# The 'Shequ Construction' Programme and the Chinese Communist Party

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#### **Abstract**

In recent years, the community development programme called '*Shequ* Construction' has been making rapid progress in China. The discussion surrounding the programme focuses on how to adjust the relationship between the street offices (which fall under the jurisdiction of the government) and the *shequ* residents' committees (defined as the people's self-governing entity).

The programme has also led the debate over the position and role of the Chinese Communist Party (CCP) in the newly reconstructed *shequ*. While the party's Organization Department proposes the unification of the *shequ* party branches and *shequ* residents' committees, others maintain that the *shequ* party branch should be differentiated from the *shequ* residents' committee, which is still viewed as an agent of government. They say 'the greatest advantage of the CCP is that it is the embodiment of social power and it is not a non-socialist external force like the administrative organ'. Their proposal raises further questions: How should the party change its direction and guidance within the framework of the separation of government and society? Will this affect the party's ability to continue to provide society with effective 'guidance' and become representative of society? This paper will provide some clues to help answer these questions.

# Introduction: Governmental and Social Sectors in 'Shequ Construction'

In recent years, the community development programme called 'shequ construction' has been making rapid progress in China. This paper analyses the position and actions of the Chinese Communist Party concerning the shequ construction programme as an essential process from the viewpoint of political science.

Shequ is a Chinese word for 'community' and it means a co-operative unit of people who live in a certain defined area. Although the word shequ itself does not formally define size or scale, since the founding of the People's Republic of China, each shequ governance has been handled by a 'street office' (jiedao banshichu), an outpost agency of a district government and by a 'residents' committee' (jumin weiyuanhui) under

the street office, governed by residents. However, under the planned economy system, administering residents and providing services for residents was actually handled by work units (*danwei*) of government offices and enterprises to which the residents belonged. In reality, the authority and roles of street offices and residents' committees were very limited. Since the street offices are the outpost agencies of district governments, and are segmented according to the established vertical chains of command into sections and departments, they hardly played a role in policy management as united entities. The residents' committees, consisting of several elderly ladies who worked without monetary compensation, got no further than to publicize government propaganda and to mediate disputes among residents.

In the market economy, however, the work unit management system no longer functions well due to diversified corporate structure, reforms of state-owned enterprises, housing reforms and increased population mobility. As a result, the *shequ* began to gain attention as an alternative unit to the work units that used to fulfil various important roles. For example, payments of various social benefits such as the pensions for the elderly and unemployment insurance as well as daily management of the insured that were formerly handled by the work units became one of the important duties of *shequ*.<sup>1</sup> Regarding the urban residents' minimum living allowance payments, the roles of the street offices and the residents' committees have already been stipulated in statutory pro-

TABLE 1: Shequ Chronology	
1986	The Ministry of Civil Affairs (MoCA) proposed the necessity of <i>shequ</i> services provided by street offices and residents' committees.
May 1991	MoCA proposed construction of <i>shequ</i> . 'Notice regarding the hearing about " <i>Shequ</i> Construction Plan".
	They appointed Hebei district in the city of Tianjin and Xiacheng district in the city of Hangzhou as nationwide <i>shequ</i> construction pilot units and commenced experimental ' <i>shequ</i> construction'.
1991-1992	MoCA held three symposiums on the nationwide shequ construction theory.
1996- present	Jiang Zemin said that 'intensification of <i>shequ</i> construction in urban areas and full exertion of the roles of street offices and residents' committees are needed'.
	The city of Shanghai attempted an arrangement of the duties and authorities of city, district and street offices based on the city's reform plan on administrative system under 'Two Tier Government and Three Tier Management'.
June 1998	The city of Qingdao held a meeting to discuss shequ construction in all cities.
July 1998	As part of the reform of the central government administration system, the Bureau
	for the Construction of Basic Government of MoCA was renamed the Bureau for
	the Construction of Basic Government and Community (shequ).

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1999	The city of Shenyang promoted the reform of <i>shequ</i> system at the expiration of the
	members' term of the residents' committees.
	Cities such as Beijing, Tianjin, Chongqing and Nanjing commenced reform of all-
	city-level administrative system and 'shequ' construction activities.
	MoCA appointed the following 11 districts as nationwide shequ construction test-
	case districts in urban areas: Capital Times Square in the city of Beijing, Luwan
	district in the city of Shanghai, Jiangbei district in the city of Chongqing, Gulou
	district in the city of Nanjing, Xiacheng district in the city of Hangzhou, Shinan
	district and Sifang district in the city of Qingdao, Chang'an district in the city of
	Shijiazhuang, Zhendong district in the city of Haikou, Shenhe district in the city of
	Shenyang, and Hexi district in the city of Tianjin.
	MoCA established the Research Centre for Urban Shequ Construction in China in
	Beijing (Beijing Academy of Social Sciences), Shanghai (East China Normal
	University), Tianjin (Nankai University) and Wuhan (Central China Normal
	University).
August	MoCA held the first joint meeting among nationwide shequ construction test-case
1999	districts in Xiacheng district in the city of Hangzhou.
	MoCA appointed additional 15 districts including the following as nationwide
	shequ construction test-case districts in urban areas: Xuanwu district in the city of
Amount	Nanjing, Heping district in the city of Shenyang, Xishi district in the city of Hefei,
August 1999	Heping district in the city of Tianjin, Nangang district and Daoli district in the city
1999	of Ha'erbin, Xihu district in the city of Benxi and Xincheng district in the city of
	Xi'an, as well as provinces such as Liaoning and Hubei as province-level shequ
	construction test cases.
January	MoCA held the second joint meeting among nationwide shequ construction test-
2000	case districts in Zhendong district in the city of Haikou.
November 2000	General Office of the Central CCP and State Council Agency transferred the
	'Opinion of the Ministry of Civil Affairs (MoCA) on Promoting Shequ Construction
	Nationwide'.
April 2001	MoCA held the third joint meeting among nationwide <i>shequ</i> construction test-case
	districts in Lixia district in the city of Jinan in Shandong province.
July 2001	MoCA held the first conference on nationwide <i>shequ</i> construction operation in the
	city of Qingdao, Shandong province.
	MoCA issued 'Outline of model activity guidance in constructing shequ
	nationwide'.
Source: prep	pared by the authors

visions.<sup>2</sup> Also, managing migrated workers, maintaining public order, medical and public health, environmental issues, care for the elderly, daycare centres, household management, employment agencies and a wide range of other needs and functions are expected to be provided by the *shequ*.

Under these circumstances, the major concern of the Chinese government is how to extend the functions of the street offices and the residents' committees and allow them to play an important role administering residents and providing services for residents. As shown in Table 1, various *shequ* construction programmes have been attempted throughout the 1990s at various places.

Based on the results of test cases in various areas, the 'Opinion of the Ministry of Civil Affairs (MoCA) on Promoting Shequ Construction Nationwide' (hereafter referred to as 'the Opinion' was made public with the approval of the Central Party and the State Council in December 2000.3 Regarding the scope of the *shequ*, the Opinion stated that the area covered by a residents' committee (100-700 family units in accordance with the Residents' Committee Organizing Act) should be adjusted to facilitate the administrative needs, conveniences and people's sense of attachment. After such adjustments, residents' committees should be renamed the 'shequ residents' committees' and the area covered by shequ residents' committees as *shequ* (with 1,000-3,000 family units). In addition, 'the Opinion' stated that a Shequ Members' Representative Congress (shequ chengyuan daibiaohui) as a policy-making entity, should be established in each *shequ*, formed by representatives of residents and of work units within each *shequ*, and the *shequ* residents' committee should act as the administrative entity with members elected by people after soliciting their candidacy publicly.<sup>4</sup> Each district is independently setting its own standards to operate and manage its *shequ* efficiently, by preparing its budget and asking for financial provision and increments for shequ residents' committee officers for their supplementary income and better working environment from the district government.

As stated before, a uniform policy for *shequ* construction seemed to be finally established by the end of 2000, but each district has its own way of meeting the specific needs of the district. What had been tried in the city of Shanghai, the city of Shenyang in Liaoning province, Jianghan district in the city of Wuhan in Hubei province, and the city of Qingdao in Shandong province are often quoted as the four models for *shequ* construction.<sup>5</sup> After reviewing the four different models, the discussion focused on the issue of the relation between the street offices under the jurisdiction of the government and the residents' committees which form the people's self-governing entity. In other words, the issue raised is whether *shequ* construction should proceed with a 'governmental' or 'social' entity at its helm, and whether 'control' or 'autonomy' should have priority.

For example, Shanghai adopted the 'two-tier government' (district and city), 'three-tier management' (street, district and city) and 'four-tier network' (*shequ* residents' committee, street, district and city). Under this system, the function of the street offices was reinforced, and the function of the autonomous *shequ* residents' committees was expanded for the street offices actively participating. And as a result, improve-

ments have been made on administrative matters and resident services. 'Shequ construction' using the method of 'consolidating governmental (street) and social (resident) sectors' (jieju yitihua), which has been adopted in Shanghai, is also under way in Beijing, Chongqing, Hangzhou, Shijiazhuang, Xi'an and Chengdu. In Shanghai and Beijing, staff members that specialize in shequ services (called 'shequ workers') are sent from the street offices to the shequ residents' committee. Under the policy of 'consolidating governmental and social sectors', it remains normal practice in certain places for the street offices to appoint elected persons as the members of shequ residents' committee. This is one of the ways in which the street offices are involved in the personnel affairs of the shequ residents' committee.

In the case of the city of Shenyang, its 'shequ construction' has an established record of establishing strong self-governing shequ. The city has made large-scale reforms of its shequ system, starting in 1999 when the term of offices of the members of the residents' committees expired. By means of this reform, shequ with 1,000-2,000 family units were created by combining several residents' committees. The newly created shequ were allowed to have rights to self-govern, administer, manage and supervise in accordance with the 'Opinion to Establish Clear-cut Lines of Authority and Responsibility of Shequ', and 'shequ construction' with the principle of 'residents' autonomy' is under way.<sup>7</sup> In Shenyang, it is not allowed to send personnel from the street or district offices to shequ except for civil law enforcement personnel.

In the case of the Jianghan district of the city of Wuhan, a clear division of functions between the street offices and *shequ* residents' committee was made in order to build a relationship that is mutually complementary between government-controlled functions and the *shequ*'s autonomy.<sup>8</sup> Owing to changes in their functions, the street offices transferred 17 of their duties and authorities to the *shequ*, i.e., 1) personnel matters; 2) control of funds; 3) management of *shequ* service networks; 4) minimum living allowance, social relief funds, special reduction of rents for poor families, preliminary hearings on various applications such as application for certificates for the disabled, etc.<sup>9</sup>

Transfer of appropriate authorities and duties from the city to districts, from districts to streets and from streets to the *shequ*, as witnessed in Jianghan, seems to have become the prevalent practice. However, the process of transfer does not always run smoothly, as each section or office tries to protect its acquired rights and interests. On the contrary, under the pretext of making the *shequ*'s functions substantial, several

government offices and departments at all levels are creating their own clique or groups within the *shequ*, and are forcing upon the *shequ* a number of jobs and duties as well as various quotas that must be fulfilled by the governmental sectors. As a result, it is said that the *shequ* residents' committees are overloaded with hundreds of duties. Some members of the MoCA are voicing their concern over this situation, warning that the *shequ* residents' committee may become a part of government, and may lose its autonomous character.<sup>10</sup>

However, those actors and agencies who could make the autonomous *shequ* successful have not been fully developed or matured. Even if the process of transferring authorities from the street offices to the *shequ* takes place, the '*shequ* construction' programme will face financial difficulties without the support of work units providing human and material resources. In this case the '*shequ* construction' programme will not be able to remain autonomous without the support and participation of the residents at large. What all the districts and areas that have been proceeding with the '*shequ* construction' first face is the harsh reality that there are insufficient financial and human resources as well as knowhow, while duties such as urban administration and resident services pile up. Under these circumstances, being dependent on the governmental sector is unavoidable at the initial stages, even though it is not consistent with the administrative reforms and the change to the market economy.

Wang Sibin, a Professor of Department of Sociology at the Peking University, speculates that the process of 'shequ construction' from shequ managed by the administration to shequ with autonomy will take place as follows:<sup>11</sup>

- Pre-'shequ construction': In choosing the shequ system instead of the danwei (unit) system, the government expands the duties and responsibilities of shequ and transfers authorities.
- Primary stage of 'shequ construction': Under the government directives, grassroots organizations such as the street offices and the residents' committees become the administrative bodies of shequ management, and organize shequ residents to participate in 'shequ construction'.
- Developing stage of 'shequ construction': The street offices, the residents' committees and shequ members co-operate in services and management; consequently social elements in shequ mature at a remarkable pace.

• Maturity of 'shequ construction': A relatively strong shequ autonomous system will be formed and the street office as the government's agency will become a separate entity from the autonomous residents' committee. A co-operative/mutual control system will be established among the street offices, the residents' committees (autonomous entity), shequ social organizations and shequ members (residents and work units within shequ).

A further essential factor (player) cannot be excluded when examining the issue of whether the constructed *shequ* is a 'governmental' or 'social' entity. We refer here to the Chinese Communist Party (CCP), whose comprehensive network reaches all over the country beyond the boundary of 'governmental' and 'social'. It is clearly stated in the Organizing Rural Residents' Committee Act that the CCP should take the leading role in the rural community's autonomy, but the Organizing Urban Residents Committee Act has no such stipulations. However, the aforementioned 'Opinion' formulated the following cohesive policy concerning various players and their roles to push forward the '*shequ* construction'. The basic policy stated in 'the Opinion' is as follows:

Under the guidance of the Party Committee and the government, *shequ* residents' committees are to take the helm for "*shequ* construction", supported by the society and with the participation of the people at large, under the leadership of the Department of Civil Affairs and the assistance and co-operation of all concerned sections of the government.

Here, the role of the CCP in the 'shequ construction' is clearly stated as 'the guidance core'. To understand how the CCP plays this role effectively, the following observations were noted when reviewing several publications:.

### The Background and History of 'Shequ Party Construction'

Under the planned economy system, the grassroots organizations of the CCP were divided into two systems, i.e., work units and the street offices. Incumbent party members residing in a *shequ* belonged to the party organization within their work units and had no direct contacts with *shequ* party organizations in the street offices. Those who were under the *shequ* party organizations were limited to: retired and elderly party members; party members who worked for private corporations or for foreign corporations in the *shequ*; party members in the mobile population; and unemployed party members. But *shequ* party organizations did not have sufficient organizing ability to manage those party members. *Shequ* was a kind of 'void' for the party, so to speak. As the

market economy began to flourish and private enterprises, foreign companies and various social organizations have increased since 1990s, unsettled party members, laid off and/or unemployed party members increased drastically, and the 'void' was further enlarged.<sup>12</sup> In the mid-1990s, alarmed by the trend that could threaten the maintainance and expansion of the party leadership, the Central Party began to build up *shequ* party organizations and strengthen their functions. Especially as the Falun Gong became so popular and widespread among people and party members, the Central Party strongly felt the need to strengthen the party members' organizations at the grassroots level of society, as well as the management capacity and influence of party organizations.

In 1996, the ODoCCP (Organization Department of the CCP) issued the 'Opinion to Strengthen the Street Party Organizations'. It specified the duties of the street party organizations and *shequ* party organizations and urged measures to strengthen the party organization. Various conferences and symposiums were conducted to actively promote '*shequ* party construction', e.g. in Shanghai in 1999, Beijing in 2000 and the city of Haikou in Hainan province in 2002. The themes of conferences and symposiums included: 'National Street and *Shequ* Party Construction Workshops'; 'National Symposium on Building-up Street and *Shequ* Party Organizations in Municipalities under the Direct Control and Other Municipalities'; and 'National Conference and Exchange of Experiences of Organizing Street and *Shequ* Party Organizations in Medium- to Small-Size Cities'.

Based on cases in different cities, the following is the summary of main policies in '*shequ* party construction':

#### Improving the systematization rate

According to the 'Charters of the Chinese Communist Party', a party committee should be formed wherever there are more than 100 party members who belong to organizations within the jurisdiction; a party main branch should be set up wherever there are more than 50 party members; and a party cell should be established wherever there are more than three party members. In order to adhere to the charter, *shequ* party cells were established at many places. As a result, the percentage of party cells established under the jurisdiction of the residents' committees nationwide increased to 78 percent in 2001 compared to 65 percent in 1993.<sup>13</sup>

#### Improving the quality of party organization officers

One of the major elements that hinder the organizational ability and leadership of any *shequ* party organization is the low quality of its officers. Many of them are elderly without higher education and the necessary management skills. In order to resolve the problem, each area is trying to secure capable party members for its key positions. The following methods are used in selecting persons for the position of secretaries of shequ party cells. First, capable officers of the residents' committees who are trusted by the people at large and popular among them are selected as secretaries of *shequ* party cells. According to year 2000 statistics, 56 percent (196 persons) of the *shequ* party branch secretaries in the city of Jinan in Shandong province were chosen in this way (officers of the residents' committees holding concurrent posts in the *shequ* party branch as secretaries will be explained later). Second, the district party committees choose young and capable party members in the districts/street agencies or companies who are familiar with the tasks of the *shequ* and have them assume the position of the *shequ* party branch secretaries. In other words, the higher-level party organizations appoint members to the lower-party organizations. Third, they recruit party members who are laid-off labourers, retired military personnel and university students to take qualifying examinations and appoint to the positions.14

To secure highly qualified personnel, remuneration for the party branch officers has been improved. Previously, while the party main branch secretaries were full-time personnel, the party branch secretaries under them held concurrent posts and were not remunerated. Therefore, whether the work at the party cells could be carried out successfully or not depended on the personal relationship between the party main branch secretaries and the party branch secretaries. But grievances for working without compensation have been reported. According to the survey taken in Xihu district of the city of Hangzhou in Zhejiang province, the shequ party branch secretaries, dissatisfied by the fact that they were not given any remuneration while doing the same job as the residents' committee officers who were remunerated, became demotivated in carrying out their duties.<sup>15</sup> To avoid this type of situation and to recruit capable party members for shequ activities from all areas and fields, the Organization Department of the party committee in the city of Jinan (Shandong province) came up with provisions, by which the party members recruited to work in the *shequ* party branch or the residents' committee who are officers of national agencies or collective-owned agencies receive the same remuneration and are allowed to receive additional compensation offered by the residents' committee. The provision also stipulated that in the case that collective-owned agency officers are employed by *shequ* and apply to qualify as civil servants, they should take priority for appointment. As the remuneration for the residents' committee officers is improved, the compensation for the *shequ* party branch secretaries is being revised to be on a par with residents' committee directors.

#### Improved work environment

Difficulties that the *shequ* party organizations used to face were the shortage of office space and an insufficient budget to manage their offices. In order to improve this situation, several measures have been taken together with the current reforms, e.g. offices of the *shequ* party cells are constructed with the co-operation of the urban construction sections, and telephones are installed in offices.

#### Increasing organizational strength through network building

The street party organizations being the core, building the network of all party organizations in government agencies and work units within the *shequ* is taking place so that the vertical chain of command by work units and the horizontal ones rooted in the community can come together and co-operate. Members of *shequ* party organizations used to be retired and elderly members, members in private enterprises or foreign corporations, members in mobile population and unemployed members. According to the re-organization plan, those who were laidoff are included in *shequ* party organizations and the incumbent party members under the jurisdiction of municipalities and of districts are placed under the co-operative control of party organizations by work unit and *shequ*. Thus these party members can be mobilized to participate in various activities in the shequ.<sup>17</sup> For example, in 2001, the Kecheng district of the city of Quzhou in Zhejiang province issued an 'Opinion Concerning Mobilizing Incumbent Party Members to Organize and Participate in Shequ Works'. In it, incumbent party members residing in the district were encouraged to go to the party branch to register in the 'Registration of Incumbent Party Members' and to participate in one or two shequ service activities. They were also asked to volunteer for propaganda education, environmental hygiene, crime watch patrol, medical and public health, the repair of household appliances, maintenance of housing environment, etc., through such initiatives as 'Party Member

Volunteer Service Groups', 'Apartment Buildings in the Responsible Area of Party Members', 'Act as the Spearhead of the Communist Party', etc. As a result, more than 3,000 incumbent party members in the district registered at the *shequ* party branch by the end of 2001, more than 100 service groups of various sorts were set up, and more than 2,000 incumbent party members are able to participate in the *shequ* services at all times. <sup>18</sup> In order to encourage the incumbent party members to participate in voluntary activities, the party committee of Xuanwu district in the city of Nanjing reports the party members' rate of activity participation to their work unit every year, and has implemented a measure to use these data as a criterion for the evaluation of advanced units. <sup>19</sup>

This progress is not limited to the activities of party members; the systematic building of co-operative networks combining the vertical and horizontal chains of control has also been successful. Party construction joint meetings and party construction seminars have been held. For example, the party committee of Xueyuan street in the Xiling district of the city of Yichang (Hubei province) started the *shequ* party construction joint meeting involving 59 agencies and party organizations of work units in the *shequ*. The party members come together to decide the party's work plan and other matters. Also, the party work committee of Yinxing street in the Yangpu district in Shanghai initiated the *shequ* party construction joint meeting system with the participation of 32 units in the *shequ* (the street party work committee; four government departments and agencies; six work units; five group units; twelve schools and scientific research centres, and four public utility units).

### Intensifying theoretical study for party members

Educational activities are intensified for party members to strengthen their ideology and conviction as Communist Party members so that they are successful in accomplishing their role in the *shequ*. *Shequ* party organizations hold study sessions at least once a month and are encouraged to hold a seminar every 6 months for party members, inviting leaders of cities or districts, or members of the Organization Department, the Propaganda Department and the Party School as guest speakers. What they study is mainly Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, Important Strategies and Policies of the Party and the Nation, various issues concerning China's entry into WTO and reforms of state-owned enterprises, improvement of knowledge and skills, etc. In addition to these study sessions, some are conducting ideological political projects in several organizations within their

jurisdiction. For example, the party committee of the Xueyuan street in the district of Xiling, Yichang city, is sending 24 party construction coordinators to 58 *shequ* economic, business and social organizations to assist their ideological political activities. <sup>21</sup>

#### Active participation in services for residents

In order to have a wide range of residents recognize the party leader-ship in *shequ*, services for residents are provided by the *shequ* party organizations. 'The Opinion' issued in September 1996 stipulated that one of the main duties of the street party organizations is to discuss issues such as the dissemination and implementation of party lines and control of party members, as well as issues concerning the street's urban management, social services, economic development, social safety and general management, etc. The *shequ* party organizations are obligated to work with the general public and provide various services. Providing services for residents is done through the *Shequ* Party Members' Service Volunteer Society, *Shequ* Party Members' Security Service Group, *Shequ* Party Members' Environment Protection and Hygiene Group, *Shequ* Party Members' Crime Watch Patrol Group, and *Shequ* Party Members' Support and Assistance for the Poor.

# Party branch secretaries holding concurrent positions as the shequ residents' committee officers

According to the *Complete Book of Administration*, published in June 2000, out of 300 *shequ* party cells of a certain district in a certain city, 133 (44.3 percent) were not in the residents' committees and 122 party branch secretaries (40.7 percent) were not holding concurrent posts as director or committee member of residents' committees. As a result, activities of the *shequ* party cells were rather stagnant. In many areas, one person's concurrently holding two posts: *shequ* party branch secretary and director of the *shequ* residents' committee is encouraged for long-term stability and to ensure continuous party leadership in the *shequ* party organizations.

Holding a concurrent post as *shequ* party branch secretary and director of the *shequ* residents' committee was normal practice when the members of residents' committees used to be chosen by the street party organizations and when party cells were organized by party members who were also officers in the residents' committees. But in recent years, as the party centre's guidelines call for election of officers of *shequ* residents' committees by the direct vote of residents, it becomes risky to

continue this practice. If the party members sent by the district or street party organizations to assume the position of secretary of *shequ* party cells do not reside in the *shequ*, they are not entitled to run for election. On the other hand, there is a greater possibility that non-party members may be elected.

According to a survey taken (probably in the year 2000), the majority of 56 secretaries of the *shequ* party cells of Yinxing street in the Yangpu district in Shanghai responded that the direct election of residents' committee officers should take place but that the time was not ripe; or that direct elections would be disadvantageous for the leadership of the party and should not be allowed. Some also responded that reasons should not be revealed but that these direct elections should not be conducted.<sup>22</sup> A comprehensive book on *shequ* published in June 2000 refers to this issue as follows:

In other words, the street offices should lay the groundwork firmly for the election of residents' committees so that residents elect party members as directors or members of residents' committees. Street party committees (or *shequ* party main cells) should lay the groundwork so that party members will elect officers of the residents' committees as branch secretaries or branch committee members.<sup>23</sup>

The aforementioned fundamental idea that supports the 'shequ party construction' programme by the party's Organization Department can be summarized as follows: To maintain long-term stability and continuous leadership of the *shequ* party organization, all the party members should be organized into the street party branches, and the personnel and duty aspects of the party branches should be unified into shequ residents' committees. Under the policy, the holding of posts concurrently as shequ party branch secretary and director of the shequ residents' committees is aimed at in many areas. Party cells are established in the shequ residents' committees and party branch secretaries who hold concurrent posts as directors (or committee member) of shequ residents' committees are managing residents and providing services for residents. For example, in Yinxing street of Yangpu district, 41.5 percent of the 56 party branch secretaries hold a concurrent post as director of the residents' committees, and 9.4 percent of those who do not hold concurrent posts stated that their job title may be different but the work itself is the same. Likewise, 5.7 percent stated that they are mainly engaged in the administrative work of the residents' committees and there is less party administrative work.<sup>24</sup>

At the 99 Long *shequ* of Zhongyuan Lu in the same street, all activities of the party branch except the party's organizational work are basically identical to those of the residents' committee. The job of Ms. Jin Cheng Hong, who is the party branch secretary, is general management of the *shequ* and she assumes responsibility for a great many of the residents' committee's activities, e.g. as group leader for Safe Area Construction Group, Public Health Group, etc. She is also in charge of managing seven floors of a certain residential unit with a residents' committee officer. She has her desk inside the office of the residents' committee where she works with the residents' committee officers and attends all meetings of the residents' committee. There is no clear division of work between the party branch and the residents' committee.<sup>25</sup>

Unification in the personnel and duty aspects naturally leads to financial confusion. Under the policy, which encourages the party branch to be engaged in the resident management and service activities that were originally the duties of the *shequ* residents' committee, some areas have begun to pay the party branch secretaries remuneration equivalent to that of directors of *shequ* residents' committee. And it should be noted that the activity expenses of the party branches, including labour costs, are covered by the contributions from district/street offices' finances as well as by the party expenses.<sup>26</sup> The current reform calls for an increase in the office expenses of *shequ* residents' committees as well as budget increases for activities of *shequ* party branch by means of financial support from districts and street offices. This gives the impression that the unification of the party, the government, and the *shequ* residents' committee is proceeding in all of the personnel, fund and duty aspects.

## Issues of 'Shequ Party Construction'

In the preceding section, the *shequ* construction policies of ODoCCP were introduced. Some members of the CCP, however, have raised objections against these policies, as follows.

First, CCP members who have little interest in *shequ* activities make the point that many incumbent party members are preoccupied with their own lives and do not have time to spare for the activities of *shequ* party organizations. According to a survey made in Yinxing street of Yangpu district, the sense of attachment to *shequ* of incumbent party members was weak and they seemed to be indifferent toward the issue of '*shequ* construction'. Some of the party members do not transfer their membership to street party organizations even after retirement, for fear of getting involved in problematic situations.<sup>27</sup> In surveys of incum-

bent party members, 24.5 percent of 56 party branch secretaries met party members who tried to hide the fact that they were party members. Consequently, shequ party branch secretaries in general are rather cautious in urging incumbent party members to participate in branch activities. When asked whether they agreed or disagreed with the statement that 'the activities of *shequ* party organizations were basically for unemployed or retired party members and it would not be necessary for incumbent party members to participate', 56.6 percent responded that they did not agree. But 37.8 percent responded that they agreed or they agreed basically. Furthermore, 86.8 percent agreed or basically agreed that 'it would be difficult to control incumbent party members as their organizational relationship was based on their work units'. The findings of these surveys show that many branch secretaries are aware that incumbent party members should be involved in 'shequ party construction' but feel that this is unrealistic.<sup>28</sup> Moreover, it is very interesting to find that people who are not party members are more aware of activities of street party work committees and of shequ residents' committees.<sup>29</sup> The ratio of party members for open candidates for *shequ* workers is less compared to non-party members. In the survey taken in the Xihu district of the city of Hangzhou, out of 343 who passed the open test of candidates for shequ workers, only 50 persons (14.58 percent) were party members.<sup>30</sup> As shown in the data, many party members have neither the time to spend on the *shequ* work nor have greater interest than non-party-members in *shequ* work. At the National Conference and Exchange of Experiences of Street and Shequ Party Constructions in Medium to Small Size Cities, held in January 2002, some representatives expressed their opinions in the discussion titled 'Strengthening and Improving the Street Shequ Party Construction Works' that the shequ was the place for people to live and rest and it would not be desirable to organize shequ patrol units by party members, etc.31

The other objections are raised by those who are reconsidering the ideal stand of the party. As the personnel of *shequ* party cells and *shequ* residents' committees are either duplicated or have no distinction in their functions, *shequ* party cells have to deal with various matters including mediation of civil disputes, maintenance of public order, civil administrative services, environmental hygiene, women's affairs, etc. And they hardly have any time to spare for the duties they are supposed to perform for the party and to organize and develop party organizations. Moreover, the results of the studies made by Lin Shangli indicate another major problem brought about by the unification with

shequ residents' committees. The greatest advantage of the Communist Party essentially is that it is the embodiment of the social power and it is not the non-socialistic external authority or power like the administrative organ. But the positioning of the party becomes vague by carrying out administrative functions at shequ. Under these circumstances, organizing party cells in the shequ is seen as the government's intervention into societal affairs, contradicting its position to make the shequ autonomous. Additionally, as residents cannot make a clear distinction between party cells and the shequ residents' committees, they may not associate the efforts made by the party for public interests with the successful infiltration of the party's authority or with improving their opinion with respect to the party.

In fact, surveys taken via interviews show that most residents identified the party cell secretary as 'another director of their residents' committee' and did not know whether the director was a party member or not.<sup>32</sup> This is why Lin Shangli proposes that a clear distinction should be made between the *shequ* party organization and the *shequ* residents' committee. In other words, as long as the circumstances allow, holding concurrent posts, being party cell secretary and shequ residents' committee director at the same time should be avoided and shequ party organizations should stay away from cumbersome public services and administrative activities. By doing so, shequ party organizations, not being entangled in the dispute as to whether the 'shequ construction' should be led by 'governmental' (the administration) or 'social' (or autonomy) directions, can demonstrate their leadership as the social power in 'shequ construction' by building up the organizational ability of the shequ party members and by expanding their network in shequ. Indeed, the intention of organizing *shequ* party cells meets the goal of residents' autonomy and democracy at the grassroots level.<sup>33</sup> At the National Conference and Exchange of Experiences of Street and Shequ Party Constructions in Medium- to Small-Size Cities, mentioned earlier, the role of the party for the shequ residents' autonomy was discussed and the proposal was made to have the content of the discussion included in the written document. What had been said is that the party's directives should be considered as 'guidelines' and that the party and the shequ residents' autonomous organizations are two independent organizations in the streets and *shequ*; and that the party should not undertake all the activities of the residents' autonomous organizations.34

#### **Conclusion: Some Observations**

The role of the Chinese Communist Party in 'shequ construction' has not yet been defined. One direction is to aim for coalescence with the shequ residents' committee. The other is to differentiate itself from the shequ residents' committee, which is still viewed as the arm or agent of the district or street administrations and to adhere to the standpoint as a driving force of society.

The discussions being made regarding the CCP's position related to the 'shequ construction' have brought into relief some points of contention as to the specific direction and guidance for the future and the ideal state of the party. The first point is on the separation of party and government. The aforementioned two opinions are presented based on the same recognition of the current situation where the *shequ* residents' committee has, at this point, a stronger function as terminal agent of the government to determine whether the party should directly perform the administrative duties of *shequ* residents' committees or whether the direction and guidance should be indirectly given through the model roles demonstrated by individual party members. The argument is similar to those related to the separation of party and government that have been repeatedly made in the political system reforms. However, the ideal state of the party that has been presented by Lin Shangli et al. introduces a second question: In what way should the party change the course of its direction and guidance under the conditions for separation of government and society? The separation is slowly but constantly taking place, and the *shequ* residents' committees and social associations will gradually lose their characteristics as the proxies of the government and strengthen the functions as representatives of social forces. To this question, Lin et al. answers: 'The greatest advantage of the Communist Party is that it is the embodiment of the social power and it is not the non-socialistic external authority or power like the administrative organ.' Then, when the separation of party and government is accomplished, can the party really provide society with direction and guidance effectively? This third point is a difficult question to answer. However, considering only the attitudes of incumbent party members toward the *shequ* work introduced in this text, the claim that the party has a persistent organizational power that enables provision of effective direction and guidance to society is unconvincing.

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#### **Notes**

- 1 For example, the method of the payments of pensions for the elderly had changed, i.e., it used to be paid through work units to which people belonged, but payments are now made at banks or post offices in the neighbourhood. And for those who are retired and cannot go to banks or post offices on their own, the Social Insurance Agency has decided to deliver pension payments directly to the payee or ask the *shequ* service agency to deliver the payments. *Renmin ribao* (wangluoban), 26 April 2000.
- 2 Article 4 of the 'Urban Residents Minimum Living Allowance Act' (effective as of October 1999) states that the county departments of civil affairs, street offices and township authorities should be responsible for administration and evaluation for the urban residents' minimum living allowance. It also states that upon request of the administration and evaluation agencies, the residents' committees can provide daily administration and services.
- 3 Renmin ribao, 13 December 2000.
- 4 Although it is not stated in 'the Opinion', there are many cases whereby, during the period when the Community Members' Representative Congress is not in session, the *Shequ* Consultative Councils are established as the consultative supervisory agency, consisting of representatives of residents, units and members of People's Congress and the Chinese People's Political Consultative Conference.
- 5 See for example Mao Minghua, 'Shequ guangli moshi zhi xuanze' [Choice of Shequ Construction Models], Shehui [Society], no. 3 (2001); Hu Zongshan, 'Quanguo shequ jianshe moshi pingxi' [Evaluation of Shequ Construction Models], Zhongguo Minzheng [China Civil Affairs] (June 2001).
- 6 In Beijing, for example, the street offices hire one shequ business staff member per 300 family units to serve in the shequ. Those who are hired run for elections of the shequ residents' committees as directors, deputy directors or committee members. Once elected, they enter into contracts called 'Beijing Shequ Business Staff Employment Contracts' with the street offices.
- 7 In the case of Quanyuan street of Dongling district in the city of Shenyang, 16 shequ within the street office are given (a) the right of self-government (the right of democratic election, the right of decision-making in internal affairs, the right to manage daily affairs, financial/budgetary autonomy, the right to reject unreasonable allocation and the right to internal supervision); (b) the right to co-operate with the government and manage affairs (the rights to co-operate in carrying out duties/jobs such as urban development, environmental protection, garbage collection/disposal, affairs of the elderly, medical and public health, public safety, jurisprudence, family planning, employment, social welfare. In co-operating with the government, they are to be compensated financially); (c) the right to supervise the government (supervising government offices of all levels, street offices, personnel and their work and operations, as well as supervising public utilities such as water, gas, electricity and heating, including the activities of the real estate management firms and public remarks made by the key Communist Party members within the shequ). See the Director of Civil Affairs Agency of Liaoning Province, Zhang Yongyin, 'Shenyang songbang fangquan kan

- zizhi' [City of Shenyang Transferred Its Authorities Downward and Lays Stress on Autonomy], *Shequ* (January 2001), p. 8.
- 8 (a) Tasks of the street offices include: establishing and evaluating administrative goals, enforcement of administrative matters, improving the investment environment, providing care and support to poor families, receiving and dealing with grievances, registration of corporations, etc.; (b) tasks of the street offices in which the *shequ* co-operates include: education and dissemination of lawful acts, propaganda of the national policies, managing influx of people, family planning, payment of minimum living allowances, etc.; (c) joint tasks of the street offices and *shequ* include: mediation/arbitration of civil disputes, marital status certificates, etc.; (d) tasks to be carried out by *shequ* under the leadership of the street offices include: *shequ* service works, managing *shequ* service groups, etc. Similar attempts can be seen in other districts.
- 9 Jing Yao, Jiedao fenquan de jixiao yu jiazhi Jianghan qu shequ zizhizuzhi ceping jiedao de diaocha' [The Street Offices and Shequ – the Case of Jianghan], Zhongguo Minzheng [China Civil Affairs] (November 2001), p. 22.
- 10 For example, Li Baoku, the Deputy Minister of the MoCA stated during the conference on *shequ* construction in Beijing. *Shequ* (January 2001) p. 6.
- 11 Wang Sibin, "Tizhi gaige zhong de chengshi *shequ* jianshe de lilun fenxi" [Analysis Related to Urban Community Constructions during the System Reform], *Shehuixue* [Sociology], no. 2 (2001), pp. 64-65.
- 12 According to a handbook published in April 2001, sample research conducted in Shanghai indicates that less than 5 percent of employees in Shanghai's private science and technology corporations were party members. Out of 8,326 foreign corporations in Shanghai, only 2,557 had party organizations. Out of more than 80,000 private enterprises, less than 10 percent had party organizations. It is said that those party organizations are rather inactive. Zhong Xiangting, Jiedao shequ dangjian gongzuo shouce [Handbook of party construction in shequ] (Shanxi Renmin Press, 2001), p. 16.
- 13 Zhong Shu, 'Shequ dangjian shi jianqiang de zuzhi baozheng' [Shequ Party Construction Guarantees the Party's Organizational Strength], Shequ (May/June 2001), p. 8.
- 14 Bureau for the Organization, ODoCCP, 'Jiedao shequ dangjian gongzuo zhidao' [Directives in Street and Shequ Party Construction] (Dangjian Duwu Press, 2000), pp. 135-36. Party Committee of Shijingshan District in Beijing, 'Yi "liumin" gongcheng wei zaiti jiaqiang shequ dangjian' [Strengthen the Activity Toward Shequ Party Construction by Means of Six Projects for the People], Dangjian yanjiu neican [Internal Reference Material of the Party Construction Study], no. 1-2 (2001).
- 15 Office of the Party Committee of Xihu District in the City of Hangzhou, 'Dangjian daodi zenme nan' [Why is Party Construction Difficult?], *Shequ* (December 2001), p. 14.
- 16 Jiedao Shequ dangjian gongzuo zhidao, pp. 141-42.
- 17 Liang Shan, 'Shequ dangjian zenyang changhao "sanbuqu" [How can Shequ Party Construction Sing Trilogy Well?], Shequ (December 2001), p. 15.
- 18 Jiang Wenxian, 'Shequ dangjian juqile renxin' [Shequ Party Construction Occupied People's Minds), Shequ, no. 2-3 (2002), p. 9.
- 19 Organization Department of the Party Committee in the City of Nanjing, 'Redian zhuazhule dangjian gaohuole' [If You Have a Knack For It, The Party Construction Can be Vitalized], *Shequ*, no. 3-5 (2002), p. 9.
- 20 Jiedao Shequ dangjian gongzuo zhidao, p. 39.
- 21 *Ibid.*, p. 40.
- 22 Lin Shangli et al., *Shanghai shequ jianshe yanjiu baogao congshu, shequ dangjian yu qunzhong gongzuo, Shanghai Yangpu qu Yinxing jiedao yanjiu baogao* [Reports on *Shequ* Construction in Shanghai] (hereafter referred to as *Shequ dangjian yu qunzhong gongzuo*) (Shanghai: Shanghai daxue chubanshe, (2000), p. 73.

- 23 Du Zhiming, Xin shiqi jiedao juweihui gongzuo shiwu quanshu [Complete Administrative Book of Street Office and Residents' Committee Works in New Era] (Zhongyang Dadi Press, 2000), p. 175.
- 24 Shequ dangjian yu qunzhong gongzuo, p. 61.
- 25 Ibid., p. 92.
- 26 As for the budget or financial resources to cover activities and expenses of party branches, the *Handbook for Shequ Party Construction Works*, published in April 2001, affirms that the districts, party and street offices share this responsibility. *Jiedao shequ dangjian gongzuo shouce*, p. 152.
- 27 Shequ dangjian yu qunzhong gongzuo, p. 282.
- 28 Ibid., p. 60.
- 29 Ibid., p. 74.
- 30 'Dangjian daodi zenme nan'.
- 31 Shequ, no. 2-3 (2002), p. 8.
- 32 Shequ dangjian yu qunzhong gongzuo, p. 95.
- 33 *Ibid.*, pp. 42, 95 and 102.
- 34 Shequ, no. 2-3 (2002), p. 8.