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Chinese Public Administration Review: Call for Papers:

The Chinese Public Administration Review is calling for papers from scholars. The first international academic journal specifically addressing the issues of Chinese public administration, the Chinese Public Administration Review includes a number of sections, such as Chinese Administrative Reform, Chinese Public Policy, Chinese Administrative Law, Public Productivity Improvement and Performance Measurement, Chinese Civil Service, Chinese Social Security, Chinese Public Finance, Chinese E-Government, the Intellectual History of Public Administration in China, Comparative Public Administration and so forth. It functions as a quarterly, peer-reviewed journal emphasizing scholarly contributions to the burgeoning field of Chinese public administration.

Please Send Manuscripts via e-mail to both

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Preface

Chinese Public Administration Review: An Introduction
Marc Holzer and Mengzhong Zhang ..........................................................5

Intellectual History of Chinese Public Administration

The Development of Chinese Public Administration Society
Ji Guo ........................................................................................................9

Administrative Reforms in China

Administrative Reform in Guangdong of PRC and Its Characteristics
Ruitian Chen ............................................................................................17

Thoughts on the Enhancement of China’s Governmental Administrative Efficiency After the Entrance into WTO, With Views on Reform in China’s Government Leadership System
Ping Li .....................................................................................................25

MPA Education in China

A Probe into China’s Public Administration Education and the Construction of the Subject of Public Administration
Lefu Wang ...............................................................................................31

Intergovernmental Relations

The Construction of an Institutionalized Relationship of Chinese Central and Local Government in the New Century
Taijun Jin and Zaijian Qian .....................................................................37
The Third Sector in China

Transforming Administration and Governance by Creating Associations: An Evaluation of China’s Experience
Kenneth W. Foster .........................................................................................................................43

Ethics-Driven vs. Institutionalized Self-Discipline: A Study of Project Hope’s Public Accountability and Supervision Mechanisms
Zhiren Zhou and Qingyun Chen ..................................................................................................55

Democratic Participation in China

From “Danwei” Society to New Community Building: Opportunities and Challenges for Citizen Participation in Chinese Cities
Kaifeng Yang ...............................................................................................................................65

Book Review:

Thoughts on the Enhancement of China’s Governmental Administrative Efficiency: An Important Book in the Study of Chinese Politics and Administration
Huiyan Wang .............................................................................................................................83
The Chinese Public Administration Review, a new academic journal, is being published in the context of the following interrelated issues:

1) The development of public administration as a professional field since 1978 in P.R. China.
2) The emergence of public administration as an independent academic field in China.
3) The necessity of Chinese scholars to learn from international scholars in the field of public administration, and vice versa.
4) The themes of the journal.

The Development of Public Administration as a Professional Field Since 1978 in the People’s Republic of China

Since the Third Plenum of the Eleventh Central Committee in December 1978, P. R. China has adopted a “Reform and Open Door” policy. As a result, the Chinese society has experienced an unprecedented positive change in its history during the past twenty-three years. Under the leadership of the late Deng Xiaoping and the third generation leadership groups centered around Jiang Zeming, the country’s economy is sustaining a high rate of growth, the nation’s overall strength is growing and the quality of life of the people has been improved greatly. China’s average GNP growth rate of 10.5% during the period 1991-98 was evidence of this economic success. This assures China a place among the fastest growing economies in the world.

The changing landscape of the economy has been accompanied by the shifting of government functions. In the area of administrative reform, the late leader Mr. Deng Xiaoping said in 1982 that downsizing governmental organizations was a revolution, and the downsizing should be related to several millions of governmental employees. There have been seven rounds of government organizational reforms (GOR) in the history of P.R. China, and four of them occurred after 1978. Mr. Gan Luo, the General Secretary of the State Council, put forth the following “principles” to justify the 7th GOR, the most recent administrative reform effort in the PRC: The goal of the reform is to advance the socialist market economy by separating government from enterprises; Simplifying government structures and rationalizing governmental responsibilities; Strengthening the rule of law (Luo, 1998).

In short, P.R. China is still in the transitional period from a traditional command economy to the current market economy orientation. More authority has been delegated to the local governments from the central government, and more power has been shifted from government to enterprises. Thus, it was expected that the government would no longer intervene in the market place, but would rather undertake a new focus in terms of macro coordination and management. In the last twenty years, then, Chinese society has undergone many changes. The
first and foremost change is the improvement of productivity, both in the public and private sectors, in rural areas and urban areas. Correspondingly, the quality of people's lives is improving greatly. In the political arena, one of the greatest changes is the establishment and development of the civil service system. Admission into the WTO, economic globalization, continuing political and administrative reform — all have posed opportunities and challenges for Chinese public administration, a subject of academic learning which should both reflect and shape the changing reality of public administration.

The Emergence of Public Administration as an Independent Academic Field in P.R. China

Most contemporary public administration scholars would agree that China was one of the few ancient countries that had developed a civil service system. Thus, the intellectual history of public administration has deep roots. As a practical profession, public administration in China could be traced to the original source of statehood in the Xia Dynasty, and even to the tribal community in the primitive society (Zhang, 2001). However, the systematic study of public administration in the contemporary sense did not last long into 20th century. The People's Republic of China suspended the subject of public administration in 1952 for ideological reasons, and the subject gathered momentum again only in the late 1980s.

In the middle to late 1980s, the discipline of public administration was established in a number of university programs and in some other cases separated from the major of political science. Graduate training in public administration also emerged in the 1980s. Therefore, public administration training was available for bachelors and masters degree students in the 1980s. However, it was not until 1998 that the Ministry of Education formally authorized three university departments to recruit doctoral students majoring in public administration for the 1999 academic year: Renmin University of China, Fudan University and Zhongshan University. In the Chinese educational system, Ph. D. students are expected to finish their degrees within three years. Thus, the first group of Ph. D. students in public administration in China is expected to obtain their degree certificates in 2002. In the beginning of 2001, Beijing University was also authorized the right to admit Ph. D. students. Presently, more than forty university programs can admit bachelors, masters and doctoral degree students in public administration.

It is interesting to note that the official title "MPA" was not approved by the Academic Degree Committee of the State Council until 1999. The establishment, as well as the first working conference, of the Educational Directing Committee of the National MPA Degree was held in February of 2001. The conference decided that the first nationwide MPA entrance examination would be conducted in October of 2001 and the study would begin in February of 2002. It is, however, confusing for outsiders to distinguish the current MPA students from the previous masters degree students who majored in public administration. Simply stated, while public administration is indeed "public" administration for western scholars, in Chinese the same English terminology has a different focus. The previous study of public administration emphasized administration within governmental affairs. Now the study of public administration is extending its scope to the "public," i.e. to the non-profit sector and/or the third sector. The subtlety of the translation is essential: public administration was formerly translated into Chinese as "Xing Zheng Guan Li" (meaning administration within government), whereas the new translation is "Gong Gong Guan Li" (meaning public management). While there is much difference between public administration and public management in English, these two English phrases cannot be distinguished in Chinese now because they are both translated into the same Chinese phrases.

At present, the Ministry of Education has granted twenty-four universities authority to offer MPA degrees, with a ceiling of 100 students to be enrolled for each program annually. A number of civil servants and other public employees were highly motivated to take the entrance exam in October of 2001. There is fanfare in the mass media
in introducing various aspects of MPA programs and comparing the MPA program with that of the MBA, as well with as J.D. programs, in terms of common features of professional training.

The Necessity of Chinese Scholars to Learn from International Scholars in the Field of Public Administration, and Vice Versa.

First of all, since 1978 China has opened itself to the outside world and has expected to learn advanced techniques and management experiences. Although public administration in China in the contemporary sense has developed for only about twenty years, it is still in its infancy compared to that of the West (Guo, 2002). Therefore, there is a growing need for Chinese scholars to learn advanced theories and research methodologies, as well as the practice of administration from other countries. The launching of the Chinese Public Administration Review (CPAR) opens such an avenue for exchanging ideas, and obtains input for Chinese public administration from the outside.

Secondly, as the economic strength in China continues to increase, and as a country that counts about twenty percent of the world’s population, the outside world also wishes to know what is happening inside the country in the area of public administration (which facilitates the growth of economy and the changing of the society with a socialist characteristic). Not only is the cutting edge knowledge of Chinese public administration an enduring and interesting topic to international scholars, but the ancient wisdom of Chinese public administration, such as the historic civil service system, often inspires the imagination of academies from other parts of the world. In this regard, CPAR will play the role of bridging the work of Chinese scholars and scholars from other places.

The Themes of the Chinese Public Administration Review

The journal CPAR will include a number of topics, such as Chinese Administrative Reform, Chinese Public Policy, Chinese Administrative Law, Public Productivity Improvement and Performance Measurement, Chinese Civil Service, Chinese Social Security, Chinese Public Finance, Chinese E-Government, the Intellectual History of Public Administration in China and comparative administration. It will function as a quarterly, peer-reviewed journal emphasizing scholarly contributions to the burgeoning field of Chinese public administration.

There are a number of academic journals dealing with Chinese public administration in Chinese. There are also a number of English language journals addressing political, historical and economic issues in China. However, CPAR is the first and the only academic journal addressing Chinese public administration in English. As the editors of the journal, we hope it will be helpful in understanding Chinese public administration and will contribute to the development of the field. We hope the journal will facilitate the dialogue between Chinese scholars and international scholars. At the turning point of a new millennium, and as the neighbors of a global village, let us join hands with Chinese and other public administration scholars and practitioners in improving the quality of life in the interests of their respective countries.

We would like to acknowledge the support of the Chinese Public Administration Society, the Graduate Department of Public Administration at Rutgers University-Newark/National Center for Public Productivity, and the US/China ASPA-NASPA Public Administration Secretariat. In particular, we would like to thank the Chinese partners: the Center for Public Administration of Zhongshan University, the School of Administration at Jilin University, the School of Public Administration at Huazhong University of Science and Technology, the MPA Center at Xian Jiaotong University and the Institute of Public Administration at the Chinese University of Geology. We appreciate the efforts of all the members of the editorial board. Special thanks should be recorded to the following individuals who are not members of the board; John Larkin, Ji Guo, Qiaojian Ye, Hong Ge and Melissa Rivera. Without their support and help, the journal
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References


The Development of the Chinese Public Administration Society

Ji Guo, Chinese Public Administration Society

Mengzhong Zhang (trans.), Rutgers University — Newark

It has been 13 years since the Chinese Public Administration Society (CPAS) was founded in October of 1988. The path of development of CPAS has been closely associated with the new era of China’s opening and reform policy. It has furthered the practice of public administration and its development as an emerging academic discipline. A review of the history and present situation of CPAS will not only help readers understand CPAS better, but also understand better the development of administrative science in contemporary China.

The development of CPAS mirrors the development of the Chinese public administration community.

The Establishment and Influence of the Preparation Committee of CPAS

Public administration originated at the end of 19th century in the West and was introduced to China in the 1930s. After the founding of the People’s Republic of China in 1949, public administration as an academic discipline was eliminated from university programs because of ideological bias in 1952. As a subject of learning, the study and development of public administration ceased (Guo, 2000).

In order to meet the demands of China’s reform and opening to the outside world, as well as modernization and socialist construction, Deng Xiaoping pointed out in 1980 that “We have overlooked the study of political science, law, sociology, and world politics, and we need to catch up.” His words opened the door to recovering and developing public administration. Hence scholars and related government agencies actively worked to recover and develop public administration as an independent discipline. The Chinese Society for Political Science held workshops to teach public administration and personnel management in Shanghai (1982) and Beijing (1983). Another conference, “The Academic Seminar on Administrative Science,” sponsored by the Chinese Society for Political Science and the Chinese Society for Law, was held in the City of Tianjin in July of 1984, advocating the study of administrative science.

In August of 1984, the General Office of the State Council and the Ministry of Labor and Personnel held a seminar on public administration. The conference lasted seven days and more than 70 scholars and officials from the Chinese Communist Party and various departments at the central and provincial governments participated in the discussion. “This is the first conference of such a nature, and has obtained the attention from all sides” (Investigation Institute of the General Office of the State Council, 1984). The participants agreed that “public administration is a discipline oriented towards practical applications. Such studies will be significant for improving administrative efficiency and social benefits, as well as facilitating the four modernizations,” and indicated that “the study of public administration in our country should absorb related accomplishments, and gradually establish a socialist public administration system with Chinese characteristics.” These comments built the foundation for the direction of public administration in the development in China. The conference had profound influence on the recovery, development, and application of Chinese public administration.

Several suggestions of the 1984 conference were
adopted and implemented afterwards. For example: "Creating a favorable environment to establish a nationwide association of public administration. Motivating researchers across the country to conduct scientific research on public administration. It is high time to form a preparatory committee which should become a nationwide association next year" (Memo of the 1984 Seminar on Public Administration). Soon after, The Preparatory Committee of the Chinese Public Administration Society (CPAS) was established in Beijing on December 31, 1984, approved by the leaders of the State Council. The major tasks of the Preparatory Committee of the CPAS were four fold: (1) Preparing for the founding academic conference of the (CPAS); (2) launching the journal, Chinese Public Administration; (3) organizing the editing of the publication Outlines of Chinese Public Administration; (4) participating in the preparation of a civil service conference to be held in Beijing under the support of United Nations (General Office of The State Council of PRC, 1985).

Looking back, the conference held jointly by the General Office of the State Council and the Ministry of Labor and Personnel, combined with the preparatory committee of CPAS, led to a new stage of the recovery and development of Chinese public administration as an independent discipline. Henceforth, the preparatory committee of CPAS conducted comprehensive preparations over the span of four years. That pioneering work greatly contributed to the recovery and development of public administration in China. These contributions included the following aspects.

Under the influence and guidance of the preparatory committee of CPAS, 14 provincial-level (including the autonomous regions and the municipalities directly under the State Council) branch societies of public administration were founded. In addition, various preparatory committees of local societies of public administration were formed. These activities provided a forceful institutional guarantee for the recovery and development of public administration across the whole country and built a wide network for the founding of the CPAS.

In July of 1985, the first issue of the academic journal Chinese Public Administration was published. Li Xiannian, the President of the PRC at the time, wrote the inscription "Realize a scientific public administration, serve the needs of socialist modernization" (CPA, 1985). From then on, the journal has been like a raised flag, assuming the responsibility of publicizing the science and development of public administration as well as calling people to give recognition and attention to public administration as a science. In its inaugural issue, Chinese Public Administration included some discussion of concepts such as "administration," "administrative science" and a series of articles on basic knowledge of public administration, and so forth (Lectures on Basic Knowledge of Public Administration, 1985). Sixteen years later, when we look again at the inaugural issue, which had only 28 pages, the originality and significance of the pioneering job done by the preparatory committee of CPAS are readily apparent.

Facilitating the recovery and development of public administration teaching and research was one of the primary missions of the preparatory committee of CPAS. Beginning in 1986, universities such as Wuhan University re-introduced the major of public administration. In July of 1987, the Teaching and Research Association of CPAS was founded. It was designed to be a mass organization that unites teachers, researchers, and practitioners of public administration (Memo of the founding Conference of the Teaching and Research Association of CPAS, 1987). After the founding of CPAS, the Teaching and Research Association became one of the five branch associations of CPAS. The establishment of the Teaching and Research Association forcefully propelled the rapid development of public administration teaching and research. Moreover, the preparatory committee participated in the civil service reform conference that was

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**The establishment of the Teaching and Research Association forcefully propelled the rapid development of public administration teaching and research**
sponsored by the United Nations and held in Beijing in 1985. The preparatory committee of CPAS organized a series of training classes, seminars and workshops. In short, the organizing and leadership activities of the preparatory committee took a comprehensive approach and achieved great results. The various activities of the preparatory committee of CPAS paved the way for the formal foundation of CPAS and opened the channels of CPAS activities. When everything was ready, CPAS was founded in October of 1988.

The Establishment of the Chinese Public Administration Society and Related Issues

On October 13 and 14, 1988, the founding conference of CPAS was held in Beijing. Premier Li Peng wrote the inscription for the society: "Government administration must focus on science, pursue efficiency, follow the law and emphasize uprightness." Wang Bingqian, a member of the State Council, expressed congratulations at the ceremony. Bai Meiqing, the deputy general secretary of the State Council, addressed the ceremony. Chen Junsheng, the general secretary of the State Council, was elected as the first president of CPAS. About 200 delegates, coming from 30 provinces, autonomous regions and municipalities directly under the leadership of the State Council, participated in the conference and passed the charter of the CPAS. They elected 181 council members and 26 standing council members. The fact that a great many important government leaders participated in the founding conference of CPAS suggested the importance attached by the Chinese government to the development and application of administrative science in China. The general secretary of the State Council also addressed the second (Luo Gan) and third (Wang Zhongyu) national conferences of the association, in 1993 and 1998 respectively.

CPAS is affiliated with the State Council and CPAS is guided, managed and supervised by the General Office of the State Council. A new governing council is elected every 5 years. Although it underwent minor revisions several times, the CPAS charter remains basically the same.

Some key aspects of CPAS, as stated in the charter, are as follows:

1) The nature of CPAS: "CPAS is an academic organization formed to study the theories and practices of public administration and foster the improvement of government administration."

2) The tasks of CPAS: (1) study practical problems of administration, summarize the experience of administration, provide suggestions for administrative reform, provide advice and consultation; (2) study the theories of public administration, explore how to establish a public administration system with Chinese characteristics and propel forward the development of public administration as an academic discipline; (3) communicate the knowledge of public administration and related law to the public, improve the quality of public employees and strengthen the concept of administration by law; (4) gather and train talented people through diverse academic activities; facilitate the construction of teaching and research groups in public administration; facilitate the development of public administration education and the enhancement of research quality; (5) organize the academic activities, conduct academic research, publish research journals and edit works and materials on public administration; facilitate academic communication, exchange, and development; (6) on behalf of the Chinese public administration community, establish academic exchange and friendship relations with relevant international organizations.

3) The Organizational Structure of CPAS: the National Member's Congress is the supreme authority and elected Council members have a term of five years. The Council Member Conference elects Standing Council members and a president, deputy vice president and general secretary. The Standing Council Conference is in charge of routine work, and these are working offices in charge of every day work.

The early organization included a general office, a department of academic affairs, and a liaison department. The number of personnel at the time was 16. Later on, a department of business development and training was added, and the number of personnel was increased to eighteen. The journal "Chinese Public Administration" is published directly by CPAS. In
addition, the charter of CPAS was revised by the Third National Members' Congress, adding the clause, "Depending on what is deemed necessary, the Standing Council Conference may decide that new research associations are to be founded under CPAS, and should follow the related procedures for approvals" (The Statutes of CPAS, 1988). So far, there are five branch associations under CPAS: the National Teaching and Research Association; The National Association for County Administration; The National Association for Policy Science Research; The National Association for Logistics Administration; and the National Association for the Management of Correspondence and Complaint (xinfang).

Members are the foundation of CPAS. The Statutes passed by three National Members' Congress regulated that (under the third clause of Chapter one): "CPAS devotes itself to uniting and organizing nationwide research personnel, academic groups, institutes, colleges and universities, promoting joint efforts to develop public administration." (Statutes of Chinese Public Administration Society, 1988, 1993, 1998). At present, we have 26 provincial level branch associations and 6 vice-provincial level branch associations. These branch associations are all group members of CPAS, and their organizational structure and working procedures are similar to CPAS. In addition, the CPAS has more than 100 group members coming from professional public administration associations affiliated to the departments and committees of central government, as well as departments and institutes of universities and research organizations. The CPAS has more than 10,000 individual members.

The Development of CPAS and Its Accomplishments

In the October of 1998, a conference was held in Beijing to celebrate the 10th anniversary of the founding of CPAS. The participants of the conference highly valued CPAS for its accomplishments and the significance of the work carried out by CPAS. The conference summarized the accomplishments in six areas. Chen Junsheng, the Vice President of the National People's Political Consultive Conference and the honorary president of CPAS, wrote some congratulatory words: "CPAS has done a lot in recovering and reconstructing public administration for our country over the last ten years. CPAS has propelled forward the great enterprise of reform and opening to the outside. In particular, CPAS has actively contributed to the reform of the public administration system and the improvement of government administration. The work of CPAS has been appreciated by both domestic and international scholars in the public administration community."

In recent years, the review and study of the work of CPAS have been increasing. I think this is not only beneficial for us to understand how it currently operates, but also beneficial for us to predict the future development of CPAS. Over the last 13 years, we have been mainly focusing our work on the following areas:

1. Actively studying the real-world problems of public administration; providing our services to help improve government administration; offering advice on policy matters.

CPAS creates an annual plan that indicates the main tasks for the coming year. After passing the Standing Council, the plan is sent to leaders in the General Office of the State Council and is disseminated to the members of CPAS. The primary task is always to study the topical and difficult areas of administrative reform, utilizing the channels of an annual conference, seminars and project teams. Over the past 13 years, the CPAS has discussed broadly the concrete framework and content of administrative reform. The actual work of CPAS has included the following research topics: reform of the administrative management system; the division of personnel and general duties between central and local governments; administration at the county level; the division of functions and establishing a law on the Biaonzhi (the ceiling of personnel for each government agency); the transformation of government functions and macro-coordination and control; and how to improve administrative efficiency. CPAS has offered a larger number of comments and suggestions regarding these topics. Through these activities, the coordinating and consulting role of CPAS has been demonstrated. For example, in December of 1991, CPAS, in cooperation with the System Reform Com-
Over the last two years, CPAS has adjusted its work to suit the rapid development of teaching and research in public administration.

During this period, CPAS has organized the scholars and practitioners to be involved with the task. CPAS held the first and second National Excellent Research Accomplishment in Public Administration Awards in 1993 and 1999. This activity not only examined the accomplishments of public administration research over time, but also promoted the development of public administration research. The branch associations of CPAS have conducted similar activities in their specialized fields. For example, the National Association for Logistics Administration has held three awards for excellent papers on the reform and development of logistics administration published up until 2000. The CPAS has edited or written a number of influential works and research reports. Prior to 1998, about 30 works had been published. In the past three years, CPAS has published about ten books and paper collections such as The Intellectual Thoughts of Zhou Enlai on Public Administration and An Introduction to the Thoughts of Deng Xiaoping on Public Administration. CPAS also organized scholars and experts in writing a book The Short History of Public Administration in PR China, which will fill gaps in that area. This research project obtained a grant from the Chinese National Social Science Foundation.

Over the last two years, CPAS has adjusted its work to suit the rapid development of teaching and research in public administration. In March of 2000, the academic committee of CPAS was established. The committee is playing an authoritative and consultative role in judging the academic quality of related works. The committee will play an important role (Guo Ji, 2000). From 2001, CPAS is introducing a pilot program to institute a system of bidding for research topics. Those who win a bid will get financial support (Announcement for Distributing Research fund for 2001 on the Discipline of Public Administration, 2001). In recent years, the teaching and research of public administration in higher education has seen unprecedented development. At present, more than 42 universities offer public administration degrees at the
bachelors and masters degree. A National School of Administration was founded in 1994, and there are now 46 local Schools of Administration at the provincial level. CPAS has played an active role in developing, organizing and coordinating related works, and in responding to changes in China's situation. Among the new members of CPAS that were accepted in the second group of 2000 and the first season of 2001, there are seven group members, all of which are universities. There are 36 individual members from universities, accounting for 92 percent of the new recruiters (CPAS accept new members, 2001). After about three years preparation, the pilot MPA degree program will start this year, aiming at training civil servants and public employees in non-governmental sectors. There are 24 universities that have been authorized to take part in this opportunity. Registration was conducted in July of 2001 and the unified national entrance exams were conducted in October of 2001. This is not only a big event for higher education in the People's Republic of China, but also a big turning point for public administration and public affairs in our country. Moreover, it is an eye-catching event for the public administration community in China. In responding to this development, the journal Chinese Public Administration, in cooperation with the Secretariat of the National Master of Public Administration (MPA) Directing Committee, publish a forum on China’s MPA from July of 2001. In early August of 2001, CPAS and the National Master of Public Administration (MPA) Directing Committee jointly sponsored the “Conference on the Demand for 21st century Public Administration talents and MPA Education.” Scholars and practitioners gathered together to discuss how to develop MPA education in China.

**Popularizing the Knowledge of Administrative Science and Related Knowledge of Law**

Over the last ten years or so, though public administration as a science gradually obtained much progress, we still regard it as an academic discipline that is in its early stage of development in China. There are only 1,000 or so personnel involved with teaching and research in this field. The work of popularizing public administration as an independent discipline is far from finished. Therefore, the Charter of CPAS states that one of the tasks of CPAS is to popularize the knowledge of administrative science and related knowledge of law. For example, in 1993, CPAS, the journal *Chinese Public Administration* and the *Economic Daily* newspaper jointly sponsored a competition of “National Competition on Administrative Knowledge” in 1993 (Zhang Wenshou, 1993). In 1994, CPAS held the “National Competition on Civil Service.” In 1997, CPAS, with the Law committee of the National People's Congress and the Law Bureau of the State Council, organized the “National Competition on knowledge of Administrative Penalties in the People's Republic of China” (Guo Ji, 1998).

CPAS has its own academic journal: Chinese Public Administration. The journal is the national core journal on the theory and practice of public administration. It shoulders the responsibility of “addressing practical issues,” improving the academic quality and popularizing the knowledge of public administration. It reflects and serves as a window of CPAS work. Over the past 10 years or so, the influence of the journal has grown under the leadership of CPAS.

**Conducting International Academic Exchange and Communication, Improving Cooperation with Overseas Public Administration Communities**

From its establishment, CPAS has enthusiastically participated in international academic exchanges and communication. In December of 1989, the Eastern Region Public Administration Organization accepted CPAS as a group member. In March of 1990, the 66th Conference of the Executive Committee of the International Administration Society accepted CPAS as a national branch society. From then on, CPAS has sent delegates to attend the annual conference and specific conferences held by the International Administration Society. For example, in 1998, CPAS attended the Annual Conference of International Administration Society in Paris (Song and Gao, 1998). CPAS attended the First Special International Conference in London in 1999 (Bao, 1999) and an international conference in
Italy in 2000 (Zhou and Yang, 2000). Meanwhile, CPAS has actively sponsored and organized international conferences and seminars. For example, the Third Conference of the International Administration Society was held in Beijing in October of 1996, the seminar on “Asian Administrative Reforms” was held in Beijing in July of 2000 (Zhang, 2000). CPAS was one of the sponsors of those conferences or seminars. Over the past ten years, CPAS has strengthened the academic exchange and visiting systems with a number of countries and regions. At present, the CPAS has a regular visiting system with its counterparts from Japan, the United States, France, Germany, South Korea, and Austria. CPAS also has visiting systems with some regions of Taiwan, Hong Kong and Macao. Those activities of CPAS, as part of China’s opening to the outside, help introduce into China the advanced management theories and experiences from abroad, and have forcefully propelled the development of public administration. Indeed, these activities have enhanced the development of CPAS itself.

Looking back on the history of CPAS over the last 13 years, we find that public administration as a discipline has developed quickly in China. The influence of CPAS is substantial and can be regarded as a model for other academic associations. Apart from the collective effort of colleagues from all over the country, the primary reason for this is the desire and demand for modern scientific management theories and technologies in an era of rapid development in the pursuit of reform and opening to the outside. This accomplishment can also be attributed to the concern and support of the Chinese Communist Party and Government. Compared with the research and application of public administration of western developed countries, and with the growing demand accompanied by the continuing change of public administration practice in our country, we realize that CPAS is still in its early development stage. CPAS will continue to develop and adjust to changes in China. We can say that CPAS has a long journey ahead of it.

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Administrative Reform in Guangdong Province and Its Characteristics

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Since the historic 11th plenary session of the Chinese Communist Party, China has taken bold measures to introduce and carry out a comprehensive range of reform and opening up to the outside. In as little as 20 years, great changes have occurred across the country. Guangdong, a pioneer province in China implementing such reform policy, has distinguished itself with an astonishing and greatly enhanced economic strength. The province has now grown to be one of the fastest-developing and economically most powerful provinces in China with its provincial market economic system — the best developed in the country. In 1999, the provincial GDP of Guangdong reached RMB 845.946 billion yuan (Guangdong Provincial Conditions Manual, 2000 p. 9), 34.4 times higher than that in 1980, and constituting approximately 10 percent of the total of the whole country (You, 2000, p. 4). The rapid economic growth and great changes in economic structure in the province has given a powerful impetus to the acceleration of industrialization of Guangdong. The reform in terms of the provincial economic system has facilitated the shaping of the socialist market economy in Guangdong. Residents in the province have experienced great progress in terms of their living standards. At present, Guangdong is heading forward to its strategic objective of "taking a lead in realizing modernization," according to Chinese President Jiang Zemin.

Such a series of changes in Guangdong have appealed to the citizens in other provinces and have also turned out to be a hot topic at home and abroad in academic circles. Considered a "pilot province" for Chinese reform and openness policy, Guangdong has epitomized the whole country after adoption of its own great reform policies. Just as Zhang Zhizhong and Shi Zupei have pointed out in "Guangdong Economy in Reform and Opening," the rapid economic growth in Guangdong has manifested all the potential forces and great development trends that emerged in China after her adoption of the reform and opening policy" (1992, p. 1). In addition, Ezra F. Vogel of Harvard University writes, "If it can be said that the reform in Guangdong is only one step ahead of the rest part of China, then it follows to say that it may be two steps ahead of the other countries adhering to the socialism in the world" (1991), and "the influences brought forth by the reform in Guangdong have expanded over the world" (Vogel, 1992, p. 465).

As seen from the viewpoint of public administration and public opinion, the amazing achievements in economic construction have already distinguished Guangdong as an exemplary province in China. Such rapid development in provincial economic strength has

Abstract: During the past two decades, since China's adoption of a policy of reform, Guangdong province has experimented with a comprehensive range of its own reform policies. In terms of the provincial administrative system, Guangdong has undergone various developmental stages over the years, gradually breaking the old-fashioned administration system and building up a new one. Such far-sighted practices have given a strong impetus to the rapid growth of the province's economy. More importantly, the province has provided many valuable lessons and experiences for reform of local government throughout China. This article explores the implications of the groundbreaking work in Guangdong.
been attributed to China's reform and openness policy and the reform policies actively initiated by governmental agencies at all levels in the province. During the past two decades since China's initiation of reform and openness, Guangdong served as a pilot province for carrying out a comprehensive range of reform polices for the rest of the country. In terms of the provincial administrative system, Guangdong has undergone different developmental stages over the years, ranging from minor changes to single administrative aspects to comprehensive structured reform to tentative revisions and organized implementation of innovative reform practices. Thus, it has gradually broken away from the old-fashioned administration system and put a new one in its place. Actually, such far-sighted efforts in carrying out reform to the administrative sector have given a strong impetus to the rapid growth of Guangdong's economy, and more importantly has provided many valuable and characteristic experiences for the administrative reform at the local governmental agency levels in China (Chen, 2000, p. 158).

In this sense, a discussion and summary of the proven experiences of the province in instituting reforms into the provincial administration system will help shed light on the growth of the economic and social developments of Guangdong. Additionally, it should be of considerable interest to those who are studying administrative reform in China specifically as well as public administration in general.

According to the arrangements of the Chinese Communist Party's Central Committee (CCPCC) and also considering political, economic and social developments over different periods of time, the administrative reform in Guangdong has passed through the following three periods:

Period I: 1980s

The reforms initiated in this period focused on getting accustomed to the general changes caused by the Cultural Revolution (1966-1976), restoring the normal working environment in governmental agencies at all levels across the province, removing the heavy burdens due to excessive work assignments on the cadres, and adjusting the personnel and age composition of the cadre workforce. Efforts were launched to transform the functions of the government, divide political affairs from corporate management, and cut payroll in those poorly performing enterprises (Guangdong Provincial Organizational Establishment Office, 2000, p. 18).

Period II: 1990s

The reforms in this period focused on adapting to the demands generated by the establishment of a socialist market economy system, carrying forward the transformation of the functions of the government, putting into right order all sectors of society, simplifying the administrative system, and standardizing the organizational structure (Guangdong Provincial Organizational Establishment Office, 2000, p. 19).

Period III: Since 2000

The reforms in this period are to carry further the efforts to transform governmental functions, reform the administration and personnel system, perfect the operational mechanism, and gradually establish an administrative system suited to the socialist market economy. To achieve such goals, the Guangdong provincial government has made new breakthroughs in the transformation of its functions and has made radical progress in adjusting the relationships between departments. For instance, more than 100 different administrative functions, originally under the control of government departments, have already been handed over to society organizations and intermediaries. Additionally, the provincial government has given approval authorization to outside (competent) parties for up to 39 percent (of the total 1,972 items) of those affairs that in the past had to be approved by the government itself. The size of those affairs of the provincial government has also been reduced to 514 items from the original 1,392 items — a 63 percent reduction (Guangdong Provincial Organizational Establishment Office, 2000, p. 20). Such efforts have helped cut the payroll of the provincial government.

In addition, the number of functional departments under the provincial government has been reduced.
from 57 (before the administrative reform was initiated) to 44. Staff in subordinate divisions of these departments has been cut by 24 percent. Moreover, the number of cadres at office and division ranks were reduced by 27 percent and 20 percent respectively, which has worked quite effectively in practice (Tan, 2000, p. 7). This has resulted in a group of excellent professional management officials coming to the fore and assuming important positions within the provincial administration. For example, the average age of those cadres at medium ranks in all departments under the provincial government has been lowered by 4.6 years; the number of directors of divisions who are younger than 40 years has risen to 88 persons from 26, and the number of deputy directors for these divisions who are younger than 35 years has increased from 55 to 131 (Guangdong Provincial Organizational Establishment Office, 2000, p. 21).

Along with these changes, target-minded administrative responsibility systems, including post responsibility, examination and appraisal, punishment, conference and documentation systems have been set up and gradually perfected. Along with this has been the development of a responsibility system, a major construction project bidding system, a centralized governmental purchasing system, and a transparent office operations system, as well as others.

**Keys to Guangdong’s Success**

In making a comprehensive survey into the progress of administrative reform in Guangdong, it is not difficult to find that such reforms are not only branded with distinct local characteristics, but also reflect the general trends, steps, and methods seen in the administrative reform of the central government. What is more, all these reform practices reflect insights gathered by studying those carried forward by other countries. In short, the four main characteristics of Guangdong’s administrative system reform are described below.

**Commitment to Developing the Economy**

Under the guidance of the central government’s reform policy, Guangdong consistently made the development of its economy the highest priority.

As a superstructure in the society, the governmental administration system not only has an important role upon the economic system, but also limits the degree of economic development of the society. It has to obey and serve the needs of development of the social economy and the reform of the economic system (Xia, 1998, p. 412). Therefore, during the more than 20 years in which Guangdong reformed its administrative system, the province has always focused all its efforts on economic construction, sticking to the principle that economic development comes before anything else. Under such thinking, in all reform practices, whether trimming the organizational chart, renovating the personnel system, or even adjusting office affairs, the province has obeyed and served the needs of economic development and operations in the province, following closely the pulse of provincial economic growth. Any positive reform suggestions and measures, as long as they would benefit economic development, have been welcomed and adopted by the provincial government. On the contrary, any proposals that would hinder economic growth were rejected by the government. Meanwhile, the provincial government made efforts to transform governmental functions, separate the functions of the government from those of enterprises, and assist enterprises to develop their own decision-making capacity and not be forced to rely on governmental decision making as in the past.

In striving to carry out further economic reforms, the province has presented a clear-cut train of thought: determine the government’s role, formulate the government’s organization chart based accordingly; determine the range of departmental powers; and then decide on the responsibilities (Chen, 1998, p. 229). In the meantime, reform to the governmental organization was launched. Efforts included canceling ineffective enterprises, establishing and merging professional economic management authorities, and organizing investment management companies. In addition, the government has transferred direct management over the enterprises to the enterprises themselves. All such efforts have closely followed the steps of economic development, and worked effectively to boost the growth of the newly established market economy.

Guangdong has built up an ownership system in
which public ownership constitutes a major component and multiple economic elements co-exist and grow together. Thus, the province has helped construct a firm base for a framework for the socialist market economic system. Meanwhile, decisive and bold measures have been taken to reform the governmental organization and its examination and approval systems. The government also made a resolute decision to turn away from market regulation. For instance, the 35,899 enterprises under the administration of the Party and government related organizations have been given full decision-making power according to their own economic positions, which has symbolized a real division of governmental administration from the operations of these enterprises. Thanks to the early establishment of the framework of the socialist market economy system and based on the central government's reform policy, Guangdong has seen its economic strength grow stronger than the rest of the country over the past 10 years (Liang, 2000, p. 20).

**Working Closely with the Central Government's Reform Efforts**

Second, during the process of adopting the reform policy, Guangdong province made full use of all the advantages granted by the central government’s policy of reform and openness to the outside while considering its actual conditions, and has made bold explorations into seeking innovative reform practices.

In 1979, the CCPCC and State Council decided to carry out “special policies and flexible measures” with Guangdong province and required the province to act as a good example for other provinces of China in the adoption of the reform policy. In 1980, Guangdong province got the approval to initiate three special pilot economic zones in Shenzhen, Zhuhai, and Shantou. Later, in 1988, the province was further approved to serve as a pilot province for the comprehensive introduction of the reform policy. In order to make full use of the policy, both the Guangdong Party Committee and the provincial government put forward the policy of opening the province to the outside, making greater efforts to invigorate the provincial economy. Economic growth was facilitated by a transfer of power to lower administrative levels and a series of measures developed to encourage local governments at all levels to make bold exploration to boost economic development (as long as such measures did not go against the laws and regulations of the State or Party policy).

Leaders in the provincial government proposed three concrete principles in achieving this aim. First, no party shall interfere with those projects or affairs that benefit the State and the Chinese people (as long as they can be supported by regulations set forth by the State, and related personnel shall make efforts to facilitate the launch of such affairs or projects). Second, in case a project that benefits the people encounters any limitations by set policies, related parties shall make flexible use of the positive aspects of the policy in favor of the project, thus boosting the economic development of society. Third, if it is difficult to find support for a project beneficial to the people, as long as the project itself will bring benefits to the State and the people, related parties shall allow the organizer of the project to make bold attempts to conduct pilot operations (Zhang and Shi, 1992, p. 111).

Based on all these policies and measures, Guangdong has not only firmly carried out the policy and measures formulated by the central government, but has integrated the requirements of the central government with the actual conditions in the province. Guangdong has shown a pioneering spirit, making bold explorations and setting a successful example throughout the country in adopting the reform and openness policy. For instance, in the early 1980s, the Shenzhen Special Economic Zone in Guangdong took the lead in launching such practices as transferring powers to lower levels, allocating a share of the operating benefits to the operators, as well as employment-system reform in selected enterprises. For example, the concepts of “temporary workers” and “contracted workers” started to emerge in the special economic zones (He, 1993, p. 138). In late 1980s, Shenzhen took the lead in conducting share-holding system reform in the State-
owned enterprises despite sharp criticism claiming that Shenzhen was going for privatization. In 1994, Shenzhen furthered the reform, eliminating the administrative supervision over enterprises, enabling the enterprises to conduct their administrative affairs according to the internationally accepted practices (Bai, 2000, p. 98). For instance, all those enterprises established originally by the Party and government related organizations were dissociated from them. On this basis, an all-round reform and re-organization was conducted upon the entire administrative system, which later would facilitate the formation of a new administrative system, composed mainly of the eight major systems and suited to the needs of a developing market economy (Li, 1998, p. 318). These “Eight Major Systems” refer to:

(1) A scientific and democratic administrative decision-making system;
(2) Government-vs.-Society management system;
(3) Indirect management-oriented macro-regulation and control system;
(4) Clear-layered State-owned assets management system with clear-cut powers and responsibilities for concerned parties;
(5) A scientific management system for governmental officials;
(6) Information consulting system suited to the scientificization and democratization of decision making;
(7) Anti-corruption and probity-advocating administrative supervision system;
(8) Administrative laws and regulations system suited to the market economy system.

In 1993, Shunde City in Guangdong province initiated a pilot reform to transform enterprise ownership, which was the very first case of its kind in the country and thus had considerable influence. This reform was criticized at the very beginning and was denounced as “selling out public property” and “pursuing privatization.” For example, some people argued in newspapers that vigilance must be maintained against the ownership transformation occurring in Shunde. However, the reform launched by Shunde finally received full support and protection from both the Guangdong Party Committee and the provincial government, which adopted such an attitudes toward the reform as “Work More and Comment Less” and “No Quarrel Shall be Encouraged.” Such tactics brought forth rather valuable opportunities, and later led to a series of other reform measures aimed at transforming the function of the government, reforming the ownership system, and establishing a modern enterprise system (as well as many other major reform policies) (Chen, 1997, p. 34).

Restructuring of the Organizational System and Promoting Institutional Innovation

Third, the key point of administrative reform is the restructuring of the organizational system and the promotion of institutional innovation, as well as the emphasis on refining the scope of government functioning. The administrative reform carried out by Guangdong over the past 20 years was not just confined to the simplification and merging of organizations, personnel layoffs, and the altering of inter-organizational relationships, but also focused on reorganization and renovation, aiming to break the old-fashioned system, and create a brand new system while attaching importance to the managerial functions of the government (Wang, 1997, p. 13).

(1) Shifting from direct methods of administration to indirect methods of administration. Under the direct mode of administration, the functions of government and enterprise are not separated. This enabled the government to allocate quotas and set down production tasks as well as inspect and approve projects proposed by enterprises. This led to the establishment of redundant governmental agencies issuing orders to enterprises. In contrast, under an indirect administrative system, the government utilizes such economic levers as banks, taxes, loans, prices and information directing to realize the guidance, macro-regulation, and control of economic activities, and to achieve the goal of separating the government from the operations of enterprises. Therefore, the transformation from direct to indirect mode of administration completely changed the managerial mode of the government toward the economy.

(2) A transformation of the management system from a department centered one to an industry centered one. In the planned economic system, the professional economic departments of the government were divided...
into very specific sections, and each department carried out direct management of the enterprises under its supervision. However, with the development of the market economy, it was essential to end such an outdated system. In this sense, Guangdong province then established and reinforced administrative bodies with comprehensive management functions based on simplifying and merging professional management bodies, achieving a transformation of the regulatory mode from "by department" to "by industry," which later greatly strengthened the macro-management role of the government.

(3) A transformation from the original order-issuing-mode to a service-oriented mode. According to modern administrative science theory, the basic function of the government is to compensate for the defects caused by market failure, and to provide society with necessary public services. In other words, the government has to serve as a bridge between the market and taxpayers. The governments of many western countries have transformed their own functions from a management focus to a service-oriented, customer focus. Thus, Guangdong's transformation from an order-issuing-mode to the service-oriented administrative system met the needs of the development of social economy and social progress.

(4) A transformation from a "Black Box" administrative system to a transparent system. "Black Box" administration easily gives rise to corruption. On the contrary, a transparent administration system makes public government affairs and operating procedures, which increases efficiency and prevents corruption from taking place (Ren, 1998, p. 344).

Incremental Change

Fourth, under the reform policy, it is important to implement the reform measures step by step, while paying attention to legal structures.

The reform of the administrative system has involved an important adjustment to both the interests and powers of the various parties involved. Consequently, it has caused a series of major changes to the composition of interests and social relations, as well as producing contradictions and problems. The process has involved considerable risks and difficulties, and could not be completed at once. Also, administrative reform is a complicated project, involving the transformation of governmental functions, simplification of organization charts, and supporting reforms of the personnel system, the wages and salary system, the social security system, the management system, etc. In external terms, it is subject to the influence of the political, economic, and cultural environments, and must keep a dynamic balance within these environments. Therefore, during the course of carrying out the reform measures, Guangdong paid considerable attention to advancing in a gradual fashion and in carrying forward the measures in a structured way. The province successfully linked its reform of governmental organization with all the factors noted above. Moreover, Guangdong stressed coordination between various reform measures inside the administrative system, and in giving support to the reform of the administrative system and to other systems, toward the goal of achieving harmony in the developing society (Chen, 1998, p. 172). In particular, in recent years, Guangdong province adopted active and steady measures upon such sensitive issues as personnel lay-offs, redeployment of redundant personnel, etc. As a result, the province succeeded not only in boosting the reform measures, but also in properly redeploying those laid-off workers, thus achieving the expected goal of such reform under the precondition of maintaining the continuity of the governmental work and the stability of the society.

In addition, Guangdong attached importance to learning from the experience and lessons of the previous administrative reforms organized in the People's Republic of China. It also resolutely got rid of the "human-control" concept and practices, and made serious efforts to structure the functions and role, organi-
zation chart and personnel deployment under the legal
system.
At present, the "Regulations on the Bianzhi
(establishment) and Personnel Arrangements for the
Administrative Organizations of Guangdong
Provinces" have been passed by the 19th conference
held by the standing committee of 9th Guangdong
People’s Congress Committee (GDPCCC) and have now
been put into effect. In fact, these regulations have
taken the lead in standardizing the Bianzhi (establish-
ment) of administrative organs and the arrangements
and management of personnel for such organs in a
comprehensive and systematic way. The Regulations
upon Establishment and Personnel Arrangements for
Institutional Organizations in Guangdong Province are
now being revised and perfected; Regulatory Methods
for Establishment and Personnel Arrangements for the
Administrative System for Industry and Commerce in
Guangdong Province, and the Management Methods
on the Establishment and Personnel Arrangements for
Technological Supervision System in Guangdong
Province have been printed for execution. Moreover,
other practical punishment methods toward activities
against the above regulations regarding establishment
and personnel arrangements have come into being as
well, and are now under public discussion in an aim to
seek public opinion and suggestions for perfection. All
these efforts and regulations have provided important
legal security for the administration and reform of
Guangdong (Guangdong Provincial Organizational
Establishment Office, 2000, p. 23).

Conclusion

Naturally, it is certain that the administrative reform in
Guangdong province has to overcome some tricky
problems and faces new challenges too. But I believe
that since the province has already accumulated rich
experience during the past 20 years in terms of carry-
ing out the reform to its administration system, so long
as we build our momentum, Guangdong’s reform of the
administrative sector is bound to gain greater progress
and create favorable advantages for the province.

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Thoughts on the Enhancement of China’s Governmental Administrative Efficiency After the Entrance into WTO

With Views on Reform in China’s Government Leadership System

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Recently, China was accepted into the WTO. This means that China will be further incorporated into the global economy and will participate in international competition. The domestic evaluation standards currently in effect will be changed to international evaluation standards. This involves not only industry, agriculture, and commerce, but also the problem of administrative efficiency in the field of government. Western scholars of administrative science emphasize studies on issues of efficiency and attainment within public institutions (Kettl and Milword, 1996). Michael Hammer (1990) of the United States initiated “the theory of reengineering” and co-authored with James Champy a book entitled _Reengineering the Corporation_ (Michael Hammer and James Champy, 1993), in which they call for restructuring the organization of institutions to achieve improvement in such areas as cost, quality, service and speed, the characteristics so often stressed by contemporary standards for evaluation of efficiency and attainment. In the United States, the government administration is constantly haunted by the fear of administrative inefficiency and always makes efforts to promote efficiency. On the other hand, Chinese scholars of administrative science stress studies on the significance of promoting administrative efficiency and methods for its implementation, while China’s governmental administration pays attention to the working process and input rather than to the outcome and output. The issue of administrative inefficiency in government has caught the attention of China’s government and scholars, yet studies on administrative efficiency from the angle of the governmental leadership system are rare at home and abroad.

This paper, starting with the problem of the govern-

Abstract: The problem of improving Chinese governmental administrative efficiency after entering the WTO faces our government. How can we promote administrative efficiency to reach the level of public sector efficiency of other countries? The author starts with the governmental administrative system and analyses the systematic reasons for the low efficiency of the government. The author then puts forward four main suggestions to improve governmental efficiency: change the governmental administrative mode and distribute the functions and powers of government to multiple levels; unify and condense the governmental administrative structure; construct a governmental system that makes certain the relation between functions and powers; construct an “e-government” to promote the reform of governmental operations.
mental leadership system — the deep-seated causes of administrative inefficiency — conducts an investigation into the significance of the transformation of governmental functions. This includes the setup of institutions, the relationship of administrative functions and powers among departments at various levels inside and outside the government, and the initiation of an E-government, etc., to enhance administrative efficiency in order to comply with the demands of compliance for globalization. The purpose of this paper is to describe a radical solution to administrative inefficiency and a governmental leadership system for the ultimate goal of establishing a routinized, flexibly-operated, highly efficient, and clean government.

Systemic Causes of Administrative Inefficiency

Efficiency is one of the basic goals of management, and thus the concept of efficiency is closely related to management. "Efficiency comes from management" — this is the best formulation. The concept of efficiency has both a narrow and a broad sense. In the narrow sense of the term, the concept of efficiency refers to the ratio of output to input, or the ratio of work to time. In the broad sense of the term, the concept of efficiency also includes "quality, results, benefits and the like with the exception of speed and timeliness" (Xia, 1996). Administrative efficiency is a core concept of governmental management. Generally speaking, administrative institutions and administrative personnel, in exercising administrative functions, implementing administrative goals, and handling social and public affairs, their administrative efficiency is high if best results are gained to the satisfaction of the public and the enterprises concerned at a minimum cost of resources (such as manpower, financial expenditure, materials, time and information). Otherwise, administrative efficiency is low. There are many manifestations of administrative inefficiency. Common cases are: sluggishness in doing one’s work; no one taking charge of affairs; shifting responsibility onto others; having more personnel than needed; arranging tours, having lavish feasts, or sending gifts at public expense. The style of work of some administrative institutions is often described as: "Drinking tea one cup after another during work hours, and fleeing like a wisp of vapor during off duty hours". The causes that lead to administrative inefficiency are many-sided. On the one hand, there are problems existing in the ideas or styles of some leading personnel. On the other hand, there are problems existing in the leadership system, such as the presence of overlapping and overstaffed organizations and of unsound systems and regulations, and the absence of clearly defined duties and responsibilities. Compared with personal causes, "the issue of the leadership system and organizational system is a matter of more radical, overall, stable and long-term importance" (Deng, 1983, p. 293). From this it can be inferred that the organization norms on the part of governmental leadership are the root cause of administrative inefficiency.

The governmental leadership system is the system for the setup of institutions, the demarcation of administrative competence in implementation of the desires and functions of the leadership, involving organizational levels, span of control, the demarcation of duties and responsibilities and competence among various departments under a leading institution. It also includes its relationships with other leading institutions in the aspects of duties and competence (Hua Qi, et al., 1988, p. 425).

China's governmental leadership system lags behind the development of the socialist market economy and the trends of globalization, and has become the root cause of administrative inefficiency. If we cannot make a breakthrough in theory and cannot find a solution to the problems existing in the governmental leadership system, we can alleviate the symptoms of administrative inefficiency but can never eradicate the disease itself.

Suggested Countermeasures

In order to meet the demands of entering the WTO, China should reform its governmental leadership system to promote administrative efficiency. This involves the issues of governmental functions, institutions, duties and competence, and modes of operation. Corresponding countermeasures to be taken include (1)
the transformation of governmental administrative modes and clarification of governmental functions; (2) the simplification of administrative structures in a unified way; (3) the reestablishment of governmental functions and powers by rearranging the relationship of administrative functions and powers among departments; and (4) the acceleration of the construction of e-government, furthering the changes in modes of governmental operation.

**Transformation of the Modes of Governmental Administration and Clarification of Governmental Functions**

The functions of governments tend to expand over time. As pointed out in the World Bank's Reports on World Development 1997, the scale of governments and the scope of their functions and responsibilities has expanded, especially in the industrial countries during the last hundred years, and the scale of governments as well as the sphere of their jurisdiction all over the world is has been enlarged (World Bank, 1997). Governments have exerted more and more effort to control society, but this does not necessarily mean direct control over various social affairs. In some cases, there has been a tendency toward privatization. The traditional Chinese management mode was one of "big government, small society," formed on the basis of the planned economy, in which all social affairs came under governmental control and governmental functions. Social functions were minimized, thereby bringing pressure to bear upon the government to solve problems or shoulder responsibilities which should otherwise be solved or shouldered by society itself.

Of course, a government has the function of handling social and public affairs, but this doesn't mean that a government should claim responsibilities for handling all social affairs. It would be better to convert the mode of "big government, small society" into the mode of "small government, big society" by abandoning the all-inclusive mode, say, by transferring some functions to social or intermediate organizations, while supporting some affairs that society finds difficult to handle.

As social autonomy becomes more and more prevalent and governmental functions and institutions become smaller and smaller, the government will become a "small government." Society will become a "big society." At the same time, the government, being strengthened in its function of macro coordination, will become a small but powerful government. Some scholars argue that "governmental function is the embodiment of the operation of governmental power in the field of public authority" (Zang, 2001), while others say that "forms of power are all determined by governmental functions, and only those subjects who are to implement a certain function can possess some specific power" (Shi, 1996). Thus, it is clear that at a time when China's planned economy is being transformed into a market economy, conversion of governmental functions must be accelerated, if governmental efficiency and effectiveness are to be promoted. The span and content of governmental functions must be standardized so as to ensure that governmental powers are on par with governmental capacity and functions. Only then can an "all-inclusive and omnipotent government" become a "limited government" and the effectiveness of governmental administration increase.

**Simplification of Administrative Structure in a Unified Way**

A scientific organizational structure is the fundamental way of promoting governmental efficiency, and the key to organizational structure is the relationship between the organizational levels and the span of control. The famous American managerialist Koontz provided a detailed analysis of the influencing factors of the span of control and its relation with organizational levels. Koontz stated that vertical hierarchy and horizontal division of departments should be in conformity with the operating rules of administrative organizations. He noted that the number of persons an executive can exercise effective control over is limited, but the concrete number of persons he can control in a specific case depends upon the basic variation of the span of control and the time required for that effective control (Koontz, 1987). Therefore, there are two cardinal aspects to consider while organizing a coordinated and orderly structural system centering upon governmental functions for implementation of unity and effectiveness of leadership and administration. The first aspect is that
microstates have administrative levels. Of the 200 or so countries in the world, the eight microstates have only one administrative level (the central government); 25 countries have two administrative levels (the central and local governments); 67 countries (including the United States) have three levels (Sun and Chen, 1998).

If China would consider removing the prefectoral level from the existing five administrative levels (by bringing counties or cities of the same rank under the direct jurisdiction of the provinces), better communication would result. China should also change villages and towns into autonomous organizations, making governmental organizational structure less unwieldy. Horizontal departments must not be too finely divided, because too fine a horizontal division is also unwieldy and overlapping, in turn influencing the effectiveness of management.

In general, China’s local governments have about 40 horizontal departments, exerting unfavorable influence upon administrative efficiency. In order to simplify the administrative structure, it would be better to set up about 22 to 26 horizontal governmental departments according to their level and scale. In this way, government decrees and orders would be executed more expeditiously, and with more accurate and rapid communication between higher and lower levels. With the same function horizontally incorporated into one working department, government departments would become adequately streamlined without unwieldiness, and every department would become an organic component of the government organizational system.

Reestablishment of the System of Governmental Functions and Powers by Rearranging the Relationship of Administrative Functions and Powers among Departments at Various Levels Inside and Outside the Government

Powers of office are based upon and generated from administrative functions and duties with corresponding responsibilities. With the ever-deepening degree of economic globalization, the powers of the central authority tend to be transferred to local governments, and powers of governmental authority tend to be transferred to enterprises. The reshuffling of the relationship of administrative functions and powers among departments at various levels inside and outside the government necessitates a clear demarcation of administrative competence and responsibilities among all the government organs, and a proper handling of the relationship of administrative competence and responsibilities between the central government and the local governments, between the government and enterprises or public undertakings, and between various departments inside the government. Each of the many departments at the various levels acts independently and with initiative on the one hand, while on the other hand, necessary subordination to higher authorities and close coordination with departments at the same level is demanded. This ensures unified government leadership and strict enforcement of orders and prohibitions, and avoids inefficiency originating from sectarianism or each department acting on its own.

First of all, the accountability relationship between central government and the local governments should be adjusted. The central authority has the power of guidance, decision making, and macro coordination over issues involving the interests of the country as a whole, and has the power of supervision over local governments. Local governments shall implement the guiding principles, policies and plans formulated by the central authority, but should also have the power of decision making and of macro-coordination. Both the central government and the provincial governments carry out chiefly the function of macro economic administration, whereas the local governments below the provincial level carry out chiefly public service functions with special emphasis on the reform of the system of examination and approval as well as the decentralization of the responsibility of examination and approval.
The second point is to initiate a new-type of relationship between the government and the enterprises. This involves the separation of the governmental function of socioeconomic management from the function of capital property management, and the separation of governmental function of administrative management from the enterprise function of business management. This will lead to the normalization and improvement of a contemporary enterprise system with a corporate system at its core and characterized by clearly delimited property rights, explicit and definite rights and responsibilities, the separation of business management from governmental administration, and scientific management.

The third point is to reshuffle the relationship of administrative functions and powers among departments at various levels inside the government by setting up the responsibility system so as to establish a stimulating structure that can economize cost and enhance efficiency (Jiang, 2001).

**Acceleration of the Construction of an E-government and Furtherance of the Changes in Modes of Governmental Operation**

E-government means that the government uses contemporary information and communication technology effectively to provide automated information services and other services for government organs, enterprises, social organizations, and citizens "so as to construct a responsive, efficient, and responsible government with higher service quality" (Zhang, 2000). This is the very measure adopted by various countries to promote administrative efficiency of government with the help of information science and technology, so as to meet the challenges of the information society.

Early in 1993, the United States presented a new concept of an e-government and began to carry out the policy of "Information Technology to Rebuild Engineering" to promote the efficiency of government operation. In 1994, the United Kingdom conducted an experiment on "Government Information Service" for transmitting government service to the public by email. Japan proposed in 1994 the "Basic Plan for Advancing Government Information," which was put into effect in 1995. As for China, the information department formally initiated "Government Networking Engineering" in 1999 (Zhang and Huang, 2000). It is therefore clear that in compliance with the tide of international development in technology, electronic instruments have strengthened the governmental function of information exchange. Governments can carry out information-oriented management with all means available to reform the mode of government operation such as replacing the traditional manual operation by the operation through internet websites to break the restrictions of geography, levels and departments. Being service-oriented, governmental functions will make further changes through "restructure of governmental institutions and simplification of functional positioning" (Wang, 2000) so as to coincide with international managerial efficiency by reforming the bureaucratic-type administrative system which runs counter to the information society. In this way, office procedures can become simpler, clearer and swifter, with resource consumption owing to error or delay in information transmission greatly reduced. The public and enterprises will secure service of higher quality thanks to the great enhancement of the efficiency and effectiveness of government management.

**Conclusion**

In summary, one problem under consideration is how to radically enhance administrative efficiency to coincide with international managerial efficiency, with emphasis on an analysis of the deep-rooted causes that influence administrative efficiency; that is, problems existing in the macro-coordination mechanism of government. Presented in this paper are such measures as the transformation of governmental functions, simplification of administrative structures, rearrangement of the administrative relationships and powers among departments at various levels inside and outside the government, and construction of an E-government. However, the problem of reform in the existing government leadership system and enhancement of administrative efficiency is a highly complicated one. The government is at the service of enterprises and the public, but what are the enterprises and the public thinking
about? And what are they in need of? How are indexes for measurement or evaluation of the efficiency and effectiveness of management to be established? All this demands a great deal of research from managerialists to obtain a useful collection of experiences and data. I hereby offer just a few commonplace remarks by way of introduction in the hope of spurring further thought.

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A Probe into China's Public Administration Education and the Construction of the Subject of Public Administration

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China is in transition from its traditional planned economy to a market economy. It has reached a knowledge-economy and information-networks stage. Due to the trends of integration of international economy and market globalization, our public administration education and the construction of the subject of public administration face a lot of opportunities and challenges.

The main task facing the field is to ensure that public administration education is properly conducted and that the field itself is properly defined (Wang, 1988). The following is my personal opinion on this matter, which I hope can serve as a reference for experts and students alike.

The Resumption, Reconstruction and Development of the Study of Public Administration in China

In China, the subject of public administration began to be taught in 1904, but by 1952 the study of public administration was rejected due to prejudice in departmental reshuffling. It was discontinued for the next 30 years. After the policy of reform and opening to the outside in March 1979, it was pointed out by Deng Xiaoping (1994) that the study of political science, law, sociology and world politics have been neglected for many years in the past, and that the missed lessons should be made up as soon as possible. Then began the springtime for public administration education and the construction of the subject.

The resumption, reconstruction and development of the study of public administration owe its reasons to two factors. First, as the study of public administration is a branch of political science, the reconstruction and development of political science helped do the same for public administration.

One of the events that helped ensure public administration's return is when, in 1982, Professor Xia Shuzhang's articles appeared in the People's Daily publicly appealing for putting the study of public administration into the agenda. Also in 1982, China's Political Science Academy entrusted Fudan University to organize a national political science training class with public administration as its main subject.

Two years later, the general office of State Council and the Ministry of Personnel held a national seminar for the study of public administration — an important event in the establishment of the study of public administration in China. During this meeting, the study of public administration was raised as a comprehensive

Abstract: China is in transition from a traditional planned economy to a market economy. It has reached the knowledge economy and information networks stage. This paper discusses the resumption, reconstruction, and development of the study of public administration in China. It also explores the construction of the subject of administration in China.
subject, which is a breakthrough compared with the traditional mode of separating public administration from administrative law in the West. It is also a breakthrough in widening the area of the study of public administration and opening up a vast prospect for establishing public administration with Chinese characteristics.

Second, the resumption, reconstruction, and development of the study of public administration were prompted by the need to build on a socialism that was particularly Chinese in character. The most fundamental task of socialism is developing productivity. All efforts of reform strive to manage the economy to prompt the progress of productivity (Lin, 1989). It is also the fundamental task for the administrative management of a socialist country.

The practical economic progress of countries throughout the world demonstrates that the most important conditions for developing productivity are advanced science and technologies and advanced and scientific management. Backward administrative management cannot bring forward advanced productivity. Therefore, it is urgent for forces of economic reform to utilize management science consciously and positively and to cultivate administrative management personnel in a planned way. It is under this social background that the study of public administration can become one of the most popular subjects in social science, whether it is a practical question about reform or in the area of public administrative education and the construction of the subject.

The resumption and development of the study of administration has experienced two stages. Each stage lasted ten years and had different emphases and characteristics.

During the 1980s, the study of public administration in China was in a process of resumption. Relevant academic organizations and structures were being reconstructed and relevant academic activities were unfolding. This laid a foundation for the development of the study of administration. During this initial stage, a research group was formed, composed of theoretical and practical researchers. This group established national and regional academic and research organizations. Many colleges and universities have enrolled students into newly established departments of public administration. A large amount of academic work and theses have emerged, and the academic exchange has been unfolding on all levels, including many international academic meetings.

As far as the construction and research of the subject of administration are concerned, the study of the category and system of the administration is the main subject for the resumption and reconstruction of the administration at this stage. The category and the system referred to here are not that of the subject of administration but that of the theory of administration. After its resumption as a subject and its reconstruction as a major, the most urgent task for the study of public administration is to study the object, category, and system of the theory. This study should be done through academic exchange, and by publishing teaching materials, which sort out and standardize academic reports.

Progress and development in this study should be reflected mainly by the following two aspects.

It is argued that administration is a field of science. The establishment of this idea has changed the incorrect opinion considering administration only as logistic work and administrative management personnel as "Jacks of all trades but masters of none." It has also explored the logical starting point and main content of administration, indicating that the basic categories and principles include administrative environment, functions, organization, personnel administration, leadership, execution, supervision, information, coordination, financial administration, organizational management, efficiency, culture, development, reform and so forth. Thus, it has formed the basic category and framework of the study of administration.

The goal is to establish a theoretical system of administration of Chinese characteristics. Under the general direction of building socialism of a Chinese
character, many believe that the same can be done for
the field of administration. While absorbing and diges-
ting the theories and experiences of administration from
abroad, China should place emphasis on summing up
its own experience in administrative management.
China should also emphasize studying the practical
issues of administrative reform. It should also study
administrative management thinking and experience of
collective leadership, including its representative fig-
ures, since China's new democratic revolution has ini-
tially explored the theoretical system of administration
of a Chinese character.

The study of the above two aspects plays an im-
portant role in prompting the resumption and develop-
ment of the administrative science of our country.

It should be noted that at this stage of the construc-
tion and study of administration, there are still quite a
few difficult problems that remain to be solved; how-
ever, the target of setting up the theoretical system of
the administration of Chinese characteristics has been
put forward. The existing theoretical system does not
give expression to Chinese characteristics since it has a
striking contrast with actual practice. Also, the system
of administration as a subject remains to be established.

If the 1980s saw the beginning for China's adminis-
tration science (Wang, 1988), the 1990s was a period of
further development of administrative education and
the construction of its subject. By the end of 2000,
China had made considerable progress toward culti-
vating graduate students in this field. During the 90s, three
institutions offered the doctoral degree and 20 offered
the master's degree. Also, the MPA has been examined
and approved by the appropriate administrative depart-
ment and the recruitment of students will come soon
(Lin, 1989). The Ministry of Education has also
approved the establishment of the administrative man-
agement research center in Zhongshan University, a
training and research base of administrative science
unique to China.

Compared with the 1980s, the study of administra-
tion in the 1990s was characterized by its model trans-
formation. A model can show the theory of a system, a
kind of basic concept, a sort of methodology, a con-
extreme means for studying. The model transformation
here is the transformation of the value tropism, method
of analysis, and concept of the administration. Many
new and valuable opinions are put forward, and quite a
few disciplinary theories are extracted. The study of the
basic theories has gone deep into all the special fields
of the administrative management, and the branch sub-
jects of administration have been systematically identi-
ified.

Furthermore, the study of the basic theories and
research methods are closely linked with relevant sci-
ences such as political science, law, sociology, eco-
nomics, management science, psychology, etc. The
system of the subject of administration of Chinese
characteristics and the construction of its subject have
been further developed in the process of process of
such probing.

The Principles of the Construction of the
Subject of Administration in China

Administration is a subject for studying the law of
administrative management, a subject of high utility
(Huntington, 1993). Administration education is car-
ried out with the construction of the administration
subject as its backup force. Therefore, it is especially
important to reinforce the construction of the adminis-
tration subject (Huntington, 1989).

There are various ways to construct the administra-
tion subject. But they should be adopted only when
they are applicable. The main principles include the
following:

The Principle of Directive Function of the Theories

Frank J. Goodnow, the American expert of adminis-
tration science, thinks that politics reflects the will of a
state, and the administration reflects the execution of
the will (Goodnow, 1900). Administration is the execu-
tion of public power by the government in the name of
the state. Therefore, the dominant ideology and theo-
ries in the state restrict the study of administrative sci-
cence. China is a state established and developed on the
basis of Marxism, Mao Zedong thought and Deng
Xiaoping's theories. Concepts such as the theory of
probity and high efficiency, the theory of the public
servant, the theory of the division and interaction of the
power of the state organs, the theory of the administra-

Wang/ A Probe Into China's Public Administration Education
The Principle of Having the Administration of Chinese Characteristics

Resumption, reconstruction and development of administration as a subject is far from mature in its development. As far as the administrative science itself is concerned (Osborne, and Gaebler, 1996), it has the generality and the important characteristics of mingling with accretion of many other fields of science. Therefore, the system of the administration subject will have to study the administration of other countries, and will have to learn from and absorb the achievements of other countries in the administration field. It is especially necessary to link the administration of China with those of the developed countries in this study. It is a must to emphasize the development mechanism of mingling with and accretion of the system of the subject. It is an important precondition for the development of administration. However, it should also be noted that we cannot find from the models of the outside world all the answers directly relevant to our practice. Even on some issues similar to those in the West, analysis should be made of the theories and research so as to make them adapt to practical conditions in our country.

This analysis should discourage the manner of applying the genres and theories of the administration of the West mechanically to the practice of China. Woodrow Wilson investigated western countries at the end of the 19th century, especially the history of the administrative management of the French and German governments, so as to view the administration of Britain and America from another angle. Much was learned from the advanced experiences of Germany and France, but it was combined with localized experience to adapt it to the specific needs of the United States.

The method most adapted to America is that of comparison in the research. But this comparison must be based on the concrete conditions of the polities in the United States. Namely, it is necessary to adhere to the characteristics of the United States while learning from the other countries. This attitude is worth learning for the research workers of China (Huntington, 1993).

The Principle of Standardization

Administration exists as a subject; it will certainly assume administrative affairs and relevant laws as its object of study. It has its specific category and the system of methods and its relative independence and stability. Therefore, administrative science should have its inherent law of academic research. Actually, all the research activities in administrative science are carried out in its inherent law. It should discard the manner of simplifying and vulgarizing administration. Without academic standardization, it is impossible to have the manner of preciseness and a scientific system of the subject (Noose, 1994).

The Main Content of the Construction of the Administration Subject

In my opinion, the most urgent issue for the administration subject in China is to strengthen the construction of administration research groups, subject construction, and the construction of the teaching materials (Noose, 1994).

On the Construction of the Administration Research Groups

In order to face the government, the society and the need for training of the administrative personnel, the research groups and the teaching groups of the administration should strengthen the links with the administrative departments. For this purpose, it is necessary to invite those who have both practical experience and considerable theoretical knowledge to take the post of advisors or part-time professors in research organizations or in universities and colleges. On the other hand, it should also be encouraged that the research workers in the research organizations and universities go into the administrative departments for actual practice, arranging for them in a planned way to take part-time...
posts in administrative departments so that they can work directly as analysts or consultants for policy making.

These two methods will help to allow the theoretical research field, teaching groups, the political field and enterprises to benefit from each other. This is a plus for optimizing administration research groups and for making the public administrative practice more scientific.

On the Construction of the Subject

The courses of administration should be prepared to meet the modern needs of the management of the socialist market economy, prepared for having future administrative personnel equipped with the needed knowledge and prepared to meet the requirements of training personnel of different levels. It should not be limited to only one mode. On this aspect, I think the experience of the West can serve as valuable reference for us. (1) While they have the basic courses in common, each college and university has its own specialty. For example, some universities emphasize the administration of the city, while some others emphasize the administration in the rural areas, and some lay emphasis on the interaction of the courses. (2) All the universities lay emphasis on the study of finance. Public finance has always been a direction of research for administrative science (Ji, 1996). Correspondingly, the courses of economics, public finance, accounting, and auditing have taken a considerable proportion of the courses of administration in the West. (3) The education in western administration lays special importance on the training of public policy. Among the courses, there is a considerable portion for the teaching of public policy and the relevant analysis. (4) The teaching in western administrative science covers a wide range of science and knowledge (Stegrichius, 1988). It is not just limited to the direction of the political sciences or that of administrative science. The western countries regard administrative science as a highly open subject, making administrative science a research realm mingled and infiltrated with many other subjects (Kast, 1985).

In view of the present condition of the construction of the administration subject, it is important to go beyond the dichotomy between politics and administration, mingling administrative science interactively with many other subjects (Web, 1987). Establishing public administration as a sub-discipline of public management in the current Chinese educational system, its system of courses should reflect the mingling and interaction with many other subjects, face the areas related to the public interest, public policy, and public management. This is the issue to be dealt with in strengthening and perfecting the construction of the administration subject under new historical conditions.

It is also important to go beyond the traditional academic prejudice and give attention to practical and technical courses. Under the conditions of the socialist market economy, the micro-administrative function of the government has been weakening, while the public administrative function of the society is increasing (Medbrom, 1995). The society has an increasing demand for the technical personnel in the special administrative areas and department administration. In order to make the students meet the requirements of the social development, it is necessary to increase the proportion of courses, such as administrative result appraisement technique, public policy analysis, and public budgeting (Mephis, 1998), accounting in government departments, auditing in government departments and CIS of public relations of the government departments, while raising the level of practical courses.

It is important to overcome closed thinking, and to establish open courses that both adapt to the Chinese characteristics and yet also agree with international standards. This means going beyond the simplified and uniform mode of training courses. It should be encouraged that each university and college has its own characteristics in the setting of the courses. Meanwhile, the courses of different levels of difficulty should be set for training different levels of administrative personnel, according to the specific length of period of training (Noose, 1994).

On the construction of the training materials, it is necessary to organize for rewriting the training materials according to the new situations and latest developments. The construction of the training materials reflects the target, specifications and quality of the public administration education. The quality of the training materials reflects the degree of maturity and perfection.
of the subject. The training materials should not only reflect the training and requirements of the quality of the students, but also reflect the training and requirement of the actual ability and skills of the students. The complete content of the administrative science should be the administrative principles and the administrative skills and methods integrated under the administrative principles. It should include both principles and practical methods. Judging from the present training materials, which give rise to teaching at random, the existing training materials are old ones with the knowledge content outdated. Although some materials have undergone rewriting and publishing, there has been no major change. The theories make up a considerably large proportion, while practical operations make up a small proportion. All the materials, more or less, have the same problem in emphasizing theories while neglecting methods and skills. In more detail, the materials emphasize the explanation of the concepts and principles and define the quality of problems, but they are brief on practical issues. We rarely see the highly qualified training materials that are rich in explaining practical examples.

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The Construction of an Institutionalized Relationship of Chinese Central and Local Government in the New Century

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In most countries, there inevitably exists a division of administrative power between the central and local governments. China is a multietnic country with a wide area, a large population, and an unbalanced pattern of development among different regions. Therefore, the relationship between the center and the localities constitutes one of the most important in Chinese society and even helps determine the stability of the nation. This article reviews the evolution of the relationship between the central and local governments since the founding of the People's Republic of China in 1949. Special attention is paid to highlighting contemporary problems and putting forward possible solutions.

The Relationship Between Central and Local Government Under the System of Highly Centralized State Power from 1949 to 1978: A Historical Review.

Since the unification of China in the Qin Dynasty, the dominant pattern in the relationship between central and local government in China has been despotic centralization. After the founding of New China, the traditional system of the centralization of state power was carried on as before. What was different was that the cardinal principle of the centralized system of New China became democratic centralism instead of despotism. The intention of this was not only to guarantee the

Abstract: This article argues that under the traditional system of highly centralized state power, there exist various kinds of malpractices in the relationship between central and local government, and between government and other public sector organizations. The article affirms the positive effects achieved since 1978 by the reforms centered on “transferring power to a lower level and yielding some interests.” But the article also points out that the malpractices of the traditional system have not yet been completely eradicated. At the same time, some new problems have arisen as a result of the reforms. So we must adopt the following measures: first, combine the powers and functions of the central government with the transfer of moderate degrees of power to the local government; second, the transfer of administrative power from central to local government should be coordinated with the transfer of economic power from government to enterprises; third, the division of powers and responsibilities between central and local government must be given a scientific and legal basis.
centralized and unified leadership of the central government, but also “to give the local government more independence and to let them do more” (Mao, 1977, p. 275), so as to arouse the enthusiasm both of the central and of the local government. However, in the process of guiding the concrete design and operation of the new institutions, the principle of democratic centralism was not transformed into scientific, institutional or legal norms. Instead, it remains uninstitutionalized. That is to say, the relationship between the central and the local, under a system of democratic centralism, is not an institutionalized or legalized relationship, but rather is mainly a political relationship that is maintained by power and ideology. Under the “from top to bottom” system of centralization of state power that uses the unified leadership of the Party, all the important decisions are made by the central government. The local government lacks an independent status, being a controlled object and a medium that simply conveys the orders of the central government (Yang and Cui, 1989, p. 24). This suffocates the vitality of the local government and local enterprises. To be sure, the central government has transferred or taken back power many times. However, those adjustments had very obvious limitations under the historical circumstances of the time.

Non-institutionalized adjustment is when the relationship between the central and the local governments lacks a legal or institutional basis, but depends mainly on the understanding of the relevant actors and the will of the central government, especially the top leader. When meeting with British Marshal Montgomery in 1958, Mao Zedong said: “If centralization becomes too great, I would transfer a little bit to the lower levels; if the transfer goes too far, I would take back a little” (quoted in Xin, 1995, pp. 290-291).

Obviously, deciding how to adjust the relationship between the central and the local governments on the basis of personal experience and willpower will inevitably create a degree of casualness and instability. The relationship between the central and the local governments repeatedly swings between the two poles of centralization and decentralization, falling into an abnormal circulation of “everything loses vitality under centralization, while it becomes a complete mess as soon as decentralization begins.”

Under the circumstances of a long-term integration of Party and government administration, vertical power relations within the Party frequently take the place of horizontal power relations among the government. This not only intensifies the centralization of state power, but blurs the scope of power relationships between the central and local government as well (Lin, 1998, pp. 356-357).

Local decentralization is usually confined within pure administrative decentralization, and some scholars call it “the internal-cause type adjustment of the administrative relationship and power” (Sun, 1995, p. 4). That is, it makes enterprises into complete subsidiaries of the administrative system from beginning to end. The subordinate relationships of enterprises are only adjusted between the central and the local governments. Therefore, the enterprises can only shift passively between the central or local government. This makes it impossible for the relationships between the central and the local government to be adjusted in a fundamental way.


After the Third Plenary Session of the 11th Central Committee of the Communist Party of China, the country introduced in succession a series of important reform measures centered on “transferring power to a lower level” and developed a series of mechanisms aimed at fully reflecting “the interaction principle” of “the two incentives” of the central and the local as far as possible. As for the relationship between Party and government administration, an attempt to separate the functions of the Party from that of the government has been carried out, with an emphasis on bringing full play the roles of all levels of governments. On the relationship between central and the local government, the conditions of too much centralization of state power under the original system have been greatly improved. In the area of government administration, local legislation system, a tax-dividing system and other institutions that give full consideration to local interests have been formed, greatly stimulating
strengthening the vitality of the local economy and the awareness of local government administration as a result. In the meantime, the localities also share responsibility, which is supposed to be the function of central government, such as the macro-level coordination so as to promote the realization of local development objectives and the overall targets of the central government, advancing the deepening of the reform of the economic system.

The reform aimed at local decentralization over the past 20 years have achieved unprecedented results. At the same time, they also have created some negative effects. Moreover, some long-standing problems still remain. The vicious circle of “everything loses vitality under centralization, while it becomes a complete mess as soon as decentralization begins” has not been stopped. To some extent, the conflict between centralization and decentralization appears to be intensifying.

As the power of local government has expanded unceasingly, the power and functions of the central government have been weakened (Hu, 1995, p. 2). The typical manifestation of this is the decentralization of the macro-regulatory capability of the central government (Yang, 1997, 27), resulting in a weakening of the macro-regulatory capability of the central government (Jin, 1998, pp. 22-23). Its direct cause is that the block-like transfer of power of the central government to lower levels gives rise to a lessening of organizational and regulatory capacity. Its root cause is that the central government lacks an effective institutional and legislative system to regulate the behaviors of the local governments in the process of power decentralization. All these lead to “autonomous economy” such as “the upper makes policies while the lower has countermeasures” (Shen and Dai, 1990, p. 3), or the worsening of the phenomenon of local protectionism (Chen, 1994, p. 4). Seen from a global perspective, the world-wide trend towards decentralization that began in the 1970s has been a successful experience: At the same time that central governments have transferred their power to the lower levels, the local governments have strengthened their institutional power as never before. For example, France, which always has had the tradition of centralized state power, transferred power to the localities in 1981. After putting into practice local autonomy, the central government could still regulate the local government freely since it had the means of strong institutions, legislative mechanisms, and the institutionalized ways of property (Yves, et al., 1989, pp. 15-32). To China, a modernizing country that is in the process of systemic transformation, the declining regulatory capacity of administrative organizations not only affects directly the exercise of the macro-regulatory functions of the government, but also hinders the establishment and healthy development of national markets and the normal operation of the market system with fair competition.

When the system of non-separation between administration and enterprises is not fundamentally changed, decentralization will actually result in enterprises just shifting from being the subsidiary of the central government to that of the local government, giving rise to the localization of the relationship between administration and enterprises. This means that power, which should be transferred to the enterprises, is still being held by governments. Enterprises have not extricated themselves from the status of being subsidiaries of the government (Wu and Liu, 1991, p. 3) to become a legal corporate entity and to operate completely in the market. On the other hand, in the process of replacing the old system with the new, due to the under-development of markets, enterprises encounter difficulties in crucial areas such as raising funds and deploying materials and thus have to ask for help from the local government.

The division of authority between the central and local governments is unclear and lacks legal statutes. At present, the constitution and relevant laws already have provided some stipulations about the division of functions, responsibilities, and authority between the central and local governments, yet they are too general and broad. Since the reform and opening to the outside world, policy concerning the relationship between the central and local governments still has a lot of casualness without standardization. It exhibits, to considerable extent, the character of “gropping for the stones to cross the river,” which brings about the lack of a two-way restraining system between the central and local governments, and therefore the phenomena of mutual-wrangling, mutual impeding, and mutual-infringing of rights are rather widespread (Liu, 1993, p. 3).
Creating an Institutionalized Relationship Between the Central and Local Government

In view of the problems existing in the relationship between the central and local governments since 1949, especially the new situations that have appeared during the period of the reform and opening to the outside world, combined with the need to establish and develop a market economy system in China and the global trend toward democratization and decentralization, we should adopt the following measures to reform and improve the relationship between the central and local governments of China in the new century.

Institutionalize Central Power and Regulatory Systems While Strengthening Local Bases

We should combine the promotion of institutionalized powers and functions for the central government and the practice of transferring moderate degrees of power to local governments. The power of the central government should be an institutionalized kind of power. Therefore, it is crucial for the central government to strengthen its own powers and functions through the creation of legal and other institutions with an eye to increasing its macro-regulatory authority (Bo & Jin, 1997, 34). In this way, we can proceed to form an administrative regulatory system that is unified from top to bottom — one that facilitates the central and local governments to obtain common understandings. The local governments should coordinate their regional economic development in accordance to the entire interests of the whole country and to shape their local economic regulation to be in accordance with national regulations, while also paying attention to the concrete conditions of their own regions. In this way, they can guarantee fulfilling the macro-regulation measures of the central government (Jin, 1998, p. 8). This requires that the government perform the functions of macro-regulation and to raise its macro-regulatory capability in the market environment.

Of course, the relationship between the central and local governments is essentially the relationship between state interest and local interest (Bo, 1991, p. 10); therefore, the central government should also acknowledge that the local has its own particular interests. It is a mistake to deny the existence of specific interests at the local level. And it is also insufficient to recognize this interest only theoretically or formally. It is crucial to have a system analyze and coordinate their system interests, which conforms to reality, being accepted by both sides. The system should be developed in the process of dynamic adjustment and development and also have a relatively stable legal and institutional foundation.

Coordinate Transfer of Political Power with Transfer of Economic Power

The transfer of administrative power from central to local government should be coordinated with the transfer of economic power from government to enterprises.

From the beginning of the current period of reform and opening to the outside world, the transfer of administrative power from central to local government has not been coordinated with the transfer of economic power from government to enterprises. This is a big obstacle that prevents the relationship between the central and the local from becoming well institutionalized. For this reason, the pace of market-oriented development of the national economy should be accelerated and efforts made to shift the powers and functions of all levels of government according to the requirement of a socialist market economy. We must conscientiously carry out the task of separating administration from enterprises and actively create proper conditions, taking actions to cultivate the market system, defend fair and competitive markets, standardize industrial organizations, smooth the relationship between banks and enterprises, expand the social security system, etc. The goal is to break enterprises out of the situation of belonging to governments at all levels. We must also clearly unit the issue of the property rights of enterprises in order to construct a modern business system in which the ownership of enterprises rests with the enterprises themselves, making them into the real subject of market forces. In the meantime, we have to reform the system of state-owned assets to establish a managing, operating, and supervising system of state properties. We also need to reform the current system of investment and finance.
The core and most crucial measure here is through taking further steps to adjust the structure of property rights, to restrict and restrain the government from intervening in enterprise decisions about their properties. This is because the government acts as a real representative of state-owned assets and enjoys the right of intervention. Over a long period, people almost universally hold that the main obstacle to the separation of the government administration from enterprises is the enterprises themselves and not the government. This viewpoint is perhaps correct. Nevertheless, on second thought, we have been stressing for a long time the importance of transferring power and functions away from government and separating administration and enterprises; yet we still do not see any essential change. It is a case of "loud thunder with little rain." Why is this the case? It seems that the reason has to do with economic incentives. There is an intrinsic economic motivation for excessive interventional behavior by government officials with regards to enterprise. Here we can see that, if we want to separate administration and enterprises, it is also necessary to greatly adjust the property structure of enterprises and go a step further to lower the proportion of state-owned assets in a great many enterprises, in order to reduce as far as possible the property basis for direct intervention from the government and to restrain and restrict the intervention function of the government (Zhou et al., 2000). Only by smoothing the relationship between government and enterprises can the rational disposition of vertical power between central and local be truly realized. When this occurs, we can eliminate the vicious circle of "everything loses vitality under the centralization while it becomes a complete mess as soon as decentralization begins."

Adopt a Scientific and Legal Foundation for Change

To achieve the institutionalization and legalization of the division of powers and responsibilities between central and local government, we must do the following.

Firstly, we must divide function, responsibility and right scientifically. Some scholars put forward that there are three kinds of power: central power, local power and the power shared by the two (Xie, et al., 1995, p. 124). Some scholars hold that all the power that has not been put under central or local administration should be put under central administration (Zhang, 1994, p. 196) There are some scholars who divide powers and responsibilities between central and local government along the lines of human affairs, financial rights, property rights, legislative power, economic regulatory power, etc. (Shi, 1993, p. 478). Some scholars refer to the division between power and finance at the central and local levels. They advance four principles for the division of power and six principles for the division of financial power (Wang, 1997, pp. 26-28). We think that we should, according to the requirement of establishing a market economy, put into practice a graded administration between the central and local government to achieve the unity of right and responsibility of the two-graded administration. To put it more concretely, we should take the status of affairs in national life as the basic standard by which to divide the limits of power between the central and the local. All those affairs that involve the entire interests of the nation will be decided by the central government; while the local government will decide all those local affairs involving the specific interests of every administrative region. At the same time, we should define the specific core areas of the central and local government according to their different status and effects, and then provide them with corresponding powers. In the process of allocating power, we should abide by the principles of classifying affairs and the matching functions, responsibilities, and rights so as to let local governments have their own administrative areas and possess fairly complete power in specific areas (Pan, 1997, p. 18).

Secondly, we should legalize and institutionalize the relationship between the central and the local on the basis of a rational division of functions and powers between them. That is to say, the central and the local should form a new type of relationship based on the legal system. For this reason, China ought to make a law on the relationship between the central and the local in accordance with the current constitution so as to use it to standardize the relationship between the central and the local, including the principle of dividing functions, the powers and limit of rights between the two, their specific range of functions and powers,
power-dividing methods, the central government’s procedure, mode and method of supervision over the local, and the procedures of adjusting the functions, responsibilities and the limit of powers, etc.

In addition, we can also consider establishing a constitutional court and expanding the judicial system so as to adjudicate disputes over the division of rights and responsibilities between central and local and among provinces when it occurs. In a word, legal regulation on the relationship between the central and the local and the adjustment of it can maintain the relative stability of the relationship and make it more scientific and institutionalized.

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Transforming Administration and Governance by Creating Associations: An Evaluation of China's Experience

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As China's economic reforms got underway in the early 1980s, the idea emerged that trade associations could play a useful and important role in the more market-oriented economic system that was to be constructed. In conjunction with efforts to separate enterprises from government and transform the nature of administrative management of the economy, the central state began a project to promote the creation and development of an associational sphere. In essence, this was and remains a bureaucratic project, one carried out within the depths of the bureaucracy. Roughly two decades later, thousands of business and professional associations exist across China at nearly all administrative levels (Zhongguo falu nianjian bianjibu, 1999; Fan, 1995). This in itself is no small achievement. Yet persistent complaints about the weakness of these associations, both from within and outside the government, suggest that certain limitations to associational development are inherent in the way in which the state project has been formulated and implemented. Careful consideration of these limitations is essential if the development of associations as vital intermediaries between economic actors and government is to proceed in pace with the accelerating transformation of the economy.

In this article, I present some preliminary findings from my ongoing research project on the emergence of associations in reform-era China. I suggest that using bureaucratic organizations and methods to develop business and professional associations, while initially facilitating the emergence of associations, has constrained the extent to which these associations can play the useful roles envisioned by reformers. While using bureaucratic organizations to spearhead the development of an associational sphere made sense early on, the time may have come to formulate a new strategy to enable associations to become key institutions that complement the work of the state's administrative apparatus.

In the following pages, I discuss the role played by bureaucratic agencies in the development of business and professional associations and examine the nature of the associations these agencies have created. I argue

Abstract: Over the past two decades the Chinese central state has promoted the creation and development of business and professional associations. The promotion of associations was conceived and has been carried out as a bureaucratic project. The individual agencies of the state bureaucracy have played a central role in the creation of associations within their spheres of jurisdiction. Although many associations have been created, the fact that associations exist and are treated as appendages of individual state agencies has hindered the development of these associations. In addition, confusion exists as to the precise role of associations in regulating economic activity. This article argues that if associations are to play a more positive and dynamic role in the economy than they have to date, decisive action on the part of the central state is needed to break the stifling dominance of bureaucratic agencies over associations and to clarify the role of associations vis-à-vis regulation. Detailed case studies of two associations are presented to illustrate and support the argument.
that most of these associations have existed as bureaucratic appendages rather than as true market intermediaries, and that this status limits their effectiveness as organizations. The challenge, then, is to enable business and professional associations to gain a status and role that transcends that of mere bureaucratic appendage. Engineering such a shift, however, requires decisive action by the central state to break the grip that government agencies have over associations. It also requires a clarification of the precise nature and role of each individual association. To illustrate these points, I examine two cases in which action by the central state has helped an association to begin to break through the constraints to associational development posed by its embeddedness within an individual bureaucratic agency.2

**Associational Development as a State Project**

At the end of the 1970s, Deng Xiaoping and the Chinese Communist Party re-oriented China away from the pursuit of “cultural revolution” to the pursuit of economic development through the construction of a “socialist commodity economy.” Early on, reformers realized that this shift required more than simply introducing new economic mechanisms such as markets and “responsibility contracts.” It would entail a far-reaching transformation of the institutions by which the economy and society are governed. More specifically, the existing administrative bureaucracy, created to manage a Stalinist command economy, would have to be re-organized along lines more appropriate for the facilitation and regulation of market-driven economic activities.

A major part of this shift was conceived as changing from *bumen guanli* (administrative management) to *hangye guanli* (trade management) (Ma, 1983, pp. 117-142; Rong, 1996; Zhang, 1991; Zhongguo gongye jingji xichui, 1994). *Bumen guanli* refers to a system in which the administrative and economic spheres are fused into distinct vertical hierarchies divided along administrative lines rather than strict sectoral lines. Although each ministry may focus on one economic sector (textiles, oil, etc.), the economic activities owned and managed by it overstep such sectoral boundaries. Factories and enterprises are integrated into the administrative bureaucracy and managed by administrative command. By contrast, *hangye guanli* implies a system in which firms are, for the most part, separate from administrative organizations and subject to regulation but not to direct administrative command. Instead of being partitioned into different administrative hierarchies, firms interact in the marketplace with other firms both within and outside of their particular sector. So, for example, instead of each ministry owning and managing its own construction firm(s), construction firms exist independently of any one ministry and are subject to the various state regulations relevant to their economic activities. In addition, associations play a large role in facilitating coordination, self-regulation, and development within specific sectors. Overall, then, this shift to *hangye guanli* was seen as requiring the separation of enterprises from government, the restructuring of the state bureaucracy, and the creation of sectoral associations.3

Thus, due to the useful functions that associations theoretically could perform, the creation and development of businesses and professional associations came to be seen as an integral part of the overall reform project. Associations could assist in the regulation of economic sectors, either by virtue of being given regulatory power by the state or by bringing firms together to agree to various forms of self-regulation. In addition, associations could play a crucial role in promoting the development of their sector by providing services to firms (training, information, etc.) and in general working to improve the competitiveness and performance of their members. Finally, associations could provide a conduit for cooperation and the exchange of information between state agencies and firms in a given sector. Since the functions that associations were supposed to have were generally already performed by existing state agencies, the emergence of associations would necessitate a transfer of functions from state agencies to associations.

In the 1980s, the State Commission on the Reform of the Economic System and other top-level institutions initiated a push to facilitate the creation of trade associations. The creation of this associational sphere was conceived and carried out as a state project to be implemented through administrative means.4 The mes-
sage was sent to the various parts of the bureaucracy that agencies should create associations within their spheres of jurisdiction as part of the effort to move towards "hangye guanli." Ministries and their lower level branches responded, with the result that by the end of the 1980s, associations existed in most sectors and at all administrative levels (although progress in creating them was uneven sectorally and geographically) (Fan, 1995; Guo, 1989; Gao, 1988; Wang, Zhe, and Sun, 1993; White, Howell, & Shang, 1996; Zhongguo falu nianjian bianjibu, 1992). Through discussing this development with officials and academics, reviewing the literature, and visiting various associations, I found that the vast majority of business and professional associations were created by some state or party organization. A Ministry of Light Industry report is illustrative: "As for how we created [the associations], a guanban [statistical] pattern was basically used to create them from the top down . . . and this is the basic reason why the 43 trade associations were created so quickly. This was the method that had to be used during this period of transition from "bumen guanli" to "hangye guanli" (Rong, 1996, p. 6). In short, associations were created as part of a bureaucratic project.

**Associations Emerge as Appendages of the Bureaucracy**

The introduction of associations onto the scene raises questions about precisely how these associations fit into the existing constellation of institutions and organizations. If they were conceived to be a new part of the broad system through which the economy and society are governed, exactly how were they integrated into this system? According to the model advanced by reformers in the central state, associations are to occupy some sort of intermediary position between the state and society (firms and professionals in a sector) and to be essentially "societal" in nature (minjian de, or popular). In fact, structurally, most trade and professional associations have existed instead as de facto appendages of individual government agencies. That is, they are not intermediary organizations — they are parts of the bureaucracy, managed through bureaucratic means. It is my contention that this is a structural situation that is likely to persist unless decisive action is taken by the central state to change it.

The status of associations as structural appendages of individual bureaucratic agencies is a consequence of giving agencies responsibility for developing associations and of government regulations concerning associations more generally. Throughout most of the 1980s, the dominance of the state in most economic and societal sectors (a legacy of the Maoist era) left little room for the organization of associations outside of the state. The emergence from within the central state of the idea that the state should spearhead the development of business and professional associations thus served to reinforce the already existing tendency for state organizations to be centrally involved in the creation of associations. It also gave legitimacy to efforts by state officials and organizations to develop associations within their spheres of jurisdiction. The regulations on social organizations (shetuan) in general, issued in 1989 and 1998, formally mandated a link between state agencies and the development of associations by requiring that, in order to register with the state and thus gain a legal status, every association must have the formal support of a government or party organization, called a yewu zhuguan danwei (professional management unit) (Guowuyuan fazhiban zhengfasii, 1999; Wu and Chen, 1996, Xin and Zhang, 1999).

These regulations have created a strong hierarchical link between agencies and the associations they sponsor. Since the association depends on the agency for its very existence, the agency naturally can exercise significant authority over association affairs. In essence, this creates a structural condition that makes associations de facto appendages of their sponsoring organization. In practice, most associations have clearly functioned as agency appendages. For most of their history, many associations have had their offices within those of their sponsoring agency, and they have often received financial allotments from the agency (usually in the early years of their existence). Not surprisingly, agencies have exercised strong and active control over personnel matters within their associations (for example, see Zhongguo jianzhi yu nianjian bianweihui, 1995, p. 438; Zhongguo jianzhi yu nianjian bianweihui, 1999, p. 371). Serving cadres, retired cadres, and per-
sonnel from other agency-affiliated organizations, such as *shiye danwei* (service units) or agency-managed enterprises, have usually occupied key leadership and staff positions within these associations. Finally, agencies have played a central role in determining the scope and nature of association activities. Associations can do little unless they receive official sanction from their sponsoring agency. Overall, just as they have with the enterprises and *shiye danwei* that are under their authority, agencies have managed and utilized their associations in ways that aid in the achievement of both agency goals and the personal goals of agency officials. This has made associations appear more as part of the bureaucracy than as part of a sphere of truly intermediary organizations.

### The Limits of the Bureaucratic Project

The heavy involvement of agencies in the creation and operation of associations has provided the resources and legitimacy needed for associations to survive. Indeed, it is hard to imagine how most business and professional associations could have been created successfully during the 1980s and early 1990s without the substantial involvement of state agencies. The central state played a crucial role in fostering the emergence of an associational sphere at a very early stage of the economic and administrative reform process. By consistently stressing the positive roles that associations can play, and by spreading an ideal-typical picture of associations as societal organizations that can mediate between government and society, the central state has given legitimacy to associations and pointed to a particular path along which they ought to develop. Individual state agencies, for their part, have provided material resources for many associations and made efforts to use associations as new mechanisms through which they can interact with firms and professionals.

However, the dominance of individual state agencies over particular associations has also limited the extent to which associations can play a truly distinct role in the emerging economic system. Instead of being dynamic organizational actors at the center of a new governance regime, business and professional associations have, for the most part, simply become assimilated into the practices of the existing regime. Although documentary evidence is hard to find, it seems highly likely that the idea that associations should take over functions from the state is anathema to the bureaucratic agencies of the state. At the very least, this would be consistent with influential models of the behavior of government agencies in China and elsewhere (Lieberthal and Oksenberg, 1988, pp. 160-67; Thompson, 1967; Wilson, 1989, pp. 179-95). To government agencies, the emergence of associations represents a challenge to their authority and command over resources. The acquisition by an association of functions formerly carried out by a state agency implies a reduction in the power of the agency. Thus agencies are likely to limit the development of associations to the point where the association can help the agency carry out its tasks but not usurp agency power. Indeed, one of the major factors limiting associational development in the context of agency domination is the high degree of overlap that often exists between the activities of the sponsoring agency and the activities in which associations are supposed to engage. As agencies are loath to stop doing these activities, associations are reduced to playing the residual role of helping the agency as it pursues its goals.

Even worse, sometimes agency officials will endeavor to use associations to achieve aims that are improper, or that at least are not in harmony with central state intentions regarding associations. Given the great power that agency directors have over the associations sponsored by their agency, it is not surprising that associations are at times manipulated to serve the parochial and often personal goals of these directors. For example, some agencies have used their associations to collect improper fees from members or to collect “donations” that involve the expectation that the donor will receive favorable treatment from the agency. Other associations have been paralyzed due to conflicts within their sponsoring agency over who will lead the association.

These examples and many others suggest that most associations have become a part of the old system rather than the core of a new system. This is also seen in the way that associations resemble state organizations in terms of culture and ways of doing things. Staffed mainly by serving and former government offi-
atives and embedded in a hierarchical relationship with a government agency, most associations adopt the forms and practices of government bureaucracy. Chinese observers have long lamented the high degree of "xingzhenghua" (governmentalization) that is seen in associations (for example, see Zhongguo shehui yanjiuhui, 1992, pp. 43-62). The replication of the culture and practices of a government agency in its affiliated associations has negative implications for the success of the state project to develop an associational sphere as part of a new governance regime. Instead of becoming dynamic centers of new ways of doing things, such associations become extensions of the old governance regime and potentially even a hindrance to further reform. For as the sociologist Arthur Stinchcombe argued in his seminal article, organizations tend to be influenced in their structure and culture by the environment at the time of founding, and once these characteristics are set, they tend to persist over time (Stinchcombe, 1965).

Indeed, it appears that when the project to develop business and professional associations first began, part of the thinking behind it was that associations would help to promote change in the system by bringing people together in new combinations and by stimulating new sorts of activities. In other words, by introducing associations into the mix of governance institutions, reformers might have hoped that these organizations could become a source of innovation that would help drive the transformation of the economy and administration. What has happened instead is that the existing system has absorbed and co-opted associations, and in the process stifled innovation.

Whereas discussions in China of associations have often portrayed the "guanxi" (statist) nature of many associations as a temporary situation that will eventually give way to the more society-centered associations seen in other market economies, it appears that relatively little progress has been made in effecting this transition. For example, efforts by the central state to prevent government officials from assuming leadership positions in associations have, by all accounts, met with disappointing results. After a circular issued in 1994 by the State Council aimed at stopping the pervasive practice of cadres dominating the leadership positions of associations failed to have much effect, the State Council repeated its order in a 1998 circular. Yet it still appears that this has had little real effect in terms of reducing the stifling dominance of agencies, partly owing to a lack of implementation and partly due to the fact that such an order does nothing to remove the structural source of the power wielded by agencies over associations (namely, state regulations concerning social organizations). This power of agencies over associations, along with a lack of specificity regarding what exactly associations are to do, have thus far prevented, for the most part, the development of associations into organizations that make significant contributions to the creation of a stable and productive economic system.

Creating a Dynamic and Productive Associational Sphere

Although the development of business and professional associations has proceeded slowly throughout most of the reform era, some associations have recently begun to break through old modes of behavior. These cases (two of which are examined below) suggest that two things must happen before an association can develop into something more than just an appendage of a state agency. First, the link between the association and its sponsoring agency must be weakened to an extent that association leaders and staff are free to, and feel driven to, pursue the organizational development of the association as their paramount goal. Second, the central state must make clear which associations will be given the authority to act primarily as regulatory bodies. These two issues are interrelated, but for the purpose of analysis I will consider them separately.

Many of China's most important and successful reforms have centered on giving people incentives to pursue successfully the particular enterprise in which they are engaged. Early on, the household responsibility system created a situation in which farmers could directly reap rewards for their labor. Aligning the rewards given to managers and other employees of firms with the actual performance of their firm has spurred increased productivity. Even within the government bureaucracy, the evaluation and rewarding of officials according to the performance of their organi-
zation in specific areas has led to increases in organizational effectiveness and innovation. Indeed, one of the insights driving the successful Chinese reform experience is the idea that decentralized arrangements, in which each unit or organization is responsible for its own success or failure, are best at producing positive outcomes for the system as a whole.

Weakening the link between agencies and associations would represent, in essence, a form of decentralization that could potentially unleash powerful forces of innovation to help drive the ongoing transformation of the economy. When an association is an appendage of a government agency, the leadership and staff of the association have a dual loyalty: on the one hand, they are responsible for guiding the association; on the other hand, they need to align the work of the association with the needs of the agency. Most often, the leadership and staff are rewarded not for the degree of organizational development they engineer, but rather for their success in using the association to complement the work of the agency. Indeed, often the leadership and staff of an association see themselves first and foremost as agency employees (and often they are agency employees). If this is the case, associational development will inevitably be both limited and non-innovative.

It would seem, then, that the key to spurring the development of associations as true intermediary organizations that play key roles in the economy is to create the conditions under which the leaders and staff of individual associations will passionately pursue the organizational development of their association. The staff is particularly important. When their personal fortunes are tied to the fortunes of the association, they will be forced to seek ways of making the association valued by its members and accepted by the state. If we adopt the terminology of ecological organizational theory (Aldrich, 1999; Hamann and Freeman, 1989) and the spirit of resource dependency theory (Pfeffer & Salancik, 1982), we can say that the staff will have to carve out a niche for the association within the environment, securing stable sources of resources and legitimacy. In the case of associations (as opposed to other sorts of organizations), organizational development usually depends on finding out what members want and how such “goods” can be provided by the association (Browne, 1977). Association members are typically only marginally involved in the association, meaning that the staff is crucially important in maintaining and developing the association as an organization. In their comprehensive study of business associations in developing countries, Moore and Hamalai (1993, p. 1899) concluded that “BA [business association] organizers (the staff) may often have more interest in the existence and activism of BAs than (potential) members and considerable autonomy to manage BAs.” Moreover, these organizers (the staff) are zealous in developing their association because they stand to gain personally from the association’s success.

If business and professional associations are freed from being appendages of agencies, their newly motivated staffs will most likely orient themselves towards doing what such associations typically do best: providing services to members. As numerous studies of business associations have demonstrated, these associations survive and prosper by attracting members through the provision of specific services and benefits that members see as valuable (for example, Bennett, 1995; Knoke, 1986; Olson, 1971). Allowing associations to discover how they can attract and serve members will result in the growth of an associational sphere that plays a distinct role in promoting and integrating productive economic activity. This role would naturally involve various forms of cooperation with government agencies that would entail combining the separate strengths of each side, creating a synergy between state and societal actors (Evans, 1997) that is more productive and innovative than what results from the current model, where associations are subsumed within agency agendas and norms.
Of course, it must be remembered that, in promoting the development of business and professional associations, central state reformers have also had in mind the idea that these associations can take on certain regulatory or quasi-regulatory functions. This implies a path of development different from the one identified in the preceding discussion. Thus my second major point: Clear decisions have to be made regarding which associations are to take on authoritative regulatory roles. Discussions of associations in China have tended to bestow on associations the responsibility for performing a wide variety of functions, without considering carefully enough the fact that it is nearly impossible for any one association to perform all of the functions commonly mentioned. Most importantly, there seems to be insufficient recognition that organizations that perform regulatory functions may be qualitatively different from those that are centered on the provision of services to members. Indeed, at times the descriptions given by officials of the role they envision for an association sounds much more like a quasi-governmental regulatory agency than a typical association. All too often, “shetuan” (social organization) and “xiehui” (association) are used as catch-all words to encompass quite different kinds of organizations. This leads to confusion on the ground, among agency officials and those involved with associations, about precisely what it is that particular associations are supposed to do in the newly emerging system. Thus staff members of business associations routinely complain that they are waiting for the government to give them functions that involve an authoritative regulatory role — when in fact, objectively speaking, the future of the association probably lies in providing services to members rather than in regulating members.

Clarifying which associations are to receive authoritative regulatory functions would set the stage for the more rapid and robust development of associations of all kinds. Those organizations that are given regulatory powers can then be designed and managed in ways that facilitate the exercise of such authority. Those that do not receive these powers will then be forced to carve out a particular niche for themselves. Of course, some associations within this latter group may in fact develop into organizations that promote the self-regulation of an industry or profession. Indeed, the success of efforts at industry self-regulation depends on the active support of members for such regulation. It is likely that an association with an active staff eager to work in the interest of its members can develop mechanisms for self-regulation far better than can government bureaucrats.

Overall, in this section I have sought to suggest that increasing the ability of associations to pursue their organizational development independent from the meddling of state agencies will enable associations to play a more positive and dynamic role in the economy than they have so far. In the next section, I examine two very different associations to show how associational development may potentially proceed if agency influence is reduced and the role of associations in regulation is clarified.

Two Success Stories

The Chinese Association of Certified Public Accountants

The organizational history of the Chinese Association of Certified Public Accountants (Zhongguo zhuce kuaifishi xiehui) illustrates how decisive action by the central state to bestow a regulatory role on an association and to provide a critical degree of independence for the association from its sponsoring agency (wea zhuan danwei) can generate robust organizational development. In the early 1980s the Ministry of Finance spearheaded the re-introduction of the accounting profession into China, and in 1986 the State Council issued the first comprehensive regulation concerning registered accountants. Although there was no room or need for accounting firms in the planned command economy of the Maoist era, top officials realized that independent accountants (those not employed by one particular business firm) would be needed in the emerging marketized economy. In 1989, at the end of the period when the state project to create associations and shift to hangye guanti was first getting underway, the Ministry of Finance created the Chinese Association of Certified Public Accountants (CPAA). And in 1991 the ministry held the first national certification examination for registered accountants.

In the early years of its existence, the CPAA clearly
existed as an appendage of the Ministry of Finance (MoF), functioning more as an internal unit of the ministry than as a separate organization. In fact, it initially received a shiye bianzhi (official personnel/budgetary allotment), making it more of a para-statal organization than a societal association. The association’s secretary-general (in charge of day-to-day work) served concurrently as the director of the Accounting Division of the MoF, ensuring that the work of the association would be integrated with the work of the ministry. The leadership bodies of the association were dominated by serving and retired state officials rather than by professional accountants. The association was financially almost completely dependent on the MoF until 1993, when its status was shifted to that of a cha’er bokuan (partially-funded) unit. In short, the association only barely existed as an organization distinct from the MoF.

Beginning in 1994, however, increased emphasis by the central state on developing the accountancy profession and giving the CPAA a key role in the management of the profession accelerated the organizational development of the association. The Certified Accountants Law promulgated in 1994 specified that the CPAA should take over hangye guanli functions from the MoF. Most important of these was the administration of the national certification examination. The association was to act on behalf of the MoF in carrying out regulation and management of the profession. The promulgation of this law was a turning point because it made clear that the CPAA was to be, first and foremost, a regulatory organization. Moreover, all certified accountants (usually through their accounting firms) were required to join their provincial CPAA, which would in turn be a member of the national CPAA. The mandatory membership requirement Flynn in the face of Ministry of Civil Affairs statements about the voluntary nature of association membership, but it makes perfect sense for an association that is focused on regulation and the enforcement of professional standards. In sum, the association was armed with a clear mission and secure sources of funds (member dues and examination fees), setting the stage for greater organizational development.

In the last several years of the 1990s, the CPAA finally began to operate as an organization that was distinct from the MoF. That is, although its activities had to be sanctioned by the ministry, they were increasingly carried out independently of the ministry. The appointment of a new secretary-general in 1998 gave impetus to this organizational independence. This person came directly from a position in China’s mission to the World Bank and did not hold a concurrent post in the MoF. As a result, he was much more oriented toward developing the association than previous leaders had been, since they had held concurrent government posts. At the same time, the CPAA was maturing internally, with a growing staff that increasingly identified with the association rather than with the MoF. An organizational identity and culture had begun to form.

The transformation of the CPAA from an agency appendage to a relatively independent organization centered on the promotion and enforcement of professional standards is by no means complete. While the stiflingly close link between the MoF and the association was weakened by decisive actions by the central state, the link remains. The MoF undoubtedly continues to exercise substantial influence over the association. Nevertheless, the CPAA represents a success story in the drive to create associations that play a distinct and positive role in the governance of economic and professional sectors.

The China Chain Store and Franchise Association

The organizational history of the China Chain Store and Franchise Association (CSFA, Zhongguo liansuo jingying xiehui) is shorter and very different from that of the CPAA. The process through which it has begun to escape from the domination of its sponsoring agency, and carve out a distinct niche and role, is intimately connected with the process of reforming the state apparatus (jigou guage). It should be remembered that the authority of agencies over associations is a result of the regulations on sheitan (social organizations) issued by the State Council. The example of the accountants’ association shows how this authority can be attenuated by actions of the central state that create distance between an association and its sponsoring agency. An examination of the CSFA reveals that decisive action by the central state to weaken and even disband a government agency opens the way for robust associational development.
Starting in the early 1990s, officials in the Ministry of Domestic Trade began to realize the potential importance of chain stores in the development of Chinese retailing and commerce. Enthusiasm for the development of chain stores on the part of Vice-Premier Li Lanqing gave further impetus to the drive by the ministry to promote this sector, making it one of the central projects of the ministry. In 1996 the ministry set up an office (bangongshi) to coordinate the development of the chain store sector. When, in 1998, the ministry was reorganized into a much smaller State Bureau of Domestic Trade, situated hierarchically under the State Economic and Trade Commission, this office was changed into a division (chu) within the Marketing Reform Department (yingshao gaige si). The focus of this division was simple: the promotion of the development of chain stores.

Following the creation of associations in Shanghai and Guangzhou, the national CSFA was founded in 1997 through the joint efforts of officials within the Ministry of Domestic Trade and a number of the largest chain store companies. The president and secretary-general of the association were serving officials in the ministry, and initially the association had no staff.

The administrative reforms (jigou gaige) of 1998 marked the beginning of the end for the Ministry of Domestic Trade. Not only was it demoted in administrative rank and its personnel allotment slashed, but it was also clear that in several years it would be disbanded altogether. One consequence of this was that many of the officials who were already involved with an association realized that the association held the key to their future livelihood. In the case of the CSFA, the officials involved with it began to orient their work towards developing the association. Yet this did not entail shirking their responsibilities as government officials, for the tasks that many bureau divisions still had were not so different from the sorts of things that associations could do. From 1998-2001, the CSFA experienced rapid and highly successful organizational development. It oriented itself towards holding activities and providing services for its members, and it forged working relationships with similar overseas associations. As of 2001 it had eleven staff members and a board of directors dominated by firms. In early 2001 the State Bureau of Domestic Trade was formally disbanded, and the president of the association formally shifted from being a government official to being a full-time employee of the association. By all appearances, the CSFA is poised to play an increasingly important role in facilitating the success of chain stores in China, in the process making a significant contribution to the effort to create new and dynamic patterns of economic development.

The case of the CSFA shows what can happen when an association is freed from being an appendage of a government agency. It is a fascinating example because its freedom came not from any authoritative outside intervention or as a result of a power struggle, but rather as a byproduct of the gradual melting away of its sponsoring agency. From 1998 on, even as the formal state structures remained, they became increasingly hollow as officials oriented themselves towards a future when even the formal structures would be gone. In the process, those officials who saw their futures as residing in the realm of associations helped propel their favored association beyond the limits set by the original bureaucratic project.

Although the future of the CSFA appears to be bright, clouds remain in the form of the danger that another governmental or quasi-governmental organization will move in to appropriate the association and make it subservient to its own agenda and goals. With the regulation requiring that every association have a sponsoring agency still in force, associations such as the CSFA have been thrown into a nebulous situation. The recent decision by the government to grant ten associations some degree of authority over more specialized associations such as the CSFA introduces further uncertainty into the situation. If nothing else, the experience of the CSFA should suggest that, when left to their own devices, committed associational leaders will tend to pursue organizational success by trying to serve their members — and the result will be a positive one for the leaders, the members, and the economic system as a whole.

Concluding Thoughts

The history of the development of business and professional associations in reform-era China exhibits a pat-
tern similar to that of the quite successful overall reform program pursued by the Chinese Communist Party (CCP). Ideas with radical implications are introduced early on, but then a gradual, and often contentious, process of implementation makes it possible for the aims of the reforms eventually to be achieved without creating excessive instability or “shock.” Indeed, this is precisely how Chinese leaders have pursued the effort to “reinvent government” through restructuring and downsizing, with significant positive results (Worthley and Tsao, 1999).

However, whereas 1998 seems to have marked a decisive turning point in the struggle to restructure the central government bureaucracy, it is not clear whether the effort to develop associations has yet reached a similar watershed moment. To be sure, the great variety of associations that exist in China today, when compared with the striking dearth of genuine associational activity during the Maoist period, in itself represents significant change. Moreover, the successful experiences of the CPAA and the CSFA illustrate how associations potentially can play significant and distinct roles in governance. Yet perhaps the most difficult challenges are still to come. Enabling associations to develop beyond the confines of the change-resistant bureaucratic system will require the crafting of innovative solutions and the willingness to make difficult, even risky, choices — in short, decisive and innovative leadership. Such a move would most likely be well rewarded, however, for it would represent a significant step away from the old state-centered governance paradigm toward a new citizen-centered governance paradigm that promises to yield benefits for all sectors of Chinese society (Zhang and Zhang, 2001).

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Endnotes

1. Although discussions of this project in China tend to talk about trade associations (hangye xiehui), in practice the project applies to the larger sphere of business and professional associations.

2. Unless specific references are cited, the observations made in this paper are based on my discussions between 1997 and 2000 with Chinese academics and people involved with associations at both the national and local levels.

3. An important issue here, which I will not discuss in this paper due to space constraints, is the relationship between these three aspects of the shift to hangye guanli. In an important sense, they are all dependent on each other. So a lack of progress in achieving the separation of government from enterprises, for example, hinders efforts to develop trade associations. A fuller analysis of this would need to examine the progress of each of these three aspects over time. I thank Mengzhong Zhang for pointing this out to me.

4. It should be acknowledged that lower-level agencies and officials were active in creating associations prior to the time when an official state project emerged. But for most of the reform period, asso-
ciational creation was carried out within the framework of this project of the central state.

5. There is a serious dearth of publicly available statistics on legally registered associations, beyond the aggregate data on the numbers of social organizations published each year in the China Law Yearbook. The list of registered social organizations is inexplicably not made public by the Ministry of Civil Affairs, so it is impossible to know exactly how many associations of each type exist. The gonggao (announcements) made periodically in China Society News (Zhongguo shehui bao) appear not to add up to a complete listing of social organizations, and in most localities even such gonggao are dispensed with. It is not clear whether Ministry of Civil Affairs offices (and branches) themselves do not know exactly which social organizations legally exist, or whether for some reason the ministry believes that it is not proper to publicize the names of legally registered organizations.

6. The preceding is admittedly a drastically oversimplified account of the process of associational emergence and central state policies. A more complete discussion will appear in my forthcoming dissertation.

7. The circular issued jointly by the Chinese Communist Party and the State Council in 1984 (#25), "Zhonggong zhongyang, guowuyuan guanyu yange kongzhi chengli quanguo xing yizhi de tongzhi" (Circular on strictly controlling the setting up of national organizations), indicates that numerous state organizations and officials had already gotten involved in setting up various sorts of associations, scholarly societies, foundations, and research centers.

8. See the excellent discussion of the issue of legitimacy in Su, Zhang, He, & Gao, 1999.

9. For example, see the long list in the opinion issued by the State Economic and Trade Commission in 1999, "Guanyu jiakui peiyu he fazhan gongshang lingyu xichui de ruogan yijian (shixing)" ("Several opinions concerning accelerating the nurturing and development of associations in the commercial and industrial spheres (experimental)").

10. Information on this association comes from discussions with people involved with the association as well as from Ding (1999) and Zhongguo zhu ce kuaiji xiehui (1999).

11. Information in this section comes from discussions with people knowledgeable about the association and the Bureau of Domestic Trade, as well as from several documentary sources.

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Ethics-Driven vs. Institutionalized Self-Discipline
A Study of Project Hope's Public Accountability and Supervision Mechanisms
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Public accountability is a key theme in studies of the third sector. It is at the same time a "central dilemma" facing third sector organizations. On the one hand, the nature of their activities and features makes it more difficult for third sector organizations to secure and enhance their public accountability (Rochester, 1995). On the other hand, while fraud is not unique to nonprofit organizations, it seems to give rise to more disquiet in this sector than in commercial contexts. "The difference lies in the special insult we feel when everyday evil, which we may learn to watch for, sneaks to us disguised as virtue" (Hayes, 1996, 100).

Taking Project Hope as a case, this paper tries to shed light on public accountability and supervision mechanisms for nonprofit organizations in China in the transitional period. Project Hope is widely regarded as a huge success in terms of public accountability, and this success has been achieved in the context of an unfavorable external environment. An interesting question thus emerges: What is the secret of Project Hope's success? This article argues that: 1) The key to Project Hope's success is self-discipline or self-restraint; 2) External supervision has played an important role, but it is to a large extent the result of skilful mobilization by the China Youth Foundation, a by-product of self-discipline; 3) The self-discipline exercised by Project Hope's organizers is based on altruistic morality, a sense of mission and social responsibility, rather than a result of a "rational choice" in the face of strong external constraints (such as government regulation, public supervision, and "market competition"). Therefore, Project Hope's success should not be taken as an ideal model for other nonprofits in their pursuit of public accountability. The fundamental way for securing public accountability is a transformation from ethics-driven self-discipline to institutionalized self-discipline.

Abstract: Public accountability is a key theme but also a weak link in the study of the third sector in China. Taking Project Hope as a case study, this paper tries to shed light on public accountability and supervision mechanisms for nonprofit organizations in China during the period of economic transition. Project Hope is widely regarded as a huge success in terms of public accountability, despite an unfavorable external environment. An interesting question thus emerges: What is the secret of Project Hope's success? This article argues the following: 1) The key to Project Hope's success is self-discipline or self-restraint; 2) External supervision has played an important role, but it is to a large extent the result of skilful mobilization by the China Youth Foundation, a by-product of self-discipline; 3) The self-discipline exercised by Project Hope's organizers is based on altruistic morality, a sense of mission and social responsibility, rather than a result of a "rational choice" in the face of strong external constraints. Therefore, Project Hope's success should not be taken as an ideal model for other nonprofits in their pursuit of public accountability. The fundamental means of securing public accountability is a transformation from ethics-driven self-discipline to institutionalized self-discipline.
Environment: Legal Framework, Government Regulation and Social Context

Like many other nonprofits in China, the China Youth Foundation (CYF) has achieved rapid development in an unfavorable external environment. Xu Yongguang, General Secretary of CYF, identifies three constraints: the low level of economic development, the unsound legal and policy framework, and the traditional culture and modes of thought (Xu, 1998). Similar conclusions can be drawn when we turn our focus from growth to public accountability.

Legal Provisions — the Basic Rules for “Public Welfare Organizations”

Currently, three sets of regulations by the State Council and a set of provisional rules by the People’s Bank regulate public welfare organizations (PWOs) in China. External supervision of PWOs in China is based on an imperfect legal framework. First, all of the regulations are administrative rules rather than state legislation, and thus less authoritative. Second, they focus on procedure rather than substance. With regard to the criteria for registration of social bodies, for example, there is only a requirement of “legality.” “Social groups must abide by the Constitution, laws and regulations, uphold the unity of the country and various nationalities, and must not impair state, social and collective interests and the freedom and rights of other citizens” (State Council, 1989). Third, current regulations are characterized by a lack of specificity. Despite the official recognition of the multiplicity of social organizations, the authorities have adopted a “one-for-all” approach, failing to make different rules for social organizations of quite divergent natures. Finally, the restriction that “same or similar social organizations should not be allowed to be established in a given administrative region” only serves to remove the possible pressures and constraints brought about by “market competition” among social bodies. In a word, the problem of legal provisions is not only one of lack of quantity, but also one of inappropriate regulations.

Government Regulation — Organizational Arrangements for the Supervision of PWOs

New Institutionalism has made a clear distinction between “institution” and “organization.” While institutions are the “rules of the game,” a set of legal provisions and norms whereby the collective controls the behavior of individuals, an organization is a social actor established to pursue given objectives in the context of institutional constraints. The organizational arrangement for regulating PWOs in China is characterized by a multiplicity of supervisors and a lack of motivation. Civil affairs departments, parent departments, and the People’s Bank are all named supervisory bodies over PWOs, but there is neither a clear division of responsibility among them, nor concrete rules with regard to the procedures, means and sources of information whereby effective supervision can be exercised.

From a theoretical perspective, this arrangement may fall into what Olson named “the logic of collective action.” In practice, it is a known fact that the multiplicity of supervisors has resulted in a state where “three monks have no water to drink.” Government officials have admitted that civil affairs departments were unable to fulfill their duty of supervision because of “the multiple tasks they perform, the lack of human resources and the overwhelming quantity and multiplicity of social organizations” (Wu and Chen, 1996). Another illustration is the changing attitude of the central Audit Department toward Project Hope, from active involvement to passive shirking of responsibility. As a result, CYF had to turn to a societal audit institute.

Social Environment — “Moral Decay” and the Lack of Supervision Consciousness

The lack of supervision consciousness refers to the insufficient awareness among the general public that it is not only necessary but also their constitutional right to exercise control and supervision over public organizations and public officials. This is a result of decades of totalitarianism and omnipotent government, the “vanguard” idea and the “moral man” hypothesis implies, and the failure to introduce the principle of
“checks and balances” into the political system. In other words, the old system relied solely on the “moral consciousness” of individuals to ensure public accountability, a practice necessarily leading to the lack of awareness about public supervision. To make the situation worse, the problem of a lack of consciousness has been compounded by widespread corruption among public officials.

**Project Hope: A Success Story in an Unfavorable Environment**

It can be concluded from the above discussion that PWOs in China face an unfavorable environment of external supervision. Just as power without constraint necessarily leads to corruption, the lack of external supervision will do great harm to public accountability. Project Hope, organized by CYF, is an exception. It is widely acknowledged to be a huge success, in terms of both institutional development and public accountability.

**A Clean Operation in an Environment of Widespread Corruption**

Stephen Hatch (1980) has made a distinction between accountability of a lower-order and that of a higher-order. According to Hatch, accountability “in the narrowest sense” means “avoiding malpractice and keeping the accounts properly” (quoted from Hayes, 1996, 97). This is to say that the absence of corruption or scandal is a basic requirement of accountability. Corruption is known as a “cancer of society” in China during the transitional period. The seriousness of corruption is widely recognized. It has made its way into PWOs in the form of profiteering, tax evasion, and dubious financial practices.

The China Foundation for the Disabled and the affiliated Kanghua Firm, for example, were investigated and punished for misconduct, and there were reported cases of huge funds missing from the China Sports Foundation and Song Qingling Foundation, involving 20 million and 18 million Chinese yuan respectively (Wenzhai, 1999, p. 2).

In comparison, Project Hope’s transactions involve one billion yuan, and no serious violation of rules or malpractice in financial management were found in years of auditing and inspections. There were some minor incidents involving corruption at grass-root levels, but they were addressed in a timely manner. Overall, Project Hope remains a clean operation in a social environment marked by widespread corruption and moral decay. This was achieved mainly by “contract management” in which a small number of people manage hundreds of local organizations with insufficient “legal authority” associated with superior/subordinate relations.

**Good Reputation and “Brand Attraction”**

Another illustration of Project Hope’s success in achieving public accountability is its good reputation and the trust the general public places in it. Numerous surveys show that 93.9 percent of municipal residents have a clear idea of what Project Hope is all about. Fifty percent can recall the “most important events” in the history of Project Hope, while 63.8 percent can name its organizer, CYF (Research Center, National Science Commission, 1998). When asked “What is the best-organized project by the Communist Youth League?” 37 percent of the respondents mentioned Project Hope, and another 20 percent mentioned other sub-projects under Project Hope.

With regard to CYF’s work, 55.9 percent expressed their satisfaction, and those dissatisfied only accounted for 6.8 percent. Since the donors who could name Project Hope’s organizer (not necessarily correct) tended to be more satisfied, many respondents actually expressed their satisfaction with an “unknown” organization (Kang et al., 1997).

Project Hope’s good reputation became an asset that attracted more donations. The total amount of funds raised exceeded those of other PWOs in China, with 90.5 percent expressing an intention to continue donating to the organization. The cost/return ratio for fund-raising accounted for 8 percent for CYF as a whole, while that for the construction of Hope Primary Schools was as low as 2 percent. While there have been numerous complaints against government departments from various sectors, the brand Project Hope has served as an antidote to red-tape, rent-seeking, and bureaucratism. It is easier to succeed when doing business with bureaucrats in the name of Project Hope (Kang, 1997).
From among donors' letters to CYF, we found numerous deeply moving stories. A college student finally realized his "dream" of sponsoring a child deprived of education with 400 yuan earned through blood donation. The last will of a prisoner facing capital penalty was to donate 40 yuan to Project Hope as a gesture to "atone for his crime." As more and more award winners donate their bonus to the organization, it has become the first choice for philanthropic donors (Kang, 1997).

The Social Impact

According to Hatch's distinction, higher-order accountability "refers to the effective use of resources for the purposes for which they were provided" (quoted from Hayes, 1996, p. 97). Judging from results and social impact, Project Hope is again a huge success. During its 10-year history, 8000 Hope primary schools were constructed, the number of buildings "at risk" in primary schools was reduced by 76.5 percent, sports space was increased by 75.4 percent, and the number of books in primary school libraries more than tripled. From 1989, when it was launched, to 1996, more than 313 million yuan was spent. Pupils directly sponsored by Project Hope numbered more than 400,000. According to an independent report, the efforts of CYF made 1.5 million children return to school, and Project Hope "has already become an important channel through which children of poor regions continue their education" (Research Center, National Science Commission, 1998). In addition, Project Hope has also produced a positive indirect social impact by encouraging the development of a "spirit of public welfare" among ordinary Chinese, arousing awareness among public officials at various levels of the great significance of education, and helping stimulate a strong desire for learning among children (Research Center, National Science Commission, 1998; Li, 1999).

Self-Discipline and the Mobilization of System Resources

When asked the secret of Project Hope's success, Xu Yongguang replies very simply: self-discipline. The answer is quite logical in view of the unfavorable external environment. As Kang Xiaoguang concluded after an in-depth study, "CYF took the lead in establishing a sound supervision mechanism... But up to now, what really matters is internal supervision, and the key for internal supervision to take effect is self-discipline or self-constraint by the top leaders of CYF" (Kang, 1997).

Self-discipline exercised by CYF top leaders materialized, first of all, into a sound and effective internal control and supervision mechanism. This includes

- the establishment of a Supervision Commission and the appointment of 12-15 full-time independent inspectors, an emphasis on basic principles (the so-called transparency in five areas and five "Nos")
- the making of detailed rules and procedures governing financial management, project management as well as internal control
- technical support (e.g. a computerized management information system) (Zhou and Chen, 1999)

However, Project Hope's internal supervision is not the focus of discussion here. The main reason is that, since the local organizations helping implement Project Hope are not regional branches under CYF, internal supervision mechanisms mainly apply to staff members in CYF. In other words, CYF had to rely on other forces to supervise the operation of Project Hope. An interesting point is that, fully aware of the lack of "legal authority," CYF tried with great skill to mobilize and make use of organizational resources to secure compliance and ensure public accountability. This peculiar strategy proved to be a success within a peculiar environment.

Creating a "High-Voltage Wire": Making Full Use of Political Resources

Corruption of public officials is a widespread phenomenon. However, if one looks over the reported cases in China, one can find that the frequency of corruption varies greatly in different areas depending on a number of factors. While public construction is an area where corruption is widespread, Party membership fees...
Attitudes of public officials and ordinary citizens differ greatly toward corruption of different natures.

From the above discussion, a distinction can be made between spheres of activity more prone to corruption and those "sensitive" enough to deter corrupt behavior. To borrow a term from Xu Yongguang, those sensitive spheres are like "high-voltage wires nobody dares to touch." An important factor in Project Hope's success in achieving public accountability, therefore, is CYF's efforts to mobilize and make full use of political resources, making Project Hope a "high-voltage wire," a sensitive sphere of activity.

The political resource was the recognition and strong support from top Party and government leaders. It is true that a combination of several factors served to make Project Hope a "high-voltage wire," including its public welfare nature and the special way of funding. But the most important factor was the attention and strong support given to Project Hope by top leaders. Virtually all the political "heavyweights" in contemporary China, from the late Deng Xiaoping to Jiang Zemin, demonstrated their strong support of Project Hope, either by writing a few words of commemoration or by making a personal donation (Kang, 1997).

The attention and support of top leaders not only helped CYF to attract more funds, but also served to turn Project Hope into a "high-voltage wire." It should be noted that the mobilization and utilization of political resources by CYF is not to "persuade" top leaders to donate. Rather, it is in the form of propaganda campaign, or, to use the terms of Xu Yongguang, "seizing on an incident to exaggerate matters." A typical example is CYF's skillful manipulation to "expose" the fact that Deng Xiaoping made a personal donation to Project Hope. In 1992, CYF received a donation totaling 5000 yuan handed over by two army officers on behalf of somebody else. Upon repeated requests, they only left the name of "an old Communist." After tremendous efforts, CYF managed to get the information that this "old Communist" was Deng Xiaoping. The problem they faced next was the requirement not to leak this information by the high authority, acting on Deng's own wish.

CYF's maneuvering began with a careful selection of regions and children to sponsor, and the result was a number of children deprived of education in the Baise District, Guangxi Province, where Deng himself fought guerrilla war for years in his early revolutionary career. In January 1994, a big fundraising concert was organized and many top leaders were to attend. CYF invited some of the children to the concert to "report to Deng Xiaoping on the progress they had made in school" in the People's Hall. Deng Xiaoping's donation to Project Hope was thus exposed and spread all over China overnight (China Youth Foundation, 1997).

Chasing Demons with the Help of a Deity: The Mobilization and Use of Administrative Resources

There are, of course, people "brave" enough to touch high-voltage wires. So, CYF did not rely solely on the mobilization of political support to deter corruption and ensure accountability. Another strategy was to make full use of administrative resources, especially the power and authority of the Central Committee of the Chinese Communist Youth League (CCYL), to deal with malpractice and punish those responsible.

As mentioned earlier, it is a formal rule that foundations at the national level are not allowed to set up local branches (General Office of the CCPCC and the General Office of the State Council, 1991). CYF's relation with the regional foundations and local organizations implementing Project Hope, therefore, has been one between independent legal persons rather than one between the superiors and subordinates. The absence of "roots" or
“legs” in regions or localities and the insufficient “legal authority” makes it hard for CYF to exercise effective control and supervision over local organizations. At the same time, any fraud or malpractice committed in the name of Project Hope by those local organizations will do great harm to Project Hope’s reputation. In addition, it is impossible for CYF with dozens of staff to supervise hundreds of local organizations.

One way out of this dilemma is to “borrow” power and legal authority from other established organizations. The Central Committee of the CCYL is a natural and ideal candidate. First of all, as a “son of the Central Committee of the CCYL” (Xu quoted in Kang, 1997), the reputation of CYF and Project Hope is closely related to that of the CCYL. Moreover, just as the Central Committee of the CCYL is CYF’s “parent department,” CCYL committees at various levels are “parent departments” for youth foundations of the same level. In most cases, local CCYL organizations are deeply involved in or even directly carry out Project Hope activities. The use of CCYL’s quasi-administrative power and established mechanisms of hierarchical control, therefore, was CYF’s rational choice.

In 1994, CYF and the Central Committee of the CCYL formed six investigation teams to look into the implementation of Project Hope and crack down on profiteering in six provinces. The early years of Project Hope saw intense competition between local foundations or CCYL organizations and those above in fundraising and management. This resulted in what CYF called “money circulation outside the system,” meaning that local organizations allocated funds they raised in the name of Project Hope without informing youth foundations at higher levels or even without keeping proper accounts. Realizing the great danger, CYF had to launch a campaign to abolish youth foundations at the prefecture level and below and crack down on the so-called “vassal states” operating in the name of Project Hope that were not willing to follow CYF’s rules. This is understandably an arduous task. CYF successfully made the campaign an internal one within the CCYL system, beginning with a circular issued by the Central Committee of the CCYL, followed by tremendous efforts on the part of CCYL leaders at various levels. In its 10 year history, CYF also relied on other established organizations such as the State Administration for Industry and Commerce and the People’s Bank of China to crack down on profiteering in name of Project Hope and to protect its brand name (Kang, 1997).

“1 + 1 Mode of Sponsorship”: Inviting Donors to Exercise Supervision.

Since the goals of public accountability mechanisms include the protection of donors (Ware, 1989), direct involvement and supervision from donors is an effective measure to ensure public accountability. A key factor in Project Hope’s success in this regard is the introduction of the so-called “1 + 1 Mode of Sponsorship.”

Under this mode, an individual (or a family) sponsors a child deprived of education or an enterprise pays for the construction of a Hope primary school, with CYF acting as a mediator or broker. CYF sets up unified standards for the amount of money for different categories, and a form has to be signed by the three parties involved. By putting sponsors in direct contact with the sponsored, the “1 + 1 Mode of Sponsorship” not only succeeded in attracting more funds, but also facilitated the direct supervision by donors, which proved to be a crucial factor in Project Hope’s success.

In an interview with a journalist from Hong Kong, Xu Yongguang made the following comments: “Public supervision is a safeguard for Project Hope.” The introduction of the “1 + 1 Mode of Sponsorship” is to “ensure that the donors’ will is realized... This means that there must be feedback on the use of donation and the results it produced.”

The strategy was a success. On August 13, 1995, a letter from Lan Tai living in Sichuan Province appeared in the China Youth Daily, complaining that his donation failed to reach a specific pupil named Zhao Xibing living in Shaanxi Province. CYF immediately sent a team to Shaanxi to investigate the case. It turned out to be a case of corruption involving a local deputy director of education, who kept donations from six people totaling 170 yuan. Disciplinary action was then taken (China Youth Foundation, 1995). Similar cases demonstrating the effectiveness of direct supervision by donors abound in CYF files.
Conclusion and Discussion

A few points can be made from the above discussion. The key to Project Hope’s success in achieving public accountability is self-discipline on the part of CYF leaders, which resulted in the creation of sound internal control and supervision mechanisms. The success of Project Hope undoubtedly also has to do with external supervisory forces, but the evidence shows that these external forces are, to a large extent, the result of skilful mobilization by CYF. In other words, external supervision is a “by-product” of CYF’s self-discipline.

A number of questions will naturally follow. What sustains CYF’s self-discipline? Is CYF an ideal model for other PWOs in China? What is the ideal way for PWOs in China to secure and enhance their public accountability?

Behind Self-Discipline:
A Hierarchy of Supporting Pillars

Since self-discipline is a kind of observable behavior, there must be something else behind it. Just as we need supply-side theories to explain what motivates people to volunteer, there must be some effort to explore what makes people exercise self-discipline.

Stopping in front of a red light on one’s own initiative (rather than being stopped by a policeman) is a praiseworthy self-disciplinary action, but motivations differ. It may be out of social morality or a law-abiding consciousness, or perhaps out of a fear of punishment. For still others, it is a subconscious reaction or a result of a combination of various factors. Thus, we can say that there is a hierarchy of factors sustaining an observed self-disciplinary action. Self-discipline based on social ethics, altruistic morality, or a sense of social responsibility can be called ethics-driven self-discipline.

The Supporting Pillar for CYF’s Self-Discipline: Altruistic Morality and a Strong Sense of Social Responsibility

Supply-side theories provide numerous explanations as to what motivates people to engage in charitable activities. While cynics hold that people act in the name of charity simply to pursue personal material gains, rationalists emphasize other benefits such as social status, reputation, or power of influence. Another explanation is that religious beliefs play an important role for some people. And there are cases in which people act out of pure altruistic morality (Defourny, 1994; Sheard, 1995; Kendall and Knapp, 1995).

Exploring the driving forces behind CYF’s self-discipline, we have come to the conclusion that the self-discipline exercised by CYF, and especially its top leaders, belongs to the category of ethics-driven self-discipline, based mainly on altruistic morality, a sense of mission or social responsibility, or personal values. As Xu Yongguang once said, “the soul of CYF’s culture is a strong sense of social responsibility.”

From among the managers of the CYF, we found a number of people who either gave up a promising career in government, or gave up a key management post in a large firm with very high pay. They joined a cause that, they believe, will provide them with real satisfaction, with more opportunities to realize their personal aspirations, and with a real possibility of self-actualization.

In an attempt to understand why these people have a stronger sense of social responsibility than others, Kang Xiaoguang traced their histories. He concludes that a number of factors contribute to this. For some, a strong sense of social responsibility comes out of deeply felt sympathy toward children deprived of education, simply because they themselves or members of their family had experienced the same predicament. For others, it is the result of self-reflection on the meaning of life after a kind of confusion, a loss of purpose accompanying their success in business endeavor. For still others, it is out of a change of values brought about by extraordinary experiences in their career as bureaucrats (Kang, 1997).

The Limitations of CYF’s Model of Public Accountability

It is highly praiseworthy that CYF top leaders have demonstrated moral consciousness and exercised self-discipline. It should also be acknowledged that some elements of CYFs internal supervision mechanism
could be easily applied to other PWOs in their efforts to ensure public accountability. Looking beyond Project Hope and CYF, however, we have to emphasize that CYF’s model, though a great success, has a number of limitations.

First, there is a big question mark over the sustainability of altruistic morality on the part of individuals showing a higher level of moral consciousness. Surveys show that some people engage in charitable activities merely out of altruism. Surveys also show that pure altruists are the minority. From a theoretical perspective, the hypothesis of “rational man” is more plausible than that of “moral man.” In practice, the degeneration of many model workers or heroes into criminals in China is a clear indication that we should not rely solely on moral consciousness to ensure public accountability.

Second, even if those current leaders of CYF maintain high moral consciousness throughout their life, there is still a question whether they can pass this quality on to their successors. In other words, there remains a question of the sustainability of altruistic morality over generations. Since ethics-driven self-discipline is the sole basis for Project Hope’s internal as well as external supervision mechanisms, the absence of the former necessarily leads to the collapse of the latter.

Third, although top Party and government leaders’ appreciation and support is an important factor contributing to Project Hope’s success in achieving public accountability, the mobilization and use of political resources should be regarded as a kind of maneuver effective only under particular circumstance rather than a universally applicable strategy. Apart from the value judgement of whether this is an ideal strategy in a democratic society, there is a risk of “diffusion effect,” the loss of effectiveness if too many “Damasces Swords” dangle over people’s heads.

Finally, the mobilization of administrative resources, although a factor for Project Hope’s success, should not be regarded as an ideal way of ensuring public accountability. The fact that a majority of CYF’s leaders once held leadership posts in the Central Committee of the CCYL, the parent department of CYF, helps to explain the effectiveness of the strategy. For those lacking the “insider” experience or personal connection, the same strategy will hardly work.

More importantly, we are going to face a dilemma if we expect PWOs in China to continue to rely on administrative resources to ensure public accountability. It is widely acknowledged that the quasi-official nature and the lack of independence are key problems facing third sector organizations in China. The mobilization of administrative power to enhance public accountability is a strategy only serving to strengthen the quasi-official nature of PWOs, prolonging the outdated relationship between government departments and PWOs and hindering third sector development in China.

Our central argument here, therefore, is that ethics-driven self-discipline is not an ideal model for ensuring and enhancing the public accountability of PWO’s in China. Then, what is the way out?

From Ethics-driven Self-discipline to Institutionalized Self-discipline

CYF’s self-discipline is based on top leaders’ altruistic morality and moral consciousness. It therefore belongs to the category of ethics-driven self-discipline. Ethics-driven self-discipline has a number of characteristics: 1) Moral consciousness is the only driving force behind self-discipline; 2) The existence of a “moral man” is a precondition for self-discipline; and 3) A “moral-man personality” has already formed before any action. In contrast, institutionalized self-discipline is one based on multiple supporting pillars, and it is a result of the interaction between social actors and the external environment in a dynamic process.

In the view of the New Institutionalists, ethics are an integral part of institutions. Institutionalized self-discipline, therefore, does not deny the role ethics could play in shaping human behavior. However, institutionalized self-discipline emphasizes the systematic constraints posed by both formal and informal rules, of internal ethics and external supervision. A sound external supervision mechanism not only shows the high risks involved in wrongdoing, but also increases the probability of being exposed in one’s malfeasance. Competition serves to make social actors highly sensitive to their reputation, or to make corrupt behavior not worth it from a cost-benefit perspective.
In essence, while ethics-driven self-discipline relies solely on the moral consciousness of a limited few, institutionalized self-discipline results when self-discipline is the only choice that is rational for "rational economic men." When a particular pattern of behavior, formed under continuous external constraints, finally becomes a subconscious or natural habit, we can say that external constraints have internalized certain ways of thinking on the part of social actors. External supervision is therefore crucial. To realize the transition from ethics-driven self-discipline to institutionalized self-discipline, more attention should be paid to building the legal and policy framework and the institutional arrangements for supervision.

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Endnotes

1. For example, when Yale University launched its Nonprofit Program in the mid-70s, public accountability was a basic part of the initial research agenda.
2. Public welfare organization" is the official term for charitable organization in China.
3. These include: "Regulations on Registration and Management of Social Bodies" (1989); "Regulations on the Management of Foundations" (1988); "PRC Provisional Regulations on Corporate Income Tax" (1993), and "People’s Bank’s Provisional Rules on Auditing of Foundations" (1990).
4. According to current regulations, a social organization must find an official institution as a parent department before it is allowed to register as a social body. While civil affairs departments at various levels are in charge of registration, parent departments provide "guidance and direction" in daily operation.
5. An old Chinese saying states that "one monk is likely to carry two buckets of water on a shoulder pole, two monks may carry a bucket of water, while three monks will have no water to drink."
7. According to Marx Weber, "legal authority" has a number of features including a clear definition of power and duties, possession of coercive power, formalized rules and mechanisms for hierarchical control.
8. CYF, the organizer of Project Hope, has a small number of staff (about 40 in 1998), while local organizations directly involved in implementing Project Hope numbered more than five hundred. According to current government regulation, foundations at the national level are not allowed to set up local branches. CYF’s relation with those local organizations, therefore, was one between independent legal persons rather than one between the superior and subordinates. The adoption of contract management means that CYF has insufficient "legal authority" to exercise effective control and supervision over local organizations.
9. The parent department of CYF is the Central Committee of the Chinese Communist Youth League. So ordinary Chinese regard the Communist Youth League as the organizer of Project Hope.
10. Interview with Xu Yongguang, June 1999.

References


From "Danwei" Society To New Community Building:

Opportunities and Challenges for Citizen Participation in Chinese Cities

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The real challenge is to transform the current institutions, adjusting the relationships among citizens, interest groups, elected officials, and public administrators. Although Barber's (1984) stance (authentic participation implies "strong democracy" in place of representative democracy) has been criticized for its lack of feasibility, the attempt to analyze citizen participation as part of democratic institutions has many merits. As King, Feltey, and Susel (1998) argue, authentic public participation "requires rethinking the underlying roles of, and relationships between, administrators and citizens" (317). Or as Checkoway and Til (1978) contend, "[C]itizen participation must take place in the context of a more general evaluation of the health and efficacy of democratic institutions and practices in specific situations. Therefore, citizen participation should be viewed as either an alternative or a complementary means of improving democratic governance" (9).

If institutional context is, indeed, a critical factor in explaining the effectiveness of citizen participation (Langton 1978; DeSario and Langton 1987), it might be informative to investigate how institutional context influences the operation and effectiveness of citizen participation in a country other than the United States. As a step toward this objective, this paper aims to intro-
duce and analyze one of China's current efforts in increasing citizens' roles in the society.

Citizen participation has a special meaning to China's democratization. Although some Chinese officials and scholars argue that China's future democratization should be in a top-down manner, beginning with the internal democratization of the Chinese Communist Party (CCP), bottom-up democratization should not be ignored.

The modern history of China has witnessed three revolutions, among which the first one (1921-1949), to establish a new socialist country, was led by Chairman Mao, who adopted the famous strategy of "from villages to cities." The second, economic revolution, initiated by Xiaoping Deng, also started from the rural area and then transferred to the cities. The third is working to reform China's political system in the direction of constitutional democracy. This revolution is very likely to follow the course of the former two, because the rural area, again, already leads the process.

In October 1987, the People's Congress of China enacted the Organizing Law of Village Resident Committees, in which the principle of self-governance by village residents was acknowledged. According to the law, every three years village residents elect their representatives to the village resident committees to take charge of public affairs. Since 1988, about a dozen provinces have organized four times through direct election by village residents, and another 18 provinces have organized three times. Gradually, rural residents have improved their sense of citizenship and civic competence; governments continue to develop, refine, and improve election systems, procedures, and techniques (Wang, 2000).

In contrast, although defined as a self-governing organization for city residents in the Constitution of 1954, the Organizing Law of City Resident Committees of 1954, and The Organizing Law of City Resident Committees of 1990, city resident committees have never achieved this legal status before 1999. Even at present, few cities have taken steps to move toward the goal of self-governance.

In 2000, the Administrative Office of the Central CCP Committee and the Administrative Office of the State Council published The Opinion on Building City Communities Nationwide (the Opinion), which had been formulated by the Ministry of Civic Affairs. In the Opinion, the nature of the new community resident committees in the cities is defined as self-governance, in the direction of law and under the leadership of the CCP. The Opinion also clarifies self-governance as self-management, self-education, self-service, and self-monitoring. Since then, New City Community Building (NCCB) as a movement has been under way. Three reasons for the movement are stated in the Opinion: (1) It reflects an urgent need for reforming and constructing socialism under new circumstances; (2) it is an effective measure to enrich cultural life for the grassroots and to strengthen the construction of socialistic spiritual civilization; (3) it is an important way to maintain city regime and to strengthen the construction of socialistic democratic politics. Ultimately, it is expected that city residents will play a more active role in city affairs.

Research Question

The Opinion requires city CCP committees and governments to assume the responsibility of NCCB, especially demanding that they include NCCB into their annual and five-year strategic plans on economy and social development. It emphasizes that the movement is to "ensure the function of community residents' self-governing organizations and support residents to manage community affairs by themselves under the guidance of law." The language used by the Opinion is similar to the language used in directing the reform of the village election, but it would be naive to infer that the policy would have the same impact as the one applied to the villages, considering the special history, structure, and institutions of the cities. This paper addresses whether the NCCB movement is offering better opportunities for citizen participation than before, and the challenges and difficulties in the process.

Methods

To understand citizen participation in Chinese cities, one has to know the Chinese city management system and some other background information. In the central
government, the Ministry of Civic Affairs (MCA) is in charge of the NCCB movement, but some other ministries are also involved such as the Central Committee of the Youth League. In the major cities, the city management system could be summarized as “two levels of government, three levels of management” (Figure 1).

The city and the district make up the two levels of government; the three levels of management are city government, district government, and street office. To be clear, the street office is not a level of government, but an authorized body of the government. One important characteristic of the Chinese city-management system is that it functions under the leadership of the CCP’s city committees. The CCP’s subcommittees play a core role in policy formulation in all government agencies and public organizations, from the city level to the community level (Figure 2).

To assess the movement, I first interviewed five scholars in Beijing, six officials from the MCA, and ten officials from the Central Committee of the Youth League. Then, among the nine experimental cities supported by the MCA, I visited Wuhan, Qingdao, Shenyang, and Beijing, and talked to a number of officials and residents. For example, in Beijing, I interviewed two officials from the Beijing City Government and two officials from the Beijing Bureau of Civil Affairs. Among Beijing’s districts, due to the fact that the Chaoyang district is the only one emphasizing self-governance of the community committees, I interviewed five officials from the Chaoyang District Government. Among Chaoyang’s street offices, only the office of Anzhen Street formulated and carried out detailed measures to achieve self-governance of community committees, so I interviewed four officials from the Anzhen Street Office, conducted a focus group with all eight chairs of its community committees, and interviewed 50 residents by phone. For comparison, I also interviewed five officials from the Fengtai District Government, five officials from the street offices, and six chairs of community committees in Fengtai District.

“Danwei” Society and the Lack of Citizen Participation

Concept of Citizen Participation Pertinent to China

Traditional analyses on Chinese citizen participation focus primarily on political participation with the paradigm of mass mobilization (Tao and Chen, 1998; Roth, et al., 1989; Townsend, 1968). This paradigm has been challenged by its uni-dimensional construct of citizen participation (Bahry and Silver, 1990) and its ignorance of participatory activities other than mass mobilization in socialist countries. The paradigm is problematic for our purpose here because of its failure to account for special features and characteristics of Chinese cities relative to the villages. This problem of differentiation is solved by the adoption of a “Danwei” society framework in the following section. Here, we provide a three-dimensional construct of citizen participation in Chinese cities (Figure 3).

Citizen participation is a multifaceted concept (Rosener, 1978; Cole and Caputo, 1984). It can be either political or social, which differentiates different levels of participation. Political participation means activities of citizens that “attempt to influence the structure of government, the selection of government authorities, or the policies
of government (Conway, 1985). It is emblematic of political modernization (Huntington and Nelson, 1976), and it refers specifically to electoral and lobbying activities within a representative democracy. In contrast, citizen participation is often considered a medicine for curing the ill of representative democracy.

In this regard, it is reasonable to separate citizen participation from political involvement in the narrow sense. Although Langton (1978) contends that citizen participation and political participation are synonymous, he nonetheless acknowledges that “what is distinctive about citizen participation is that it stresses the person rather than the state in the participatory relationship” (p. 20). The different focuses are reflected in the four categories of citizen participation he identifies: obligatory participation, electoral participation, citizen involvement, and citizen action.

Currently, citizen participation in empirical studies in the field of public administration (rather than political science) is generally defined as citizen action and citizen involvement from a managerial perspective. As Wang (2001) defines, citizen participation is citizen involvement in making service delivery and management decisions. When using words such as “service” and “management,” the political implications are diminished to some extent. Similarly, the concept of “co-production” is defined as the manner in which public services are produced not by government alone, but by government and citizens jointly (Levine, 1984).

On the other hand, social engagement and civic involvement were not generally considered as part of citizen participation, but they are closely related to citizen participation, and they are preconditions for developing social capital that is necessary for citizen participation (Putnam, 1993, 1995, 2000). For this reason, Crenson (1974) defines “therapeutic participation” as a process by which citizens are brought together to do things for their communities, and therefore overcome the isolation, the alienation, and sense of powerlessness. “Therapeutic participation,” in contrast to “demand-producing participation,” expands the scope of citizen participation.

Treating political participation and social participation as two extreme positions is appropriate for the analysis of the Chinese citizen participation phenomenon. On the one hand, in socialist China, political participation is widespread. For example, city voter

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**Figure 2: The CCP's Leading Role in City Affairs**

- City gov. — City CCP committee
- District gov. — District CCP committee
- Street office — Street CCP committee
- Resident committee — Community CCP committee

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**Figure 3: Three Dimensions of Citizen Participation**

- Political
- Conventional
- Individualistic
- Authoritarian
- Unconventional
- Social
Citizen participation has different meanings in authoritarian and non-authoritarian countries. In authoritarian China, although city voter turnout is high, the election itself is symbolic and exists only to make the result legitimate. Kuan and Liou (2001) find that in Mainland China, as opposed to Hong Kong and Taiwan, traditional political culture has an active role in individuals' participation regardless of the force of modernization, which could be explained by Mainland China's mobilization system (mobilization regime). Chinese mass movement is designed to mobilize the emotional and physical strength of the people to achieve specific goals established by the leadership, representing "a temporary intensification of the pressure to participate and a channeling of citizen's efforts toward chosen objectives" (Roth, Warwick, and Paul, 1989, p. 194). In other words, "the nature and extent of participation are determined by the party leadership; at times the limits of permissible activity have been expanded, at other times constricted" (185). However, mass participation is not equal to citizen participation in the sense that people participate because they do not have a choice. As Kuan and Liou find, those who are influenced by traditional political culture intend to vote under state mobilization, while those who are less or not influenced intend to vote voluntarily. Authentic citizen participation, regardless of which party (citizen, government, or other organizations) initiates it, should be a voluntary process.

Citizen participation can also be either conventional or unconventional. Conventional activities include election campaign, contacting officials or media, joining and being active in citizen groups, committees, and boards, and many others. Unconventional activities include protests, strikes, and even riots. The choice between conventional and unconventional participation is not determined by whether the state is authoritarian or not; rather, it is determined by the degree of social conflict and contradiction.

"Danwei" Society

A "Danwei" framework is useful to illustrate citizen participation in Chinese cities, because within the dual structure of village and city, Chinese cities have been organized into a "Danwei" society. "Danwei" has three types. One type is "JiGuan," or governmental, Danwei. It includes the CCP committees, government agencies, legislature, judicial branches, army, and the People's Congress. Another type is ShiYe, or public service, Danwei, referring to universities, schools, cultural institutes, research institutes, hospitals, publishers, weather stations and other public services. The third type is enterprise Danwei, meaning the state owned enterprises (SOEs), which do not have independent property and decision authority. All three types of Danwei share four characteristics: they are owned by the state in terms of property; they are administered by the personnel and the labor department of the state; they are supported by a unitary collective welfare and insurance system; and they are controlled by administrative agencies centered around the CCP committees.

The three types of Danwei are indistinguishable in terms of personnel and labor management. Members are classified into cadres and workers. Cadres are managers and technicians, managed by the personnel department of the state, while workers are laborers directly related to production activities, managed by the labor department of the state. Cadres and workers can be considered public employees, since the government supplies their salaries, welfare, and insurance. As a result, cadres and workers are people "inside the system," differing from the peasants in the villages who are "outside the system." This differentiation is connected with and strengthened by the Chinese residential system (the Hukou system), which constrains citizens' movement between villages and cities. According to the system, if a citizen wants to move from one place to another, he or she must get permission from the police bureau in both places.

Danwei is bureaucratic in nature. It incorporates political, economic, and social functions into one single organization. Politically, Danwei is a form for the state to manage people within the public (in terms of ownership) system, which covers almost every corner
of the cities. Economically, Danwei is an important entity for controlling the state’s economy and ensuring culture and material production. Sociologically, Danwei is a social group emblematic of the difference between the rural area and the cities, determining individual’s career, identity, consuming capability, values, personal experiences, behavioral manner, and social status.

Several factors have been identified to explain why Chinese cities have become a Danwei society. First, economically, the Chinese government attempted to destroy market relations and control resource allocation with administrative means from the beginning of the New China. When the government finished this task, it forced the SOEs to assume responsibility for employees’ employment and welfare. This policy resulted in labor’s comprehensive reliance on the employment organizations, and ultimately on the state. Second, managerially, since law was not the major means of rule, the SOEs became the organizational means for the state to achieve direct management over the society.

Third, politically, the CCP dominated the political arena, and its committees were extended to all local organizations. Danwei became the major place for individuals to take part in politics.

Fourth, socially, individuals’ social life was controlled comprehensively and closely by the administrative power of the state. Without Danwei’s acknowledgement and certification, individuals’ social activities, such as marriage, change of employment, and moving to another place, could not be performed. Overall, when all organizations were included in the plan-based economic system, the Danwei society was formed (Lu, 1993).

The framework of Danwei society is more appropriate for our purpose than plan-based economy and Marxism ideology because it acknowledges and includes these two factors while at them same time differentiates the cities from the villages. Some have argued that with the NCCB movement there is a much more realistic hope for democratization in the cities than in the villages (Luo, 2001). This argument overlooks the complicated social-political-cultural structure and institutions of Danwei society and its lagging impact on city management. In Danwei society, authentic citizen participation could not take place because of the lack of at least three factors: the need of citizen participation (public sphere), organization for citizen participation, and competence and willingness of citizens to participate.

The Lack of Public Sphere

The Danwei society leaves no room for the public sphere. Public sphere, according to Habermas, is the sum total of information and communication “spaces” that people use when they exchange views and formulate opinions. It is through these “spaces” that a democratic society is created and maintained. In the Danwei society, Danwei controlled all social resources, making it impossible for communities to develop autonomously.

Danwei is society because Danwei assumes the functions and responsibilities that should be assumed by communities or business, such as housing, welfare, pension, medical insurance, kindergarten, school, and commuting service. As a result, all aspects of an individual’s life were supported and controlled by his or her Danwei, and there was no need for engaging “public” participation on service delivery and decision making. The relationship between individual and the government was remote in the sense that government policies have only indirect impact on individuals who were controlled by his or her Danwei. The community in such a society was nothing more than a living place managed by Danwei. Housing was provided by Danwei, and people from the same Danwei usually lived in the same building or same place.

Inside a Danwei, the relationship between ordinary individuals and decision makers is not the same as the relationship between citizen (owner of government) and trustee, but between ruled and ruler, subordinate and supervisor. Outside a Danwei, social contact and social activities were based on individual’s Danwei identity, and Danwei’s authority, rank, and resource determined its and its members’ social status. In such a system, there is no need for citizen participation, and all that is necessary is to please the decision-makers and to let them take care of everything. Meanwhile, since Danweis are separated from one another, it is actually a closed “private” field in which individuals'
participation was "private" in nature. I label the participation inside a "Danwei" as "private" because it is similar to business employees bargaining with their employers.

The Lack of Civil Organizations

As Checkoway and Til (1978) conclude, organization is a central factor for citizens seeking to participate. In the Danwei society, there are no organizational forms effective for the purpose of citizen participation.

Danwei is ineffective in this regard. As the basic organizing unit, Danwei is nothing but the state's controlling place, in which individuals do what leaders want them to do in order to exchange living resources and better records in their personal files. If the leader of a Danwei is democratic, he or she may have the interest to include employees' opinion into the decision process, but only occasionally. And Danwei is closed to any other individual citizens outside it.

Since resources are completely controlled by the state and the Danwei system, it is impossible to form any kind of civil organizations outside the system. In the mean time, the state's policy on organization formation is very strict; independent organizations or associations cannot be developed unless they are Danweiized, or attached to a Danwei. Whereas in American cities church-related organizations are a major force driving citizen participation, in China these organizations did not exist 20 years ago, and even now their influence is minimal.

The city resident committee is not an effective vehicle either. Although as early as in 1954's Organizing Law of the City Resident Committee, the city resident committee was defined as a self-governing organization, it was bureaucratized and governmentalized in practice. The Law specified five tasks for resident committees: (1) to manage items concerned with the public welfare of residents; (2) to reflect the opinions and demands of residents to the local people's council or its subordinate organization; (3) to mobilize the residents to respond to government appeals and to respect the law; (4) to lead public security and protection work of a mass character; and (5) to reconcile disputes among the residents. The Law also regulated that miscellaneous expenses of the committee and supplementary living allowances for the members should be provided by local governments, and public welfare funds should be raised by "voluntary collections and contributions" from the residents. This article led to the committees' total reliance on local governments for their operation, since very few contributions were actually available from the residents.

From 1954 to 1958, the city resident committees gained some publicity and played an important role in the city management. However, from 1958 to 1961, the CCP's experimentation with urban communes (following rural communes) stopped the development and operation of the city resident committees, although the committees never disappeared. In this period, the committees had two main functions: (1) political education and mobilization: to provide direction and organization for urban residents in order to secure their active support of the CCP's policies and the state's directives; (2) problem-solving: to resolve as many community problems as possible at the street level, thereby reducing the demands on energies and financial resources from the government. In a sense, the resident committee was considered as an informal governmental organization, and "the governmental function of the residents' committee is definitely subordinate to the more general goal of political education and mobilization" (Townsend, 1968).

During the "Culture Revolution," the operation of the resident committees basically stopped. In this period, as in the years before, resident committees were unable to have more impact, which could be explained with the Danwei framework. Since Danwei had their own "family committees" mediating contradictions in and among families, city resident committees (even the street offices) had nothing to do with individuals covered by the Danweis. The city resident committees' role was nothing more than a temporary shelter and control spot for individuals who were not supported by the state, such as former prisoners and unemployed youth. In a word, the committee was a supplement to the mainstream Danwei system.

Since the 1980s, the role of city resident committee has been expanded, paralleling the gradual loosening of the Danwei system, but it has been very dependent on the government, and actually acted as a level of gov-
government. Although the duties of resident committees were strictly defined in The Organizing Law of the City Resident Committee of 1990, practice deviated much from the law. The reality was, and still is, that city government formulates policies and gives orders to district government, district government passes the orders to street office, and street office passes the orders to resident committees. As a result, a resident committee’s main activity was to manage residents on behalf of diverse government agencies (see Figure 4), and the committee lacked direct connections with residents, over-relying on the street office as to specific managerial functions. The committees’ function changed from mediating family fights and helping misbehaved young people to carrying out governments’ policies and requirements. Since every government agency can issue orders to a resident committee, the resident committees are usually overloaded, and sometimes face contradictory orders.

According to my focus group data, before 2001’s reform, some resident committees had more than 150 tasks in a year (75 tasks at least), most of which were administrative affairs. All chairmen of the resident committees and all residents I interviewed in Anzhen Street agree that before the reform, the resident committee was nothing more than the “government’s leg.” In the Opinion, it is recognized that “the operation of the city resident committee is administrative to different extent, and citizens’ participation in community building is still rare... As to the management and service of the resident committee, there are many problems to be resolved such as obligation, right, and interest being contradictory, duties and tasks being ambiguous, jurisdiction being too small, committee members being too old, and working conditions being too poor.”

The Lack of Citizenship

In the Danwei society, individuals are treated not as citizens, but as Danwei persons. Citizenship is the status and role that defines the rights and obligations of individual members of a community. A citizen is one who qualifies for the status of citizenship as prescribed formally, or informally, by a particular community, and is attributed with the rights and encumbered with the obligations assigned to this role by that community. In essence, a citizen has both rights and obligations. However, in the Danwei society, individuals’ rights and self-interests were deprived. The CCP and the State determined individuals’ rights of survival through administrative power, and Danwei does not take law as its operating principle, preventing meaningful citizenship from existing.

In other words, Chinese citizenship is obligation based, not right based. Chinese people have the tradition of waiting for an “ethical ruler” to come, which implies a kind of democracy theory based on competence. It does not allow more people to participate and during the process form a democratic system and institution; rather, it emphasizes the importance of good ideas and competent officials. In a word, there is almost no sense of citizenship in traditional Chinese political culture, which has been made more severe by the Danwei society.

Chinese people think of the government as their father, and never see citizen’s rights as a product of a contract between individual and state on an equal basis.

Figure 4: Resident Committee as the Government’s Leg
As a result, “it is difficult for people to understand that rights are very important, and it is more difficult to enforce citizens’ rights or human rights by law” (Li and Wu, 1999). It is not a complete citizenship, because “citizenship is, in the first instance, a bundle of rights that a state grants to some people, allowing those persons to influence the policies of the state and the choice of its top decision makers” (Soltan, 1999, p. 2).

Danwei persons may participate simply because Danwei (the state) required them to, being part of the mass mobilization. Besides that, Danwei persons usually show two non-citizenship behaviors when encountering uncomfortable government policies or actions. The first choice is to seek or develop some personal Guanxi (relation) with officials being in charge or officials who have strong influence on those being in charge; as a result, they can bypass the regulation or action. When there is no way for them to use Guanxi, they usually keep silent and “vote with their feet.”

In a word, Danwei society does not allow the existence of public sphere, independent civil organizations, and authentic citizenship. Lack of these three factors means lack of civil society, a result from the state’s complete intrusion into the social life. Under such circumstance, citizen participation has no root.

**New Community Building and Citizen Participation**

During the 1980s, the MCA began to promote the concept of community. In 1987, the Ministry for the first time proposed and defined the concept of community service during a meeting in Wuhan. In 1991, then minister Naifu Cui expanded the concept into “community building,” similar to the western concept of “community development” (Hua, 2000). In 1999, the MCA chose nine districts in eight cities as experimental spots for community building. In 2000, it called for nationwide efforts to carry out community building. This increasing interest in community building reflects the rapid change of population, family structure, and social structure since 1978’s reform (Wei, 2000). More importantly and specifically, it has been put forward as a remedy to the gradual collapse of the Danwei society.

The collapse of the Danwei society was accelerated in the 1990s, resulting from factors both outside and inside the system. Outside the Danwei system, with the transformation from a plan-based country to a market-based one, more and more resources and organizations have fallen out of the control of the traditional system. Private and township companies have been increasing their contribution to China’s economy and their voice in resource allocation. The economic reform also initiated the classic process of modernization and industrialization, in which millions of people from rural areas came to cities to make a living. Most of these people have not been and could not be supported and governed by the traditional Danwei system due to the financial deficiency of the government.

Changes also have taken place within the Danwei system. As the economic mainstay of the system, SOEs have been required to deepen reform measures and update their operating mechanisms. Almost 30 functions formerly assumed by SOEs are being separated and transferred to the society. Similarly, as governmental Danwei reform to redefine their function, many social and service functions they assumed are being passed to the society. Since the 1990s, the reforms on housing, medical care, employment, and pension have jointly distanced individuals further from their Danwei.

The collapse of the Danwei society has left a relative vacuum of social control. Community and community control, as a result, were put onto the government agenda. The loosening control of the state provides an opportunity for the rise of the public sphere, civil organizations, and authentic citizenship. The NCCB movement is one of the major initiatives to exploit the opportunity. It should be pointed out, however, that the movement would not necessarily lead to more citizen participation, unless practitioners really accept the con-
cept of self-governance and devote themselves to cultivating a sense of community and citizenship among the residents. Currently, while the formal goal and one of the guiding principles of the movement is to strengthen the self-governance of city residents, the practice has taken diverse forms, most of which are far from the theoretical claim. In Beijing's hundreds of traditional and newly established communities, only seven have undergone reforms to achieve the goal of self-governance. The following section discusses the process of the reform, the form and measures that have been taken, and the problems that have arisen. It also explains why other communities do not follow the same course as these seven communities.

The discussion is based primarily on the practice of Anzhen Street, Chaoyang district, city of Beijing. With a population of 60,000, Anzhen Street (3.6 square km) is one of 22 streets in the Chaoyang District.

Community: Re-mapping

The first task of the NCCB movement is to re-map the communities. Traditionally, city resident committees were established and distributed on the basis of the Danwei’s location, without consideration of residents’ sense of belonging. According to the Opinion and the operational plans formulated by the MCA, the Beijing City Government, and the Chaoyang District Government, respectively, the community re-mapping is to make the distribution more facilitative for communities’ management, resource allocation, and self-governance. Meanwhile, population scale and residents’ sense of belonging are required to be taken into account. The intention behind the re-mapping is to audit and reallocate informal administrative resources to maintain the stability of the society and the social control of the state.

After a thorough analysis of the characteristics of the area, officials in the Anzhen Street Office found several factors that should be considered as to the re-mapping. First, there are a large number of high buildings in the area, with very high population intensity. Second, there is a relatively long history of “closing” management of the jurisdiction, so residents basically have the cognition of the community. Third, there are different kinds of well-located service facilities, and residents’ basic living area are the same, with similar living customs. Fourth, previous committee members have relatively high prestige in the area. Fifth, due to the natural divide by some major roads, the area has relatively constant allocation of place and facilities.

According to the guiding principle for re-mapping and the characteristic analysis, Anzhen Street re-mapped its jurisdiction into six communities, including Western Anzhen, Western Anhua, and Yunmin Road, with 46 traditional city resident committees and family committees being consolidated. The average household of the communities is about 5,000, with the highest one of 6,225. The average population for each community is about 10,000.

Community Resident Committee: Election and Power

Because the Organizing Law of the City Resident Committee of 1990 is ambiguous about the procedure and methods for the election and operation of the resident committee, city governments have to formulate their own. According to the Beijing City Government’s and Chaoyang District Government’s directives (2001), as well as the Anzhen Street Office’s practice, relevant to residents’ self-governance are the assembly of community residents and the community resident committee.

1) Assembly of Community Residents. The assembly of community residents is designed to be the decision-making organ for community building affairs, representing residents’ will through democratic election, democratic decision, democratic management and democratic monitoring. Its mission is claimed to be to achieve residents’ self-management, self-education, self-service, and self-monitoring. Generally, the assembly consists of resident representatives, Danwei representatives, and representatives of the people who live in the community but without the identity of the permanent residency (non-permanent residents).

According to Chaoyang District’s directive, resident representatives are elected by a resident group consisting of between 30 and 50 households, with the principle of “one group, one representative.” Danwei representatives are elected or named by one or more Danwei according to its scale. Representatives of the non-per-
Yang/ from "Danwei" Society to New Community Building

Community Resident Committee is the standing organ of the assembly, and represents residents to perform self-governance and manage public affairs. The committee generally consists of five to 11 members, among which one is chairman and one or two are vice chairmen. The Chairman has the authority to call for and preside over committee meetings, in which the decision principle is majority rule.

The committee's right of self-governance could be divided into four authorities:

*Authority of decision* — Under the direction of law and government policy, it has the authority to decide independently on everyday public affairs and public business in the community.

*Authority of preliminary examination* — Under the direction of law and government policy, it has the authority to preliminarily examine programs that are relevant to residents' life. Before such programs are examined and approved by government agencies, they should be sent to the resident committee for examination.

*Authority of collaborative management* — This implies collaborating with government agencies and offices to carry out activities relevant to community building, as well as helping government with certain tasks according to the principle that "obligation, right, and interest are in line" and "fee-collecting power is given to those who do the work." It also has the right to resist some unreasonable tasks ordered by government agencies and tasks irrelevant to community building.

*Authority of monitoring* — It represents residents to review, criticize, and advise government agencies and offices on their community-building efforts. The Beijing City government and Chaoyang District government require that agencies and offices under their jurisdiction respond to the committee's questions and advice within 10 days and take effective measures.

The new community resident committee is designed to have a new relationship with street offices and gov-
ernment agencies (see Figure 5). It is hoped that they will become partners and monitors of the government, a role radically different from “governments’ leg.” According to the interviews and the focus group, the new city management is ready to improve residents’ welfare and participation. Several changes have taken place. One is that younger, more educated people are replacing aging committee members. The average age of the six committee chairmen in Anzhen Street has been decreased from 63 to 46. In Fengtai District, I even met two committee chairmen in their twenties, with college educations and business experience. Officials say that they will continue to recruit qualified people from current cadres, on-the-market graduates from colleges, cadres exited from the Army, former employees of SOEs, and young unemployed people. Other measures will also be taken to improve committee members’ professional ethics and skills, and to enhance their social and economic status.

Another change is that the rigid relationship between committees and governmental agencies has been loosened; therefore, agencies have begun to realize the independence of the committees. For example, previously, the location of public and private service facilities was within the jurisdiction of Beijing Municipal Construction and Management Committee, a city level government agency. Under NCCB, it is now in the control of the local resident committees. When the six committees in Anzhen started to take charge of this matter, they had clashes with the city agency as predicted. But after several rounds of negotiation, the committees eventually won control over the location decision. During the process, the Municipal Construction and Management Committee recognized the status of the new resident committees in the law, and started to rethink their relationship with these committees.

One of the most important changes has been the initiative to establish the CCP’s leadership in local resident committees. Previously, the CCP managed its members based on Danwei. Currently, it is required that the CCP members be managed simultaneously by the CCP’s subcommittees in Danwei and in Community. Although the operation plan of the MCA only touches on the CCP members who are retired, in non-state-owned enterprises, without job affiliation, or living in the community but whose Danwei is not in the community, some street governments including Fengtai and Chaoyang have been looking for ways to include more of the CCP members. The six committee chairmen in Anzhen Street all agree that such a new management system for the CCP is very helpful in the NCCB movement, partly because it is facilitative to solve the resource problem since most of the CCP members have some influence in their Danwei. Such a system will also make more and more of the CCP members interested in and taking part in NCCB.

**Citizenship: Deliberation and Decision**

In the focus group and the follow-up interviews, the six chairmen of the committees in Anzhen Street agree that after the re-mapping and election, as well as propagation, three noticeable changes took place among the residents. First, residents acknowledged the newly established community and its committee, recognizing the fundamental difference between the traditional resident committee in Danwei society and the new community resident committee. Second, they have started to understand that the new community is the organization for their self-governance; third, the cohesion of the community has increased. They tell stories about how residents collectively decide on public affairs related to their lives.

For example, in Western Anhua community, as well as other communities, there are some service outlets that provide services for a fee. Traditionally, Danwei or estate companies determine where such outlets are established. Currently, such decisions are determined by the community resident committees, which listen to the opinions of all residents.

Another example is in the Western Anzhen community. Recently two areas of the community planned to do some reengineering work, which involves many residents’ interests. The new community resident committee first invited 20 people to have several meetings to discuss alternative plans, then designed and distributed questionnaires to all households in the area for their opinion. The final decision was based on all the returned questionnaires, and the results of the survey were made public to all residents. One decision is about the color of the buildings in the area. The committee first invited several construction experts to discuss and
came up with several plans including blue, blue plus white, green, and yellow. In the questionnaire, these four plans were introduced and several factors were also provided for residents' consideration, such as the degree of harmony with the environment. Eighty-six percent of the residents chose blue plus white, which was the same choice made by the experts. In old times, such reengineering projects always led to controversies and fights, but it went very well this time.

Challenges for Citizen Participation in Chinese Cities

Communities:

Advocates of the NCCB movement recognize that the new community should be based on the sense of belonging, but in practice it is not the most important factor. Practitioners take into account. The irony is that the re-mapping is trying to base itself on a feature that does not exist in most cases. The sense of belonging is the sense of community, and it is almost impossible for some communities to have the sense of belonging for it has not been very long since the collapse of the Danwei system. The focus group and resident interviewees agree that it will take a long time to develop a mature sense of community, which is related to the overall economic and political system of reform. In responding to the question “Do you have a special feeling of attachment toward the community you live in?” only 26 percent replied that they did. Fortunately, the officials have recognized and have promised to address this problem.

Anzhen is an old community, with a relatively constant population, so it is easier to carry out NCCB. In some other communities, the implementation would be more complicated. Communities in Fengtai District, for example, are connecting spots between villages and cities, so they have more fluid and diverse populations, with relatively poorer economic conditions. The re-mapping in these communities may be more difficult.

A far more fundamental question is the lack of consensus on what actually a community is. Without an accurate understanding of the concept, the re-mapping seems meaningless and the sense of community may be a false expectation. If we take the city of Beijing as a community, then the hundreds of resident committees are nothing more than neighborhood organizations. The current efforts aim to involve residents into neighborhood activities, with no intention to help residents to take part in affairs at the street, district, and the city level. Some argue that it is not feasible to manage a “community” of more than 5,000 households. This argument testifies that the intention of the movement is to update the control mechanism for the state, rather than to cultivate a sense of community.

Community re-mapping has to be planned more carefully, and it cannot be separated from other institutional changes in the city system. As Etzioni (1993) says, “institutions, from local schools to community policing, from local churches to museums, are important for communities above and beyond the service they provide. Communities congeal around such institutions” (p. 135). For example, “local schools...are more than a place to which parents send their children. The buildings, and the sports teams, are a source of identity for the community.... [W]hen bean counters decide that it is more efficient to consolidate the schools of several communities, many communities lose their unifying institution” (136). In Chinese cities, such institutions are not organized around communities and more attention should be paid to adapt them to the new community building efforts.

In contrast to Anzhen Street's practice, other Beijing streets did not focus on resident committees' self-governance. Most of them have been investing to construct community centers in which a series of community services are provided. These community centers have the potential to stand for a sense and spirit of community, but unfortunately the leaders in these communities have not recognized the symbolic meaning of the infrastructure and failed to manage the centers from a cultural and symbolism perspective (Yanow, 1993). Differently, Anzhen Street did not invest much on infrastructure construction; hence they lack such a way to symbolize the sense of community and the spirit of self-governance. In the future, the two types of practice should be integrated to build meaningful communities.

Yang, From “Danwei” Society to New Community Building
The Community Resident Committee

There are several problems with the community resident committee. One is that the election process is not satisfactory. Basically, the street offices have their own candidates, and residents lack willingness to name other candidates. Even when there are several candidates, the election process is not serious and fair. For example, not all residents or households received the election ticket in March. Among our interviewees, only 72 percent said they received the election ticket. Moreover, the election was not held in a public meeting; rather, street officials or people they authorized went to residents’ houses to distribute election tickets and to ask residents to fill them out. A procedure with more detail is needed to ensure the procedural justice in the election.

Another problem, recognized by some officials, is that although the committee has more autonomy from the street office than a traditional committee does, it is still not enough for self-governance. Although street office is defined to “direct” not “lead” the committee, it is also required that the committee should be led by the CCP’s sub-committee at the community level, which is under the leadership of the CCP’s sub-committee at the street level. Meanwhile, the CCP’s sub-committee at the street level also leads the street office. As a result, it is hard to say that the community committee can represent residents’ willingness.

A related problem is that it is all up to the officials in the street office to interpret NCCB. In the Anzhen Street office, the official in charge of community building is very open-minded and believes in residents’ intelligence. During my observation and interview, this official was promoted to the city; as a result, the six committee chairmen expressed their doubts and anxieties about the future leader and his or her standing on NCCB. In contrast, other streets in Chaoyang District and other districts in Beijing do not have such an official, so they hesitate to let residents decide their affairs. Interestingly, although the laws, the Opinion and some other national directives all describe the resident committee as a self-governing organization, they are nevertheless ambiguous and up to the interpretation of city governments and district governments. In some communities, officials don’t want to give up powers to residents and their committee, because they fear that if the committee becomes a decision-making and monitoring organ then there would be no local organizations to carry our some administrative functions. This illustrates that in the minds of many governmental officials, the ideal of “big government” is still playing a dominant role. As long as they want government to micro-manage, they will not welcome citizen’s self-governance. In this case, even if a new community resident committee is elected, it will still be an administrative tool of the government, as traditional committees were.

Citizenship

If residents don’t have a sense of community, they certainly would not have the sense of citizenship, the sense of responsibility or obligation to community and government affairs. Although interviewees agree that the new movement is improving residents’ sense of citizenship, they also point out that it is just a start and it needs more careful efforts in the long run. Interviewees also mentioned that residents enthusiastic about community building are still old people, especially retired people. It is obvious that young people and those who have a full time job do not have interest in community building. In my interview with residents, 95 percent of retired people are very interested in community activities, but only 13 percent of young people and 15 percent adults are interested.

Although the participation pattern may seem similar to that in Western countries, its implications in citizenship are different. For Western countries, the lack of willingness to participate is related to a rights-based citizenship with “too many rights, too few responsibilities,” and a communitarian movement has been proposed to reestablish the link between rights and responsibilities (Etzioni, 1993). While in China, the lack of participation is related to obligation-based citizenship, any attempts to encourage authentic participation have to begin with true and meaningful attribution of certain rights to citizens.

The NCCB movement does not have a thorough theory on how to improve the sense of citizenship. It fails to design a full range of mechanisms for the dissemination, sharing, and understanding of complex issues and diverse opinions. The resident committee, even
successful, is limited in spreading its resources and energies over so many social problems. It also has neither the intention nor resources to train residents to improve their participation skills.

One area that has been ignored by the NCCB movement is how to cultivate the sense of citizenship among young people through partnerships among local schools, communities, and local governments. Interestingly, the Youth League has taken steps to help its members to understand their legal rights and to introduce them to community building. The Central Committee of the Youth League has launched a nationwide campaign to build “Civilized Community by the Youth,” and its impact is significant. However, the officials I interviewed in the MCA and its local bureaus told me that the campaign was nothing and meaningless — compared with the NCCB movement — and they did not recognize the importance of the campaign in cultivating citizenship among young people. In the future, attention should be paid to the collaboration among the MCA, the Youth League, the Ministry of Education, and other government agencies.

Conclusions and Further Reflections

It is safe to say that the NCCB movement does have the potential to promote citizen participation in China’s major cities, but the progress depends on some other factors. China’s endeavor for authentic citizen participation in its cities will be a long process of institutional transformation, but with the NCCB movement China is already on its way. Unfortunately, it seems that Chinese academics and officials have not fully understood the relationship between community building and citizen participation. Although it is expected that institutional change is a process of trial and error, it would be better to develop a new and thorough theoretical ground.

Regarding the political-social dimension of citizen participation, current NCCB efforts focus mainly on communities’ services, sanitation, security, and culture, all of which are more social (civic) than political. On the one hand, such kinds of social engagement and civic participation would necessarily improve residents’ interpersonal trust and commitment, ingredients of the social capital necessary for citizenship behavior and citizen participation. On the other hand, separated from the substantive governmental policy-making process, such kinds of socialization will not necessarily lead to improved political participation competence such as skills of deliberation, negotiation, and bargaining. One has to understand that a continuum exists between social engagement and political participation, and one has to make efforts to facilitate movement along this spectrum.

In regard to the authoritarian-individualistic dimension of citizen participation, the NCCB movement pays less attention to transforming government agencies than to resident committees and community service. Only after government becomes more democratic and liberal can citizen participation be voluntary and active. However, in highly centralized socialistic China dominated by Marxism-Leninism ideology, it is hard to expect that city government could change quickly its governing manner.

In cities, improving political socialization and reforming authoritarian governance need to change the local power structure and stay focused on public policy making. A comparison to U.S. experiences is illustrative on three points. First, attention should be focused on the governmental policy process. According to Seave (1993), by the early 1990s, over 60 percent of American cities had established a formal participatory regime for community development. Local residents are organized to design long-term neighborhood (city) plans and then devise spending plans to implement their ideas. For example, the Neighborhood Revitalization Program of Minneapolis, Minnesota has four goals: build neighborhood capacity, redesign public services, increase government agency collaboration, and create a sense of community (Filner, 2000). The real challenge of citizen participation is to change the relationship between government and citizens, in which citizen groups play an intermediary role. In this sense, Chinese resident committees should strive to organize residents to take part in city and district government, changing from a service-and-education-centered organization to a deliberative and participative one.

Second, more citizen groups and committees paralleling current resident committees should be allowed to
form. In the United States, citizen commissions and citizen committees have diverse forms performing diverse functions (Box, 1998; Rodgers, 1977), while the Chinese resident committee, as an organization unit, includes all functions related to community development and becomes an informal administrative organ with all-in-one functions but limited resources. Some Chinese officials have recognized the necessity to develop more voluntary organizations in communities, but concrete measures have to be taken. Besides, most officials expect more voluntary groups as a supplement to the resident committees, but only when these groups have the same status as the resident committees do could the whole system be stable enough. By allowing and encouraging the formation of more citizen groups, the diversity of interest groups and the interdependence of interests would be enhanced, paving the way from a Convincing type of citizen participation to a Co-evolving type (Innes and Booher, 2000).

Third, promotion of citizen participation cannot be understood without a reference to local power structure (MacNair, et al., 1983; King, et al., 1998; Ebdon, 2000). Box (1998) contends that citizen governance means changing the relationship between elected officials and the general public and between public professionals and both their elected superiors and the public. However, in Chinese cities, representatives of the city People’s Congress, with consideration for special groups such as minorities, women, and the disabled, are elected based on profession and the Danwei system, not on the community system. No officials have inquired about the relationship between the elected representatives and the resident committees. Since the members of the resident committees are elected by all residents according to law, the committee actually has high legitimacy and legal status, at least in theory. What this legal status will mean and how it will change the city governance system remains uncertain at this point, but it is safe to say that more system changes are needed.

In general, China needs to focus on both transformation and development (Li, 1996). In such a historical stage, institutional change always has to solve two problems: insufficient supply of institution (resources) and path dependence (North, 1990). As to the former, it is widely discussed that traditional culture and political systems do not leave the Chinese people a resourceful base from which to achieve rights-based citizenship and authentic citizen participation (Wang, 1981; Qin, 1999; Wei, 2001; Li, 2000). However, Chinese culture is so multifaceted that one can always find resources from it for his/her purpose. The ultimate factor determining how officials interpret culture and institution is political system and dominant ideology. For example, the CCP’s firmly held slogans “from the mass, for the mass” and “serving the mass,” if interpreted properly, can provide legitimacy to broader and stronger citizen participation.

As to the latter, it is obvious that the NCCB movement is initiated and organized by the government, emblematic of another government supplied institutional change. It is acceptable and helpful in such a transitional period, but it is necessary to develop a bottom-up process in the future. This transformation depends on the overall reform policy related to the economic and political systems at the national level. One point is that the government should further redefine its function and reform its operation manner, completely giving up its ambition of “big government.” Another is that the way the CCP leads the country and the people should be reconsidered. At the local level, especially in civil organizations, the CCP’s role should be nothing more than “direction” and “advice.”

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Book Reviews

A Important Book in the Study of Chinese Politics and Administration

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The division of power and authority between central and local governments has been a key issue about which many scholars have shown great concern. In political and administrative science, it is a theoretical and practical issue of great significance. Since the Third Plenary Meeting of the 11th National Congress of the Chinese Communist Party (CCP) Central Committee, China has established and carried out a policy of reform and openness that has set China on the fast lane of economic growth and brought about great change. One of the most important components of the reforms of the political, administrative, and economic systems is the transfer of power to lower levels and the adjustment of authority relations between governments. In the 21st century, the development and perfection of the socialist market economic system requires further adjustment of power and a scientific, rational distribution of authority between central and local governments. Further systematic research in this area is of great theoretical and practical significance.


Country (printed by the Economic and Scientific Publishing House in January 2001) is the ultimate fruit of the project. The major characteristics of this book can be summarized as follows.

Under the guidance of Marxist theory, and with close attention to history and reality, the book is a general and systematic analysis of the division of authority between the central government and localities. It puts forward many creative and revealing theoretical viewpoints. The book is rich and readable, based on a great amount of historical facts, written logically and with ease and grace.

It breaks the old disciplinary boundaries that have marked the study of central-local authority relations by adopting a multi-disciplinary perspective, using insights from economics, politics, administrative science, history, and cultural science. This broadens the scope of the research, deepens it theoretically, and makes it more systematic.

It puts the study of centralization and decentralization against the historical background of a country’s rise and decline as well as against the process of a country’s integration into the world. It is thus an organic combination of history with modernity.

It places equal emphasis on the theoretical study of the power division and on finding solutions to realistic problems. It is thus an organic combination of theory with reality.

It uses various approaches, such as case study, rational analysis, historical study and comparative study, which combine to help develop the analysis step by step, in-depth and in an extremely convincing manner.

The book has the following creative viewpoints.

It scientifically draws a line between a centralized system and a highly centralized power system, regarding the two systems as totally different ones by nature — the centralization system is the prerequisite of a democratic political system while a highly centralized power system is the key embodiment of a dictatorial system.

Historically, the coming into being of a highly cen-
entralized power system has its historical inevitability and plays an important role in stabilizing a nation. But in peaceful times, that system can conflict with social development and contribute directly to a country's decline.

Local governments' demand for administrative authority sometimes tends toward an extreme extent, resulting in over-decentralization. It is harmful to a nation's stability and utility, and it likely leads to its decline if it is practiced for a long period of time.

In the process of world modernization, clear-cut laws determine the power division between the central government and localities. In the initial stage of modernization, the predominant form is usually a highly centralized power system. In the stable developing stage of modernization, decentralization is on the horizon. In the period of modernization crisis, a highly centralized power system is overwhelming, with some countries even going to extremes. In the mature period of modernization, a highly centralized power system is replaced by rational decentralization.

The developmental changes in the power division between the central government and localities are not accidental, but have their historical inevitability. The geographical environment, political environment, historical traditions, political culture, economic structure, political structure, ethnic minority problems, and the level of scientific and technological development are major factors contributing to the form of power division between the central government and localities.

For some scholars and officials in China, misunderstandings exist regarding the value of decentralization as well as the content of local autonomy. To rationally divide responsibilities and powers, we must correct these misunderstandings. Based on Marxist theories as well as the theories of Deng Xiaoping, Guili Buo discusses the transfer of over-centralized power to lower levels and a scientific definition of local autonomy. He points out that the shift of power aims to allocate power resources rationally, to mobilize fully the initiative of people from all walks of life, to develop social productivity, and to achieve scientific and standardized administration. Under the socialist market economy and the democratic representative system, the fundamental meaning of local autonomy is the democratic rights of electorates, such as the rights to elect, supervise, and dismiss officials.

To divide duties and powers between governments scientifically and rationally, we must organically combine the vertical power allocation with a proper horizontal power structure. The overall power structure must be aligned with the demands of the socialist market economy and the development of democratic politics. This is key to achieving a balance between the potential chaos of decentralization and the potential lifelessness of centralization.

The author's surveys and studies of other nations helps shed light on establishing a rational power division system with Chinese characteristics (i.e., that fits the socialist market economy and meets the demands of democratic politics). Buo suggests the following:

- adjust the division of administrative regions
- increase the numbers of provinces and minimize provincial territories
- reduce administrative levels
- allocate rationally administrative functions of the central government and localities according to the requirements of the society in transition
- cater to the demands of the development of the socialist market economy and those of the construction of democratic politics
- transfer gradually from local decentralization to equal power at localities
- reform the cadre personnel systems to guarantee citizens' rights to elect local officials
- realize a democratic, scientific and legal personnel administration relating to public servants, establish a rational system for expressing and balancing local interests
- integrate the relationship between the central government and localities into a legal framework
- reform and improve the power supervision system, strengthen supervision and checks over power.

All told, the book *The Relationship between Centralization and Decentralization and the Rise and Decline of a Country*, is a creative work regarding some frontier issues of Chinese political science and administrative science. Of the viewpoints and elaboration put forward in the book, many are of high academic value as well as practical value.
Yet the book still leaves something to be clarified when it mentions the specific power division between the central government and localities in China, such as responsibilities for office, decision making, financial affairs, and personnel administration. Hence further studies need to be made. It hardly touches on the topic of how to divide and balance the power of local governments below the provincial level. This is an area where further research in general is needed.

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