager would have enjoyed only marginally better status than a worker within the same enterprise).<sup>(9)</sup> Also, status, consumption, and access to resources were almost invariably channelled through the work unit, and membership in the work unit community often extended through more than one generation. The sense of entitlement of privileged urban employees and residents became entrenched in generations of urban workers and remains deeply rooted today, despite the demise of the work-unit system. One’s position within the system at the outset of reform also determined one’s ability to profit from the reform. Employees in high-status enterprises with better housing, for example, benefited more than others from the subsidised sale of work-unit-owned and public housing stock that began in the mid-eighties, and could use their housing as collateral to obtain financing in the booming real-estate market of the 1990s. Laid-off workers or those in work units with a poor housing stock were unable to profit from the same situation. Stable employment and access to the privatisation of public goods such as housing have therefore been important factors contributing to social polarisation and to shifts in the strategies of urban governance.<sup>(10)</sup>

Cities also experienced a rapid and substantial privatisation of residential space. Large “new cities” for several hundred thousand people with gated communities of high rises became the construction standard in most Chinese cities. These communities, behind walls and guarded by security guards, are privately owned and managed through a management company. They house a new generation of homeowners that today makes up a large percentage of the resident urban population, whose dream of property ownership has often been funded by public subsidies and, increasingly, bank mortgages.

The privatisation of housing has produced a variety of different residential settings in terms of housing quality, management forms, and services, as well as lifestyles. Since access to housing is still largely influenced by an individual’s position in the labour market, Chinese urban residential areas today include commercial developments alongside publicly subsidised residential communities, employer-subsidised areas, and public housing. Based on their management forms, communities can experience more or less self-organisation, more or less social control, and more or less exposure to political mobilisation. Thanks to this variety and the interaction of public and private actors (the management companies and real-estate developers), Chinese cities also foster a great variety of lifestyles that are often embedded in different residential settings, from the remaining work-unit-built compounds where residents share the same employment history and interests, to middle class compounds offering a high standard of services and facilitating consumption, to villa compounds for the elites producing exclusive lifestyles and atomised existences. Besides their ability to express physical separation of classes or status groups, these spaces also often give visibility to the difference in “quality”<sup>(11)</sup> between different groups. Making sense of this complexity is beyond the scope of this article. While typologies can contribute to simplification,<sup>(12)</sup> they inevitably have limited explanatory power. My interest here is to highlight that 1) there is a social hierarchy among communities that is concretised by spatial arrangements and favoured by local administrators, and 2) that this hierarchy leads to different governmental outcomes. To do so, I will now focus on two largely different types of spaces that reveal how different urban residents’ experience with the government can be.

7. On the social and political role played by the work units see Lü Xiaobo and Elizabeth Perry (eds.), *Danwei: The Changing Chinese Workplace in Historical and Comparative perspective*, Armonk NY, ME Sharpe, 1997; and David Bray, *Social Space and Governance in Urban China: The Danwei System from Origin to Reform*, Stanford, Stanford University Press 2005.
8. Andrew Walder, “Organized Dependency and Cultures of Authority in Chinese Industry,” *Journal of Asian Studies*, Vol LXIII, No. 1, November 1983, pp. 51-76.
9. See for example Lin Nan and Yanjie Bian, “Getting Ahead in Urban China,” *American Journal of Sociology*, Volume 97, No. 3, November 1991, pp. 657-688.
10. Li Bin, “Zhongguo zhufang gaige zhidu de fenge xing” (The unequal nature of China’s housing reform), *Shehuixue yanjiu* (Research in the Social Sciences), No. 2, 2002, pp. 80-87.
11. There is a growing literature on the *suzhi* discourse in China. See for example Ann Anagnost, “The Corporeal Politics of Quality (Suzhi),” *Public Culture* 16, 2004, pp. 189-208; Tamara Jacka, *Rural Women in Urban China*, Armonk NY, ME Sharpe, 2006; Yan Hairong, “Neoliberal Governmentality and Neohumanism: Organizing Suzhi/Value Flow Through Labor Recruitment Networks,” *Cultural Anthropology*, 18.4, 2003, pp. 493-523; Andrew Kipnis, “Suzhi, A Keyword Approach,” in *The China Quarterly*, No. 186, 2006, pp. 295-313; and a forthcoming special issue of *Positions: East Asia, Culture Critiques*, edited by Tamara Jacka.



An up-market residential estate in Shenyang

© Luigi Tomba

These two types of physical and social space (the traditional working class neighbourhood and the private gated community), while substantially different in terms of quality, management style, and forms of socialisation, share two characteristics: they are enclosed within walls and behind gates that can be opened or closed at will; and they both require exclusive membership, in the form of either administrative registration, property rights, or both. They are enclosed territorial and administrative units that, despite the privatisation of urban life, facilitate the classification and control of the population, and are used to this end by local administrations. Because of the pervasive involvement of public actors in controlling the form and organisation of residential spaces, *where* one lives determines the type of governance one experiences, and ultimately affects one's level of autonomy from or dependency on the state.

## Working class neighbourhoods: Managing the urban crisis

Chinese cities today generally evoke an image of rapid economic growth, bustling construction, and rampant consumerism. This impressionistic portrayal of urban life in China often eclipses the impact of the progressive collapse of the state-owned industrial system in the second half of the 1990s that has left many traditionally state-sponsored urbanites struggling with declining life opportunities.<sup>(13)</sup> Some urban administrations were faced not only with previously unknown rates of unemployment<sup>(14)</sup> and the related risk of social instability, but also with the disappearance of the work unit, the institution that had administered the population, overseen welfare provisions, and governed social control for more than three decades. Urban governments were thus forced to shift the locus of grass-roots governance away from the workplace to the residential area, where families of what remained of the worker elites generally maintained their residence. This required beefing up the languishing remains of the traditional "resident committees" that had been established in the 1950s.<sup>(15)</sup>

When asking residents today about this old tool of political mobilisation, we often hear, with reference to the cadres of the old neighbourhood committees, that they were nothing but "old ladies with red armbands." Often serving more as neighbourhood watchdogs and political organisers, the effectiveness of these old ladies in managing the community largely depended on individual ability and connections with higher-level officials. From 1999, therefore, in response to the changing residential situation, the privatisation of housing, and the unemployment crisis, municipal administrations



pumped public funds into grass-roots governance. New "community committees" (*shequ weiyuanhui*, as they were called in some cities), generally with one elected director and two vice directors, were established to oversee residential areas in every city.<sup>(16)</sup> With differences between cities (and often within districts in the same city), these territorial units administer between 1,500 and 6,000 families, and employ 6 to 20 people (almost all of them women). The number of employees depends less on the population than on the type of community and the number of resident families in dire social or economic situations. Inside the compound of a major tertiary institution in Beijing, for example, where almost all of the academic staff have been relocated

12. For an initial evaluation of these types of residential communities see Luigi Tomba and Beibei Tang, "The Forest City: Homeownership and New Wealth in Shenyang," in David S.G. Goodman (ed.), *The New Rich in China: Future Rulers, Present Lives*, London, Routledge, 2008, pp.171-186.
13. See Lee Ching-Kwan, *Against the Law: Labor Protest in China's Rustbelts and Sunbelt*, Berkeley, University of California Press, 2007.
14. The three provinces of the Chinese Northeast have suffered the most from the long-lasting restructuring of the state industrial system, making up over one-fourth of the 28 million layoffs nationwide between 1999 and 2004.
15. Franz Schurmann, *Ideology and Organization in Communist China*, Berkeley and Los Angeles, University of California Press, 1968. Benjamin Read, "Revitalizing China Urban Nerve Tips," *The China Quarterly*, No. 163, September 2000, pp. 806-820; and Luigi Tomba, "Residential Space and Collective Interest Formation in Beijing's Housing Disputes," *The China Quarterly*, No. 184, December 2005.
16. Robert Benewick and Akio Takahara, "Eight Grannies and Nine Teeth Between Them: Community Construction in China," *The Journal of Chinese Political Science*, Vol.7, No. 1-2, Spring/Fall, 2002; Benjamin Read, "Democratizing the Neighbourhood? New Private Housing and Home-Owner Self-Organization in Urban China," *The China Journal*, No. 49, January 2003, pp. 31-60; Luigi Tomba, "Creating a Chinese Middle Class: Social Engineering in Beijing," *The China Journal*, No. 51, pp. 1-29.



Community cadres distribute free condoms during a family planning propaganda activity (Shenyang)  
© Luigi Tomba

to private, purpose-built housing complexes, the committee is relegated to a cramped room between the bookshop and a photocopy shop, and has only six members. In Shenyang's poorer neighbourhoods, on the other hand, I often found that even small communities housing many unemployed people typically have as many as 15 to 20 committee members. Directors and vice directors are generally elected every three years. The election is generally not very competitive, and candidates are pre-emptively examined at the district level (*qu*) and approved by the "street" level of government (the *jiedao banshichu*<sup>(17)</sup>) before facing the residents' ballot. The elections nonetheless provide residents with some sense of "ownership," and under the daily supervision of their residents/customers, I found that elected directors enjoy, in general, a very good reputation. The low income and hard work of the cadres' often earn them the respect of local residents and party members. In a resource-starved environment, such public figures also become important marketing tools for communities, and channels to lobby the municipal or provincial authorities for more investment or funding for their own activities.<sup>(18)</sup> In Shenyang, some directors have become so popular that their communities are often better known by their personal names or nicknames than by the official nomenclature.

Employees' salaries vary greatly from city to city. While in Beijing salaries are competitive with those of public servants, in Shenyang employees are only paid what is called a "benefit" (*butie*), which is below the average income for the city (around 800 Yuan a month, or around US\$70), while directors' salaries have recently been raised to 1,000 Yuan per month.

Besides the regular employees, these structures also provide work to a number of "volunteers" (*gongyixing gangwei*), generally unemployed people who "work for the dole" in exchange for subsidies they receive from the municipal labour bureau. It is not uncommon to find these figures outnumbering regular community employees, and utilised in such services as security, assistance to the elderly, street cleaning, and other casual duties.

Apart from organising social activities, arranging party festivals, and promoting cultural, physical, and educational activ-

17. The street offices are the lowest level of government. Cities, below the municipality, are administered by "two levels of government and one level of administration," administration being the community-neighbourhood and government being the district and the subdistrict (street) level. With the progressive expansion of the role of communities, discussion is unfolding on the hollowing-out of street offices, and on their possible future demise as an intermediate level of governance.
18. Although no one is willing to admit it, the political clout of community directors is a marker of better access to municipal or district-level funding for renovations and special activities. Communities also compete with one another for scarce resources.

ities in the neighbourhood, *shequs* have taken over most of the administrative functions previously performed by either the work units or the higher levels of urban government. These include health and security, household registration,<sup>(19)</sup> the distribution of unemployment subsidies, low income subsidies, re-training and re-employment services, and family planning, as well as the monitoring of “dangerous elements” such as Falungong practitioners.<sup>(20)</sup> Every member of the committee is assigned the supervision of a variable number of families (in Shenyang generally around 200), and the first task of each workday is a field visit to their assigned area within the community to check for developments or new problems.

Despite this startling array of functions, for which the communities receive funding from the relevant municipal departments or are supported by the local police office, the committee is not a level of “government” (*zhengfu*) but of “administration” (*guanli*). Salaries and activities (propaganda, social activities, or campaigns) are generally funded by the municipal Civil Affairs Bureau (*minzhengju*).

Despite the emphasis placed by official discourse on the self-governing nature of these institutions,<sup>(21)</sup> my interviews with residents in Shenyang (where the visibility of the system is highest) suggested that they are indeed perceived as “government” agencies. Whenever I tried to explain the difference between government and self-administration to the residents I obtained responses such as: “The community [office] does much more than the government, so for me it is the government,” or, “Of course they are the government, they do anything the government does,” or, “If the community isn’t the government, who is?” For those who remain dependent on state support (unemployed, low-income families,<sup>(22)</sup> disabled) these cadres remain, as the work unit used to be, the most likely point of contact with the state and its policies. Visits to the higher level “street office” – generally just a couple of blocks away and also often featuring shop-front offices – have become unnecessary for most citizens.

A double line of authority (Communist Party and civil administration) exists formally within the community as in all other Chinese institutions, although in most places the Community Director doubles as the Secretary of the party cell. Where this is not the case, the two leaders typically become each other’s deputies. Party membership remains an important characteristic for directors, but not even the majority of community employees in Shenyang has joined the party. In general communities do not seem to be an efficient recruitment tool for the party, as average membership within even the poorest communities did not reach 5 percent of the resident population.

Volunteers helping to run the community or taking up positions in the different subcommittees<sup>(23)</sup> are typically elderly, have a past as cadres, and have a higher than average education. They are generally respected as leaders for their reputation and knowledge of the system, generously contribute both time and money to social activities and community education (as in the “community universities” (*shequ daxue*) for the elderly), and play an important role in crucial episodes of communal life such as major political festivals or the rituals of community election day. When asked to indicate the person in the community they consider “of the highest quality,” residents and cadres alike generally agreed on figures of this kind, who are active, relatively educated, and long-time members of the Communist Party.

In Shenyang, where the restructuring of the industrial system has produced a generation of laid-off workers,<sup>(24)</sup> the need for a localised and careful management of the residential districts where this disenfranchised working class is living has been felt more than in booming cities such as Beijing. Administrative areas here have been consolidated (some now include up to ten microdistricts, *xiaoqu*) but remain relatively small compared to Beijing and Chengdu. To better serve the needs of poor residents, the municipal Civil Affairs Bureau is making an effort to expand the size and visibility of the community offices, to the point that regulations now

19. This is the responsibility of the local police office, but is often performed by guards hired with funds from the labour bureau, and working in the premises of the community committees. In general communities have been given increasing responsibility to control the movement, behaviour, and registration of long-term migrants who might rent apartments in the community on a regular basis.
20. Falungong is a *qigong* practice that in 1999 was banned by the government and labeled an “evil cult.” Since then the eradication and prosecution of Falungong practitioners has continued and has been one of the social control tasks assigned to the *shequ*. Benjamin Penny, “The Falungong, Buddhism and ‘Buddhist qigong,’” *Asian Studies Review*, Vol. 29, No.1, March 2005.
21. “Self-management,” “self education,” and “self-service” are heralded as the core of this concept.
22. The “Minimum Living Standard” scheme (*zuidi shouru baoxian*, or *dibao*) is a scheme funded with local and central funds (the share of central funding in Liaoning had grown to over 38% in 2003), distributed and monitored through the communities. Families under the threshold (*dibao xian*, set by the Ministry of Civil Affairs for the different localities – in 2006 Shenyang 220 Yuan/month or US\$25 per capita, Beijing 300 Yuan, Chengdu 195 Yuan) are entitled to a top-up to the minimum level and to exemptions from utility, education, rent, and healthcare fees where applicable. Some 22.4 million people were entitled to the urban *dibao* in 2006 nationwide, with almost 80% classified as unemployed. See Chen Jiandong and Armando Barrientos, *Extending Social Assistance in China: Lessons from the Minimum Living Standard Scheme*, Chronic Poverty Research Centre, Working Paper 67, November 2006; and World Bank, *China Revitalizing the Northeast: Towards a Development Strategy*, January 2006.
23. Typically a community of this kind would have a consultative committee (*xieshanghui*) and an owner committee (*yezhu weiyuanhui*), but other active roles include the “building representative” and a number of other recreational associations that generally are registered with the community.
24. Eva P.W. Hung and Stephen K.W. Chiu, “The Lost Generation: Life Course Dynamics and Xiangang in China,” *Modern China*, Vol 29, No. 2, April 2003, pp. 204-236.





An activity room for the elderly in a Shenyang community

© Luigi Tomba

require every community to have at least 400 square metres of public offices. Their advancement towards a “harmonious community” (*hexie shequ*) is monitored on the basis of a “100-point standard evaluation” that requires each community to reach pre-defined standards in such categories as organisation, service provision, and party building. Depending on their ability to attract funding from higher levels of government, communities feature activity rooms, sporting facilities, public libraries, and conference rooms. In one particularly well-funded community, the activity area and offices occupied over 2,000 square metres.

Another element of state visibility in these communities is the increasing use of CCTV security systems. Manned 24/7 by “volunteer” guards, these very expensive and modern systems, installed with funds from the Civil Affairs Bureau, monitor street intersections within the walls of the compound, even in dilapidated areas where there is little of value to steal. The whole strategy works more as a deterrent (in one community I visited, the only recorded criminal activity over two years was footage of the arrest of a bicycle thief), but residents generally feel that it improves security in the areas.

While communities in Shenyang have received an injection of funds to deal with the unemployed (with almost 40 per-

cent of funds for unemployment relief now coming from the central government),<sup>(25)</sup> and in Beijing community work was stepped up to improve the monitoring of social activities in preparation for the 2008 Olympics, in Chengdu, poor communities remain starved for resources since the community building campaign was launched in 1999.

Mrs. Jiang, a retired engineer, manages a committee and six employees. She complained that her employees, all women, have little education and were lucky to get the job: “They wouldn’t be any good for companies or in the labour market.” Mrs. Jiang, who is elected, gets a 900 Yuan salary, much less than she made as an engineer at her original work unit.

The community is much larger than the average in Shenyang or Beijing, with 26,000 registered residents and an additional estimated presence of 20,000 unregistered migrant labourers. The area is considered at high social risk, for a clearly visible industrial decline has left many, especially elderly people, in very harsh living conditions. Mrs. Jiang spends her time visiting needy households, organising clothing collections in conjunction with local charities, and introducing self-supporting economic schemes in the community. To

25. World Bank, *China Revitalizing*, *op. cit.*



cope with a deteriorating situation, communities often support a *yuanli jingji* (courtyard economy) that takes advantage of the tax exemption residents enjoy for family-run economic activities within the gates of the community, including courtyard kitchens, guarded bicycle parking, small repair shops, or fruit stalls.

This exemption from taxes and a generally more flexible enforcement of regulations within the communities often turns into opportunities for informal businesses. In one community close to the long-distance coach station, residents have re-organised their dwellings to offer budget accommodation to recently arrived migrants or students. These activities are generally unregistered and for the most part ignore safety and hygienic regulations, but are largely tolerated by both community officials and the police.

In conclusion, community committees perform a number of social, policing, economic, and political functions, and contribute to recreating the community solidarity and marginal economic opportunity that disappeared for many with the collapse of their work units. This pastoral government of the population is largely justified by the traditional socialist discourse of solidarity, state intervention, and welfare entitlement, and is specifically aimed at the weakest groups in society in these residual residential areas.

## Middle-class gated communities

While neighbourhoods that are perceived as potentially troublesome attract significant public resources and create an impression of “more” government and visibility of the local authorities, residential areas rich in private resources tend to avoid government interference. The *shequ* committee’s work almost entirely ignores wealthier and privately managed compounds within its jurisdiction. As Mrs. Jiang once dismissed them, “They don’t need us. They pay management companies to take care of their problems.” In cities such as Beijing with a large home-owning class living in gated communities, the amount of territory that the state and its traditional agents are unable (and arguably unwilling) to govern directly has grown considerably in recent years.

In the last decade large numbers of urban residents who could afford to purchase a house have moved from work-unit districts to new gated compounds. Many areas of the city have changed shape, and large numbers of new residential blocks have been built. This transformation has largely transferred traditional functions of urban governance to private “agents.” Riding an ongoing housing boom, a high percent-

age of the urban population has purchased apartments (over 80 percent in Beijing), and many of them depend on private providers rather than on the state for their daily services. Many have only sporadic and insignificant contact with neighbourhood officials and often do not even know what or where the “committee” is. Community committees set up by the government, of the type described earlier, do exist, at least on paper, in all areas, rich or poor, newly built or old, but wherever a management company runs the show, community officials have a hard time even entering the compound, let alone performing the same pastoral work as in the poorer communities. Here, gated spaces have effectively privatised a range of governance functions, such as security, hygiene, education, and sometimes even family planning.

The practices of private governance often resonates with the state’s discourse of community self-government.<sup>(26)</sup> Managers often present the aims of their service as a tool to foster responsible and harmonious co-existence, while homeowners often reproduce to their advantage the rhetoric of consumer rights and ethical righteousness that now dominates media reporting on community life.

These spaces are regulated privately. State regulations on the management of private estates require that management companies sign a contract with a democratically elected “homeowner committee.” In different compounds these committees act more or less autonomously, depending on the situation. In Beijing, for example, the number of disputes between homeowners and managers has been very high in recent years, and it is common for homeowner committees to act openly and autonomously to protect owner rights and, with other spontaneous and more radical associations, to engage in long and extenuating conflicts with the developer or management company. Where disputes are not common, however, spontaneous organisation is less likely, and management companies generally succeed in neutralising owner committees and controlling their formation, election, composition, and activities.

In all cases, however, the gated environment leads to a privatisation of governance functions. In some residential compounds, this is taken to its extreme consequences. ZX, a medium-sized Chengdu developer, built and marketed three different compounds targeting upper, middle, and lower middle-income customers. What makes ZX special in the market is that homes are sold with a “lifestyle” attached. ZX brands its estates as an entirely different living experience, in

26. I have dealt with the official discourse of community building in a different article, “Of Quality, Harmony and Community: Civilization and the Middle Class in Urban China,” *positions: east asia cultures critique*, forthcoming.

which owners not only become part of a specifically designed and organised quasi-self-sufficient environment, but where the management company will take an active role in facilitating social interactions, cultural and social activities, and security.

The brand “ZX lifestyle” (*shenghuo fangshi*) includes all aspects of social life, and at the time of my visit the company was in the process of applying for a “lifestyle trademark.” Each resident is encouraged to join activity groups created on the basis of a survey of residents’ interests (a chess group, a soccer group, dance, music, art, travel, environment, etc.), and the management company proudly maintains that owners are kept busy and always have something to choose from. ZX calls its management philosophy *shede* (something that could be translated as “giving back” to the community), and prizes the idea that “if society is like a big family, our company is only a member of that family.” (This struck me for its similarity to a government slogan often associated with community work: “The community is my family” – *shequ shi wo de jia*). In this case the management company has entirely replaced the official community committee as the organiser of social activities.

One of the principal goals of this form of management remains, to be sure, the manipulation and control of consumption of goods and services by addressing residents’ consumer choices towards specific forms of consumption and specific providers. For example, the marketing strategies of the ZX lifestyle include free membership in a car-owner club, which grants ZX residents significant discounts and financial assistance for the purchase of brand-new imported cars from a car dealer that, unsurprisingly, is fully owned by ZX. In the same way, family holidays and courses for children and adults are marketed through the “ZX lifestyle office” and redirected to friendly providers, turning ZX’s owners into unconscious members of a comprehensive consumption scheme offered to them as a consequence of their new status of homeowner.

This style of management, replicated to various degrees in many different neighbourhoods, prevents traditional government organisations from intervening in the shaping of lifestyles and community affairs, and makes policies favouring social integration harder to implement, if not irrelevant. To increase this sense of devolution of power to privately-run gated communities, the 2003 national “Regulations on Property Management” (*Wuye guanli tiaoli*, 1 September 2003) allow for state-sponsored community committees delegating some traditional government functions to private managers. In practice, this generally takes the form of a con-

tract that spells out the responsibility of the management companies. Apart from the direct management, maintenance, service delivery, and security functions, managers’ responsibilities include reporting on and implementing family planning policies. However, because of the “sealed off” nature of the residential areas, and the lack of experience of private operators, cases of *chaosheng*, or unplanned births, are purportedly common inside gated communities. A Xinhua report in 2003 blew the whistle on gated residential areas becoming “safe havens of illegal births” (*chaosheng bifeng gang*)<sup>(27)</sup> and denounced the phenomenon of “unplanned birth guerrillas” (*chaosheng youji*) or resistance to the one child policy, despite the fines imposed on births outside the plan. Officials from the street offices in charge of family planning are often not given access to gated communities and must rely on the liaison person at the management company. Because this is not a priority for the private operators, the person in charge of this activity is likely to be unskilled (one company admitted that its family planning manager was an unemployed ex-driver).

The difficulty of implementing the family planning policy on private, gated ground is indicative of what effect governance reform can have in spaces that are enclosed and governed privately, but also of the state’s reluctance to intervene directly in areas where a certain level of social stability is guaranteed. The ability of traditional organisations to actually penetrate and influence lifestyles is drastically reduced within the spaces of the proprietary community, while private organisations such as management companies are increasingly determining rules of cohabitation and consumption patterns and reproducing the public discourse on “harmonious communities.”

### Assistance and autonomy: Communities and the legitimation of dominant discourses

As mentioned earlier, the two forms of enclosed neighbourhoods described up to this point (the traditional public housing enclave governed by a community committee, and the gated community organised by a management company) are certainly not the only ones you can find in a Chinese city. The reason that I concentrated on these examples is that these are also the places that are popularly associated with the two most contentious and rebellious social groups in late

27. Xinhua News Agency, 15 June 2003.

socialist urban China: the disenfranchised and unemployed workers, and the educated, socially active, and rights-aware new rich.

While these governance practices can go a long way toward satisfying the quest for status and autonomy of the rich and the fulfilment of basic needs for efficient welfare of the unemployed, both groups also display a noteworthy support for the social, political, and spatial engineering explicit in the community building project.

To be sure, conflicts, often of a collective nature, are frequent in the built environment, as I and others have shown elsewhere.<sup>(28)</sup> What is remarkable, however, is that even the framing of these local conflicts tends to reinforce the same rhetoric of community building produced by the official media and local authorities, and to emphasise the role of communities in providing assistance to the “weaker groups” (*ruoshi qunti*) or in creating autonomous, responsible, and patriotic citizens.

In Shenyang, middle-aged unemployed workers largely see their communities as the only remaining institution protecting their entitlement to welfare as former public employees. Orphans of their work units, they are likely to have lost their extended social network as well. After experiencing a “series of opportunity-depriving events”<sup>(29)</sup> in their life (from missing out on education and occupational opportunities during the Cultural Revolution to the restructuring of industrial enterprises in the nineties at a late stage of their working lives), the generation of 40-50-year-olds sees public assistance as the only remaining vestige of their once privileged status. Among the numerous unemployed people interviewed in Shenyang, younger as well as middle-aged people, I noticed, for example, a remarkable resistance to abandoning the community and moving to a different part of town or to a different city. Residence in the community allows families to maintain membership in the system and claim the residual support guaranteed by the state. Also, when material conditions are very harsh, the availability of housing (often sold by the former work unit at extremely discounted prices) is the single best reason to remain in the community. Dependence on housing and on residence only ceases when the younger generation “moves on,” but in cities with collapsed labour markets and low salaries, children remain in the small family apartment for a very long time and eat up resources rather than producing them.

The fact that many housing compounds today are not a reflection of the same “community” of co-workers these people used to share grievances with also makes it less likely for residential areas to become arenas of collective, class-based

protest. Collective grievances are much more common in factories than they are in communities. The relationship between state and unemployed at the community level seems to be based on the mutual acceptance of a rhetoric of assistance. Off the job, former state employees often still regard the state as a provider. As one interviewee who has been on subsidies for a while said:

*What job do I want? I would be happy with one that pays 800-900 Yuan a month, but that is about the same as my family makes in subsidies. Now it's impossible anyway. Nobody wants someone like me with only a basic education. Enterprises now only want you for a few months, no security, and they don't pay your health insurance. So I am better off staying at home. My parents were low-level cadres and have pensions, so they can help us, and my daughter is going to school. When she is finished she will get a job and help her family.*

Another, 38, who receives a 350 Yuan monthly unemployment subsidy to work as a security guard, likewise said:

*I am not really looking for anything else. This is enough to survive and the situation in the labour market is not good; I wouldn't be able to make more money. This is a clean and secure job, and the state will take care of me if something happens.*

This is largely also a consequence of the common resignation before a collective destiny, one that constantly surfaced during my interviews through the fact that unemployment has touched nearly every Shenyang working family I have contacted. Dependence on community welfare is considered more of a right than a choice. A municipal official in Shenyang offered a similar view: “These people have been working for the state and the revolution all their lives, and we have a duty to support them, whatever the cost.” The government has made an effort to prioritise the re-employment of laid-off workers (with tax breaks for companies that hire them, and subsidies for the fixed costs of hiring), but to little apparent effect. A survey among “minimum income support”<sup>(30)</sup> recipients in Liaoning Province in 2004

28. Li Zhang, “Forced from Home. Property Rights, Civic Activism and the Politics of Relocation in China,” *Urban Anthropology*, Vol. 33, No. 2-4, 2004, pp. 247-281; and Luigi Tomba, “Residential Space and Collective Interest,” *op. cit.*

29. Eva P.W. Hung and Stephen K.W. Chiu, “The Lost Generation,” *op. cit.*

30. See footnote 22.



revealed that only 30 percent made use of community based re-employment services, while overall satisfaction with the minimum income subsidy scheme reached 70 percent.<sup>(31)</sup>

Finally, the resigned middle-aged unemployed maintain almost no hope for themselves, and invest all remaining social energies in the education of their children. The visibility of community governance, the preservation of a roof, subsidies, and a highly propagandised but inefficient re-employment system fits the image of these workers' expectations, and their dependence keeps them submissive, despite an obvious deterioration of their living conditions.

The community's role seems to be to keep discontent at bay through direct engagement and continuous monitoring of social conditions. The state's intervention through the community, which is visible but at best palliative, helps to perpetuate this perception of satisfaction, despite an obvious deterioration of living conditions and a reduction of opportunities likely to span two or three generations. It also turns the problem into an endemic but slow-burning, rather than explosive issue.

At the other end of the spectrum, among homeowners in middle class areas, I found that the convergence of state discourses and individual expectations also limits the potential for conflicts to jump beyond the walls of the community. Groups of angry homeowners often justify their collective actions against greedy developers, management companies, and even local officials with their collective desire to contribute to building the nation and strengthening China. This claim finds support in the dominant rhetoric of the middle class being a "high quality" (*gao suzhi*) and responsible vanguard of modernisation and nation-building. Thus, greedy developers, inefficient management companies, and even uncooperative neighbours become the embodiment of what puts the brakes on China's modernisation, whereas "harmonious communities" acting collectively become fundamental forces in the advancement of the nation.

Lisa Hoffman has recently written about the "patriotic" attitudes of young professionals in Dalian, who appropriate public discourse on responsibility toward the nation in the definition of their new professional subjectivity.<sup>(32)</sup> During interviews and in community materials, I found a similar attitude expressed among community organisers and homeowners. Socialisation in an ethical community is often described as "the best school to build citizens," "the cornerstone of society," or "the foundation on which the nation is built." The discourse justifying actions against greedy managers or developers therefore puts communities on the side of the government's wish for a stable and "harmonious" society:

"There are more than 100,000 communities in the country," declared a document from a community organiser in Beijing. "If each community succeeded in training its residents to be reliable citizens, consulting each other and participating [in community life], than what would China become if not a harmonious society envied by all?" The emergence of a private discourse of reliable, responsible, self-disciplined, "high-quality" citizens, justifying their grievances by the need to improve the nation and contribute to its advancement and modernisation, envisages the construction of a new form of subjects, disciplined and in tune with the goal of the "community" project: the transition to a form of government that relies on the private stakeholder taking responsibility for the management of society.

Rather than embodying a societal autonomy that represents a challenge to the authority of the state, new middle-class neighbourhoods often project the image of virtuous organisations that will contribute to social stability and nation building, a step forward in the civilisation of urban China. They become tools for reinforcing the state, rather than for "limiting the state" in the way liberalism expects autonomous social forces to work.

By arguing in favour of morality, selflessness, and mutual responsibility, one homeowner committee chair in Beijing has turned his community into a model of cooperation between owners, managers, and local authorities, in stark contrast to surrounding conflict-ridden neighbourhoods. The idea of a community "where 'good people' are bred, self-disciplined, idealistic, understanding, cooperative, and tolerant" became an instant hit. I had met him the first time in 2003 when he was not yet in office. When I met him again a year later we spent a whole afternoon watching tapes of all the TV programs to which he had been invited. His responsible communitarianism won recognition from the local and central authorities, and he became an adviser to many newly built compounds struggling with similar problems. In my meetings with him and in one of his numerous interviews, he argued that conflicts in communities are a "question of mentality": "Chinese people have gotten rich too fast, and their spirit is still trapped in simple houses and messy courtyards." When describing his grand project for turning neighbourhoods into "ideal states" (*lixiang guo*), he describes self-governing communities as the virtual culmination of an evolutionary path to civilisation:

31. World Bank, *Revitalizing the Northeast*, *op. cit.* p. 108

32. Lisa Hoffman, "Autonomous Choices and Patriotic Professionalism: On Governmentality in Late-socialist China," *Economy and Society*, Vol. 35, No. 4, November 2006, pp. 550-570.

One of the few remaining pieces of industrial heritage in Tiexi (Shenyang) is in the form of public art

© Luigi Tomba

*There are three types of human groups:*

*First, there are the motley crowds: these get together only to protect the petty profits they see in front of their noses. Their moral standards are very low, they have no values, and they can't see their interests in the general context. They are scattered like birds and beasts. Then there are the subjugated groups: these people, for the sake of their survival, for historical or practical reasons, are subordinated to some kind of authority, and accept the will of that authority as a condition of their existence.*

*Finally, there are the "communities of aspiration" [yiyuan de gongtongti]: in these communities people have common expectations; everyone expects that collective interests will be safeguarded, that the private interests of some will not hinder the interests of all, that in order to protect some, others will not be bullied and mistreated, that their leaders will not abuse their power...and that everyone will protect the fundamental rule of this community: that everyone – individuals and organisations alike – accepts the authority of common regulations and the highest values of law and justice. Our neighbourhood is such a community!"<sup>(33)</sup>*

While autonomy is a central issue for community organisers, it is not an antagonistic value. Rather, it is based on those same principles of order, self-restraint, lawfulness, and morality that are implied in the government's notion of self-governing communities.

Middle-class communities also seem to have developed a sense of entitlement, not only to a higher standard of living but also to a driving role in the nation-building process. For different reasons, and with a focus on civilised socialisation and daily life, residents often appear as concerned as their government with the need to improve the population's quality. The following, from the head of a homeowners' committee, is an example of how the rhetoric of the strong country and of autonomy can find common ground in the private discourse about community ethos:

*The problem of Chinese people not being aware of or disregarding cultural rules will not be overcome in the "big issues." Their education will instead be nurtured in the small matters of daily life... We have to understand that managing our community according to the law and creating good citizens within our community are the foundations of the stability of our country and are the first steps towards the renaissance*



*of the Chinese nation... If the family and the community can't produce good citizens, what should the state rely on to create a good society, a good country?... The education of the people has to start from the family and the community, especially the community. Communities are a civilised environment, the place where family meets society. They are the cornerstones of a civilised society."<sup>(34)</sup>*

## Conclusions

My conclusion is that privatisation of residential spaces has produced segregation, and that segregation is an essential tool of government. In large cities experiencing the decline of industrial enterprises, residence is increasingly becoming the defining factor, not only between lifestyles, status, and consumption habits, but also among styles and forms of government.

Chinese urban communities are traditionally spaces of intense socialisation and intense government activity. New tools and practices to govern social order are now in place, but these practices are still inspired and justified by the two discourses traditionally behind the CCP's legitimisation: the rhetoric of "serving the people" and that of strengthening the country and the nation. These discourses appeal differently to different people, and governance practices in Chinese cities are being tailored to address the specific needs of a stratified society and to respond to the expectations created by China's economic reform among different social groups. The Chinese Communist Party has adapted its tone and the content of its ideology to the new subjects it is helping to cre-

33. Bei Ye, *Guanyu jianshe meihao shenghuo de sikao* (On building a beautiful life), self-published pamphlet, Beijing, 2003.

34. Title and author withheld. Document in possession of the author. Beijing 2003.

ate (the middle classes, the within-the-system unemployed) by conflating the ethics of liberal rights with that of socialist assistance. The language of “class struggle” has been replaced by the language of “harmony” (*hexie*), but the entitlement of some groups to state support is constantly upheld. Social conflicts are no longer the engine of a revolution, but rather a threat to it.

In the cities, tailor-made governance is largely a spatial, locality-based process, where the local state uses its control of the territory to achieve a classification of the population and remould governing practices accordingly. By defining status and creating segregation, bounded urban residential spaces favour the implementation and delivery of these forms of governance.

In this context China's long-term processes of privatisation and reform have, in fact, worked to reinforce the legitimacy of the authoritarian rulers rather than to reduce it, as the state and its policies are perceived by the weakest groups as the last defence against the deregulation of the market, and by the middle classes as the champions of newly acquired “rights.”

The government of communities, although only a piece in the puzzle of how China is governed, reveals how this regime, while adapting its strategies, successfully maintains the ability to shape the territory and govern its people. This still happens, in some cases, by expanding and mobilising its bureaucracy to provide means of social stabilisation, and in others, by devolving to reliable stakeholders and private agents the task and responsibility of preserving social stability.

The aim of this strategy, as much as with other forms of devolution of power in the countryside, is not so much the elimination of social conflict (in favour of a harmonious future), but rather its containment. This containment is not only the outcome of repressive techniques but works on three levels. At a territorial level, local officials, mass organisations, or management companies are made directly or indirectly responsible for the places they manage, and the territory is often clearly marked and locally administered. Pressure on these agents to achieve “harmony” comes not only from the local state but also from the resident stakeholders. At a horizontal level, claims by different clusters of society are not allowed to coalesce into systemic protests or to be represented beyond and above the level of the community. Finally, at a discursive level, the sense of entitlement to state support, often mobilised by the unemployed, contributes to framing personal identities as dependents or supplicants to the state; at the same time the sense of involvement in the project of national strengthening provides mid-

dle-class high-quality citizens with justification for advocating rights protection for themselves and order for the state. This is in line with the public discourse about civilisation and harmony, which implies support and patronage of the weaker social groups and the assuming of greater responsibility by the wealthier.<sup>(35)</sup>

The concept and language of “community” and “self-governance,” elsewhere associated with the potential to produce social and political change from below, have been used by the Chinese regime to propagate new forms of loyalty to its rule. These are sometimes framed using the words of socialist solidarity, and other times, when necessary, with the language of autonomy, self-government, and “quality.” Both appeal to very concrete aspirations, necessities, and deep-seated perceptions of the state among different social groups. Social stability remains the principal objective, one that can, however, no longer be achieved only through the imposition of state-designed norms but requires the agency of formally autonomous and private agents and the making of new citizens. •

**Glossary**

Chaosheng bifeng gang	超生避風港
Chaosheng youji	超生遊擊
Dibao xian	低保線
Gao suzhi	高素質
Gongyixing gangwei	工藝性崗位
Guanli	管理
Hexie shequ	和諧社區
Jiedao banshichu	街道辦事處
Lixiang guo	理想國
Minzhengju	民政局
Butie	補貼
Qu	區
Ruoshi qunti	弱勢群體
Shenghuo fangshi	生活方式
Shequ daxue	社區大學
Shequ weiyuanhui	社區委員會
Shequ	社區
Shouwang huayuan	守望花園
Suzhi	素質
Xiagang	下崗
Xiaoqu	小區
Xieshanghui	協商會
Yezhu weiyuanhui	業主委員會
Yiyuan de gongtongti	意願的共同體
Yuanli jingji	原理經濟
Zhengfu	政府
Zuidi shouru baoxian	最低收入保險
Dibao	低保

35. Luigi Tomba, “Of Quality Harmony and Community,” *op. cit.*