

Book Review

Neighbourhood Governance in Urban China, edited by Ngai-Ming Yip, City University of Hong Kong, published by Edward Elgar, 2014, 213 pp.

China is urbanising at an extraordinary rate with dramatic changes taking place in the urban neighbourhood governance patterns since economic reforms began in 1978. The transformation of the Chinese economy has not only resulted in the changes in the power structure among different government bodies, but also the governing structure in urban residential neighbourhoods. The dynamic interactions between various institutional players such as homeowners' association, residents' committees and their supervisory authorities, have created a complex and vibrant micro environment offering avenue for scholars and policy-makers to observe the state-society interface and the dynamics of civil society in transitional China. While there has been a surge in collective action (anecdotal evidence) by homeowners against the infringement of their rights over the past few decades, a systemic examination of neighbourhood governance is however, sparse and limited. This book fills a vital gap in the literature by providing a profound understanding of neighbourhood governance in contemporary urban China.

This book is a collection of 11 essays on China's urban governance organised into four parts. Written succinctly, Chapter 1 provides the anchor by problematising the changes that have taken place in the urban neighbourhoods of China. Ngai-Ming Yip argues incisively when defining governance that the state is no longer a direct participant but rather a central institutional player in a range of institutions that shape the design and monitoring process to minimise transaction costs (Ostrom, 1986; Williamson & Masten, 1995; Rasiah, 2007; Zhang & Rasiah, 2015). He asserts that existing approaches and models of neighbourhood governance, which are mostly derived from Western experiences, may not be directly applicable in the Chinese context especially when taking into consideration the evolving urban transformation processes; he believes the latter are too complex to be captured using Western arguments on urban neighbourhood governance.

Part 1 of the book provides theoretical consideration underpinning neighbourhood governance. A comprehensive description of urban governance is presented in Chapter 2 where Read discusses extensively a number of theoretical approaches on urban social movements, urban collective actions and democratic participation from the perspective of political science and

sociology that are relevant to understanding neighbourhood governance in urban China. Chen continues the theoretical exploration in Chapter 3 by using neighbourhood studies, club theory and urban commons study the socio-economic complexity of neighbourhood governance.

Part 2 unfolds with a discussion on the theme of state-society interactions at the grassroots level. Using in-depth case studies, Chapter 4 discusses the dilemma and political hurdles faced due to the institutionalisation of neighbourhood governance in the post-reform era. Drawing from a contractual dispute between residents' committees and homeowners' association, the authors call for the de-politicisation of the governance mechanism as a way to ease pressures that result from homeowner activism. More specifically, the authors argue in Chapters 5 and 6 that complex interactions between homeowners and neighbourhood organisations (which involves a complex array of interactive factors such as solidarity of homeowners, intervention strategies of residents' committee and participation of loyalist-activists in local networks), have to be studied seriously before the issues of neighbourhood power balance can be crystallised.

Part 3 is an interesting discussion of the institutional setup of homeowners' associations. Being considered as an imported establishment that functions as a democratic base, the idea of a homeowner's association has attracted great attention as to whether such a relatively new institution can fit into the unique socio-political and cultural environment of China. Taking this argument further, the Chapters 7 and 8 provide detailed accounts of the development of homeowners' association. While the former promotes the modification of the current institutional setup by introducing the concepts of trustee and representative assembly into daily operation, the latter showcases a renowned homeowners' association and its evolving experience towards an autonomous governance entity.

The last part of the book assesses the homeowner association's potential as an important civil society institution in China. By comparing two neighbourhoods with different power structures in Guangzhou, Chapter 9 finds a strong presence of the state at the grassroots level restricts the long-term development of homeowners' associations. Chapters 10 and 11 extend the discussion to "rights consciousness" by observing homeowners' role in civil society movements (such as homeowners' protests in Beijing and Guangzhou and their participation in law-drafting). The authors conclude the intention to change the "rules of the game" rather than simply upholding their rights, is good sign of the movement is changing from self-rights consciousness to long-term political change (North, 1991).

This is a well-structured and finely articulated book. The conceptual and methodological pillars of Part 1 that anchors the chapters are rooted in rigorous

sociological and anthropological approach. Furthermore, it offers readers not only a comprehensive theoretical underpinning on the topic, but also fresh empirical evidence on what is really happening at the ground level in China's recent urban development. However, while the book discusses extensively the role of homeowners' associations in parts 2, 3 and 4, it will be good for the authors to examine the residents' committees for example that reflect better the complex interactions of key institutional players in the evolving power structure of urban governance in China. The relations of social production emerge from the interactions of various institutional players, such as the state and its agents, which are driven by a combination of cultural, social, political and economic factors (Thorstein, 1915; Buchanan, 1986; Boettke, et al., 2006). Although Part 1 has provided a systematic theoretical anchor, this is not reflected much in the subsequent chapters. Hence, it is hoped that any future revision of the book will make an attempt to better use theoretical arguments .

The editor did a fine job of bringing together a rare collection of research works that demonstrate an excellent understanding of the overall climate of urban governance in China. The book is eloquently presented and should attract a wide audience among the public and social policy researchers interested in China.

References

- Boettke, P. J., Coyne, C. J., Davis, J., Guala, F., Marciano, A., Runde, J., & Schabas, M. (2006) "Where Economics and Philosophy Meet: Review of the Elgar Companion to Economics and Philosophy with Responses from the Authors, *The Economic Journal*, 116(512),F306-F325. doi: 10.1111/j.1468-0297.2006.01101.x
- Buchanan, J. M. (1986) *Liberty, Market and State: Political Economy in the 1980s*, Wheatsheaf Books.
- North, D. C. (1991) "Institutions", *The Journal of Economic Perspectives*, 5(1): 97-112.
- Ostrom, E. (1986) "An Agenda for the Study of Institutions", *Public Choice*, 48: 3-25.
- Rasiah, R. (2007) "The Systemic Quad: Technological Capabilities and Economic Performance of Computer and Component Firms in Penang and Johor, Malaysia", *International Journal of Technological Learning and Development*, 1(2): 79-105.
- Thorstein, V. (1915) *The Theory of the Leisure Class: An Economic Study of Institutions*, New York: Macmillan.
- Williamson, O. E. and Mastern, S. E. (eds) (1995), *Transaction Cost Economics*, Aldershot, U.K. and Brookfield, VT: Edward Elgar.

Zhang, M. & Rasiah, R. (2015) "Globalization, Industrialization and Labour Markets in China", *Journal of the Asia Pacific Economy*, 20(1):14-41, DOI: 10.1080/13547860.2014.974314

Miao Zhang
Institute of China Studies
University Malaysia,
Email: miao@um.edu.my