

# CHINA



## *Some reform is local*

### **Political structure**

One-party rule by the Chinese Communist Party (CCP). The state council, approved by the National People's Congress (NPC), holds executive power; a president and a vice-president are approved by the NPC for a maximum of two consecutive five-year terms. Legislative power is held by the Unicameral NPC: 2,989 delegates are selected by provinces, municipalities, autonomous regions and the armed forces. The NPC approves the president and members of the state council, as well as the members of the standing committee of the NPC, which meets when the NPC is not in session. There are 22 provinces, four municipalities directly under central government control and five autonomous regions. These elect local people's congresses, and are administered by people's governments.

The politburo (political bureau) of the CCP sets policy and controls all administrative, legal and executive appointments; the nine-man politburo standing committee is the focus of power.

### **Local government system**

The local government system has four levels, as follows:

#### **Provincial level**

This level includes the provinces, autonomous regions and municipal governments, which are the highest levels of local government. In 2003, China had 31 provincial-level administrative units, including 22 provinces, five autonomous regions and four municipalities (Beijing, Shanghai, Tianjing, and Chongqing). The so-called autonomous regions are so in name only. The term, however, recognizes the pre-revolutionary predominance of non-Han ethnic groups in Guangxi (the Zhuang ethnic group), Tibet, Xinjiang (the Uighurs, Turkic-speaking Muslims), Inner Mongolia

(the Mongols) and Ningxia (the Hui, Chinese-speaking Muslims). China also has two Special Administrative Regions (SARs), Hong Kong and Macau. These are autonomous from the rest of China, having separate governments, legal systems and quasi-constitutions (Basic Laws).

#### **City level**

This category includes cities under the jurisdiction of the provinces, prefectures, autonomous prefectures and districts under the jurisdiction of the apex municipalities.

#### **County level**

This level includes counties, autonomous counties, county-level cities, special zones, forest districts, industrial and agricultural districts, districts of the city under the jurisdiction of the province, etc.

#### **Township level**

These include towns and villages, which are the lowest levels of local government.

A measure of direct electoral democracy is in place at the village level, where triennial elections are now held for around 3.2m village leaders. More recently, officials have started to experiment with grassroots direct elections in urban areas, and, on a more limited scale, polls for township chiefs. However, these polls remain peripheral to the main system of government in China; elected village officials are also officially subordinate to village CCP secretaries, almost all of whom are still appointed officials. This is something that officials in the CCP, anxious to maintain their own power, are in no rush to change.

## Local autonomy

The Chinese Constitution provides for the establishment of two mass autonomous organizations at the grassroots level. These are the neighborhood committee for urban areas and the vil-



The Chinese Communist Party (CCP) has governed China since 1949 and retains an iron grip on politics. Other parties are outlawed and criticisms or reflections on past events (such as the Tiananmen Square protests or the Cultural Revolution) are quickly suppressed.

When Deng Xiaoping died in 1997, Jiang Zemin and Zhu Rongji came to power as president and prime minister respectively. They oversaw China's reunification with Hong Kong later that year and its joining of the World Trade Organization in 2001. But repression of dissent continued, especially of the Falun Gong movement.

At the 16th Party Congress in 2002 Hu Jintao was named leader of the CCP and Wen Jiabao prime minister. Hu, who was thought to be a potential reformer, has proved more authoritarian—cementing his authority by prosecuting cases of graft. Meanwhile, ordinary Chinese have increasingly taken to public protests, which the government quickly suppresses.

lage committee for rural areas. Both committees are supposed to promote direct people's participation in the management of national affairs and are referred to as an important component of China's so-called socialist democratic and political system.

## Local government reform

The thirteenth National Congress of the Communist Party of China decided in October 1987 to reform the political system accompanying economic reforms. Five years later, it decided to carry out political reform and bring about socialist democratic politics with Chinese features.

Notwithstanding its declarations, the central government in China holds all state power and much of the financial resources.

The village governments, which are at the bottom of the government hierarchy, are the poorest and survive only by collecting money from the villagers on all kinds of pretexts.

## Abolition of village governments

In the 1990s, China undertook to reform its local government system. Village level governments were abolished and replaced with directly elected Villagers Committees (VCs). Henceforth, all the important decisions concerning the development of the village were to be discussed and voted on by the villagers.

The setting up of VCs is expected to yield the following benefits:

- ▶ Strengthening of the villagers' sense of ownership of the village;
- ▶ Enhancement of villagers' participation in village development efforts;
- ▶ Empowerment of the VCs;
- ▶ Development of participatory democracy in China's rural areas.

## Transparency and anti-corruption campaign

In recent years, the Chinese Government has sought to promote "Transparent Government" or "Sunny Government". Indirectly, this campaign has helped to foster participatory local governance, as the case of Chongqing has shown.

In 1999 Chongqing City passed China's first local regulation on the transparent management of poverty alleviation funds. This resulted from Chongqing Province's involvement, along with Qin Hai and Guizhou Provinces, in a program called "Poverty Eradication Program Information Open Regulation" (sic). According to this regulation, the following program related information should be made publicly accessible:

- ▶ The program proposal, particularly the budget: how much money was allocated for each beneficiary village and for each individual beneficiary; when the funds would be disbursed;
- ▶ Progress reports: financial status; list of beneficiaries; in-kind contributions; matching funds; cash-flow statements;
- ▶ The regulation also provided for wide dissemination of information at the program site, through posters, bulletins, and other means, and for the use of the mass media, like television and newspapers, government bulletins, and training opportunities to make information available more widely.



With easier access to program information, beneficiaries were able to participate in program monitoring and evaluation. This also enhanced the effectivity of the poverty alleviation program. The following table shows the improvements wrought by the program in Yuanyang County, Chongqing as a result of greater beneficiary participation.

Similar results have been noted in Qinghai, Guizhou and other places. Their success has encouraged other local governments to work towards "Sunny Government" and "Good Governance" through transparency.

	2000	2002
Corruption Cases	38	19
% Completion of Poverty Alleviation Program	83.1	95

Meanwhile, the case of Maliu Township, Kaixian County in Chongqing has demonstrated how the local government succeeded in getting sceptical villagers to participate in a rural development project and thus provides compelling proof that participatory local governance can make all the difference between success and failure of development interventions.

## Maliu's "Eight Steps" to greater village participation in development projects

Maliu is one of the poorest townships in Kaixian County, Chongqing Province. Before 1999, relations between the villagers and the township government were marred by conflicts, particularly villagers' resentment of what they regarded as onerous taxes. The villagers frequently attacked the township premises and had once set fire to its offices. In 1999 the township officials announced the construction of a bridge that would connect the village to the national highway. The villagers had long wanted such a bridge, but when the project was announced they all declared their opposition to it. They privately speculated that the officials would only try to make money out of the project.



Mystified by the villagers' reaction, the township officials determined to find out why they were so opposed to the building of the bridge. At a meeting with representatives of the village, the officials put together a multisectoral team that would take charge of the project. One representative each from the four beneficiary villages was selected to form the team, along with a local leader and a number of government officers. The four village representatives were put in charge of accounting, cashiering, storekeeping, and quality control, respectively. The government officers were given the task of coordinating and organizing the project, but were explicitly prohibited from handling project funds or meddling with purchases of construction materials.

The multisectoral team also revised the original project plan and budget, which, among others, required each villager to contribute 65 yuan to the project. The new plan reduced their contribution to just 35 yuan each. The new plan and budget were approved by 95% of the villagers. When the bridge was finished there was still

money left over and the villagers each got a refund of 9.4 yuan.

9.4 yuan is a small amount, in fact, almost nothing. But it was this paltry sum that restored the villagers' confidence in their local officials; it was this pittance that won the villagers' hearts.

After this project, Maliu's officials never had any problems proposing projects to the villagers. They simply applied the same strategy they used in the bridge project. Eventually, the Maliu township government developed a module which they called "Eight Steps Leading [to] Villagers Participation". This module describes the following steps:

*Step 1: Needs Assessment* – Get to know what the villagers really want.

*Step 2: Multisectoral Meeting* – Formulate a preliminary plan.

*Step 3: Discussion of the Plan* – Encourage the villagers to discuss and ask questions, and secure their support and understanding.

*Step 4: Revision of the Plan Based on Villagers' Input* – First set up a project management team composed of elected mem-

bers. 50% of the team must be composed of villagers. The participation of government officers should be limited to coordination and organizing. Funds and materials management should be done by village representatives.

*Step 5: Village Referendum* – Every household in the village must vote on the proposed project; only projects that receive 85% of the vote or more would be implemented.

*Step 6: Project Plan Breakdown*

*Step 7: Project Implementation* – Villagers' groups should implement the different project components.

*Step 8: Regular (semi-annual) Reporting of Expenses* – Financial records must be available for inspection by villagers at any time. At the end of the project, the balance of project funds must be refunded to the villagers.

The "Eight Steps Leading [to] Villagers' Participation" module is a good example of an attempt to promote participatory local governance in rural China. Its founding principle can be summed up thus: "Put government and the village in their rightful places and let them play their respective roles."

## Sources

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