

**Urban Government and Administrative
Reform in China During the Reform Era :
Current Issues and Future Prospects**

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Introduction

In recent years, scholars have given increasing attention to the previously neglected sub-national levels of the Chinese political system. Research on national policies and administration has manifested concern with problems of local implementation and regional variation. Ten years of economic reform had engendered great changes at the local level. China's reformers have tried to restructure the size and shape of local areas in a way that would make more sense economically and would garner the support of the major cities. Their idea is to strengthen the economic and administrative influence of the big cities vis-a-vis the rest of China. A series of reform measures have been implemented in major cities since the early 1980s. These measures have transformed the role, functions and processes of urban government and have made them a force to be reckoned with in the whole reform endeavor. In exchange for boosting the major urban governments in this way, the reformers hope to secure their co-operation in restructuring the cities' administrative hold over the urban economy, which has institutional structures and practices resulted in the emergence of a new form of developmental state in urban China. This developmental state is a hybrid of old and new

Western scholars had examined these recent developments in various perspectives. Kuo has approached the problem by examining urban development and their association with the Stalinist model. He has described the impact of pre-reform economic development organization and industrial development policies on current Chinese urban development (Kuo, 1989, pp.188-203). White has examined the evolving relations between plan and market in the context of Chinese reforms of 1978-85. He has also delineated the problems created by the introduction of market mechanisms, while he has also touched on the impact of economic reforms on the state institutions of urban local government (White, 1991a and 1991b, pp. 188-203). Likewise, Wong has tried to examine the role of local government in economic development by investigating the problem of leakage of decision-making authority in the reform process (Won, 1987, pp. 385-398). Huang has gone some ways to examine the web of interests and pattern of behavior of local economic bureaucracies and enterprises during the reform era (Huang, 1990).

But so far there have been no systematic analysis of the interplay of economic reforms and administrative reforms in urban China. Administrative reform is an important part of the nationwide reform in China in the 1980s. Urban government is in the forefront of economic reform. The ultimate success or failure of economic reform in the urban areas depends on whether or not a process of politico-admini-

strative reform comparable to the current economic reform can be effectively implemented. In a recent book, Caiden has pointed out that the contrast between the successes of economic modernization and the failures of administrative modernization is glaring (Caiden, 1991). It is in this light that we will focus our inquiry.

The central focus of this paper is to identify, examine and analyze the issue of administrative reform at the urban government level in the context of almost two decades of economic reform since the late 1970s. The paper purports to look at three aspects of the problem — the trend toward financial decentralization, institutional changes in local administration and changes in the relationship between urban government and local economy. Through this paper, we will seek to shed more light on the following questions: 1) At the macro-level, how has state power changed in the realm of central-local relations as a result of the ten years of economic reform? ; 2) How the state is going to adapt its centralized structure in face of a half-plan, half-market urban economy? ; 3) At the micro level, what is the impact of economic reform on the system, structure and process of municipal governance? ; and 4) How urban governments have been able to cope with the enormously powerful forces of economic restructuring which have been encouraged by government through administrative reform?

Defining Administrative Reform

Different theorists have defined administrative reform in various ways. Administration experts at the United Nations have defined administrative reform as “specifically designed efforts to induce fundamental changes in public administration systems through system-wide reforms or at least through measures for improvement of one or more of its key elements, such as administrative structures, personnel and processes... distinct from normal and continuing activities concerning administrative and management improvement...”⁽¹⁾ According to J. D. Montgomery, administrative reform is a “political process designed to adjust the relationship between a bureaucracy and other elements in a society, or within the bureaucracy itself..... both the purposes of reforms and the evils addressed vary with their political circumstances” (Caiden, 1970). This definition stresses the close relationship between administration and politics. G. E. Caiden defines administrative reform as “the artificial inducement of administrative transformation against resistance” (*Ibid.*, p. 8). Thus he indicates that administrative reform is some sort of purposive behavior. Some Chinese public administration scholars have done an initial study. They argue that “in the case of China, administrative reform usually refers to the administrative behavior to change old and establish new administrative systems and styles within the scope of government management in order to improve administrative efficiency” (Huang and Liu, 1988).

In this paper, administrative reform is defined as the deliberate activity aiming to change the structure and function of administrative organization and the behavioral pattern of personnel to raise administrative effectiveness, adapt to environmental transformation and meet its demands. Three points follow from this defi-

tion. First of all, administrative reform is an intended and purposeful activity of rationalization. Secondly, administrative reform concentrates on changes in the structure, organizational function and pattern of administrative behavior. Thirdly, the aim of administrative reform is to improve administrative effectiveness and meet the changing requirements of a changing environment. In a highly centralized state such as China, administrative power penetrates every aspect of social life. Even enterprises, which should be independent producers and operators, are directed or commanded by administrative organizations. It is no wonder that there is a close linkage between administrative reform and economic reform.

Recent Attempts in Reforming Urban Government

There is a paucity of systematic thinking in China about local government in general and its changing role in the context of economic reform in the 1980s.⁽²⁾ Ideas about reform in urban government usually were borrowed from reform at the central government level. The first stirring started after the CCP Political Bureau meeting on January 1982 when the subject of government reorganization was first mooted. Later that year, the NPC Standing Committee approved the plans for reorganization of the ministries and commissions in the State Council. The reforms mainly include the upgrading the quality of personnel, reorganization through merging of departments with similar functions and some experiments toward separation of administration from enterprise management. At the urban government level, some attempts toward administrative reform have been made in 1983. Most of these attempts focused mainly on the streamlining and rationalization of the bloated machinery of government. For example, strict limits have been set on the number of administrative departments at the local level. Starting in the early 1980s, the central government began to transfer many industrial enterprises formerly under the control of central ministries to the localities.

In addition, the sway of major cities has also been reinforced by the redrawing of their administrative boundaries so as to bring neighboring counties and prefectures under their economic orbit. For example, industrialized Liaoning Province had brought 33 of its 48 counties directly under the control of its ten cities in 1983.⁽³⁾ In early 1983, the reformers in the State Council further strengthened the economic role of the major cities by designating seven cities with provincial level economic management functions — namely, Chongqing, Wuhan, Shenyang, Dalian, Canton, Harbin and Xian.⁽⁴⁾ Later in 1987, Qingdao and Ningbo were added to the list. During the heyday of reform in the mid-1980s, a Commission for Political System Reform was established in Beijing alongside with the Commission on Economic Reform. Two large-scale conferences were held in 1984 and 1985 with local government reform as the main subject of discussion.⁽⁵⁾ In early 1989, the State Council had designated the four separately planned cities of Harbin, Wuhan, Tsingtao and Shenzhen as the testing grounds of local government reform.⁽⁶⁾ Also, county governments in nine provinces were included as part of this exercise.

The main content of the administrative reform of the urban government in the

1980s can be summarized as follows⁽⁷⁾:

- (1) Separation of enterprise from government. This is the crux of the reform initiative. Administrative management (xingzheng guanli) and economic management (jingli guanli) would be separated or distinguished. As far as possible, urban government should concentrate in the provision of municipal services, and not intervening in the micro-management of industrial enterprises. Toward this end, the State Council had designated a number of key cities as a separate line item in the state plan (jihua danlie) with concomitant decentralization (xiafang) of central and provincially managed enterprises to the urban governments. The Jihua Danlie reform must be viewed as an interlined set of three component parts: getting separate standing in the state plan, obtaining economic powers equal to those of a province, and gaining control over the large industrial enterprises decentralized to city management.
- (2) Clear differentiation was to be made between the power and function of government and party bureaucracies with the former being giving more latitude and responsibility for policy implementation.
- (3) Downsizing and cutback of bloated governments at the urban level by means of closer control of the establishment and strength of official positions in all levels of government and the streamlining of the machinery of urban government through reorganization, retrenchment and restructuring.
- (4) Improving management in the urban government, with particularly emphasis in the management of urban finances and cadre resources.

A guiding principle of administrative reform is that it should take place in the overall context of improving the macro-economic management power of the central government. Although administrative reform is usually considered as part of political reform, the central government has deliberately downplayed this point throughout the reform process.

Unfortunately, the June 4th incident in 1989 had derailed the implementation of the overall reform effort. Local government reform was in limbo. When the political situation has become stabilized recently, there had been some revival of the interest in local government reform. In early 1991, a large scale conference was held in Nanchang with the participation of senior government officials and leading academics. The main theme of this conference was the review of the progress of local government reform and the formulation of new reform proposal.⁽⁸⁾ As things stand, there has been no significant improvement in the unreformed state bureaucracy and the realization of a new local government system in the near future. What follows is an attempt to highlight some of the emerging problems that have cropped up during the reform process.

Urban Government and Fiscal Decentralization

One outstanding feature of Zhao Ziyang's economic reform strategy is to give increasing autonomy to local officials'.⁽⁹⁾ Included in the reform package was major

fiscal and administrative decentralization which allowed provinces, cities and even counties to retain a major share of financial revenue, much of it coming from industrial profit, thus providing much needed incentive for local economic development. The 1983 Jihua Danlie policy further strengthened the autonomy of cities, especially seven "central cities" which were granted total freedom from provincial control. There are a total of fifty-two experimental cities under the Economic Reform Commission, which have greater autonomy than in the past. In many cities, local officials had taken full advantage of these new incentives in highly entrepreneurial manner (Shirk, 1989). Their unrelenting drive to spur local economic development had resulted in draining resources from the center, creating shortage of materials and wasting resources in the duplication of inefficient but profitable plants. Perhaps the most serious dysfunctional effect of fiscal decentralization is the balkanization of the economy. Local authorities have used administrative measures to shield their markets from competition. They have erected local blockades against products coming from other areas. They also hoarded their own raw materials, refusing to sell them. We can look at the case of the construction of an underground tunnel in Shanghai municipality in 1987.⁽¹⁰⁾ The building of the tunnel required a huge supply of cement. Shanghai had to rely on neighboring provinces because she did not have cement plants. When the construction was in its halfway, there was an acute shortage of cement all across China. Neighboring provinces simply refused to sell to Shanghai unless she was prepared to pay the far higher market price instead of the lower official price set by the central government. Although Shanghai had been allotted the required amount by the central government, she cannot secure the necessary supply after repeated appeals to Beijing. In desperation, Zhu Rongji, then mayor of Shanghai ordered the impoundment of any cement, which entered the boundary of municipality in transit to other province. This manifestation of localism resembled the experience in the Soviet Union after the Khrushchev administrative decentralization of 1957 (Nove, 1976, p. 359).

Another most striking change in the Chinese economy since 1979 has been the decline in the proportion of total fixed investment. It is controlled by the central government (Naughton, 1986). On the contrary, there is sustained and persistent increase in decentralized investment at local levels despite repeated attempts by the central government to rein in such investment. Fiscal decentralization has resulted in a dramatic increase in locally controlled funds in recent years, with effective control rested in the hands of local officials.

In 1979, the percentage of total fixed investment under local control was 35 percent. But in 1982, the percentage ballooned to high of 63 percent (*Ibid.*, p. 55). Central planners simply do not have the instruments to control these local officials. Four decentralized funding sources dominate local controlled investment: retained depreciation funds; retained profits; bank loans and extra-budgetary income of local government. According to Naughton, the trend toward "internalization" of the financial resources has become more salient in recent years. By "internalization," he meant that the resources related to production and investment are increasingly controlled by local hierarchies (*Ibid.*, p. 75).

As the central government set quotas for individual ministries and provincial-level bureaus, these organs acquired control over the disposition of enterprise revenue, subject only to their ultimate obligation to remit a sum of money to the center on a quarterly or annual basis. Changes in the budgetary system initiated in the early 1980s also dramatically increase the financial clout of urban governments. Urban governments are given the permission to shift funds between different expenditure items. As a result, they do not depend on the central government for any of their critical resources; all they need is permission to use them.

All these boil down to the fact that local coffers have been filled with financial resources while at the same time the central government was strapped for funds. With so much revenue now in the hands of local governments, the central government is losing its grip over capital investments. The planners in Beijing have always stressed the importance of increasing investment in key sectors of the economy like transport and energy. But it turned out that local governments had instead invested surplus funds into light industry. No wonder economic conservatives in Beijing wanted to rein in local government by recapturing command over the wayward economy.

On the other hand, the leading proponents of reform have tended to argue for further decentralization to remedy the economy's troubles. Their intention is to eventually put in place a market-regulated mechanism, which would require government invention at the macro-level, leading localities and enterprises to respond to market signals as they see, fit. Neither the conservatives nor reformers can hold sway in the center. In the last few years there have been oscillation between decentralization and re-centralization. The main reason why the center does not want revert to a centralized system is quite clear. They still prefer a reformed system in which a large range of economic decision-making take place in a decentralized fashion and in response to rationalized incentives provided by the market. Massive re-centralization would only have dealt an enormous setback to the prospects of economic reform and nullify the tentative achievements so far attained. All these changes may have contributed to the emergence of the local entrepreneurial state with each urban government trying to capitalize on local advantages in stimulating economic development. Local interests would be paramount. National purpose would be undermined.

Nevertheless, one positive consequence of fiscal decentralization was the co-optation of local officials into the so-called reform coalition. They now have a vested interest to perpetuate the reform process because it is to their advantage to do so. Local officials, particularly those coming from the booming coastal provinces and cities, are loath to return to the era of central control over their economic resources. Increased economic and financial autonomy has meant that they can expand their local industrial economies, thus generating more funds for further development.

Urban Government and Administrative Decentralization

China has a large body of party and government bureaucrats who for decades

provided instructions to enterprises. A radical change in their role was called for under the reforms. Zhao Ziyang declared in 1986: "Economic departments of the government at all levels should no longer devote their energy to assigning quotas, approving construction projects and allotting funds and materials. Instead, they should do overall planning, implement policies, organize coordination, provide services, use economic means of regulation and exercise effective inspection and supervision..... All personnel of government should fully understand the necessity and historic significance of this transformation" (*Wenzhai bao*, 4 September, 1986).

However, by strengthening local autonomy, administrative decentralization had made it more difficult to transfer power to the enterprises themselves. It has resulted in the erosion of central control but has interfered in economic decentralization at the enterprise level. The main reason is that local officials have guarded jealously their power of control. So it is not surprising that there is a power struggle between local administrative units and basis level enterprises on the other.

In the late 1980s, figures still showed that only a fifth of large and medium-size enterprises had gained real freedom from administrative authorities (Nolan and Fureng, 1990, p. 24). At the same time, the central government is loosening its reins; power has not flowed into the hands of the enterprises as expected but in the hands of urban governments. The new administrative balance has tilted in favor of city and country-town governments. The main reason is that most of the China's light industry is located in cities and towns. It is this sector which has profited the most from the reforms.

Centrally administered prices are set in China in such a fashion that has tended to provide high profits to light industry, in particular consumer goods industries. It is precisely the heavy industry that comprise the bulk of the enterprise controlled by the national ministries and provincial authorities. These levels of government clearly have been disadvantaged compared to localities. In fact, local authorities still exercise considerable control over state enterprises, and setting up new administrative bodies to take over many of the functions of formally devolved to enterprises. One of the means was by transforming the municipal industrial bureaus into new "corporations" that still preside over industrial enterprises. The introduction of corporation is one of the major institutional innovations of the reform era. According to White, they are hybrid structures which is a cross between state organ proper and an enterprise, combining both administrative and economic functions in one body (White. 1991b, pp. 156-157). Having given up major portions of material and financial resources to local control, the central government's options for reforming the economy were confined to programs acceptable to local governments.

Urban Government and Administrative Reform

Some people had suggested that the reforms have been set back repeatedly not just because of administrative roadblocks put up by the localities. The set-back is also the result of the bloated and inefficient administrative structure at the local level. The existing administrative structure is considered to be inadequate, and if not

rejuvenated, will constrain economic modernization. The overriding objective is a professional, efficient and flexible bureaucracy at the local level.

Accordingly, starting in the 1980s, reformers have begun to stress the importance of administrative reform. Particular emphasis has been placed on the reform of the cadre management system at both central and local levels of government. Reformers realized that the ultimate success or failure of institutional reform hinges to a large extent to on the reform of the personnel system. According to Burns, the total number of state employees in all levels of government numbered 4.2 million at the end of 1988, of whom 100,000 worked for the central government, 400,000 for the provinces, 1.1 million in cities and prefectures and 1.85 million in counties and townships. It is obvious that the effective reform of the personnel system depends very much on reforms being carried out at the local level.

Over the past ten years, two attempts have been made by the Chinese authorities to reform the personnel system in 1982 and 1988. The 1982 reforms were primarily aimed at the reform of the State Council. In 1988, the idea of establishing a civil service system was first mooted in the 13th Congress of the Chinese Communist Party. Recruitment of a better-educated class of personnel possessing more experience with modern technology and methods of management would help promote economic modernization. So would the allocation of rewards and promotions according to performance in promoting modernization.

The goals of the reform of the personnel management system have been to end the system of lifetime tenure for officials. They have been trying to break up concentrations of administrative power by establishing fixed terms of office and provisions for rotation of cadres. The reforms have also intended to provide clearer definitions of the responsibilities of each administrative assignment, and procedure for evaluating, rewarding, and punishing the performance of cadres. There have been experiments with various mechanisms for the assessment of officials, including written examinations, surveys of their subordinates, and evaluations by their superiors: and there have been trials of new systems for the rotation and demotion of officials being carried in the cities.

On balance, however, the reform of the personnel management system has occurred at a glacial pace. No comprehensive civil service law has been adopted, and there is still no universal examination to assess the quality of new applicants in the state bureaucracy. This absence of systematic personnel procedures may well reflect the resistance of China's administrative officials to any change in what is familiarly known as their "iron rice bowl". In mid-1988, the State Council established a first ever Ministry of Personnel to oversee all matters related to the implementation of the civil service system. The June 4th incident certainly had thrown a damper on the reform initiative. But there are recent signs that they had been revised, through in a piecemeal manner. According to a recent report, Beijing has decided to establish a civil service system at both the central and provincial levels of government by 1995.²⁹ A more severe test of these reforms will come when these reforms are extended to municipal and country levels. If the reforms do not penetrate properly through the middle and basic levels of bureaucracy, then the reform at the top will

have been in vain.

The administrative dominance of the branch organizational framework, which emphasized on hierarchical control, is proving difficult to break. For three decades, China's state administration was dominated one way or the other by one of the two very different models of organizational framework: the Branches and Areas models. Branches Model refer to the structure in which the ministries at the center held the decision making powers and directives came down through the chain of command. Areas Model, on the other hand, refer to the structure in which the center is responsible for making of broad decisions, the Party committee of each region would direct responsibility over all the decisions within its boundaries. The Areas Dictate framework, implied economic decentralization set by the boundaries of the various geographic areas controlled by local Party committees.³⁰ At present, the branch organizational principle still holds sway.

The reformers have also encountered difficulties in their attempts to streamline the bureaucracy. When the effort began in 1981-82, Deng Xiaoping announced that his goal was to cut the size of the bureaucracy by "several million people": by one third at the central levels and by "more than one third" at lower levels.³¹ At first, some notable progress has been made. The number of central ministries was reduced from 52 to 43, the total number of central government agencies cut from 100 to 61, and the number of local bureaucratic offices trimmed by 30 to 40 percent.³² These achievement proved to be transitory. By 1987, it was acknowledged that the size and complexity of the bureaucracy was once again on the rise, particularly so at the lower levels. China's bureaucracy remained caught in what one lading official described as an "endless cycle of simplification, expansion, re-simplification and re-expansion".

In 1982, the State Council has 60 various administrative departments. It has been reduced to about 45 since the early 1980s. Since then, strict limits have been set on the number of administrative departments at the local levels well. For autonomous regions, centrally administered cities and large provinces, the ceiling is 40. For smaller provinces, the number is 35. For small cities and counties, the number is no more than 25.³³ A review was made in 1988. It was found that the compliance rate was surprisingly low. For example, the provinces have exceeded the ceiling by 18, separately planned unit cities by 15, and the counties by 13.³⁴ Unless renewed efforts are made, the bloated state administrative structure at the local levels will remain the same for quite some time.

Conclusion

As seen from the above discussion, urban governments have achieved a high degree of autonomy as a result of a series of politico-economic reforms initiated by the central government since the late 1970s. On the one hand, the emergence of urban government as a significant actor in the economic decision-making process certainly has accelerated the pace of economic growth, particularly in the coastal provinces. On the other hand, it has contributed to the balkanization of the economy

as a whole. Clearly, there is an unfinished agenda of administrative reform that needs to be faced squarely by the governments in Beijing and the localities.

One of the main problems that had emerged was the failure of synchronization between economic reform on the one hand and administrative reform on the other. In many instances, economic reform simply has outpaced administrative reform. Not surprisingly, the public grew increasingly perturbed by the incongruence between economic freedom and political direction, open, thriving special economic zones and backward traditionally regulated regions, private profiteering and public austerity. Bureaucratic centralism and inertia remains well entrenched in the system.

Over a long period of time, China's main contents of administrative reform remained "centralizing" (shou) or "delegating" (fang) central government power and streamlining organizations again and again. Power was decentralized within the state when it was felt that the system was short of vitality and local initiative should be brought into play, centralized when chaos occurred with lack of order, and then the old power framework resumed. This reflected the stagnation of Chinese administrative reforms in both theory and practice. The fact remained that it was government that controlled and managed enterprises had never changed in spite of centralization and decentralization. For future reform to succeed, it must go beyond the narrow confines of the centralization-decentralization straitjacket.

White has rightly pointed out that it is incumbent upon the Chinese authorities to focus its attention on the structure and content of the state administration. Otherwise, urban governments would become another "layer of leeches" preying upon caged enterprises. In a nutshell, there is a crying need for a program of administrative reform that can be synchronized with economic reform. In this connection, bold attempts need to be made to achieve innovation functionally, structurally and in personnel.

First, functional innovation. This basically refers to a clear differentiation of role between government and society as well as between administration and enterprise is the key to the whole reform endeavor. Under the old system, administrative power penetrates every corner of society, which has led to administrative organizations undertaking those functions, which should be undertaken by other social organizations. Its significance is that administrative reform need no longer be confined simply to the distinction of power between central and local government. It may also concentrate on what the functions of government should be and how they should be performed, and on what the government and enterprises should do respectively. Therefore, some functions should be handed back to society and to the enterprises.

Second, structural innovation. Under the old system, the structural malady of administrative organization was epitomized in structural imbalance with general swelling of the machinery of the government. This has resulted in the lop-sided development of government organization and personnel with extremely irrational structures. Steps need to be taken to rationalize and restructure the bloated machinery of government.

Third, personnel innovation. This refers to the cultivation of competent personnel with an effective system of recruitment, promotion, examination reward, and

retirement that is an important condition of high administrative efficiency and effectiveness.

Recent events have suggested that the reformers are again in ascendancy. Perhaps administrative reform would be taken out of the backburner. At present, it is hard to speculate how well the Chinese leadership will be able to manage the reform process, and how effective the reforms will be. The difficulties encountered by other socialist countries in carrying out administrative reforms dispel any simple faith in the capacity of economic changes to induce administrative change, and discourage any optimism about the potentialities of even direct structural reforms. Entrenched bureaucracies and political interests have tended to constitute a powerful obstacle to change. The ultimate test of administrative reforms in China will be their capacity to boost rates of growth and productivity without undermining Party control or threatening political stability. More than ten years of economic reform have produced massive and radical changes in all levels of government. These should yield substantial diversity in both theory and rhetoric at the local level and a far healthier context for administrative reform than existed in China for over a decade.

Notes

- (1) This definition is taken from a United Nations Report prepared from the proceedings of the International Regional Seminar on Major Administrative Reforms in Developing Countries in 1973.
- (2) Scholarly research in the West on China's administrative reform is skimpy but is growing. See Burns, John. (1983). "Reforming China's Bureaucracy. 1979-82." *Asian Survey*, 23 (6) ; Lee, Hong Yung. (1983). "Deng Xiaoping's Reform of Chinese Bureaucracy." In R. A. Morse (Ed.), *The Limits of Reform in China*. Boulder, Colo. : Westview Press: Worthley, John. (1984). "Public Administration in the People's Republic of China: Overview of Values and Practices." *Public Administration Review*, 44 (6) ; White, Gordon, (1988). "Administrative Reforms in Post-Mao China." *IDS Bulletin* (Sussex), 19 (4) ; and Burns, John. (1989). "Chinese Civil Service Reform: The 13th Party Congress Proposals." *The China Quarterly*, 120 (December).
- (3) "Cities to Administer Nearby Counties". *Beijing Review*, No. 14. (4 April, 1983), p. 6. For a number of other provincial examples, see Jacobs, J. Bruce. (1985). "Political and Economic Organizational Changes and Continuities in Six Rural Chinese Localities." *The Australian Journal of Chinese Affairs*, 14 (1985), pp. 107-9.
- (4) These seven cities are now separate planning units (Jihua Danlie) like the three municipalities of Beijing, Shanghai and Tianjin. Nanjing and Chengdu are central cities. But because relevant provincial authorities refused to allow it, they do not have the status of independent planning units. For further details, see *Renmin Ribao*. October 20, 1984.
- (5) The issue of local government reform was the subject of two large symposia, one in Wuhan in December, 1984 on the subject of "Local Government and People's Representatives" and the other in Chongqing in December 1985 on the general issue of local government reform.
- (6) See China Organization and Establishment. August 1991. (in Chinese).
- (7) This summary is based on the researcher's survey of the various issues of the China Organization and Establishment, the Beijing Review and the *Renmin Ribao* from 1985 onwards. Of course, it is by no means exhaustive.

- (8) The conference was held in Nanchang, Jiang Xi Province on April 22-26, 1991. See China Organization and Establishment, June 1991 (in Chinese).
- (9) Wenzhai bao (Digest News), 4 September, 1986, p. 1. Also see a long speech by Zhao Ziyang on this subject, translated in JPRS, 86-111, 17 October, 1986, pp. 13-21.
- (10) This account was based on the researchers interview with two scholars from the Jiao Tung University of Shanghai.

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