

## FROM VILLAGE COMMONS TO URBAN PUBLIC GOODS



As villages are made administratively urban, the paths by which public goods are provided are diverted from their previous grass-roots organizations. The state takes over the provision of most social goods, previously provided by the villages themselves, in a process of transition from village commons to a state urban public goods regime. Legacies from China's collectivist era, notably its rural/urban dualism in matters of landownership and responsibility for providing public goods, shape this process. While they were classed as rural, village communities largely financed their own infrastructure and other public services, and this persisted when rural villages started physically urbanizing and even after they had become urban communities (*shequ*).

When villages are administratively urbanized, in theory they should be funded by municipal public finance because their collectively owned land, previously a source of revenue used to fund village social goods, is now state-owned.<sup>1</sup> However, due to the budgetary scarcity resulting from China's centralized fiscal structure and its downward devolution of responsibility for provisioning, city governments have limited means with which to compensate for land expropriation and finance urban public goods. City governments are responsible for financing over 80 percent of all government spending on social welfare and services, including healthcare and pensions (Wong 2010; Huang 2020). As there is no nationally standardized institutional process whereby local governments can obtain funding from higher levels, city governments end up passing the fiscal pressure even further downward, expecting district and urban commu-

nity administrations to assume the considerable burden of providing services and welfare with inadequate funding.

One way out of this difficulty is to redevelop the villages-in-the-city. Redevelopment projects replacing former village houses or unplanned buildings with newly planned residential complexes generate funding for municipal governments from auctioning off land leases to developers, and income from leasing the land. This approach, in which existing buildings and sometimes entire neighborhoods are demolished to make way for new development, was common in many urban development projects in China at the turn of the twenty-first century (Wu, Zhang, and Webster 2013). Although it has come under fire for its harmful social and environmental effects (He and Wu 2005; Shin 2009; Ye 2011; Xie and Han 2014; Yang 2020), and measures have been adopted to guarantee better compensation terms and render the governance of such projects more inclusive (Ye 2014; Lin, Hao, and Geertman 2015; Lin 2015; Zhang and Tochen 2016), the practice remains widespread.

Such redevelopment happens in different ways and at different speeds, reflecting the differences across the three cases outlined in chapter 1. In South Gate in Chengdu, the local municipal government paid for the former villagers' resettlement while drawing tax revenue from new commercial estates built on leased-out former village land that was freed up by substituting village houses with resettlement estates. In River Hamlet in Xi'an and Pine Mansion in Shenzhen, partnerships with commercial developers save the government money, as they are responsible for compensating the villagers for their holdings. Starting in 2011, the former village of Pine Mansion in Shenzhen underwent the same kind of erasure as South Gate did in Chengdu, with the total destruction of the old village center to make way for a new urban environment. In 2018 the parts of Xi'an's River Hamlet that had not already been redeveloped shared the same fate.

Redevelopment projects are based on the expectation that rebuilding neighborhoods wholesale will purge them of their unruly landscapes and undesirable rural migrant populations to bring about well-functioning, proper urban communities inhabited by law-abiding and well-educated middle-class citizens. They rest on teleological imaginaries of modernization mixed with a form of social eugenics. However, such projects can be successful only with a certain amount of investment in parks, transportation, and schools to make them attractive to future buyers.

A focus on public goods permits examination of the entanglements, both collusive and antagonistic, between communities, the

state, and capital (Kalb 2017: 70; Kalb and Mollona 2018: 9). This chapter shows how public goods provisioning is highly conditional on the path followed by individual villages-in-the-city; municipal authorities start putting their hands into their pockets only when the redevelopment plans are launched. Another less widespread but still significant means of triggering the transformation is for the state to expropriate existing village social goods based on village commons and convert them to urban public goods to create favorable conditions for forthcoming redevelopment projects. It also happens, however, that villagers manage to safeguard their commons by bringing them into at least apparent conformity with new urban public goods standards. Such strategies for commoning public goods require villagers to cooperate in ways that make them strong enough to negotiate with state authorities, as Elinor Ostrom's (2015) work has shown, or to navigate the gray zones of state policies.

As the previous chapter began to show, the stronger the village collective and the longer it remains in place, the greater its involvement in the provision of public goods, including welfare benefits, community office space and staff, and public infrastructure. More generally, in villages-in-the-city the endurance of communal village sociability and organized groups such as former rural collectives (cultivation brigades turned into shareholding companies) shapes the path of the statization of public goods provisioning. This chapter takes a closer look at this changed provisioning path. Susana Narotzky (2012: 78) defines provisioning as "a complex process where production, distribution, appropriation and consumption relations all have to be taken into account, and where history defines particular available paths for obtaining goods and services." This emphasis on the historically framed paths of provisioning lays the foundation for this chapter, which describes the transition from village to urban public goods. How are state public goods substituted for village commons? In this shift from rural to urban, what types of public goods are prioritized? What remains of former villages' social goods, and which new urban public goods come to the fore? What chance is there for ordinary citizens, including both former villagers and new inhabitants, to shape and make claims about which public goods should be provisioned by the state?

To answer these questions, this chapter first examines the changes to one of the most important village commons: collective tomb land. Burial sites are generally among the first targets of urbanization planning, and the land is cleared by transferring the remains of the dead to public cemeteries. The villagers of Pine Mansion and River Hamlet

found different ways of coping with this state-imposed obligation. The second section follows this comparison with a close look at the urban redevelopment projects spearheaded by the two villages' local municipal governments. This was a far more cooperative process in Pine Mansion than in River Hamlet, not only because Shenzhen's redevelopment policy lends more importance to grassroots communities' agreement to such projects but also because Pine Mansion's preexisting commons created favorable conditions for the extraction and generation of exchange value to benefit the natives, the state, and the real-estate developer. I further explore this by turning to wet markets, parking space, and schools, typically new urban public goods catering for middle-class consumers. Examining the principles underlying decisions to privilege private or public provisioning, I highlight how local governments tune into and prioritize middle-class demands following a clubbing logic in which provisioning is graduated according to class divisions. In all, this chapter shows how graduated provision is differentiated along class lines and according to the evolutionary stage the authorities judge an urban community to have reached.

### **Circumventing or Coping with State Policy: The Expropriation of Tomb Land**

The existence of ancestral tombs in urbanizing villages constitutes an obstacle to urbanization planning. China's exponential urban population growth and sprawl has led the state to generalize and speed up its nationwide funeral reform (*binzang gaige*), whose stated goals are to "eliminate superstitious activities (*mixin huodong*) in funeral customs" and to "build a socialist spiritual civilization." These goals have been on the Communist Party's agenda since cremation was established as a national objective in 1956, but under Mao it was mainly achieved in urban areas (Whyte 1988).<sup>2</sup> This reform is ideological, in line with the Chinese state's official atheism and condemnation of the superstitious beliefs and practices associated with burial. However, the timing of its implementation shows that it is mainly about freeing up land for economic development. The means are equally revealing: the state promotes the exhumation of remains and their cremation and transfer to large, state-run public cemeteries in hilly outlying zones. Although the state rhetoric considers the break from ancestral worship a necessary step toward proper urban behavior, it tolerates what it sees as superstitious activity as long as this is performed in

the new cemeteries. These cemeteries allow a spatial economy of scale, as there is generally one cemetery per urban district rather than tombs scattered throughout the urbanizing villages.

In both Pine Mansion and River Hamlet, the relocation of graves was the most violent measure that the state imposed on the former villagers; by comparison, their own relocation to more comfortable modern apartments rendered the destruction of their old village houses acceptable. The funeral reform is itself based on a “violent abstraction” (Loftus 2015) insofar as it aims to replace burial places that are meaningful and crucial to communities’ social reproduction with abstract, homogenous, urban space (Yang 2004). In the exhumation of the tombs, the violence of the land requisition was compounded by the violation of values fundamental to social reproduction across generations and beyond death. The reform clashes with the widespread principle that a deceased person must rest in the earth, as expressed in the phrase *rutu wei’an* (literally “enter the earth to [be] at peace”), and must receive postmortem ritual care to enable them to become a proper ancestor and not a hungry and potentially harmful ghost (Ahern 1973; Wolf 1974). In Pine Mansion and River Hamlet, relocation far from the village territory represented a threat, as the villagers worried that this would discourage their descendants from carrying out the necessary ancestor worship. The reform also goes against the idea that animates burial practices and ancestral worship rituals, namely that the ancestors can be all the more beneficial to their descendants when they are buried in sites endowed with good geomancy (*fengshui*). Ancestors who are properly cared for and receive regular ritual attention are expected to be benevolent toward their descendants and ensure their fertility and prosperity. It is therefore important to bury a dead relative at a propitious site whose geomancy will canalize the vital essence or *qi*, held in the bones, which is a source of vitality and fertility for their descendants (Feuchtwang 1974; Bruun 2003).

“The totalitarian impulse in China leads to ideological claims that the only soul that should be celebrated is that of the Party itself” (Kipnis 2021: 110). With urbanization, the Chinese state is becoming increasingly involved in the governing of funerary affairs. Yet as Andrew Kipnis (2021) notes, although unified state rule and total party monopoly of power are the political ideal, this is contradicted by various government departments and local governments pursuing their own interests. Native villagers in Pine Mansion and River Hamlet drew upon their former village-level social resources and called on government officials’ shared cultural understanding to ne-

gotiate the transition from village tombs to urban public cemeteries. In Pine Mansion they mobilized to save their most important tomb, that of the ancestor who had founded the village, from destruction by building a mausoleum over the tomb and using legitimization strategies to make the mausoleum acceptable to the authorities. The former villagers of River Hamlet, however, had no option but to accept the transfer of their ancestors' remains to the public cemeteries, although some managed to take advantage of negotiations over a redevelopment project to obtain free transport to the cemetery.

### *The Pine Mansion Mausoleum: Commoning a Public Good*

The Pine Mansion Chen lineage built a mausoleum around the tomb of their founding ancestor Chen Zhenneng at the end of the 1990s. At that time Pine Mansion was still officially a rural village, but Bao'an District, in which it was located, had been incorporated within the Shenzhen municipality in 1993, thereby becoming urban. This accelerated the urbanization of the rural villages that until then had been outside of the original special economic zone, which explains why, in 1997, the Shenzhen municipal authorities drastically implemented the national funeral reform regulations that had just been issued by the Chinese State Council. A decision was made to achieve 100 percent cremation across Shenzhen within ten years and to prohibit burial (*tuzang*). Moreover, the authorities ordered that all buried remains were to be exhumed and cremated, and the ashes scattered or stored at an official public cemetery.

Pine Mansion's tombs, like those of all the surrounding villages, were scattered across the hills around the village on land held in common by the collectives. The new municipal policy intended to concentrate all the dead's remains in one public cemetery per urban district, requiring the rural villages within Shenzhen to relinquish what the government saw as a waste of space. A government team came to Pine Mansion in 1998 to proceed with the exhumation, threatening that villagers who did not comply would lose their shares in their cooperative companies. I estimate that about a thousand graves were dug up and the remains cremated and placed in urns that were stored in the ancestral temple until the construction of the mausoleum was finalized two years later, when they were placed within it.

In 1997 a Pine Mansion Chen, a retired high-level government cadre, took the lead in the collective mobilization to build the mausoleum, using his connections in government, in the construction industry and among the overseas Chens. The latter set of connec-

tions allowed the speedy mobilization of the diaspora in Asia Pacific and Northern and Central America, and the swift collection of over a million RMB in a few months to build the mausoleum (see Trémon 2015 and 2022 for details). The cadre's connections—and, as he confessed, the bribery of district-level officials—ensured that the site was listed by the Heritage Bureau as one of Bao'an District's heritage spots (*wenwu dian*). This public recognition of its importance ensures its protection. It is worth noting that Pine Mansion is not the only Shenzhen village where an ancestral tomb has been accorded heritage protection, demonstrating that district governments have shown some leniency regarding such initiatives.

The mausoleum was a clever solution to a double challenge: to protect the remains of the founding ancestor, and to store the ashes of those deceased that they had not been able to avoid exhuming and cremating. It was built over the founding ancestor's tomb, keeping his remains entire and undisturbed; the aisles of the three-story building provide storage space for the funeral urns of the Chens and the non-Chens who also participated in the fundraising. The mausoleum is officially called the Pine Mansion Historical and Memorial Hall, although I have rarely heard it called by this name: generally the word *lingyuan*, meaning “mausoleum” or “cemetery,” prevails.<sup>3</sup> The village leaders played with the official definition of “public cemetery” where the funeral urns were to be stored, cleverly dealing with the government authorities by using the gray zones and interstices of the funeral reform. As the reform commanded that urns be placed in public cemeteries, the community created its own. Allowing non-Chen native villagers to store their dead's funeral urns in the mausoleum prevents it from appearing to be a private family site.

The ancestral tomb and now the mausoleum are, with the temple, the locus of a collective gathering and annual sacrifice to the ancestor. The Chen lineage foundation (*jijinhui*), which draws an income from real estate initially built with overseas and Hong Kong funding, pays for lineage and village activities: the annual worship ceremonies and sacrifices at Chunfen, the spring equinox (20 March on the solar calendar), and the ancestor's birthday on the twentieth day of the ninth lunar month.<sup>4</sup> Each of these rituals is followed by a collective meal in which the entire lineage participates. The mausoleum also serves as a columbarium where individual villagers go to worship their personal ancestors, in contrast to the common ancestor, at Qingming, Tomb-Sweeping Day, on 5 April. On each of these occasions Pine Mansioners and visiting relatives from downtown Shenzhen and Hong Kong bring the urns outside—unless it is raining,



**Figure 2.1.** Mausoleum in Pine Mansion, Shenzhen. © Anne-Christine Trémon.

in which event the ceremony takes place inside the mausoleum—to perform the ritual offering of food and drink and to burn paper offerings of clothes, passports, and money. They also light firecrackers, in open contravention of the banners hanging in front of the building requesting that people pay “civilized” (*wenming*) respects to the ancestors.

The mausoleum can be regarded as a new village-level public good. The Pine Mansioners’ success in providing this for themselves is clearly linked to the predominance of the Chen lineage in the village. The lineage structure not only fosters political unity (He and Xue 2014) but also is a powerful channel for maintaining relations with the diaspora overseas and in Hong Kong (Trémon 2022), and increasingly in downtown Shenzhen. This success can also be understood as resulting from the importance attached to the village as the place of one’s roots in the context of Pine Mansion’s long migratory past. This makes maintaining the village as an anchorage point for the diaspora essential, the growing trend of Pine Mansioners moving to Shenzhen and other major cities only increasing this need.

While in the past each family took care of its own gravesites, and only the maintenance of the founding ancestor’s grave was financed by the foundation, the building of the mausoleum has required and entailed a communalization of management in a commoning strat-



egy. The mausoleum's maintenance and management are ensured and financed by the lineage foundation, which allows all community members, including native non-Chens, to place the urns of their deceased in it free of charge. With the loss of autonomy brought about by legal urbanization, the Chen lineage foundation remains important in maintaining the village commons and creating new village public goods.<sup>5</sup> Pine Mansioners have thus created a public good for themselves that, while limited to native villagers, is more accessible than the official public cemeteries, which are hugely expensive, with an individual plot costing 100,000 RMB, plus 600 RMB a year in administration fees. Their creative use of the term "public cemetery" has allowed Pine Mansion's former villagers to mitigate the new state regulations and urban exigencies by skillfully commoning their own public good.

### *Negotiating Access to Displaced Tombs: River Hamlet*

The funeral reform was mandated in Xi'an in the early 2000s but has only been strictly enforced since 2010. Xi'an's municipal authorities required that all remains in the urban districts be dug up, cremated, placed in urns, and stored in the designated rural public cemeteries.<sup>6</sup> Unlike in Pine Mansion, where the lineage foundation provided free space for urns, the River Hamlet shareholding company purchased a large area in one of the public cemeteries and sold plots and tombstones to individual River Hamlet households. The plots were expensive and the cemetery, sixty kilometers from the city center, is hard to access. Most of River Hamlet's elderly villagers do not drive, relying entirely on public transport, which does not connect River Hamlet with the cemetery.<sup>7</sup>

Some of River Hamlet's former villagers managed to negotiate a free bus service to the public cemetery. In 2015 the leaders of one of the village's neighborhood collectives (Production Team Number 5) were negotiating on a project for the redevelopment of land on the northern periphery of the former village, on which their original rural homes stood (see map 1.7). Negotiating over their compensation for this project, which entailed the loss of collective use rights to their land and the removal of their ancestors' tombs, the former villagers managed to add the condition that the developers pay for a twice-yearly bus service to the public cemetery. Since 2015 the native villagers have used this at Qingming and on the day of the Winter Clothes Festival on the first day of Lunar October, the tenth month of the lunar/agricultural calendar (*nongli*). This festival is popular

mainly in the colder northern part of China, as the burning of colorful offerings of paper clothes is believed to keep the ancestors warm over the coming cold months.

The distance between the city and the public cemetery makes it barely accessible to the former villagers and thus not really a public good, as it excludes everyone without a car or a driving license. The transport service negotiated by the dispossessed villagers facilitated their access and smoothed the transition. During their negotiations with the developers, mediated by the district government, the native village leaders emphasized the traditional cultural ties that they had maintained with their ancestors and demanded that access to the public cemetery remain available to all. They proposed that native villagers from other nearby villages should also be able to use the bus service rather than reserving it for themselves exclusively—although the buses depart from the gated estate where they have been resettled (see map 1.7). The developers conceded to their demands. On the day of the first visit, three buses waited at the community gate. Some sixty native villagers, most of them elderly, got on the buses, appreciating the comfortable seats and the company of family and fellow villagers. They spent a few hours at the public cemetery buying flowers, burning paper money, and eating lunch together. Some attempted to burn paper money offerings but were stopped by guards shouting over loudspeakers, so they dumped the offerings on the garbage pile. When the villagers' allotted time was up, the bus drivers started hurrying passengers to get back onto the bus. Confused and lost, some frail elderly people just got to the bus in time for the return trip.

Paradoxically, as in Pine Mansion, this collective bargain resting on a public-private partnership increased the commonality of the villagers, who had previously visited their relatives' tombs individually. Another case of native River Hamlet villagers losing their ancestral land was a different story. In the center of the village, where many still lived, there was a small plot of land where some thirty tombs remained. The headstones were marked with names and dates, and one or two had elaborate biographies signaling the status of the deceased. In 2015 the subdistrict government and community office attached a notice of eviction to the iron gate giving access to this plot of land, requiring that the native villagers involved accept the relocation of the headstones and the tombs beneath them, with specific rules for compensation. The eviction notice regarding the tombs was reiterated from year to year until it was announced in October 2018 that the villagers would also be evicted from their houses. By April 2019 the demolition was complete, and the contents of the collective

graveyard had been transferred to a public cemetery outside of the city.

The villagers defended their ownership of this plot of land, claiming that the ancestral graves were pivotal to receiving good fortune from the ancestral spirits. They attempted to resist the cremation of the remains, insisting that worship continued through the medium of the ancestral bones. Their claims were also voiced within a framework of a moral economy of relations with the dead and their post-mortem reciprocal obligations to them. The native villagers insisted that they had received the land as a gift from their ancestors in the expectation that they would continue to worship them; the removal and relocation of the ancestral graves would disrupt this gift relationship and risk losing the ancestors' protection. In other words, they asked for recognition of the graves' significance in their own social reproduction.

The clearing of central River Hamlet was far more brutal than that of its northwestern part, and there was no room for negotiation (see next section). The evicted villagers now have to visit public cemeteries far away, using their own means of transport; they also have to pay an expensive cemetery maintenance fee, whereas in the past access to the village tombs was free. These two eviction processes occurred in River Hamlet only three years apart. Between 2015 and 2018 Xi'an saw a fourfold rise in the price of real estate due to urban expansion and development. This increased potential economic value accounts for why the eviction in 2018 was far more brutal than that in 2015. Furthermore, while the minority of relatively fortunate villagers had first been relocated to commercial buildings constructed on the land where their family houses had previously stood, those evicted in 2018 found themselves dispersed across the city, losing the territorial bond that is central to community life.

## **Urban Renovation Projects**

This section continues the comparison between River Hamlet and Pine Mansion. In the redevelopment projects, whole areas of urban villages are physically transformed from village settings to urban neighborhoods with residential tower blocks and shopping plazas. In outlying villages on the rural peripheries of cities, the process of urbanization entails the city government's expropriation of village agricultural land for urban construction. The villagers are resettled elsewhere or on another part of their former land, as happened in

South Gate in Chengdu (chapter 1). Many central villages that find themselves engulfed by an expanding city core urbanize spontaneously (Shen, Wong, and Feng 2002), illegally building houses on agricultural land in the absence of formal land conversion. While such illegal de facto land use conversions are often legalized after the fact (Po 2012: 2018), they allow the government to impose redevelopment projects with compensation rates far below the market value of the land. This happened in River Hamlet, while in Pine Mansion the strength of the collectives, backed by Guangdong Province's policy on cooperative projects, gave the native villagers much more power to negotiate the deal and the terms of the compensation. He and Wu (2005: 16) note that in most cases residents are presented with a *fait accompli* in the form of a finalized redevelopment plan announced by the government and the developer. However, a more collaborative process prevails in Guangdong Province (Ye 2014; Li and Liu 2018).

During the transitional period following administrative urbanization, River Hamlet's informal economy was tolerated by the municipal authorities as not only a necessary evil but also a source of revenue. This very informality, however, was the reason the municipal and Party leaders used to crack down on the bustling urban village and the livelihoods of many of its inhabitants. During the short-lived period of prosperity that had arisen from the informal economy, the village collectives had provisioned certain types of social goods, including the maintenance of public roads, policing of parking, and a reliable public minibus service, all with little interference from officials and administrative bodies. In Pine Mansion the village collectives, mainly the shareholding companies, had long been providing their own public goods when the redevelopment project started.

### *Cracking Down on Counterfeit Goods and Unsafe Buildings in River Hamlet*

Until it began in November 2018, River Hamlet's native villagers and migrants did not expect the district government to go ahead with the demolition.<sup>8</sup> This expectation may have been supported by the fact that they had received indications of official recognition of their thriving shopping street (see next chapter). Moreover, the special office set up in 2004 that turned out to be in charge of the demolition and redevelopment of River Hamlet was a temporary branch of the Gaoxin High-Tech Zone district government, three administrative levels above the village committee; the villagers may simply have been ignorant of the scope of the plan.

The Management Methods for the Reconstruction of Urban Villages in Xi'an (Xi'an shi Chengzhongcun Gaizao Guanli Banfa) were issued in 2007 "in order to promote and standardize the transformation of villages in cities, speed up urbanization, improve the living environment, and improve the living standards of residents ... in accordance with the city's actual conditions."<sup>9</sup> This decree established an office responsible for the management of the city's urban village reconstruction at the municipal level. While each district is responsible for the transformation of the urban villages within its jurisdiction, district-level urban village reconstruction offices "accept the guidance of the municipal urban village reconstruction office." In other words, this is a centralized, top-down process. The municipal urban village reconstruction office, in conjunction with the municipal planning administrative department, formulates a special plan for urban village reconstruction in accordance with the overall city and land-use plans. All urban villages within the second ring road are included in the urban village reconstruction plan, and those outside the second ring road are included after the district urban village reconstruction office reports on them to the municipal urban village reconstruction office and receives the latter's approval.

The redevelopment of villages-in-the-city that pose "hidden dangers to social public safety" must take place within a given time limit (article 9 of the Management Methods decree).<sup>10</sup> The district government used this provision to crack down on central River Hamlet in a way that left no room for negotiation and reduced compensation to the minimum. As noted in the previous section, one redevelopment project had already taken place in 2015 in the northwestern part of the village. This part of River Hamlet was very attractive to developers and new buyers due to the presence of a kindergarten and a primary school. The project was carried out with relatively good terms for the native villagers, who have received more than one apartment each in compensation for the loss of their own houses and the floors they rented out. In this redevelopment estate the underground parking is underused, because while households may own several apartments and their allocated parking spaces, many do not own a car.

Prior to the demolition and redevelopment of the urban village center—that is, the largest part of River Hamlet (map 1.7)—the municipal government had allowed an informal and barely regulated economy to thrive in blocks that had been built unofficially. Sales of counterfeit goods, which are very popular among urban consumers, had begun to mushroom in rural and county-town street markets, as well as in villages-in-the-city because of the laxer regulation and

cheap shopfloors and street space. In River Hamlet, numerous stalls and stands occupied the sidewalks of the two-kilometer-long shopping street, reminiscent of the farmers' markets that the villagers had regularly attended in the past. The majority of the shops sold counterfeit goods or copycat (*shanzhai*) brands.

Xi'an's municipal authorities were ambivalent about this informal economy. They appreciated the economic growth generated, along with these enclaves' functional role in housing a large population of migrant laborers. Villages such as River Hamlet were providing inexpensive housing and livelihoods for migrants—generally rural blue-collar workers and starting white-collar youths—as they struggled to house themselves and their families. They referred to River Hamlet as inexpensive and welcoming. The hotels and apartments for rent offered subpar services at bargain prices. As they did not provide hot water, public bathhouses run by private owners were common. The lack of municipal guidelines on sanitation and construction codes contributed to the existence of piles of waste in the alleys and the tangled power lines lying exposed on overburdened trees.

There was no official public transport serving River Hamlet either. While the city-run bus system connected the major roads around the commercial street, it did not reach River Hamlet's shopping area. Instead, individually run tuk-tuks and fifteen-seater open electronic minibuses, funded entirely by the village collectives (former production teams), connected one end of the main street to the other, day and night. These served both the native villagers and anyone living in or visiting the neighborhood for the low fare of two RMB per ride, in this way constituting a self-provisioned village public good. Although a couple of minibuses broke down over time due to wear and tear, the system worked smoothly. The minibus drivers were paid and the buses maintained by the collective based at the headquarters of Team Number 1. Visitors often associated the experience of using this style of public transport with the unique village-in-the-city lifestyle enjoyed by River Hamlet residents. Some long-term residents living near the commercial street noted that "the minibus is where the city ends and the village starts." In the absence of state provisioning, the village's self-provisioned public transport benefited both the people and the local economy. Besides this, four of the five former production teams (see chapter 1) operated large public fields as parking lots, some of which included a car wash and repair center. This was a profitable business until the eviction.

From 2004, the year of administrative urbanization, the commercial landscape of River Hamlet gradually changed from shops selling



**Figure 2.2.** Minibuses in River Hamlet, Xi'an. © Wang Bo.

mostly counterfeit goods to upmarket shops selling more expensive products. Yet both old and new businesses were granted licenses by the local department of commerce for taxation purposes. Even the small businesses selling counterfeit goods were granted certificates and licenses by the district government, despite their obvious infringement of intellectual property. The subdistrict recognized the bustling food scene in the form of a golden plate with the inscription “Xi’an Good Eats Street” displayed on the wall next to the police station.

This legal gray zone resulted in a vibrant commercial and social space that delayed the demolition: as one commentator wrote, “The demolition of River Hamlet has been rumored for more than ten years. Yet more and more people have gathered here, and coupled with the development of the city, the surrounding area has become increasingly mature. Whether in terms of demolition costs or social stability, it is becoming harder to demolish.”<sup>11</sup> “If it wasn’t demolished then, how can it be demolished now?” was the question circulating widely among residents. However, the gray zone also ended up justifying demolishment of the area by the municipal government, which cited intellectual property infringement and violation of the building code. The lure of taxing small shop owners became less attractive in the eyes of the district authorities than that of taxing the mall established a few hundred meters east of River Hamlet, which had few customers. Therefore, the small businesses, even though they were paying taxes, began to be seen as a hindrance to

larger-scale revenue-raising urban development. The prior recognition of the lively street market was forgotten, and the government used the presence of counterfeit goods, gambling, and prostitution as evidence of its chaos and backwardness. Once the benefits of the informal economy and unplanned neighborhood had dwindled, the district government showed little tolerance for them and launched the demolition. The demolition campaign was presented partly as a crusade against counterfeit goods, but mainly as the necessary removal of unsafe buildings that posed a fire hazard and did not conform to electricity and other urban building codes. Professionals in uniform showed up with heavy-duty mechanical diggers and scraped away the buildings in their entirety. The minibus was discontinued after the River Hamlet villagers living in this central part of the former village were displaced.

Xi'an's policy has been hailed as a model (*moshi*) for its highly effective citywide compensation scheme, with a single standard written into the urban renewal decree stating that the owners of all demolished buildings were to be fully compensated for the first floor, with a lower rate for any building space considered illegal, i.e., above the second floor.<sup>12</sup> As most of the remaining native villagers had drawn their main income from renting out the additional floors they had added, they lost their livelihoods. For example, Mrs. Li was born in 1947 and was native to River Hamlet. Her natal natural village was only a kilometer from the self-built house in which she lived with her husband. The house was conveniently located in an alley just fifty meters from the entrance of the main street, and she rented her apartments for less than the price of accommodation on the main street. All her relatives whose houses had been demolished in 2015 were living in gated communities. Her son and daughter both lived elsewhere in the city, visiting her and her husband occasionally. In 2018, with eviction orders issued daily, Mrs. Li lost her temper, complaining, "What I experienced when I was eighteen years old has come back!" She was comparing her situation with the Cultural Revolution (1966–76), when violence was rife.<sup>13</sup> She was also concerned about the personal safety of the two young female tenants remaining in her house. After dark they were followed and harassed by security guards. This became truly frightening once the powerlines were cut, leaving the village road in complete darkness. The two tenants finally decided to leave for elsewhere, and like other native villagers, Mrs. Li lost her rental income. In contrast to her natal family relatives, who had received a compensation deal that included several apartments prior to the inflation of Xi'an's housing prices, she was told that she



would receive only a small payment. It was nowhere near enough, due to the soaring cost of real estate, to buy an urban apartment within reasonable distance of the former village.<sup>14</sup>

### *Cooperative Real-Estate Development in Pine Mansion*

The shareholding companies of Pine Mansion finance welfare benefits such as pensions and social and health insurance, while the lineage foundation funds scholarships for young Pine Mansioners who gain a place at university. Both contribute to the Chen lineage's ritual expenses. Until the early 2010s, the former village institutions also financed village infrastructure including road maintenance, sewage, and electricity, as well as private security guards. Indeed, the main reason the Shenzhen municipal government refrained from taking over the collectives' land at the time of urbanization was so that they would remain responsible for providing public goods (Zhu 2004; Po 2012: 2841). Some Pine Mansion leaders made it clear that in some cases, their decisions to allocate money were responses to a lack of government funding. For instance, the newly appointed vice-head of the workstation, a Chen in his late thirties, explained that both the shareholding companies and the lineage foundation fund public facilities when the municipal government is slow to approve a request or lacks the resources to do so. In short, the collectives and the foundation co-finance public facilities in the absence of or to complement government funding. This has changed, however, over the past ten years, with increased government involvement and improvements to roads and public transport tied to the urban redevelopment projects.

The desire to build Shenzhen into a modern metropolis led the city government to include villages-in-the-city in their overall city planning. In March 2005 the Shenzhen government announced their reform, and the Shenzhen City Planning Bureau initiated the Master Plan for Villages-in-the-City Redevelopment (2005–10), followed by the 2011–18 and 2019–25 Master Plans.<sup>15</sup> As in Xi'an, village redevelopment thus follows a state-led paradigm (Chung 2009); it is planned by and through government institutions. This top-down perspective does not rule out community participation: in Guangdong Province, the Three Olds Redevelopment (*sanjiu gaizao*) policy allows villages to negotiate directly with developers for market-price compensation, and the village collectives thus work out tripartite deals with the municipal government and developers (Ye 2014: 134; see also Wu 2002; Hsing 2006).<sup>16</sup> According to the procedures adopted by the Shenzhen municipal government (cited in Chung 2009), the development of

villages-in-the-city must be initiated at the community level through shareholding cooperative companies (*gufen hezuo gongsi*), the former rural collective units (chapter 1). The companies work on the redevelopment plans in close collaboration with the developer and district government. Over two-thirds of each of the participating companies' shareholders must vote in favor of the plan for it to be approved by the municipal government.

The emphasis on community participation in Shenzhen is not just due to the government seeking to avoid social conflict. In contrast to Xi'an, Shenzhen has a policy of legalizing illegal buildings in urbanized villages, triggering a large wave of further illegal building (Wang, Wang, and Wu 2009). Moreover, as the shareholding companies have retained the collective rights to their land, the redevelopment projects ensure the partial transfer of land use rights (*shiyongquan*) from collectives and individuals to the municipal government at little or no cost to the latter, because in such projects the real-estate developers assume financial responsibility for compensation costs. The land on which redevelopment takes place becomes state-owned urban land. This transfer thus takes place years after administrative urbanization, which in theory should have resulted in such a change at the time. The process of urban renovation is ultimately one of transferring land rights from collectives and individuals to the municipal government by way of a developer (O'Donnell 2012). The state benefits from such programs insofar as it takes over the use rights from individuals and companies and leases them to real-estate companies; in Pine Mansion, the district government will receive payment for the use rights at a rate of two hundred RMB per square meter, as well as future taxes from the real-estate company.

Besides the promise of financial gain from the rising real-estate prices and the developers' individual remuneration of local shareholding company leaders for their work in planning and in persuading fellow villagers to accept the compensation terms, the main means of pressurizing the shareholding companies to engage with the redevelopment projects was the poor state of their finances. In the wake of the 2008 global economic crisis, the shareholding companies saw their income shrink as a result of declining real estate rents, as many factories closed or negotiated discounts on their monthly factory rent. In Pine Mansion, as could be seen on the bulletin boards on the street in front of the office buildings, the shareholding companies were all in deficit except the larger, *shequ*-level company. According to an employee of the subdistrict collective property bureau in 2012, 90 percent of the 108 (11 large and 97 smaller) sharehold-

ing companies (*gufen gongsi*) in the subdistrict were in deficit.<sup>17</sup> The fact that their leaders owed their election to their largesse to shareholders worsened the small companies' financial condition, noted the same employee (see Xue and Wu 2014 for a similar situation in nearby Dongguan). In about 2010, Shenzhen's city officials started contemplating changes to the regulations governing shareholding companies to put a definitive end to what was left of the rural collective economy based on territorial and kinship ties. As I have shown elsewhere, the blame was put on the perceived traditionalism and backwardness of lineage ties, seen as contrary to Shenzhen's push for modernity (see Trémon 2015, 2018 for details).

However, the municipal and district governments did not reform the shareholding system itself but instead took measures to ensure that the companies reinvested part of their earnings in more profitable ventures by imposing the reinvestment of a minimum percentage of income in upgrading industrial buildings and by ordering industrial redevelopment, shutting down the old first-generation factories built in the 1980s and replacing them with commercial or residential real estate or more profitable high-tech industries.<sup>18</sup> This process is ongoing. The government uses specific funds to upgrade factories managed by small shareholding companies, and the redevelopment projects are a further means of reaching this goal.<sup>19</sup> The leaders of the shareholding companies have been pressured into engaging with the redevelopment projects to increase the companies' income and allow them to continue paying welfare benefits to their shareholders. This was clearly stated by several Pine Mansion leaders, heads of shareholding companies, and members of the lineage foundation. "Our task is to increase value as much as possible in order to be able to increase the level of welfare (*fuli*) delivered to our shareholders," one retired but still influential village head told me. Furthermore, there is a clear concomitance between these urban renovation and redevelopment programs and the local state's greater participation in financing public goods, thus alleviating the strain on company budgets.

Li and Liu (2018) argue that such projects do not conform to an "urban growth machine" model (Molotch 1976; Jessop 1999; Logan and Molotch 2007 [1987]). It is true that shareholding company leaders are under pressure to engage in such projects, a top-down dimension that is absent from the growth machine model, in which actors willfully coalesce based on their best economic interests. However, Jessop (1999) argues for retooling urban growth theories by bringing in structural constraints and state power: what we have here is a

coercive growth coalition, led by the entrepreneurial state (see also Guo et al. 2018). Moreover, even if ensuring growth and generating value are meant to serve their community's welfare, this does not contradict the fact, further shown in chapter 4, that the company leaders represent the interest of the rentier class (native share- and property-holders) in driving up real estate prices.

Their central role in the negotiation process and their ownership of land-use rights affords the shareholding companies real bargaining power. Pine Mansion was scheduled for demolition and reconstruction in three phases: 2011–18, 2018–26, and 2026–34. The first phase involved three shareholding companies with use rights to the former village center surrounding the ancestral temple. It saw the tearing down of the village's old low-rise tile-roofed houses, which the natives had rented to migrant workers, and their replacement with three high-rise blocks of luxury flats, one for each shareholding company involved, that were completed in 2018. The first floor of each block is a commercial concourse, and each block will be partially topped with a roof garden. The redevelopment project also included the demolition of the first- and second-generation two-story factories concentrated in the former-village center, often beside the tiled houses, or their conversion into restaurants, lending them a postindustrial feel. New third-generation factory buildings have been constructed to replace these in the industrial zone on land owned by the larger shareholding company. The next two phases involve land owned by the remaining four shareholding companies as well as privately owned residential land, formerly collective land that was converted and distributed among native villagers in the early 1990s (chapter 1). By 2018, all the buildings in the remaining old and new neighborhoods, including those most recently constructed, bore the sign *chai*, signaling their imminent demolition, with the exception of a private kindergarten and two more recent factories.

Villagers who owned houses in the area scheduled for demolition in the first phase had to choose between two options. Either they received financial compensation of 4,600 RMB per square meter plus compensation for their loss of rental income, the majority of these houses being the old-style ones with tiled roofs that were rented to migrant workers, or they could exchange their house for a future apartment, provided they were willing to pay for the extra square meters, as the new apartments are a minimum of 60 square meters. For a house with a tiled roof, or *wafang*, they received 160 percent compensation: that is, a ratio of 1.6 square meters per square meter.

Not all the native villagers are able to buy a house. There is a clear contrast between high-income earners, many of whom live outside the village and have been able to take out a loan to purchase the extra square meters (at less than the price set for second-wave buyers), and native villagers living in the village on lower incomes and still fairly well-off, but for whom the cost is too high. Mrs. Wang took the monetary compensation for the loss of her husband's old house, which she had been renting to migrants at one hundred RMB per month before it was torn down during the redevelopment of the village. She has no other rental income, having sold another building, which she had built for her son, to pay his gambling debts and possibly also her own. Some of the native villagers who opted for compensation considered it too low and were angry that the shareholding company leaders had been unable to negotiate a better package, accusing them of taking bribes of money and gifts from the developer to encourage them to accept the rate offered. Another reason voiced by native residents for taking the compensation rather than buying an apartment, besides not being able to afford it, was their loss of the right to use the land, which they resented, while the upper-middle-class buyers were confident that the state would never expropriate their property. On the whole, however, despite the anger expressed about the company leaders, the promise of increased dividends ensured that the majority voted for the projects. The exact percentage of land-use rights that the shareholding companies have retained with the redevelopment is unclear, as company leaders' answers to enquiries about this were vague and contradictory, but what is certain is that they will continue to earn a rental income from shops and restaurants, the area of which has been greatly increased by the operation.

## **Gentrified Middle-Class Public Goods**

New urban public goods—wet markets, parking space, and schools—emerge from the gentrification of the urbanized villages, attracting middle-class residents who define themselves first of all as consumers and aspire to social mobility. This section shows how provisioning is graduated, and examines in what situations and according to what rationales the provisioning of these social goods is private or public.

South Gate in Chengdu embodies the authorities' ideal of a harmonious urban community populated by middle-class inhabitants, which was reached very quickly as a result of a voluntaristic policy of rapid

demolition of former village houses and the resettlement of the native villagers who had lived in them side by side with the new middle-class incomers. Chengdu is distinct from Xi'an and Shenzhen in that its urbanization has been accompanied by significant investment in public infrastructure and service provision. It was in Chengdu that we found the local authorities most attentive to the needs of the community and most behaving along club-like logic (see introduction, "Clubbing and Commoning"). In an interview, South Gate's party secretary identified the wet market and parking as the community's two most pressing issues. On the one hand, some of the public goods that were previously central to rural peasants' livelihoods are still important, although their functions have changed, as in the case of the wet market, where the peasants used to sell their vegetables and now, as urbanites, they buy them. On the other hand, a need for new public goods reflecting new urban middle-class consumption patterns and lifestyle has emerged: parking space is a typical example.

Returning to Pine Mansion, its primary school, which has an excellent reputation, was one of the major factors behind why this community was one of the first urban villages in that area of Shenzhen to engage in redevelopment. Long self-funded by the local community and its diaspora, it is now funded by the provincial and district governments, which have invested in its extension. The school constitutes a major asset in the redevelopment project. This is an instance both of conditional provision and of how value can be extracted from a preexisting commons and turned into both a source of revenue for the state and exchange value for future apartment owners—middle-class native villagers and newcomers.

In Chengdu, the solutions brought to the wet market and parking issues, considered together, resemble Ostrom's (2010) notion of a "polycentric provisioning system," that is, a system of governance in which citizens, enterprises, and the state cooperate in the management of a common-pool resource at multiple scales within a metropolitan area. However, while wet markets are provided as part of a state system of supervised prices, parking space is delivered as part of the market system. In Shenzhen, the provision of primary education follows a mixed public-private model; but even when provisioning is public, as when the government disburses money to extend existing public schools, such extensions are tied in with redevelopment programs. Echoing David Harvey's critique of polycentric governance and its underlying clubbing logics (2012: 81–82), in both Chengdu and Shenzhen, these public goods are delivered to satisfy the social reproduction needs of the middle classes.

### *South Gate: The Wet Market*

The South Gate website describes the community (*shequ*) as “having grown from a rural community more than ten years ago into a complex new community where urban and rural residents live together in a prosperous, inclusive, secure, and stable manner.” A 2018 post from North Gate *shequ*’s website describes it as a “typical mixed community, in the process of transforming from a rural into an urban community.”<sup>20</sup> Since urbanization, the community leaders have been working with the city to build a market offering inexpensive products in a move echoing the subsidization of food prices in urban areas in the Mao era. Access to a wet market can be a decisive factor in the value of housing in any urban Chinese community. Moreover, in a new urban community populated by residents with rural roots, the opportunity to purchase fresh, affordable produce is generally appreciated by those who attended the village or township markets in the rural past. When South Gate was officially urbanized in 2004, there was a wet market close to Goldshine Road, the major road bisecting the community. Today the only reminder of this is the South Gate Agricultural Market bus stop. In 2007 the market was moved to a new location on the opposite side of the road so that a commercial apartment complex could be built on the site. In 2017 the market was moved again, this time to a location south of the South Gate resettlement estates for former villagers, to make way for the construction of a public orthopedic hospital (see map 1.6). In 2018 this third site too was razed, the market vendors being moved to empty stores on the ground floor of one of South Gate’s resettlement estates. Neither the vendors nor the residents of the apartment complex found this last solution satisfactory: the vendors were unhappy because they were paying higher rents than before, and the residents objected to the noise and poor sanitation associated with the sale of meat and vegetables. This sequence of moves suggests that the government was playing a game of cat and mouse with the market vendors, but in fact the opposite is true. Every move was facilitated by the community leaders and required negotiation with each of the small farming groups (*xiaozu*, subdivisions of the production teams) that held the property rights to each piece of land that the market occupied.

In the summer of 2019, North and South Gate each set up a temporary morning market on the squares facing their community centers, selling vegetables and simple food such as tofu and noodles. In North

Gate, this is a people's livelihoods (*minsheng*) project set up directly by the community (*shequ*) and benefits farmers facing financial hardship in nearby rural counties in Chengdu (see chapter 4 for livelihood projects). The relatively low prices also benefit the residents, making this morning market a real success. South Gate community is collaborating with the Yimin Vegetable Market Company, a state-owned enterprise, to build a new market using the same, yet again empty, stores. As a state-owned enterprise, Yimin's mission statements include public welfare (*gongyi*) and the people's livelihoods (*minsheng*). It works directly with local farmers, and collaborates closely with the city government, to guarantee food safety and prices. In 2019 there were around sixty such Yimin markets in Chengdu, with plans to expand to three hundred over the next three to five years.

These projects point to the government's active role in urban food supply on multiple scales. It closely resembles the state's monopoly of vegetable retail in socialist urban China (Zhang and Pan 2013), when wet markets, or *cai shichang*, were run by municipal governments as a public service. Most Chinese cities whose boundaries include wide swathes of surrounding rural land were largely self-sufficient in terms of vegetable production, with municipal vegetable companies managing their supply and distribution across the city. While most cities have since privatized these systems and lost their agricultural self-sufficiency, Chengdu has maintained a relatively strong local food-supply system (Lang and Miao 2012). The state has stepped back in recently to address food safety concerns and rapidly inflating food prices since the early 2000s (*ibid.*), the latter being a common complaint heard on the streets at the time of fieldwork.

South Gaters displayed an ambivalent attitude toward wet markets in the context of efforts to build a modern, "civilized" city. When asked directly where they preferred to shop, many survey respondents, even those in the lowest income brackets, answered that they preferred the supermarkets because the quality of the products is more reliable. But they are also much more expensive, and such statements were belied by the intense busyness of the vegetable stalls, particularly before lunch and dinner. The need for a wet market only became acute after South Gate's former villagers were urbanized, as previously many households had been able to grow their own vegetables. The new wet-market customers include residents of both the resettlement estates and the commercial housing complexes. It is a public space where all three groups—former villagers, low-income migrants, and middle-class urban *hukou* holders—congregate.



### *Parking in South Gate*

Unlike the wet markets, the parking issue does not have socialist roots. When the area was urbanized in 2004, the developers planned for less than one car per household, but today most have more. The lack of parking is experienced most keenly by residents of the commercial housing complexes: apart from the large, recently completed Shanshang North and South Gate complex, the resettlement estates (*anzhi xiaoqu*) for former villagers are five-story walkup buildings with a much lower resident density than the commercial estates. Moreover, as the regulation of space on these resettlement estates is much less strict than that for the commercial apartments, residents can park aboveground inside the walled estate. This is not an option on the grounds of the commercial complexes, which are carefully manicured and regulated. Most parking is in underground parking lots built about ten years ago, when not all families had a car. The available space is for less than one car per household. With the rapid pace of economic development in Chengdu, only ten years later most households have at least one car, creating a severe shortage of parking spaces.

The space opposite the community center on the most recently vacated wet market site was temporarily converted into a rough parking lot with a toll gate, but this space was soon closed again due to construction. A green space beside the river (see chapter 4) is often occupied by parked cars, and when that is full, residents have to park on the street. The street spaces are managed by private firms on contract to the municipality. They are overseen by parking attendants, usually working around the clock in teams of two, carrying hand-held machines on which to register the arrival of each car and print out receipts for the drivers. They set up an area on the sidewalk with a large umbrella and an old sofa or chairs where they can rest, although they are generally busy registering cars as they arrive and collecting fees from the departing drivers.

The government had previously provided guidelines on parking charges in the city, including for residential and street parking. At the beginning of 2015, in response to a series of decrees issued by the National Development and Reform Commission, the price of residential parking in Sichuan Province was liberalized. In fact it is difficult to imagine how a free market exists for residential parking spaces, which are fixed in supply with few alternative options for residents. Real-estate developers in China often also operate subsidiary property management companies that maintain the buildings

and facilities once the apartments have been sold. The number of parking spaces is obviously fixed to the initial design of the apartment complexes. They are either sold separately from the apartments or rented to homeowners, and the property management companies charge an additional monthly maintenance fee for them.

Here is where the free-market element comes in: homeowners' committees can choose the organization that manages their parking spaces, which can be the original developer/property management company or a third-party parking-service provider.<sup>21</sup> But the initial government announcement caught South Gate's homeowners' associations by surprise, and there was confusion about the legal ownership of different facilities within the residential complexes. Although the liberalization decree was guided by free-market ideology and its tenet that competition might lower parking fees, it in fact brought about widespread fee increases resulting in conflict. One resident reported that his parking fees had risen from 200 to 600 RMB per month in the five months following the 2015 announcement. Homeowners in Chengdu's Hongfengling community were informed that their parking fee of 200 RMB per month would rise immediately to 500 and eventually to 700 RMB. This caused the tension in the community to erupt so severely in street protests that the police were called in. After a series of heated negotiations between the homeowners' committee and the developer, the latter eventually lowered the price to 350 RMB per month.

As with the wet markets, parking was not merely a local issue. Yet unlike the price of food, a basic necessity, the government seemed reluctant to regulate parking prices, possibly in order to limit the surge in car ownership, but also because of the prevailing idea that middle-class citizens should self-organize in homeowner committees and pay fees for status goods such as green space and parking spaces on residential estates (*xiaoqu*). In Shuangliu County, where Chengdu's airport lies, abusive practices by management companies were reported in the *Chengdu Business Daily*. The management companies blamed the developers and said that they were only collecting fees. A staff member at the Price Bureau admitted the government's helplessness: "This is national policy. It's just the law of supply and demand. If there's no monopoly, the Price Bureau has no grounds for intervening in market behavior."<sup>22</sup> The same district, however, soon set up a tiered pricing system for parking in public space.<sup>23</sup>

In South Gate, community leaders worked with property management companies to devise various solutions. One property management company instituted an app that allowed residents with parking

spaces to rent them to other residents or their guests when they were not using them themselves. But this was clearly not a long-term solution. South Gate party secretary Gu explained that community leaders have little influence over land-use planning, which is decided by the municipal planning bureau. “We can collect residents’ opinions and make suggestions to upper levels,” she said. “They don’t require us to, but we do. And they don’t necessarily listen to what we say.”<sup>24</sup> However, in the context of community-building and the emphasis on urban communities’ economic self-sufficiency (chapter 5), the community was eventually authorized to turn a plot of land earmarked for a public park into a parking space—an income-generating venture. Moreover, their primary mandate to prevent social unrest attuned the community leaders to their middle-class residents’ claims.

### *Pine Mansion’s Public School*

Schools have become prized public goods that add value to urban redevelopment projects (Zhu 2002, 2004; Wu, Xu, and Yeh 2008; Xu, Yeh, and Wu 2009). Among all public goods, schools are often a key factor in making a residential area attractive to middle-class buyers, an education-driven type of gentrification and middle-class reproduction that Wu, Zhang, and Waley (2016) call “jiaoyufication” (*jiaoyu* means education) (see also Wu, Edensor, and Cheng 2018; Trémon 2023). This section focuses on the story of the primary school in Pine Mansion, Shenzhen. It is worth considering in some detail as the most striking example of a formerly rural village good being converted to an urban public good catering to the middle class, involving the extraction of value from a preexisting commons.

Since the 2008 nationwide abolition of all tuition fees for the nine years of compulsory education, all children, including migrant children, are entitled to receive primary and middle schooling free of charge. Before this, migrant children either stayed with their grandparents in their home villages or enrolled at private schools, for which their parents had to pay. Increasingly they are admitted to public schools, but these are often underfunded, and competition between schools has deepened the inequality between the wealthy natives and newcomers who access the top schools and the poor—largely migrants—who attend less-popular schools (Lan 2014; Zhang 2016; Dong and Goodburn 2020).

In Xi’an, River Hamlet’s public primary school opened up to migrant children in 2010. The school is poorly funded, the resources allocated to it still based on the officially registered local *hukou*-holding

population and insufficient for the needs of a larger population. Most native River Hamlet couples with children have either purchased or rented apartments in the catchment areas of better schools to secure school places; most migrants with less purchasing power do not have this option. In Chengdu, education is by far the most frequent topic of conversation among the middle-class mothers of South Gate's commercial estate. Many of these new urbanites expressed concern that allowing their uneducated parents to care for their children may harm the latter's development. Reassuringly, their children are able to attend the well-funded schools that have been built at the same time as the resettlement and commercial estates: Grass Cottage Primary School in South Gate community, and Riverside Primary and Middle Schools in North Gate community (see map 1.6). Grass Cottage Primary School is a branch of the original primary school of the same name in the city center, which has an excellent reputation, rendering South Gate attractive to many young families seeking to buy an apartment.

Pine Mansion's primary and middle schools also have excellent reputations, especially the former, which has provincial status.<sup>25</sup> Pine Mansion's primary school was established by the Pine Mansion Chen lineage community in 1914 and upgraded later using income from several rounds of local and overseas fundraising. It was taken over by the Communist government after 1949, although the lineage village community continued to manage it. In 1987 a new call for funding was put out to the diaspora that enabled the construction of a new, larger school building. The school also resumed its original name (it is named after the Chens' founding ancestor, Zhenneng).

In 1997 the people of Pine Mansion heard of district government plans to close it and merge it with a school in a nearby village. When the Chinese state introduced reforms to expand and strengthen its educational system in the 1980s and then decentralized their administrative and financial responsibilities to local government, many schools were closed under a school consolidation policy in which local education bureaus tied investment in new facilities to the closing of small schools (Kipnis 2006). Merging schools was a way for district governments to save money through economies of scale and to meet municipal and provincial requirements and targets regarding school size and facilities.

Because the Pine Mansion school bears the name of the Chen founding ancestor and was built by their forefathers, the Chens and their allies found the idea of closing their school unacceptable and mobilized to defend it with an open letter of protest (*gongkaixin*) to

the district government. The government gave the village a year to build a school conforming to the new higher standards; otherwise, the merger would go ahead. The village leaders appointed a preparatory committee (*choubei weiyuanhui*), which launched a funding campaign. In just a few months they had collected over 2 million RMB (Trémon 2022). It was only after the old building had been destroyed, the new school building finished, and the merger canceled that the municipal government and two state-owned enterprises based in Shenzhen granted the project almost a million and 700,000 RMB respectively, which were used to equip the new multistory building with multimedia teaching rooms, a library, a large dormitory, basketball and volleyball courts, football grounds, and even a ping-pong room.

The government had struck a sensitive chord with Pine Mansion villagers when they threatened to close a school that, while it had nominally belonged to the state since the early 1950s, they still considered lineage property. In this way the district government was able to compensate for its lack of resources by relying on citizens' private investment. The primary school was already formally a public school, although the village committee had been paying half the teachers' salaries. It moved up the ranking from a local school in 2000 to a municipal one in 2003, and, shortly after the village was urbanized in 2004, the school became entirely government funded, which allowed it to reach the highest level as a provincial school in 2005.

Today the school has over nine hundred students, only 10 percent of whom are the children of Pine Mansion Chens. Along with all public schools in Shenzhen, it was made entirely free of charge in 2015 and is now run by the district's Bureau of Education without input from the Chens. Most of the pupils are from migrant families who score sufficiently in the points-based system, which resembles the city's points system for accessing *hukou*, although it is a little less selective; points are earned by proof of a contract to work in the area, a residence permit, a certificate of housing in the desired school's catchment area—in addition to which the school place allocated to the apartment or house must be available—and, since 2018, the number of years for which the applicant has contributed to social insurance.<sup>26</sup> This excludes migrants who do not have a work contract, have a low-income job, or have arrived only recently.

Education is a type of good that may seem less conditional upon redevelopment plans than other public goods such as roads and public transportation. The Guangdong provincial government and Shenzhen city government have made concerted efforts to promote free public education over the past two decades. An increasing pro-

portion of the city's public expenses is devoted to education, and the number of public kindergartens and secondary and vocational schools has increased. However, the number of primary schools has remained stable over the past three decades, in spite of population growth. This is due to the municipality's preference for subsidizing private primary schools and its policy of merging and extending public primary schools.<sup>27</sup>

The recent extension of Pine Mansion's primary school bears a close relationship to Pine Mansion's redevelopment and is a clear instance of how the government conditions the provision of public goods, in this case education, and its public expenditure on economic growth, principally through the generation of value derived from real estate (Trémon 2023). The school was one of thirty-five being extended in Shenzhen in 2018, all in redeveloping communities. The district government has spent 58 million RMB on doubling the school's surface area and increased the number of classes from twenty-six to sixty. On its completion in 2020, Pine Mansion's extended school had places for an additional 1,530 students.<sup>28</sup> A year after the village was urbanized in 2004, the district government assumed full responsibility for the teachers' salaries and the school's functioning and maintenance, and negotiated with the village collectives for the transference of their use rights to a piece of land adjacent to the school to the district's Bureau of Education as part of a plan for the school's future extension. Significantly, this was decided only after the collectives had signed the redevelopment contract; construction of the new building began twelve years later when the first phase of the village renovation was almost complete. The developer used the proximity and extension of the provincial primary school in sales literature illustrating the attractiveness of the future neighborhood.

In April 2018, a visiting UK emigrant who had been a major donor to the school in 1997 and his brother-in-law, the community-center employee in charge of social affairs, were discussing, over morning tea, whether this deal with the Bureau of Education had been a good one. They could have built factories on it instead of leaving the piece of land next to the school unused for so long, the UK visitor complained. His brother-in-law replied that this school was an important sales argument for the new buildings and raised the value of the apartments. Many locals have opted for apartments in the new buildings as compensation for their old houses, which have been torn down. In short, the school and its future extension were major factors in the price of the new apartments to be sold and the amount the developer would pay the government for leasing the use rights to the land.

## Graduated Provision

The rationale behind China's urban redevelopment has changed from "the elimination of dilapidated housing estates as a means of social welfare provision to state-sponsored property development as a means of growth promotion" (He and Wu 2009: 291). Such urban redevelopment often involves local government and the private sector working in partnership to create prestigious urban spaces that tend to be too expensive for the existing communities (Zhu 2002, 2004; Wu and Yeh 2008; Pow 2009; Yeh and Wu 2009; Miao 2011; Ye 2014). While economic growth thus mainly takes the form of maximizing value derived from real estate, all three cases show that the maximization of real-estate value as an instrument for capital accumulation is linked to welfare and public goods provision in a mode of governance that ties the provision of public goods to the generation of value.

Provision is therefore graduated—i.e., differentiated—along class lines and according to the stage an urban community has reached in the authorities' evolutionary thinking, which combines civilizational discourse on the need to rid villages of their rural backwardness with developmentalist thinking in terms of value-generating potential. This combination is particularly visible in the way in which the funeral reform was implemented. The civilizational discourse legitimizes the authorities' aggressive policy of clearing burial sites and cremating the exhumed remains, although it is obvious that what is really at stake is clearing the way for urban development. The villagers' dead relatives, buried on geomantic sites that bestow good fortune on their descendants when they are ritually cared for, are transferred to state-operated, distant, and impersonal public cemeteries. While River Hamlet's villagers in Xi'an were only able to negotiate transport to these remote sites, the Pine Mansioners in Shenzhen found a clever way of maintaining their cremated ancestors' remains within the limits of their village territory, succeeding in commoning a public good and making it free and accessible to all native villagers.

Changing provisioning paths follow the pace at which urban communities are being redeveloped. The authorities allow unplanned urban villages' informal economies, which are mainly based on rents from real estate for native villagers and from small vending businesses for migrants, to thrive as long as they continue to generate value, but when this value drops below what could be expected from the surrounding city's real-estate boom, as it did in Xi'an, or falls due to the impact of the global financial crisis on export manufacturing,

as in Shenzhen, they resort to the demolition and rebuilding of entire areas. This not only deprives migrants of their livelihoods and native villagers of their rental income but also puts an end to village public services and infrastructure, such as roads and transportation, funded by village collectives. The state then steps in to provide adequate infrastructure as a necessary investment to attract developers and new residents.

Graduated provisioning is perhaps best illustrated by the case of Pine Mansion's public primary school, which was a village commons until it was taken over by the state. State funding turned it into a public good, but a conditional one: access is open to *hukou* and non-*hukou* holders alike, but not to poor migrant workers, and the school's extension was conditional on the shareholding companies' acceptance of the redevelopment project. Graduated provision clearly prioritizes middle-class residents in a residential clubbing logic that privileges the idea of the self-governing middle class while tempering potential sources of social instability. This is most obviously the case in Chengdu, where the socialist tradition of regulating prices was reinvigorated to fund community-scale wet markets and guarantee affordable food. Yet the funding was implemented via a competitive, project-based system of allocating funds that sets communities in competition with one another. Before addressing this in chapter 4, chapter 3 takes a closer look at the relationship between urban redevelopment and governance through provisioning.

## Notes

1. China's land ownership system defines urban land as owned by the state and rural land by collective units (see chapter 1).
2. The funeral reform dates back to the Republican era. In the 1930s the Nationalist government sought to replace the complex funeral rituals with the simple wearing of a black armband. The Communist Party continued and amplified this reform by requiring its members and ordinary citizens to simplify their funeral practices.
3. The same strategy was pursued with the Confucius Temple in northwest China, which is officially "a public site dedicated to cultural education" (Jing 1996: 64–67).
4. The Chen lineage foundation originated in Hong Kong in 1961, with Pine Mansion Chens who had fled the village during the Great Leap Forward, and was brought back to Pine Mansion in the early 1990s. Although unregistered, it is tolerated by the authorities due to its part in building relations with Hong Kong and the philanthropic nature of its activities, which its leaders emphasize, downplaying its role in ancestral rituals.
5. See Zhu and Cai (2016) on the role of informal institutions such as lineages in public goods provision in Guangdong Province.
6. Xi'an Municipal Funeral Management Implementation Measures (Amended in 2004), <http://www.fsou.com/html/text/lar/172461/17246143.html>.



7. This section is partly based on Wang Bo's draft paper for the panel on urban public goods at the EASA conference, "From Ancestral Tomb Land to Public Cemeteries in Urban China," 21 July 2020.
8. Unless stated otherwise, this section is based on Wang Bo's *Mid-Term Report*, 29 March 2019, and *Final Report*, 31 October 2019.
9. Xi'an Municipal People's Government decree, Administrative Measures for the Reconstruction of Urban Villages in Xi'an, 17 September 2007, article 1. <https://baike.baidu.com/item/西安市城中村改造管理办法/532287?fr=aladdin>. These measures replaced the Interim Measures issued on 4 April 2003.
10. *Ibid.*
11. Article on Fangxun.com, 2018, exact reference not given for reasons of anonymization.
12. The second floor was included in the "Rules for the Management of Urban House Demolition and Relocation in Xi'an City," Municipal People's Government, 21 April 2004. <https://baike.baidu.com/item/西安市城市房屋拆迁管理实施细则/551220>. Article 7 of the 2007 Administrative Measures (see this chapter, note 9) excludes the second floor. According to Wang (2008), one characteristic that, although present in other cities, is particularly strong in Xi'an, setting its "model" apart, is the important leeway left to developers by the city government. Wang presents this as a way of "reducing social problems" (2008: 47), because developers are thought to have more funds for compensating villagers for the expropriation of their houses.
13. She was not the only one. Several respondents to Wang Bo's survey made similar allusions to the Cultural Revolution. Wang Bo, *Survey Report*, 29 March 2019.
14. Wang Bo, interview with Mrs. Li, 10 December 2018.
15. The two latter Master Plans change the approach to a more ecological and heritage-friendly vision that avoids systematic demolition (see Du 2020 and Zhan 2021). Pine Mansion is unaffected by these plans, but note that the native Chens have been careful to protect their most valuable, lineage-related sites (Trémon 2022).
16. An example of Chinese experimental governance (Schoon 2014), this pilot program is based on shared interests among stakeholders (the local state, the market, and communities) who share the revenue generated by land transactions.
17. Interview by Anne-Christine Trémon, 9 July 2012.
18. This is known as the 6+1 policy of industrial real-estate upgrading. See <http://www.sz.gov.cn/cn/xxgk/xwfyf/wqhg/20130118/>.
19. The improvement in the shareholding companies' financial situation might also be due to the increase in capital resulting from the joint ventures they have operated with investors, offering low rents in exchange for a gradual transfer of capital.
20. References not given for reasons of anonymization. This section and the next are based on Jessica Wilzak's *Final Report*, 30 July 2019, and on the paper she gave at the panel on Urban public goods at the EASA conference, "Not Just Growth: Rethinking China's Urban Governance through Public Goods Provisioning," 21 July 2020.
21. Based on their shared interests as property owners in commercial housing estates, private citizens establish homeowners' associations. Many studies highlight how these necessarily involve some amount of self-governance and thereby challenge the authority of the residents' committees and subdistrict offices. However, the associations are not always successful in getting quality services in return for the maintenance fees they pay the private management companies, and in poorer neighborhoods, commercial property management often fails because residents do not pay fees—or have not set up a homeowner association. See Zhu (2007); Read (2008); Zhang (2010); Tomba (2014); He (2015); Wu (2018); Yip (2019).
22. Wang Chun and Fan Jijun, "Housing Estates New Parking Fares Have Been Released and They Have Tripled. The Price Department Recommends Using Contracts to Agree on Parking Prices," *Chengdu Shangbao* [*Chengdu Business Daily*], 8 July 2015,

<https://sichuan.scol.com.cn/cddt/201507/10215901.html>. On the parking problem, see also Anonymous blogger, "Chengdu Has the Greatest Volume of Commercial Real Estate, Parking Difficulties Urgently Need to Be Solved," *Weibo Keji*, 21 December 2015, <http://www.parkbobo.com/front/news/1/29.html>.

23. "Important! Shuangliu Parking Fees to Be Adjusted! Give Us Your Opinion!" *Kuaibao*, 11 December 2019, <https://kuaibao.qq.com/s/20191211A0J83200?refer=spider>.
24. Interview by Jessica Wilczak, 23 July 2018.
25. Guangdong's schools are ranked as local, municipal, and provincial according to their size and the quality of their infrastructure. Their ranking determines their funding, which varies according to the level of government providing it. Provincial schools receive local, municipal, and also provincial funding, and are therefore the best-resourced and most prestigious.
26. If the apartment owner uses the school place for his own child, it will not be available for the tenant. This generates conflict between many owners and tenants.
27. Following a model of mixed public and private provision that resembles that in the neighboring city of Dongguan (see Wang 2016).
28. Longhua District Development and Finance Bureau website, date and link not disclosed for anonymization.