

Policy and Practice of Urban Neighbourhood Renewal and
Regeneration: What Can China Learn from British Experiences?

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ABSTRACT

Urban neighbourhood renewal and regeneration have a long history in Western industrialised societies like Britain. The renewal or regeneration strategies, visions, approaches and implementations often reflect the particular political, economic, social and cultural contexts of each development period. There are abundant research literatures on the theoretical and practical elements of neighbourhood renewal/regeneration in the UK, which provide valuable references and lessons to the industrialising countries. In rapidly urbanising countries like China, traditional urban neighbourhoods are redeveloped at an unprecedented scale. Urban renewal and redevelopment projects have affected the life of a large number of urban residents. The renewal process, the mechanism and its social and economic effects were, however, understudied.

This research aims to evaluate the evolution, achievements and problems of neighbourhood renewal process in Chinese cities, by following a cross-national approach. It reviews the evolution of urban renewal and regeneration theories and practice in Britain: the earliest industrialised country in the world. Based on the findings, an analytical framework is established which is then used to examine and evaluate the recent urban redevelopment practice in Chinese cities. The research is based on both quantitative and qualitative data and information collected in the two countries through literature and policy reviews, fieldworks, key player interviews and a household survey in the two case study neighbourhoods: Shichahai and Jinyuchi in the inner city area of Beijing.

The research found that the developments of British and Chinese neighbourhood renewal share a similar “zigzag” trajectory in which the renewal strategies focus either on economic or social objectives alternatively. Especially in recent years, urban renewal and regeneration challenges in Britain and China became more similar. Disadvantaged neighbourhoods in both countries face problems of multi-dimensional deprivation across the areas of housing, employment, education, healthcare, safety and others. This means that the British regeneration strategies and approaches could be more valuable to Chinese policy-makers and practitioners. In China, neighbourhood renewal projects always bear the influence from the West, but for the different national contexts, renewal

projects in every period only targeted at one or several particular aspects of the “urban problems” at the time. The positive effects of renewal projects were often very limited while the negative impacts led to the emergence of unexpected new problems. Since 2000 some experimental renewal projects have a much wider remit than before, but they still focus on the “visible” problems only. The improvement of local housing condition and physical environment was very obvious and dramatic. The achievements were however cutback by the process of gentrification and population replacement. Although the new renewal mechanisms emphasised multi-sectoral cooperation, the operational and administrative structures were still far from the ideal partnership, particularly in relation to the rights of original residents. Based on the findings, a series of recommendations have been developed to improve the neighbourhood renewal practice in Chinese cities.

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Chapter 1 Introduction

1.1 Research Problem

1.1.1 Neighbourhood renewal and regeneration

Urban neighbourhoods are dynamic systems which change constantly to serve the requirements of a continually evolving modern society. Older neighbourhoods may become outdated and dilapidated, and are no longer suitable for modern life. New social and economic functions require different urban spaces from those created and used by earlier generations of residents or developers. The application of modern technologies also results in the development of better built environments. In urban studies, the process of making essential changes to previously developed urban neighbourhoods is referred to as “neighbourhood renewal” or “neighbourhood regeneration”. Renewal or regeneration activities involve many different issues across spatial, economic, social and political arenas and processes. Because of their close linkages to the changing living conditions of many urban residents, neighbourhood renewal and regeneration policies and their effectiveness have become the hot topics among policy-makers and researchers in almost every country over recent decades.

The practice of neighbourhood renewal/regeneration has a long history in most Western developed countries. Britain can be the most typical representative. The Industrial Revolution led to the formation of modern cities by a rapid concentration of capital, consumption, and also the population from the countryside. Private developers invested through the capitalist system to construct new industrial factories, modern transport facilities and compact dwellings for the working classes, which reshaped the traditional neighbourhoods in many medieval towns over a very short period. This is the root of the practice of neighbourhood renewal and regeneration. The urban landscape and buildings associated with early industrialisation brought great assets of British cities over a century ago, but also created new social problems and become the subjects for renewal or regeneration in later years.

The pace of neighbourhood renewal accelerated in Britain in the 20th century, especially in the post-war years. Influenced by the ideas of Keynesianism, non-market-oriented state intervention became stronger and played a more significant role in neighbourhood renewal, while the roles of market and private developers were restrained. The public-led slum clearance and reconstruction projects of city centres dominated the neighbourhood renewal practice especially during the 1950s and 1960s, when the spatial changes of renewed areas reached the highest speed of change. In later years, public authorities and agencies kept control of neighbourhood renewal projects, but physical changes have become less important and more consideration has been given to solving the decline of the specific inner-city areas. After the state-led neighbourhood renewal process, many of the social problems caused by war and failure(s) of the markets in the past, such as serious housing shortages for the working classes were tackled effectively; however the dependence on the top-down system and the exclusion of the market left many new problems, particularly since the 1970s when the national socio-economic context restructured.

As the response since the 1980s, the neighbourhood renewal/regeneration process has experienced another shift. New policies and approaches tried to re-explore the potential of the market and to stimulate private investment for the economic renaissance in the declining inner-city areas. Central government formed a union with private capital to initiate the renewal/regeneration projects, and the new practice soon produced significant prosperity in some waterfront areas or city centres. However, the achievements of the economic renaissance in some specific areas did not spread to wider areas, and most other declining neighbourhoods were left untouched. A great number of vulnerable populations were still left in the declining neighbourhoods, suffering homelessness or poor living conditions, as well as high crime, long-term unemployment and low-quality social service (Murie, 1990). In the 1990s, the gap between “good” and “bad” communities in living conditions actually increased, and became a new problem that could not be ignored by the consequent government (SEU, 1998).

After the New Labour Party came to power in 1997, the neighbourhood renewal/regeneration followed a new lasting strategy to seek “*prosperous and cohesive communities, offering a safe, healthy and sustainable environment for all*” (DCLG, 2006: p. 1). Compared with previous initiatives, the new strategy emphasised the visions and

actions for integrated and sustained local actions, especially in the area of social well-being. More stakeholders, including not only central, regional and local governments, but also private developers, voluntary groups and particularly local communities, were involved in the process. Decision making and implementation were largely devolved to neighbourhood level, and central government would provide only the strategic priorities for the process. Many new deals were conducted to cover wider-ranged problems than before. Several years on, some official reports have revealed quite positive changes caused by the new-style neighbourhood renewal/regeneration policy and practice (DCLG, 2007; NRU, 2005a, 2005b).

The evolution of neighbourhood renewal/regeneration ideas, policies, and practice in Western countries represented by Britain has provided great knowledge assets for contemporary urban studies. Plenty of research achievements on this topic, from either an official or academic perspective, have provided in-depth analysis of the nature of the neighbourhood renewal/regeneration process, and also useful criteria by which one can evaluate the various renewal/regeneration practice.

1.1.2 Neighbourhood renewal in China

Nowadays neighbourhood renewal or regeneration is an important research area of urban studies not only in British or European context, but also internationally. In the fast urbanising countries, the scale and speed of the neighbourhood renewal projects could be much larger and faster than what had happened in the developed countries. The situation in China is a typical example of this. Almost all cities of this most populous country in the world are now experiencing urban changes with a shocking speed: every day, thousands of old houses are demolished and new buildings are completed or under construction, in order to fulfil the requirements of the increasing urban population and the eager desire for local development.

In China, the renewal or redevelopment of old urban neighbourhoods was not a new topic either. As early as the time of the arrival of Western colonists, modern industrial development began to emerge in Chinese cities, and the neighbourhood renewal projects frequently occurred together with the early industrialisation process. However, the pace of industrialisation and urbanisation in China then were very slow, and the renewal projects were in very limited scale and concentrated in some large coastal cities only.

Since 1949, when the Communist Party came to power and established the Socialist state, the mechanism of neighbourhood renewal has changed to the top-down public-led model. In practice, the shift was more or less similar to the changes when Social Democratic politicians enhanced the power of public authorities in Britain at the same period. The decision-makers of the new Chinese government proposed very ambitious plans to set up larger-scale urban neighbourhood renewal schemes in order to eliminate the image of the old society in a revolutionary way. However, owing to insufficient public expenditure, only some of projects were put into practice. Most of the completed projects were associated with the construction of modern industrial factories and new administrative districts. Only in some large cities were there small scales of slum clearance and rehabilitation projects in the most disadvantaged residential neighbourhoods.

Since the 1980s, at the same time as the Thatcherite reform in Britain, the Chinese government has launched the new national strategy of “Reform and Opening up”. In urban development, the role of private investment and power of market was encouraged and central control was reduced (Wu, 1997; 1998; Yeh and Wu, 1999). This led to a sustained boom in urban economy and a faster rate of urbanisation. Larger scale neighbourhood renewal projects (including slum clearance) were carried out in every city and town. More and more projects were undertaken by private developers but also with the strong support of local governments through a series of interventional approaches (Beijing Municipal Government, 1994). The pace of the renewal process was accelerated dramatically (Wu, 2000, 2002; Zhu, 2000; Wei, 1998).

Similar to these problems observed in Britain, recent large-scale neighbourhood renewal projects in China sought to bring wealth into old and poor areas through the extension of consumer choice and investment of financial capital. Most of the projects succeeded in renewing the physical fabric and infrastructure, creating more commercial profits, but failed to improve the real living conditions for all local residents (Zhang, 2002; Ke, 1999; He and Wu, 2005; 2007). While some urban residents benefited from the boon of the local economy, a large proportion of poor residents gained little, and had to lose their original homes and communities. Many of them had to be “forced relocated” which resulted in the concentration of new urban poverty and vulnerable people in some declining neighbourhoods (Wang and Murie, 2000). This redevelopment process has created serious tensions between different population groups in cities (Wang, 2004a; Wu,

2004; Gugler, 1997; Wu and Li, 2002).

The neighbourhood renewal movement has moved forward at high speed since 2000. Many local governments still regarded the process as an effective way to modernise the economic structure and images of their cities, but by drawing on lessons of early practice, more emphasis was given to social equality and to ensuring that urban renewal projects would indeed provide better living condition for millions of urban residents “living with difficulties”. Thus some recent experimental renewal projects with innovative approaches have been launched: public financial supports are used again to enhance the social objectives, but the market and private investment still play important roles in keeping the economic viability of these projects.

Very few researchers have systematically studied the long evolution of the neighbourhood renewal policy and practice in Chinese cities. In particular, after the shift of the target, approaches and mechanisms of some experimental renewal projects since 2000, the whole process and its efforts were seldom examined despite its having affected the lives of millions of people in Chinese cities. The existing literature focuses largely on the physical design or land use aspects, while only very little is concerned with the socio-economic impacts (Fang and Zhang, 2003; Wang, 2002; Wu and He, 2005). International comparison between China and other countries is even rarer, although the development of the urban neighbourhood renewal/regeneration process in Chinese cities is sharing some common features with those in other industrialised countries like Britain, and the regeneration and renewal policy and practice in both countries have faced very similar challenges over the recent years. Therefore, the experiences and lessons learnt in British cities in particular will be useful for China. Drawing on the valuable British experience and lessons will definitely help the Chinese policy-makers to avoid unnecessary tests and experiments in searching for ideal policies and principles for future development in neighbourhood renewal and regeneration.

1.2 Research Aim and Objectives

1.2.1 Research aim and question

This research aims to develop an analytical framework based on knowledge about the neighbourhood renewal/regeneration policies and practice in British cities, then use it to

review the evolution, and evaluate the achievements and problems of neighbourhood renewal process in Chinese cities. The study on most recent Chinese policies and projects will focus on the ongoing experimental projects in Beijing City. Through both quantitative and qualitative analysis, this research will answer the following key questions:

How are old and declining neighbourhoods renewed in Chinese cities and what are the main features of the urban neighbourhood renewal and regeneration process? Judging from the experiences and lessons learnt from the renewal and regeneration of declining neighbourhoods in British cities, what are the achievements and shortcomings of the recently completed renewal and regeneration projects in Chinese cities?

Based on the main findings of this study, I will make some suggestions and recommendations for Chinese policy-makers and researchers for improving the renewal strategies and approaches. These conclusions and recommendations will also provide valuable references to policy makers and researchers in other rapidly urbanising countries.

1.2.2 Research objectives

In order to achieve the above aim, this research has the following specific objectives:

- To review the evolution of neighbourhood renewal/regeneration policy and practice in British cities, including the context, objectives, strategies, approaches, mechanism and effects, and to summarise the development trajectories during different eras;
- To develop an analytical framework based on comprehensive understanding of neighbourhood renewal/regeneration process in the UK;
- To examine and analyse the evolution of neighbourhood renewal in Chinese cities, including its context, objectives, strategies, approaches, mechanism and effects;
- To investigate, using the analytical framework mentioned above, the effects, achievements and problems of Chinese neighbourhood renewal, particularly the most recent renewal projects through detailed case studies of two inner city neighbourhoods in Beijing City;

- To provide recommendations for the future development of the neighbourhood renewal/regeneration policy and practice in Chinese cities.

1.3 Research Design

1.3.1 A cross-national comparative perspective

This research uses a cross-national perspective to review and analyse neighbourhood renewal/regeneration in Britain and China comparatively. In recent years, the value of international comparison in research has been recognised by many researchers. The economic, political and cultural globalisation is leading toward convergence in social policies and practice, and eroding local distinctiveness. Ideas and approaches in urban development in one country could have important values to others (Cooke, 1989; Harvey, 1989; Wild and Jones, 1991; Cherry, 1984; Alterman, 1995). Following a cross-national perspective in research can facilitate a better and more thorough understanding of the subjects under study (Oyen, 1990), help to identify knowledge gaps, and point to possible directions that could be followed, and of which researchers and policy makers in one country may not previously have been aware (Hantrais and Mangen, 1996).

Since the middle of the 19th century, the pattern of Chinese urban development has been under the significant influence of Western countries. In every period thereafter, urban development in China has been shaped one way or another by the process of industrialisation. International investment into China has also brought the Western influences on urban development. Chinese policy-makers have been learning the Western-style policy and practice in this area for years persistently. It is not difficult to identify similarities between Chinese cities and Western cities in urban changes, problems and responses. In a historical perspective, many of the Western urban problems of early periods have been repeated in Chinese cities in later years, or will emerge in future. The challenges, targets, approaches and the mechanism of neighbourhood renewal in Chinese cities should not be studied in isolation. A comparison with that in Britain is not only possible, but also essential.

Through the cross-national comparative approach, the research work across the two countries will be put together: a thorough review of policies, theories and other

literature on the British experiences will bring a sound understanding of the urban neighbourhood renewal and regeneration process; the experiences will be used to define an analytical framework which will be used as a benchmark to review, analyse and evaluate the Chinese renewal policy and practice.

1.3.2 The structure of the analytical framework

Moore and Spires (2000) set out a general cycle for urban neighbourhood regeneration process (Figure 1-1).

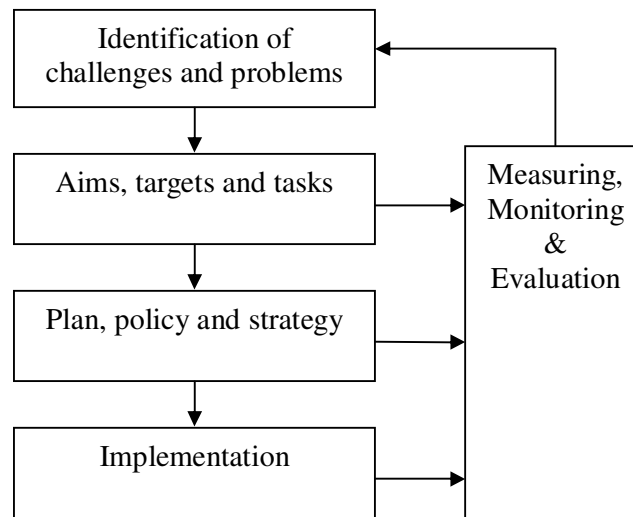


Figure 1-1 A cycle of the process of urban regeneration

Source: Moore and Spires, 2000

This general process has been adopted by many mainstream researchers in understanding regeneration issues in almost all countries. Normally, the renewal/regeneration process has been initiated by the background knowledge of the declining urban areas. The first step involves the identification of the challenges and problems in the areas through an in-depth understanding of the areas of decline: not only the phenomenon itself, but also the internal causes behind it. The understanding of these issues is often closely associated with the options of political ideologies. The second essential step is to set up the overall “aims, targets and tasks” of the renewal/regeneration process. The next step is to make the detailed “plan, policy, strategy” for the renewal or regeneration; this is followed by “Implementation”, including all practical actions to generate the essential changes involved in the renewal/regeneration programmes. In many research projects, the two steps are usually discussed together, but in some of the most recent projects, emphasis is given not only

to the outputs caused by the process, but also the mechanism used to operate or direct the whole process. Thus additionally, “Measuring, Monitoring and Evaluation” is seen as an important step which provides feedback to all other steps in the process. In this research, this general classic cycle will be further extended to form an analytical framework suitable for this cross-national comparative investigation. The study of each country will follow the general process; the “measuring, monitoring and evaluation” will form a common thread between the two countries (Figure 1-2).

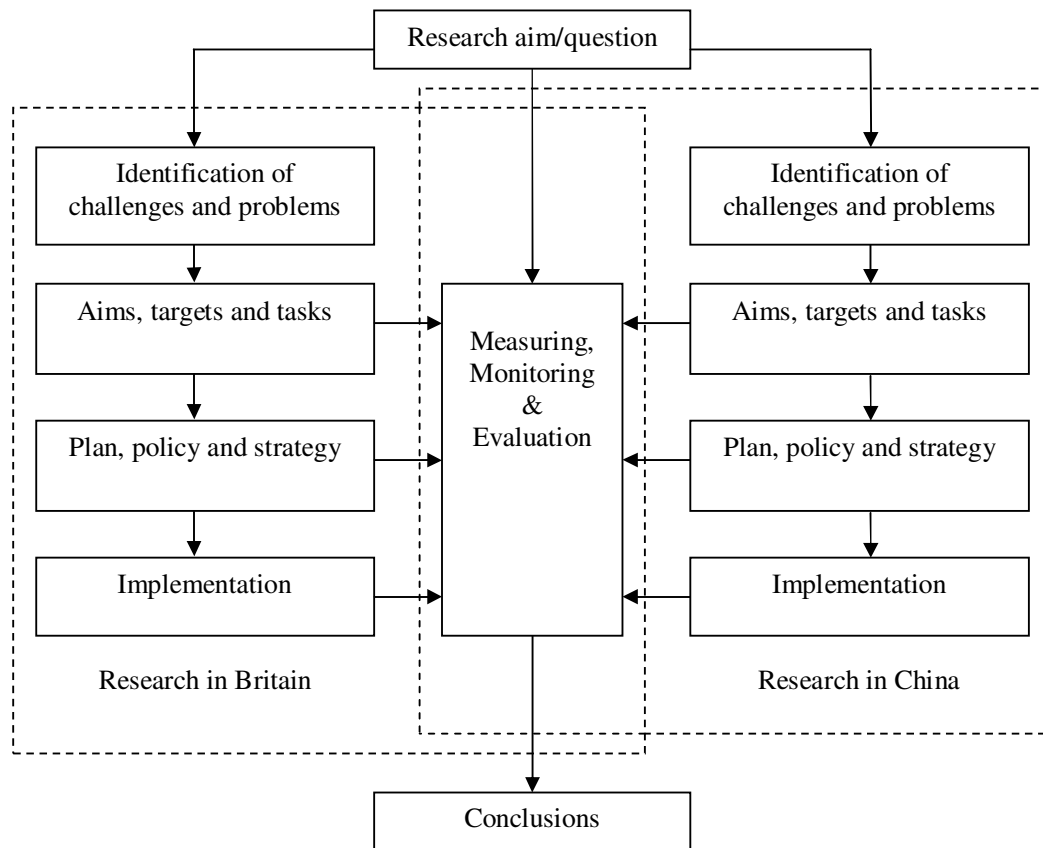


Figure 1-2 The double cycle for this cross-national research

1.3.3 A case study approach

China is a huge country with several hundred large cities. The recent economic reform has decentralised the decision-making power to local levels, and urban renewal strategies and approaches vary from city to city. In coastal large cities with a very fast increase of urban population and urgent demand for housing and infrastructure, neighbourhood renewal projects are all carried out on a larger scale. Innovative ideas and approaches are applied here first. In Beijing, the national capital and one of the

largest and fast changing Chinese cities, many rounds of experimental renewal projects have been completed. The experiences and lessons learnt from “successful” projects were applied consequently in other cities. Therefore, for this research, Beijing has been selected as the case-study city, from which an in-depth understanding of the development of the neighbourhood renewal process at local level will be gained. Also, the evaluation of the experience and lessons of the pioneering renewal projects in Beijing will provide valuable suggestions to the central decision making process on the design of future renewal and regeneration policies and practice.

1.4 Research Methods

This research employs both qualitative and quantitative research methods, and involves the collection and analysis of both primary and secondary data and information, collected in both Britain and China through different techniques, including a review of the literature and data, fieldwork, interviews, seminars and so on. The methodology is summarised in Figure 1-3.

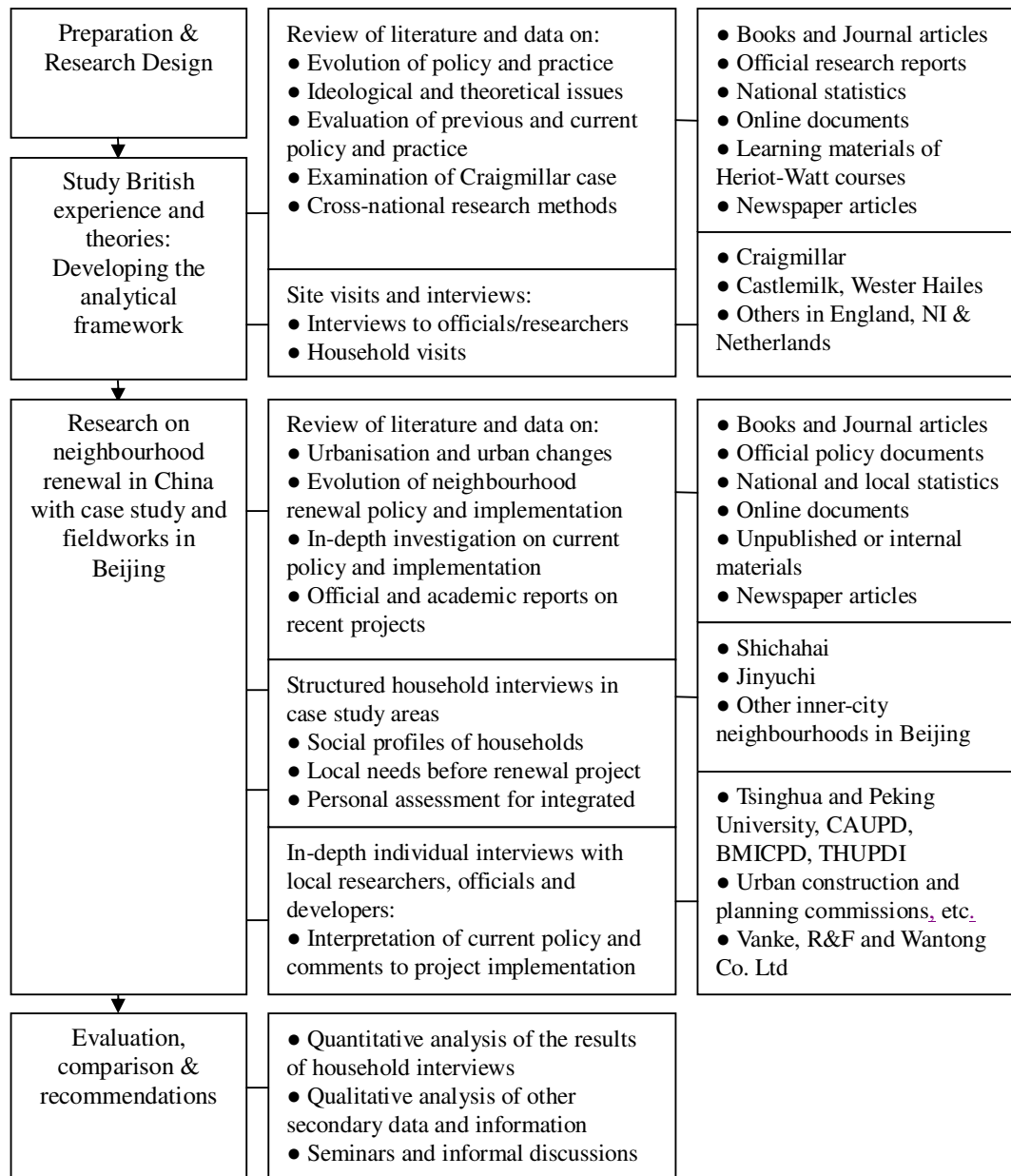


Figure 1-3 Research methodology

1.4.1 Literature review

This research starts with a thorough review of the existing rich literature on British neighbourhood renewal/regeneration. Much of the first academic year (2005-2006) was spent on this. The review focused on the following topics:

- 1) Information on the socio-economic, political and administrative changes in Britain over the long urban history since industrialisation and urbanisation;
- 2) The ideological and theoretical shifts in urban policies and programmes as the

- responses to the “urban problems”;
- 3) The institutional features and the operators of neighbourhood renewal;
 - 4) The positive outputs and problems of neighbourhood renewal policy and practice, especially in the most recent period;
 - 5) The principles and methods of cross-national urban studies

The review covered a variety of literature resources. The libraries at Heriot-Watt University and Edinburgh city provide the best locations for academic journal articles, books, PhD and MSc theses, and some of the official research reports published by UK central or local governments. These sources were supplemented by national statistical databases, online official documents, working papers, papers published in the proceedings of international conferences and also course materials produced by staff at Heriot-Watt University. Some of these were collected through internet searching and attending national and international conferences and seminars while others were provided by colleagues from Heriot-Watt University. Some local materials were collected during site visits to typical renewed or regenerated neighbourhoods.

Regarding the research work on China, another round of literature search and review was carried out. The review topics almost correspond with those identified from the English literature. The existing international literature in Chinese urban neighbourhood renewal/regeneration is very limited, so most of the literature identified came from local Chinese sources. In order to access all possible valuable literature, the same approach as that applied to Britain was used. The libraries of Tsinghua University and Peking University – the top two universities in Beijing – and the national library were the main sources. In China, the discipline of urban studies is less developed, with a smaller number of valuable publications in comparison to that in Britain. Thus during the research more valuable materials with existing research findings were sought from other subject areas, such as the work done by architectural designers, geographers and real estate market analysts. In China, most government documents have not yet been published online for open access, so policy documents have to be found from the unpublished “internal” document collections. Some of these “internal” documents were collected during interviews with officials and local researchers.

1.4.2 Site visits and informal interviews

During the research process, site visits were frequently used to gain first-hand information about the areas under renewal or regeneration. The most frequent site visits in Britain were to the typical long-term declining neighbourhoods, including Craigmillar in East Edinburgh, Wester Hailes in West Edinburgh, and Castlemilk in South Glasgow. Between 2006 and 2008, more study trips were made to visit similar neighbourhoods in England, Northern Ireland and the Netherlands, including Newham in London, Park Hill and London road in Sheffield, Shankill Road in Belfast, Bijlmermeer in Southeast Amsterdam. During most of these visits, the researcher was accompanied by local researchers or officials. Informal interviews with local officials and residents were carried out during the visits.

In China, site visits were all in Beijing; the fieldwork was done in two stages. The first trip was carried out in the summer of 2006 (July to September), and the second was completed in the winter of 2007-2008 (October to January). The visit destinations included both the neighbourhoods that were just being renewed and those which were to be renewed in the near future. The pre-renewal areas visited include Chaonei, Nanluoguxiang and Sanlihe, in the inner city or near peripheral areas of Beijing. The renewed estates include Haiyuncang, Dongnanyuan, Niujie and Tiantongyuan. The first three are all located in the inner city, but the last one is a very large-scale new high-rise housing estate in the remote periphery; it accommodated many of the relocated residents from the demolished inner city neighbourhoods. During the site visits, informal conversations were conducted with local residents to obtain more valuable information about the city-wide renewal plan or the process. By comparing the pre-renewal situation and the after renewal estates, the visits and informal interviews helped to provide a strategic understanding of the real effects caused by the most recent renewal process.

1.4.3 Selection of case study neighbourhoods in Beijing

A general literature review and site visits provided important background information on the renewal and regeneration process. However, detailed in-depth understanding can be achieved only through local case studies. The importance in using the case study as a research strategy in urban studies, especially the projects in the context of developing countries, has been emphasised by many experienced international researchers (Rakodi

and Romaya, 1996; Casley and Lury, 1987; Hameed, 2000).

After the general site visit referred to above, consultation was carried out with local researchers from the School of Architecture and Urban Planning Institute at Tsinghua University, to identify suitable case study neighbourhoods. After various evaluations, Shichahai (什刹海) and Jinyuchi (金鱼池) were selected as the two case neighbourhoods which best represent the most recent renewal projects. Shichahai is a typical pre-renewal traditional neighbourhood, while Jinyuchi is a representative of the recently renewed neighbourhoods.

Shichahai: This neighbourhood is very close to Beijing's traditional city centre. A great number of houses here are low-rise and have a very long history of over 100 years. Because of the aging infrastructures and very high population density, local living conditions have been reduced to a level much lower than the city's average, with most of the households belonging to the low-income group. Housing tenure is mixed, with some private ownerships, some public houses owned by the local government and some private rental houses. There have already been several proposals to renew or redevelop the whole or part of this neighbourhood, but for many reasons the majority of the buildings here are still unchanged up to now.

Jinyuchi: This area is also very close to the traditional commercial centre of Beijing's old town. In a long history, this area is the neighbourhood which has the poorest households in Beijing. In the early 1950s and 1960s, publicly sponsored renewal was carried out here twice. Some multi-storey flats were constructed, but the dwellings and infrastructure were still of a very low standard. By 2000, the local social profile and living conditions in this neighbourhood degenerated to a level similar to that in Shichahai. In 2001, another phase of renewal was carried out. Almost all older dwellings were demolished, and then new multi-storey flats were reconstructed on site to re-accommodate the local residents. However, the effects on local residents have not been systematically assessed.



Figure 1-4 Typical traditional dwellings in Shichahai



Figure 1-5 New flats in Jinyuchi

These two cases provide very good examples of the dilapidated inner-city neighbourhoods BEFORE and AFTER the renewal process in Beijing. The different living conditions of the two cases could well reflect the real effects of the newest round of renewal projects in Beijing.

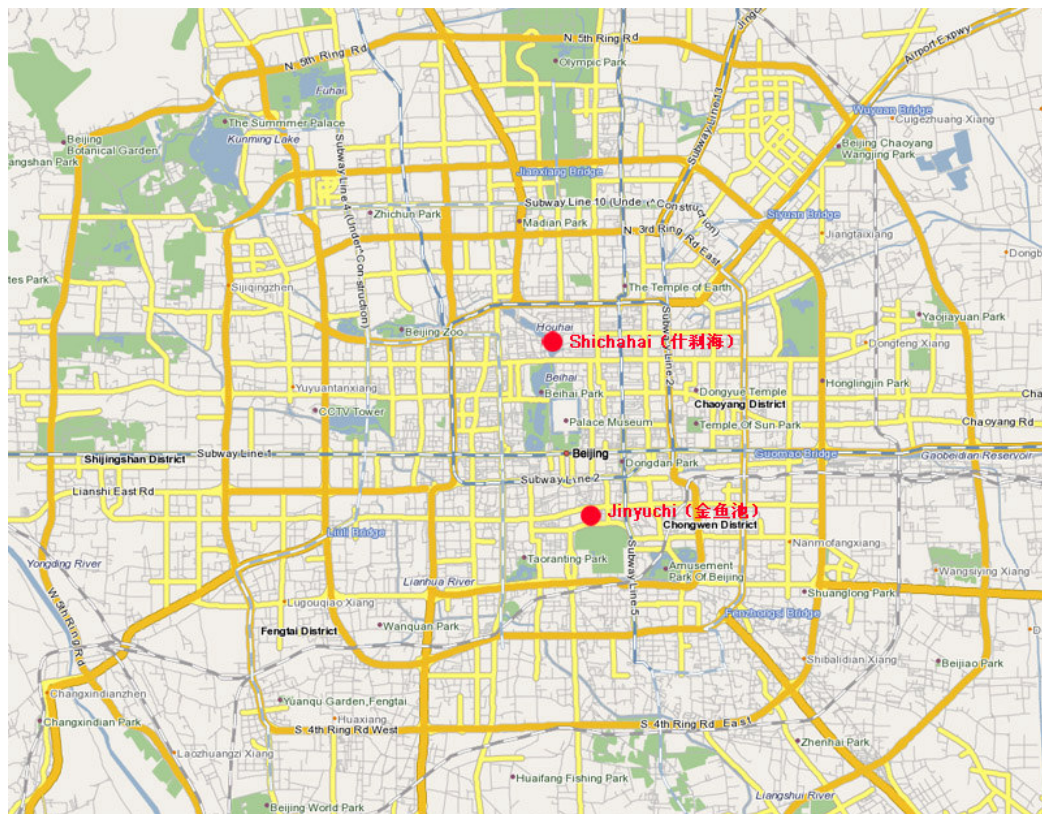


Figure 1-6 Locations of Shichahai and Jinyuchi

1.4.4 Structured household interviews

For each of the case studies, structured interviews were carried with selected households during the second fieldwork from November 2007 to January 2008. (This investigation was financially supported by School of the Built Environment, Heriot-Watt University and also the Royal Geographical Society with Institute of British Geographers, as one of the two winner projects of Hong Kong Research Grant 2007. 11 local students from Tsinghua University were engaged to conduct the face-to-face structured interviews with local households.)

The interview questions cover issues in 8 areas: the demographic profiles of the households; housing conditions and cost (current and past); employment; education; medical or health care of all family members; local safety and social orders; other service facilities; and local community cohesion. All the information covers almost the similar domains of the neighbourhood statistics to measure the deprivation and development of British communities. However, owing to the difficulty in accessing some data and different local context, the survey had to be based on a simplified framework, which cannot be compared with the systematically organised evaluation framework in Britain with over 100 indicators. Also, most of the data collected in Shichahai and Jinyuchi were more about the subjective feelings of the interviewees rather than the descriptive facts. The structures of the interviews in Shichahai and Jinyuchi have been attached as Appendices A and B respectively at the end of this thesis. This could make the evaluation not so exact and ignore some detailed findings, but because of the lack of previous research findings on the multi-dimensional decline of Chinese old neighbourhoods, this may better concentrate on the strategic understanding of the real local problems and needs.

In each neighbourhood, households were selected based on their addresses, using a fixed interval approach. In this way, the interviewees in Shichahai were from every courtyard and in Jinyuchi from every flat building. There is also a balanced coverage of the local population given in terms of age, gender and occupation. It also ensured that, in Jinyuchi, the data are from both the returning households and the new incomers living in the new housing estates after the renewal project. In order to ensure the data from the two cases were comparable, the issues of questions to every interviewee were also the same. The only difference of the survey between the two cases was that there

was more information from the renewed Jinyushi. In many aspects, the answers of interviewees, if they were returning households, talked about not only their current living conditions, but also the situations before the renewal project.

Rather than distributing some questionnaires and collecting them later, face-to-face structured interviews were used to collect these primary data. Each interview lasted approximately 20-30 minutes. This allowed the interviewer time to explain the purpose of the interview. The residents were given time to reflect on their own feelings about problems of the neighbourhoods now and in the past, or any other issues associated with the renewal initiatives. In practice, access to the interviewees was not easy. Since all the interviews were completed in the winter months, the cold weather increased the difficulties of the outdoor interviews. In some cases, the local neighbourhood committee members helped the work by introducing interviewers to the residents. Because of access difficulties, the total number of interviews achieved is not as large as planned: 56 and 55 valid interviews were achieved in the two case study areas respectively. However, the weather also helped the interviewer to understand some of the difficulties faced by these residents, such as the poor housing conditions, the inadequate provision of indoor heating, and the lack of accessibility to hospitals or other facilities in the days when the weather was extremely adverse.



Figures 1-7 Household interviews in the two case communities

Through the primary data, the analysis aims to identify the major changes brought about by the renewal projects in all domains of local living conditions.

1.4.5 Interviews with stakeholders

In addition, during the two-stage fieldwork, some individual interviews or discussions were also conducted with local researchers, developers and officials in order to gain some understanding of the opinions and attitudes of different stakeholders. Interviews

with local planners and researchers were extremely beneficial to establish the overall picture of the Chinese urban neighbourhood renewal process. Interviews with government officials and developers helped in exploring the background ideas and thoughts of the renewal policy and practice which could not be found in official documents. As so many projects had been carried out under strong state intervention, the attitudes and targets set by the governmental agencies are really important. During these interviews, many internal unpublished reports and documents related to this research topic were provided by the interviewees. 28 interviews in total were conducted; these covered different governmental departments, research and design institutes, and real estate development companies (Table 1-1). Appendix C lists the main questions for different interviewees. Appendix D gives detailed information about all the interviewees.

Table 1-1 List of interviewees

	Institute/Company	Number of interviewees
Government Officials (10)	Beijing Municipal Construction Committee and its district-level divisions	3
	Office of Neighbourhood Renewal, Chongwen District	1
	Beijing Municipal Commission of Urban Planning and its district-level divisions	4
	Neighbourhood Committee of Shichahai and Jinyuchi	2
Developers (5)	R & F Properties	1
	Wantong	1
	Vanke Co. Ltd	3
Planners and local researchers (13)	School of Architecture, Tsinghua University	4
	School of Urban & Environment, Peking University	1
	Institute of Housing Studies, Urban Planning and Design	2
	Institute of Tsinghua University (THUPDI)	
	Department of Sociology, Tsinghua University	1
	China Academy of Urban Planning and Design (CAUPD)	1
	Beijing Municipal Institute of City Planning and Design (BMICPD)	2
	Institute of Geographic Science and Natural Resources Research, China Academy of Science	1

1.4.6 Data analysis

Most data collected are of a qualitative nature. The official documents provide sufficient evidence to give a general picture of the renewal/regeneration process in both countries, and the academic publications and the transcripts of individual interviews provide many of the background details, theoretical thoughts and institutional features behind the renewal and regeneration process. These qualitative discussions and analysis helped to form the analytical framework. The quantitative data, including the primary data collected by fieldwork and from secondary materials, were analysed using the Excel spreadsheet package. The data from two Chinese cases are compared to show the multi-dimensional differences caused by the renewal projects.

1.5 Structure of this Thesis

This thesis is divided into four parts. The first part consists of this introduction chapter.

The second part consists of Chapters 2, 3, 4 and 5 which examine the renewal and regeneration experience in Britain. Chapter 2 provides a review of the development of neighbourhood renewal/regeneration ideas, policies and practice in British cities from the Industrial Revolution - the starting point of modern British urban history, to the mid-1990s - just before the most recent shifts of the whole development trajectory. Chapters 3 and 4 continue with the historical review, and provide detailed explanations of the most recent policy and practice since New Labour came to power in 1997. In Chapter 3, a series of debates are made about the most recent shift of mainstream political ideology and its interpretation in urban studies to understand the problems which must be solved in the target neighbourhoods to be renewed in a new context. In Chapter 4, the most recent neighbourhood renewal/regeneration policy and programmes are introduced in detail, with the typical case of Craigmillar in the city of Edinburgh. Chapter 5 concludes this part with two major findings: the first is the summary of the development trajectory of all policies and projects involved in the term of neighbourhood renewal/regeneration; the second generates a strategic analytical framework to understand and evaluate the regeneration process, based on the reviews of existing research achievements in this area.

The third part consists of Chapters 6, 7, 8, 9 and 10 which examine the urban renewal and regeneration experience in Chinese cities. Chapter 6 sets the background information about China's national context of rapid urbanisation and urban changes which are closely related to neighbourhood renewal. Chapter 7 reviews the evolution and shifts of neighbourhood renewal ideas, policy and practice in previous periods, corresponding with Chapter 2. Chapters 8 and 9 focus on the most recent neighbourhood renewal policies and projects with case studies in Beijing. The “urban problems” in the face of the policy-makers or practitioners and the operation of the practical actions are understood and analysed, by following the same ideological and theoretical perspectives of Chapters 3 and 4. In Chapter 10, the effects of the most recent renewal projects are evaluated by using the integrated analytical framework proposed in Chapter 5.

The last part is Chapter 11 - the conclusion of the whole research. Major findings will be summarised to provide answers to the major research questions. They will also provide valuable ideas for policy-makers and practitioners in China and other fast urbanising countries to better understand and operate the neighbourhood renewal/regeneration process.

Chapter 2 Development of Neighbourhood Renewal and Regeneration before the 1990s

This chapter will offer a historical overview of the development of neighbourhood renewal or regeneration ideas, policies and its implementation in British cities before the 1990s. For the very early industrialisation and urbanisation, in Britain most urban neighbourhoods have experienced several rounds of renewal and regeneration practice. Nevertheless, the processes might differ greatly. From the Industrial Revolution to very recent years, the way of British neighbourhood renewal has experienced several revolutionary shifts in accordance with the restructuring mainstream socio-economic and political context. The first turning point was at the end of Second World War when the era of *laissez-faire* was replaced by social democracy, and the other was at the end of the 1970s, when the reforms of the Thatcher era began. Usually the shifts include not only the strategies and approaches, but also the institutional framework to operate the neighbourhood renewal campaigns. Thus in every specific context, the renewal process was always with definite objectives, involvement, approaches, outputs and consequences. This chapter aims to draw on an outline of the development of mainstream British neighbourhood renewal/regeneration ideas, policies and practice from a historical perspective. It will in turn answer the following questions for every period:

- In what cases did the neighbourhood renewal projects/programmes emerge?
- What were the major objectives for the renewal/regeneration initiatives?
- Who were involved in the changing process and what were their roles?
- What approaches were applied during the renewal/regeneration process?
- What were the outputs and effects caused by the practice?

All the answers will be fundamental to finding out the strategic development trajectory of neighbourhood renewal in British cities, which can then be helpful in understanding thoroughly the most recent changes of neighbourhood regeneration.

2.1 Early Practice

2.1.1 Socio-economic and political context

Great changes began to occur in almost all aspects throughout the British society since the Industrial Revolution, which initiated the earliest “industrial urbanisation” process in the world. Normally, the origin of the “machine-manufacturing period” in Britain, which displaced the manual labour industry, is regarded as having commenced approximately during the last four decades of the 18th century. The consequences of the great leap in technology were plenty: they included not only the mass demographic movement from the countryside to industrial towns and the boom in industrial products, but also the rapid transformation in political-economic values, social order and structure in British society.

The economic circumstances in Britain then strictly followed the classic *laissez-faire* mode. The increasing products of booming manufacturing and mining enterprises were circulated in the larger free market through modern transportation systems, and the market was then greatly enlarged to a worldwide trade network accompanied by the spread of colonialism (Foster, 1977; Mellor, 1982; Hague, 1984). Private capital investment gained higher profits than in any other period in history, and the newly-emerging rich industrialists and merchants replaced the feudal monarchs or nobles as the dominant figures in the political system who tried their best to maintain the dominance of the free market in the long term. There was hardly any restriction against the profit-oriented economic activities, and what the governments did was only to maintain the basic commercial rules and the circumstances for free competition between private enterprises. The only effective power for the most “ideal” allocation of social resources was widely believed as the “invisible hand” of market force indicated by Adam Smith (1776, re-printed in 1977).

The significant social changes occurred almost synchronically to the technological revolution and sudden economic growth (Hobsbawn, 1968). The British Agricultural Revolution started prior to the Industrial Revolution and lasted for almost a century. This saw a massive increase in agricultural productivity and net output, and in turn supported unprecedented population growth, freeing up a significant percentage of the workforce, and thereby helped drive the Industrial Revolution. Meanwhile, the vast

numbers of cottagers became landless and were obliged to sell their labour to survive. As a consequence, millions of rural labourers moved from their hometowns to the new industrial towns, residing and getting jobs in the industrial enterprises (Ashton, 1972). In towns, the populations were sorted again by their new roles in this productive mechanism. There emerged parallel booms of the new “middle class” and “working class” in British cities. Most of the ordinary working class people were employed in the manufacturing and mining industries, working as labour forces under dirty and damp conditions with long hours of labour dominated by a pace set by machines (Hartwell, 1971). In many places, the incomes of the working class were at the level as low as possible for the fierce competition of the surplus labour forces. Millions of working class families, in the most advanced industrial technologies, had to bear the worst and cruellest working or living conditions in the world (Hall, 1988, p. 14). The societal services were also underdeveloped and almost never promoted together with the productive technologies. However, the upper and middle classes, represented by industrialists and businessmen, gained the majority of the sudden profits and became richer and richer. In the classical capitalist society, the rich people tended to use their profits to re-invest in new projects for a return of money flow, not to support the non-for-profit public service for the poor working class. The distinctiveness of such two social groups was quite clear, and there was a wide/considerable gap between the public interests of these groups.

The powers of both central and local governments were very weak in intervening in or controlling the private-led industrial boom. Although many pioneer Socialists strongly suggested that the interests of working class, as the majority of the population, should be the concerns of the public authorities, the ideas were seldom turned into reality, because of the weak political influence of the working class in these regimes. In the late 19th century, the working class gradually gained equal voting rights and their representatives occupied more seats in parliaments. Thus in some local authorities, the earliest interventional attempts were launched in an attempt to benefit the working class in some aspects. However, most of the attempts were of a limited scale and influence to make real significant changes to the whole society.

2.1.2 Changes of urban form

Prior to the 19th century, the major role of limited British cities such as London and Edinburgh was to be the hub of domestic and international trade, as well as the centres of financial service. However, since the technological revolution, the new industrial or port cities like Manchester, Glasgow, Sheffield and Liverpool, as manufacturing and mining bases, grew at unbelievable high speed. Many of them were developed from small towns or villages. Some medieval towns or cities were also reshaped by the development of new industrial estates and constant incoming migrates. As Hall (2002) noted, the population in London doubled between 1801 and 1851 and kept increasing rapidly in the following 50 years. By 1920, over 80% British people lived in urban neighbourhoods (Lees, 1985). The physical scale of cities boomed at the same time. Nevertheless, usually the expansion of industrial cities was uneven between places. At first, the industrial estates were usually developed near raw materials and energy, but then, accompanied by the improvement of transport technologies, they were located in areas with convenient transport connection, for example the waterfront areas near ports or the areas near road intersections or railways. The tall chimneys, workshops and warehouses then quickly reshaped the cityscapes of most British towns and cities. As the result of the rapid industrial-led urbanisation in the 18th and 19th century, the economic outputs of British cities kept booming, based on the private-led industrial development, and Britain became the leading nation in the competition of world trade, with the name of “workshop of the world”.

Meanwhile, this nation also had the worst slums in the world (Malpass and Murie, 1999; Hall, 1988; George, 1911). The expanding compactly-arrayed, usually low-quality dwelling houses for the low-income working class quickly surrounded the factories. In most cases then, the nature of housing development was absolutely the same as the development of industrial and commercial estates, and was just a vehicle to accumulate profit through the land speculation. Also, housing development needed to compete with other development projects to occupy the limited availability of “profitable” land. Inevitably, the property developers certainly would have liked to accommodate more tenants on less land, and the quality of the homes for poor working class was extremely low. In most industrial cities, working class dwellings were always overcrowded and had nearly no open space. Thus the majority of urban households had to live in dwellings alongside cramped streets, with a scarcity of fresh air, sunlight and sanitary

facilities, and at the risk of damp (Engels, 1872; Tarn-Lund, 1971). Some degree of spatial segregation emerged. The working class had to live near the workplaces while the better off bankers, entrepreneurs or landowners usually lived further inland or at the top of the slopes where the air and views were likely to be superior.

2.1.3 Neighbourhood renewal initiatives

During the rapid urbanisation process, the geographic size of urban areas did not increase as fast as the population. In some cases, especially in the areas with high land price, the economic efficiency in the land use of existing urban neighbourhoods with traditional low-rise medieval buildings and outdated functions was definitely lower. This was seen even then as a significant “urban problem”. Usually most of the old neighbourhoods were demolished and quickly replaced by new industrial, commercial and housing estates. The process to reshape medieval towns can be seen as the earliest “neighbourhood renewal practice” in modern cities. Private developers or developer groups were the major operators of such projects. The objective of the practice was very simple: to seek a higher return from the new property development and the following economic activities. However, the approaches to lift the economic efficiency of land use varied. Couch (1990) generalised three major approaches of the private-led renewal practice in British cities then as below (Table 2-1), which led to various changes of urban form.

Table 2-1 Three typical approaches of renewal projects in the 19th century

Approach 1 (higher density)	Approach 2 (functional displacement)	Approach 3 (transport intervention)
Competition for the best-located sites → increasing price of land → higher density of land use → clearance and rebuilding	Manufacturing → Expansion of the service sectors (for banking facilities, insurance, transportations, agencies etc.) → Offices or shops (with very high levels of profit per unit of area and request of best location) → replacement	Construction of railway (or other communication) facilities → Change of land price (higher in the regions near the station; lower in the areas away from the railway) → New land use

Source: according to Couch, 1990 and Cherry, 1972

All the three approaches reflected a successful commercial cycle as “investment-development-profit-reinvestment”. The private developers controlled the right to decide when, where and how the projects were initiated; there was almost never

any intervention by the public authorities or other non-for-profit organisations. No doubt the desire to pursue more profits was not only the prime objective but also the nature of the renewal initiatives (Marx, 1973). Meanwhile, the neighbourhood renewal process was also the vehicle to facilitate constant industrial development, which actually created miraculous economic growth as well as increased job opportunities (Clapman, 1930; Hague, 1984).

However, the public had recognised that there emerged some other important “urban problems” which might be more severe than the improvement of land use efficiency: the urgent demands of decent dwelling houses for the poor working class. The uncontrolled private-led renewal projects did provide quite a number of new urban houses to accommodate the booming working class, but the general housing quality could hardly have been worse. The cause was very clear: the huge gap between the cost of decent homes (if they were constructed by private developers) and the poor economic capability of the working class to afford good housing (if without external aid). “The working class lived in slums because they could afford nothing else” (Merrett, 1979). The housing issue well reflected the extent of social polarisation in British cities under the *laissez-faire* system.

After the mid-19th century, more and more people realised that the government should be responsible for the answer to the severe shortage of decent working-class housing. The earliest housing Acts, including the Housing Act 1848, the Dwelling Acts in 1868 (*Torrens Act*), 1875 (*Cross Act*) and 1890 (*Housing of the Working Classes Act*) were the earliest interventional attempts trying to improve the general living conditions of the working class. The change came based on two main reasons. The first one was the fear of epidemics; even the richest people could not escape from this; the second one was that the employers noticed how sickness amongst the labour force coming from a too poor living environment seriously held down productivity and profits. According to early acts, public authorities were empowered to force landlords to install piped water and sewage facilities for local working-class dwellings, and after that some authorities did make use of the powers available under other housing Acts to force through public-led slum clearance programmes. This could be seen as the origin of later mass public-led neighbourhood renewal campaigns.

Nevertheless, for historical reasons, the power of British local authorities was so weak that the public-led “neighbourhood renewal” proposals were able to be put into practice in just a few cities, such as Liverpool and Manchester (Lawton, 1982). Most other attempts targeting the “urban problems” from public views were still no more than ideas just discussed in parliamentary lobbies, and there was no achievement in practice before 1914 (Malpass and Murie, 1999). Moreover, it has to be acknowledged that the real effects of them were not optimistic or likely to be reversed: many of the low-income tenants had to leave their homes because of higher costs and rents, and the forced demolitions even led to local rents being doubled (Burnett, 1978; Pugh, 1980). Therefore clearance alone, without subsidised rebuilding, would lead to a worsening of working class living conditions. Many critics said these so called “experimental initials” were not to benefit the working class, as Gaudie (1974, p. 267) wrote: *“Their real intention was to make cities pleasanter in appearance by removing the worst eye-sores among the slums and safer for the middle classes to walk in”*. In fact, these attempts were highly important for providing lessons for future policy-makers. Influenced by those, many town planning and housing acts were constituted as several milestones towards a new era, which provided real powers for authorities to restrain the private-led development and develop public-funded renewal projects later (Malpass and Murie, 1999).

2.2 State-led Renewal Movements

2.2.1 Socio-economic and political shifts with the post-war consensus

Some large disasters in the first half of 20th century, including the two World Wars and the Great Depression, caused a U-turn of the development of British society in later years. More people began to believe that the major cause of these disasters was the failure of the classic capitalist system, with an unregulated free market in dominance and very weak governmental power to support non-for-profit service to meet public interests. In practice, the capitalist free market governed only by price worked far from the optimisation of resource allocation, as classical economic theories announced. The conflicts between higher profits and public interest led to severe social inequality and unrest. The criticism of the free market from Keynesian perceptions began to be influential among British politicians, and after the Second World War it finally became the dominant, mainstream idea throughout British governments. The state itself was

then deemed as a significant economic unit in the market, and state interventionist schemes in various forms were widely accepted as necessary and important countermeasures to respond to the “failure of (the) free market” of the earlier era (Hall, 2002; Taylor, 1998). Although different from the newly established Socialist countries in Eastern Europe, the role of the market was kept in the UK to a certain extent; the role of the public sectors in the economy was largely expanded by the universal application of interventionist instruments in overseeing and managing the market in order to achieve certain socially desirable goals of social justice (Taylor, 1998). The mixed economic model can be seen as a “middle way” between the classic capitalism and the Soviet-style state-socialism. That was the “post-war consensus on welfare state” which was dedicated to making sure that the state played an active role in establishing full employment, managing the economy, taking over ownership and responsibility for a number of important industries and providing social welfare (Richards and Smith, 2002, p. 70). This consensus emphasising the public responsibility was subsequently supported by most of the major British political bodies for more than 30 years, albeit to varying degrees.

Table 2-2 The post-war consensus on welfare state

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- 1) Central government should provide a common safety net of a national minimum, to protect the poorest and weakest in society. Thus, the state must take on the responsibility of setting a national minimum wage and a certain standard of living for those unable to work.
 - 2) Equal and free access to health and education.
 - 3) A crucial role for the centre was that the central state needed to take on clear responsibilities for key areas of social policy, including social security, health, education and housing.
 - 4) Concerning state provision, not only should central government be given a large role in financing social service, but the services themselves should be placed in the hands of state agencies.
 - 5) The government should accept responsibility for the maintenance of a high and stable level of employment.
 - 6) The idea that the British state had particular responsibility for ensuring the welfare of children, the elderly and adolescents became institutionally entrenched; the diversity of forms amongst the nation states through which these services were delivered was considerable.
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Source: Richards and Smith, 2002; Ling, 1998

In the post-war years, the power of public authorities increased radically in managing the national economic system. State interventional approaches, including the tariff control, progressive taxation to encourage domestic industrial recovery, the nationalisation of major industry, the plans for distribution of new industry, or financial aids or loans to specific programmes, such as the famous Marshall Plan for European

reconstruction, were widely put into practice to recover the urban economy damaged by war. Besides, the political commitment to develop a state-funded welfare system soon became a common idea. Just as in Scandinavian nations, in the UK the Labour government from 1945 to 1951 began to establish a series of systems of the “Welfare State” to provide wide-ranging welfare to all citizens “from the cradle to the grave”. This resulted in massive expenditure and a great widening of what was considered to be the state’s responsibility. In addition to the central services of Education, Health, Unemployment and Sickness Allowances and so on, the Welfare State also included the idea of increasing redistributive taxation, increasing regulation of industry food and housing. In all, the market force began to be sidelined in many of public resource distribution, and the role of public agencies, usually following a top-down model, became more crucial in influencing the social well-being of every family.

2.2.2 Urban changes and challenges

The rapid industrial-led urbanisation in Britain in the 18th and 19th centuries could be perceived as one of the largest wonders of human civilisation. However, since the first half of the 20th century, the early-developed urban neighbourhoods began to worsen the image of the “modern” cities: the smoking factories, old transport facilities and warehouses occupied most of the land and made the environment very repetitive, disordered and crowded. In almost all industrial cities, heavy pollution was everywhere. Some outdated estates were abandoned and the war damage had made the old neighbourhoods look very dilapidated. Living in such old urban neighbourhoods had become a very unwanted choice for almost every British family.

More new estates - especially the higher-standard housing estates - began to be constructed in peripheral places around cities or even farther away, and with cheaper land prices. This was called the process of “urban sprawl” or “suburbanisation”. In this process, the physical size of urban neighbourhoods increased faster than the urban population. In 1939, the population of London was 8.5 million, 2 million more than it had been in 1914, whilst the built-up area had trebled in size (Hall, 2002). In other British cities, the urban areas were enlarged even ten or more times the size of that of the previous decades. This was usually a rapid and expansive growth around the previous metropolitan area, of the newly construction of low-density dwelling houses with gardens, very similar to the vision of Howard’s Garden City (Howard, 1902; Hall,

1988, p. 97). Thanks to the new technological innovations in transportation facilities, such as suburban railways and the later introduction of buses and private cars, it became possible to travel longer distances between jobs and homes for the richer white collar people. As a consequence, thousands of middle classes were happy to move to the countryside to low-density villas or cottages for a more comfortable living environment, escaping from the noisy and dirty British towns.

Most of the suburbanised construction was undertaken by private developers as a profit-oriented process, for in building new estates in peripheral areas, the cost could be much lower than that of the renewal projects because of not only the cheap land price but also the avoidance of demolition compensation. Based on the good natural environment of countryside, the new houses were built of high quality to seek rich buyers and higher profits. The major reason for the white-collar families choosing the suburbanised homes was simple: they hoped to be far away from not only the bad environmental quality in cities, but also the concentrated lower-classes who were regarded as trouble makers and the instigators of many social conflicts. Table 2-3 shows the distinct features of the two groups.

Table 2-3 Features of the inner-city working class and suburban middle class

	Inner city working class	Suburban middle class
Mobility	Inherent stability, more locally, proliferation of kinship ties within the area	More transient, less locally, limited local dependence
Relationships with others	Long-term friendships with peers nearby	Shorter-term local friendships, long-term kinship and peer group relationships across greater spatial distances
Influence from urban renewal	Damaging social effects on these communities and psychological effects upon individuals	Less often affected and more able to cope with the enforced changes
Social skills	Weaker	Greater
Advantages	Near working places, more access to public facilities	Better environmental quality, out of social conflicts
shortcomings	High density living conditions, poor quality housing, social conflict, environmental problems	A rise in the costs of housing and journeys to work

Sources: based on the research by Young and Wilmott (1957); and Gans (1962; 1967)

Nevertheless, the suburban housing estates did very little to improve the general living conditions for the low-income working classes who could not afford to live there. The majority of the working classes were left in the inner cities. For several decades, the

housing conditions were not improved; although the early council housing provision in inter-war years did create some decent new homes for them, the majority of blue-collar workers were still housed in the over-crowded slums, which were scattered in the gaps between industrial buildings. The “urban problems” concentrated in these old neighbourhoods were as serious as previously experienced: the urgent shortage of the housing being fitted to modern living standards for all and the outdated public infrastructure as well as the dilapidated city image. Meanwhile, the uncontrolled private-led urban sprawl just kept swallowing up the limited agricultural and natural land. Certainly, there should be enhanced public-led approaches to be applied to respond to these problems caused by uncontrolled property speculation.

2.2.3 Emergence of public-led neighbourhood renewal

Since the First World War, the public agencies began to take more significant responsibility in dealing with the control of urban land development and housing construction. The Housing and Town Planning Act (1919) for the first time introduced a clear responsibility of British local authorities for public housing provision, with financial support being provided by central government. In practice, the new public housing construction occurred usually together with the slum clearance, particularly since the 1930s the Housing Act (Greenwood Act) introduced an Exchequer subsidy specifically for slum clearance (Couch, 1990). This could have been the starting point of the nation-wide attempt to initiate public-led neighbourhood renewal projects. It was ever widely regarded as a temporary policy to eliminate the urgent housing shortage after the First World War, but was then retained by successive governments in practice as an effective way to solve the shortage of decent housing in inner-city neighbourhoods (Malpass and Murie, 1999). The public-led renewal practice really overcame the lessons of the unsuccessful pre-war practice: with mass demolition but no replacement (Burnett, 1978). As a consequence, in the inter-war years local authorities had built over 1 million dwellings which fitted the modern living standards.

Since the launch of Town Planning Act (1947), a series of measures such as development control was applied to restrict greatly the private property expansion. From then on, private developers were required to apply to the state (usually the local planning authorities) for planning permission for new development. In this way, the state was for the first time given powers (except during the war times in the past) to

oversee and regulate the capitalist land market (Taylor, 1998). Thereafter, the state began to allocate increasing financial support to accelerate many large-scale public-led renewal projects, especially the slum clearance schemes. In 1954, the law relating to clearance orders and the compulsory purchase of unfit houses was streamlined, and a new standard of fitness was introduced. Subsequently, a higher level of subsidy was introduced for encouraging the replacement of slums (Balchin, 1999). Meanwhile, the private-led renewal projects were restrained by a series of new regulations. The role of them in urban development became much more marginalised till 1979. This initiated a new era of urban housing and neighbourhood development in British cities. With the strong support of state planning and public funding, the public-led neighbourhood renewal projects were believed to be the most effective vehicle, not only for protecting the agricultural land from endless urban sprawl, but also to eliminate the current “urban problems” – the dilapidated city image and lack of modern housing supply and infrastructure – as quickly as possible.

In the immediate post-war years, the basic principle of public-led renewal projects was clear-cut: to erase the slums and other unwanted old neighbourhoods entirely and completely rebuild large areas of the urban fabric to comply with modern standards. The large-scale projects with the “demolition-reconstruction” process started in the inner areas of all large cities. Countless “in-adequate” dwellings in slums were demolished in a very short time, and most of the low-income working classes were relocated in council housing estates in peripheries or New Towns (particularly in their high-rise form); these were constructed by following the detailed “blue-print” master-plans, rather than having the people staying in rehabilitated local communities (Couch, 2003; Cullingworth and Nadin, 2002; Meegan, 2003; Merrett, 1979). The process was encouraged by the wide application of modern construction technologies which made the production of the “uniform, larger, new and clean” housing units much easier and cheaper than before. The central areas of cities, filled with polluted industrial estates and slums in the past, were usually reconstructed into new parks, transportation hubs or commercial zones, also with detailed architectural and landscape designs (Hall, 2002; Couch, 1990; 2003).

The social objectives of the state-led renewal process were given very high priority (Couch, 1990). In British policies, the amount of subsidy in slum clearance was related to the numbers of people displaced and rehoused, rather than the number of houses demolished (Burnett, 1978), which was undoubtedly one significant symbol to show

that the intention of these policies was to emphasise social needs but not the cost and output in economy. In the early post-war years, the public-led neighbourhood renewal campaign reached its summit, and made a major contribution towards eliminating the housing shortages and restructuring modern images in most British cities in those years. The non-for-profit projects significantly helped thousands of working class people and other groups who were placed at a disadvantaged position in the market to obtain a better living environment. By 1962, some 4.25 million new houses had been built, and nearly 500,000 slum houses cleared (DoE, 1980). Millions of residents who had previously lived in poor-quality privately rented dwellings were transferred to tenures of public rented dwellings. In 1949, the percentage of private renting in Great Britain was 62 and that of public renting was 12, while in 1979 the former figure fell to 13.5 and the latter one became 31.9 (Malpass and Murie, 1999). The restructuring of the tenure system is obviously related to the products of large-scale state-led renewal projects. Although the clearance process has subsequently been much criticised because of the social disruption which it created, at that time it was broadly supported by the public - especially the lower-classes - for its significant physical improvement.

In order to realise the achievements in a shorter time, the organisational structure of the decision-making and operating body was unavoidably simplified to be a top-down model. The public agencies, usually the local authorities as the leaders of the projects, were given very strong powers to control almost the entire process from the drafting proposal, master plan, housing design and construction to the allocation of new flats. These programmes proceeded according to the detailed master-plans, which were considered as a technical-physical approach, usually with a far greater emphasis upon urban design and aesthetic values. The fashionable pattern of renewed urban forms was copied from one case to another, which resulted in many end-products of the post-war schemes of housing renewal looking depressingly alike (Roberts, 2000). The private developers were usually excluded from the programmes and the local communities could also make little influence on the input and output during the top-down renewal process (Couch, 2003).

2.2.4 Further development of public-led renewal practice

Since the late 1960s, the public-led approaches to give help to the “problematic” neighbourhoods have changed considerably. The projects focusing on physical

improvement of old neighbourhoods still remained, but the large scale slum clearance movement was replaced by the slower, smaller-sized “gradual renewal” projects, such as housing rehabilitation or area improvement projects (Couch, 2003; DoE, 1980). The reasons for the change may come from three perspectives. First, the improvement is based on the result of rapid quantitative growth of public housing provision: after the years of large-scale reconstruction, the severe quantitative shortage of adequate dwellings had been greatly reduced and there were less physical-dilapidated slums left to clear. The second reason is the economic inflation that has emerged since the late 1950s, which forced governments to reduce public expenditure to support public-subsidised housing renewal. The third derives from the results of criticism of many unsuccessful cases of the clearance programmes by conservationists and sociologists. The new urban fabric erected on previous slum areas was often of bad design quality and damaged local communities, which is far from an ideal new life for the inhabitants. A government housing review published in 1977 stated (DoE, 1977d): *“We are no longer faced with massive areas of unfit housing,....., but if we are to prevent the emergence of a new generation of slum areas, housing policy will have to place growing emphasis on the repair, maintenance and effective use of the existing stock.”* With such a changed circumstance, there was increasing evidence that rehabilitation was often far more cost effective than clearance and redevelopment (Balchin, 1999).

Despite the earliest housing improvement grant being introduced in 1949, because of the weak public financial support, until the late 1960s, the rehabilitation and improvement of old dwellings were still mostly carried out through private-led initiatives. The Housing Act (1969) widened the scope of housing improvement grants and then improvement shortly took centre stage of the public-led projects. The new regulation re-emphasised the role of existing old housing stock in the housing system and gave local authorities discretionary power to declare “General Improvement Areas” (GIAs). In these areas, the grants covered most (up to 75%, according to the Housing Act of 1971) of the eligible expenses of housing improvement. The improvement grants were also made more generous and subject to easier conditions. The local authorities were given wider powers to assist and persuade owners to improve houses and to buy land and houses needed for area improvement. In some cases, local authorities also provided other aids, such as environmental works, available temporary accommodation for residents or somewhat relaxed planning control etc. The local residents were usually

also required to contribute some of the cost and undertake some self-help works for rehabilitation. In the early 1970s, the rate of grants increased sharply and reached its peak in 1973. Since then, it has steadily declined as a consequence of the success of the policy. The “gradual renewal” has been defined as a continuous process of minor rebuilding and renovation, sustaining and reinforcing the vitality of a neighbourhood in ways which are responsive to changing social and physical needs. It may be slow and time-consuming, but in the long term it is likely to have more lasting effects because it is more closely linked to the individual needs rather than attempting to apply uniform standards throughout the chosen area. However, criticisms of the process indicated that there was too much emphasis on house improvement and too little to socio-economic promotion; furthermore, many people did not have equal opportunities to obtain the aid because, for example, these poorer households were usually unable to afford their share of improvement costs.

Also since the late 1960s, some other urban policies have become more aware of the social problems of the old neighbourhoods, besides the poor housing conditions. The Labour government then launched the Urban Programme (UP) (also referred to as the “Urban Aid Programme”) and Community Development Projects (CDPs) to resolve these specific problems, such as poverty and social unrest, in the disadvantaged geographic areas. The Local Government Grants (Social Needs) Act (1969) authorised the Urban Programme, which enabled local authorities to obtain 75% central government grants for various schemes in recognised neighbourhoods of urban unrest, such as Notting Hill in London (Ho, 2003; McCarthy, 2007). The Community Development Projects were launched one year later, but were essentially intended to focus limited resources on smaller neighbourhoods (with populations of 10,000-20,000). The Home Office was in charge of both the practical approaches. The local authorities in areas with “special social needs” could bid for both capital and revenue funds from central government to support social and community development projects. The voluntary organisations could also submit projects, but these should go through the local authorities (Edwards and Batley, 1978). In practice, local agencies usually used the funds to apply positive discrimination, for example educational priority in favour of selected areas. There was little central control to a variety of the projects. Actually, there was little guidance or definition of what the “special needs” comprised, and the objectives were just to deliver remedial measures, thus trying to release some urgent tension in the specific urban areas (Atkinson and Moon, 1994).

These initiatives could be seen as earliest experimental attempts to focus directly on the “invisible” social rather than the physical elements within some declining urban neighbourhoods. The resulting projects varied greatly, involving many innovative actions across social, economic and physical issues, and these were mostly implemented by local agencies. Owing to very little systematic setting of the objectives, it is very difficult to evaluate the effects of the programmes. However, one of the original objectives of the Home Office was to provide special aid to the disadvantaged groups in cities, for example the overseas immigration or minority racial people, while most practical attempts were area-based, probably because they were much easier to implement. Another problem is the poor return of the incoming funds with the lack of a market that could not essentially stop the “cycle of poverty or deprivation” (Couch, 1990; Home, 1982). Since the mid-1970s, some new initiatives such as the Comprehensive Community Programme have emerged; these are trying to apply a larger range of approaches, but still in experimental mechanisms. These experiments finally ended or were revised by the political shift at the end of the 1970s.

2.3 Property-led Redevelopment Practice

2.3.1 Industrial decay, new social change and the emergence of New Right

In the post-war years, the British economy at first experienced continuous growth under the strong influence of national plans, but then quickly fell into a long-term wave of sluggish growth since the late 1950s. The negative changes came from both external and internal causes. In a worldwide perspective, the world trade market was restructured after the war. The manufacturing, mining and other traditional industries in the early developed Western countries like Britain lost almost all of their advantages when competing with the industries of newly industrialised countries with plenteous cheap labour. For Britain, the industrial decay was speeded up for the collapse of the Great British Empire. The independence movement, together with the worldwide decolonisation was initiated in India in 1947, then in the Middle East, Africa, the Caribbean Islands and other British overseas territories. Although the organisation of Commonwealth retained the special political and economic relationships between the UK and the member states, all the traditional external market and low-cost supply of raw materials for the industrial giant had both been cut off to a great extent. On the

other hand, as the internal cause, the huge national welfare system has become a heavier burden to the national economic system. Public expenditure kept rising and led to higher levels of taxation. Meanwhile, according to Keynesian supporters, some major industries were nationalised, and these ran according to the top-down plans, which might be without enough flexibility and dynamics to capture the market demand in time, so the planned economy inevitable led to low efficiency. Actually, in the post-war years, both the Conservative and Labour governments frequently tried various ways to draft more “scientific” or “fitting” economic strategies to meet the market demand, but the changing external and internal circumstances, either in economics itself or other related aspects, went on always beyond the estimation of “state-led plans” by the Keynesian perception holders (Gamble and Walkland, 1984). In the 1970s, accompanied with the greater wave of the closure of the manufacturing and mining industries, the bad macro-economic situation reached its peak. When experiencing more serious depression, with a simultaneous rise in unemployment and inflation, the Keynesian or similar theories showed that there seemed to be no effective approach to apply by using the available resources of public sectors to reverse the downward trend within the national economy. Both the philosophic ideology and policy framework of the post-war British economy then had no choice but to reach their ends.

From a societal aspect, the post-war welfare state system did improve the social well-being of the British society as a whole. In the earliest post-war years in particular, the poor working classes gained more benefits than ever in job opportunities, health care, education, pension schemes and housing provision from the newly established welfare state system. By the ways of egalitarian redistribution of the social wealth by the state, the levels of extreme poverty dropped quickly, and the average living conditions improved significantly. However, the desire to create a classless, egalitarian and homogenous society was soon proved to be unrealistic. The mainstream values and lifestyles of young generations changed very fast: the increase of average educational level, personal mobility and daily leisure time encouraged them to seek multi-cultural social circumstances, more individual freedom in their careers and more flexible or vibrant economic activities. That means too strong central control by state; whether in economic activities or social service, delivery had become the obstacle of the individual development of that era.

In the late 1970s, there was a time of intense debate about seeking the future political philosophy and socio-economic orders for a new British society. The previous mainstream ideas from Keynesianism were seriously questioned by the “New Right” owing to the failure of their practical economic policies. Finally after the General Election 1979, the new Conservative government led by Margaret Thatcher almost totally abandoned the Keynesian paradigm and established a new framework of the national economic policy by following the ideology of the Neo-liberalism. They claimed the inefficient “bureaucratic” decision-making process before that, such as the control of monetary and land development for private enterprises, directly harmed flexibility and competitiveness when in the face of changing circumstances (Taylor, 1998). In managing the economy, the new governmental agenda aimed to encourage privatisation, reduce public expenditure and deregulate the market. The new development programmes should be directed towards a greater reliance upon the free market. The government sold off most nationalised large facilities which had been in public ownership since the late 1940s. Other measures were applied in order to release the barriers for private capital in the operation of the market, and to eliminate direct intervention by public sectors. Regarding the social order, they placed greater emphasis on individual liberty which would be generally more creative, productive, dynamic, responsive to human needs, and with greater flexibility in the face of changing circumstances (Sorenson and Day, 1981).

Differing from the classic Capitalist theories, the approaches of the New Right also mixed some principles from Social Democracy. The Conservative government kept the basic framework of the welfare state system but tried to cut its size and involvement. Through many ways, such as privatisation or cooperation with non-governmental organisations, the state released the burden in many public service sectors, and only maintained some core items such as education and health care. Meanwhile, the New Right politicians also accepted some “necessary” interventionist measures by the state, but they claimed that they should generally support or facilitate, and no longer act against the market-led development. To be specific, the state intervention should try to help the negative neighbourhood effects (by cutting off tax or deregulating the development plans), to ensure an equal market circumstance of development (for all areas and groups), rather than compensating “worsenment” by taxing “betterment” (Taylor, 1998). That is to say, since the 1980s, British private capital and political powers formed the union to overthrow the post-war state-led development paradigm.

The private investment and its new economic activities were greatly encouraged as an effective vehicle to overcome the economic downturn period (Johnson, 1991; Jackson, 1992).

2.3.2 “Inner-city problem” and the response

In Britain, the “inner city problem” of economic difficulties and social unrest was first identified in the 1960s to describe some new problems in the disadvantaged inner-city neighbourhoods which further deteriorated in the 1970s. There was then a rapid concentrating process of the disadvantaged people in some inner city areas. For historical reasons, the traditional heavy industries in Britain, such as the manufacturing, mining and mechanical engineering plants, were highly concentrated in the so called “inner-city areas”, for example the city centres, the nearer peripheral and port/waterfront areas. These areas had always provided the major economic output and most jobs of the cities; however, since the serious industrial decay, the inner-city areas unavoidably suffered the dramatic decline, of not only the output of the production but also the opportunities of employment within these areas. Most traditional industrial jobs, particularly the unskilled positions, were relocated, largely internationally, or disappeared following local plant closures (Meegan, 1989; Hall, 2002). In London, the loss of unskilled jobs was disastrous (400,000 in 1961-1975; 800,000 in 1961-1984). The most significant consequence of the above was the loss of population at a massive rate. Nationwide, the typical inner-city areas lost 16-20 percent of their population in 1961-75 (Hall, 2002), and the proportion of the major industrial cities, such as Manchester, Liverpool, Glasgow and Newcastle, is much higher. Furthermore, many vulnerable groups, including the under-educated, broken-family, disabled, elderly or overseas immigrants, did not have the access to move away from decaying local neighbourhoods for new jobs and housing. They had to be concentrated in the dilapidated, dirty, unsafe and overcrowded inner-city dwellings or other public rental housing estates, isolated from the mainstream of social services (Shore, 1976). At the end of the 1970s, as Sir P. Hall described (2002, p.131), the geography of Britain was characterised by the “*decaying conurbation cities, isolated manufacturing or mining towns,, the pockets of the middle-class (working for newly emerging service industry) life in some cities,, and some still prosperous suburbs and medium- or small-sized towns around rural areas*”. The catastrophic inner city neighbourhoods then had to suffer not only the declining local economy, but also rising levels of riots and

crime. This formed increasing political pressure on British governments in the late 1970s.

The major intention to tackle these newly identified and severe problems was becoming a core task of the governmental agenda. Since the late 1960s, the introduction of some experimental programmes could be perceived as the earliest attempts to overcome the social crisis in the specific declined inner-city areas. However, owing to the lack of clear objectives and a well-organised operation body, attempts such as UP and CDPs cannot be regarded as effective, and they covered only very few of the decayed inner-city neighbourhoods. In 1977, the government White Paper, *Policy for the Inner Cities* (DoE, 1977d) was issued. It marked off the urban policy experiments of the previous decade from the new initiatives. As a conclusion to previous experiments, the report stated that “*the decline in the economic fortunes of the inner areas often lies at the heart of the problem*” (p. 2). It formally expressed the idea thus: “*to stimulate investment by the private sector, by firms and by individuals, in industry, in commerce, and in housing*”. It acknowledged that the key to regenerating depressed inner-city areas lay in economic renewal and development (Stewart, 1987, p. 133) to “*improve the attractiveness of inner areas sites and to bring land into use*” (DoE, 1977d, p. 4).

2.3.3 New trends of urban and housing policies

In the 1978 *Inner Urban Areas Act* there was some detailed consideration of the response to the urgent “inner-city problems”, which included (1) cutting off the public expenditure, deregulating the central control and encouraging private investment in some defined deprived areas with subsidies; (2) establishment of partnerships for new developments (central and local authorities all included); and (3) distributing powers to local authorities to designate redevelopment programmes. In later decades, the first and second principles were maintained as the basic logic for the inner-city renaissance policies, but the third one was at least partially changed by the Conservative central government after 1979. Owing to the distrust of the Labour controlled local authorities, the role of local authorities was minimised. The partnership model was also shifted from being set among a central-local government relationship (in ideas of 1978 Act) to emphasising a public-private relationship (in later policy and practice). The central government, excluding local authorities in general, used its powers (such as deregulating the development control and creation of UDCs mentioned below) to

reactivate private investment as the main agent of inner-city regeneration directly. In many cases, the private sector was given the enhanced role of promoting the physical environment and infrastructure by the market-oriented redevelopment, which aimed to redistribute economic activity and more affluent socio-economic activity groups back to the “inner cities” (Deakin and Edwards, 1993; Couch, 1990; Stewart, 1987; Lawless, 1996; Blackman, 1995; McCarthy, 2007).

Housing policy and development also experienced a shift after 1979. Before that, the public-subsidised council housing construction, slum clearance and then housing improvement had addressed the severe post-war housing shortages. It provided the pre-condition of the following revolutionary changes of housing policy under Thatcherism in the 1980s. The key strategy of the Conservative government could be generalised as privatisation, deregulation and an anti-municipal approach. On one hand, the end of New Town schemes and major slum clearance had minimised the new public housing supply since the 1920s; on the other hand, some new legislative approaches (such as *Housing Act and Tenants’ Rights 1980*; *Tenants’ Rights, Etc. (Scotland) Act 1980*) introduced the “Right to Buy”¹ and other deals (including the tenant’s charter, new housing subsidy system from brick subsidy to household subsidy and changes to rent acts etc.). Thus hundreds of thousands of public-owned social renting housing stocks were transferred to being owner-occupied or housing association-owned in the 1980s (Malpass and Murie, 1999). At national level, the process of housing privatisation was going together with the privatisation wave of some nationalised industry and social service agencies. This means the government’s view of the nature of housing had changed: from emphasising it as a social good, a part of social service to a private good, a commodity in the market (Whitehead, 1993). Also, housing provision (except the houses for special groups) was gradually excluded (at least partially) from the public funded welfare state system. The dramatic decline of the public housing stock sidelined the local authorities from the housing system, and instead central government became more influential in supporting the private developers and housing associations for new housing development schemes. The tenure transfer was regarded by the policy-makers as an effective way of improving the local housing conditions: clearly, the private owners should provide better maintenance services than the bureaucratic, inefficient

¹ A scheme according to the Housing Act 1980, which encourages the sitting tenants of council housing to purchase their own homes at discounted prices.

public agencies with difficult local public finance. Also, the house-owners should be more motivated in promoting local public security and service delivery.

2.3.4 Property-led redevelopment projects

In the New Right years, the neighbourhood renewal was usually also called “property-led redevelopment” initiatives. With the same changing trend of urban and housing policy, the new projects were launched with enhanced objectives for local economic renaissance. A combination of land and financial subsidies from central level was used to entice private developers’ initiatives to reuse inner-city or derelict land for commercial estate development. The well-researched practices of Urban Development Corporations (UDCs) and Enterprise Zones (EZs) were the best interpretation of the Conservative approaches. The very clear objectives of the establishment of UDCs were described in *The Local Government, Planning and Land Act 1980*: “to secure the regeneration of its area... by bringing land and buildings into effective use, encouraging the development of existing and new industry and commerce, creating and attractive environment, and ensuring that housing and social facilities are available to encourage people to live and work in the area.” The ideas of EZs were similar: “Fast-track planning and financial incentives for developers and occupiers willing to take the risk on unpopular commercial locations” (Urban Task Force, 1999). The implementation of these ideas was usually based on an independent institutional structure, out of the control of local authorities. UDCs and EZs had extraordinary powers of land acquisition, and allowed public sector land to be transferred to the corporation by means of a vesting order. In designated zones (except in few cases such as UDCs in Wales), the land occupiers and developers benefited from certain tax concessions and a relaxed planning regime. Furthermore, UDCs were run by boards of directors drawn primarily from business; they were held responsible to central government through the Secretary of State, but not elected by local public. In early years, they sometimes even ignored existing approved development plans and thereby generated great conflict with local authorities (Cullingworth and Nadin, 2002). The Conservative central government was seeking to create some “special zones” to give more opportunities to regenerate the decayed areas by new economic activities. This idea regarded the “economically-beneficial” and “area-based” concepts as the primary objectives of the inner-city redevelopment practice by neo-liberalists. They also claimed that the general promotion of local economy would generate consequent “trickle-down”

benefits to all. Therefore, the approaches to cover many social needs of local people directly, such as job creation, skill-training, provision of affordable housing or social facilities, were relatively marginalised (Couch, 1990).

In practice, the most successful examples of UDCs, EZs and other following similar initiatives were located at previously industrial or waterfront land. In many “flagship” programmes, such as London Dockland, Tyneside area of Newcastle and Merseyside of Liverpool, old industrial or port buildings were refurbished or revitalised into new-style flats, offices or commercial estates. Within the ambitious redevelopment visions, the advantaged location, attractive physical environment and modernised facilities brought great potential in real-estate development on site, so the luxury quayside or city-centre houses for sale (or to let) were usually much more expensive than the surrounding housing market. Some new generation of the white-collar workers - mostly young, rich, single and highly-educated - moved back to the renewed inner-city neighbourhoods to enjoy the refurbished urban life. Their return also re-stimulated the local consumption and other economic activities (Cameron, 1992; Wood, 1991). Also, in most cases, the original residents of the redeveloped areas could not afford the “gentrified” new life and had to be relocated to other places. Of course, there were still some new buildings of low-cost housing which could be afforded by at least some local residents, especially on the land owned by local authorities, but these programmes were really out of the mainstream strategy which emphasised commercial development (Cameron and Thornton, 1986; Cameron, 1992). This meant that during the property-led redevelopment process, the new changes could be very successful in achieving local economic renaissance, but failed to secure “trickle-down” benefits to many of the most disadvantaged groups (Imrie and Thomas, 1999; Malpass and Murie, 1999; Meegan, 2003; McCarthy and Pollock, 1997). This resulted in a sustained critique against the extreme neo-liberal experimental projects prevalent in the 1980s (Moore, 1992; Robson *et al.*, 1994; Lawless, 1996).

2.4 Conclusion

This chapter summarised the evolution of British neighbourhood renewal/regeneration in three historical periods. From a strategic perspective, the development of the renewal/regeneration ideas, policies and practice was always changed in accordance with the shifts of economic, social, political and other contexts, which the requirement of market force and social objectives alternatively took the dominant role. In the

laissez-faire era, almost all neighbourhood renewal projects were launched as a vehicle to accelerate the pace of industrialisation and technological innovations. Almost all projects were initiated by private developers and most of medieval neighbourhoods were physically restructured. The desire of returning profit from free market was almost the only objective to achieve. The role of public authorities and the influence of social objectives were very limited in this process. This led to significant growth of productivity of British cities and very poor living condition for working class. In the Social Democratic era in order to tackle the social problems in the industrial cities, the renewal practice experienced an almost 180-degree turn. Public authorities became to control and almost to be the only operator of the process. Social objectives were given higher priority. Most renewal objectives were realised through significant physical changes of the old neighbourhoods but in later years some positive discrimination was applied as well. This process soon created modernised image of British cities but the products were monotonous and lack of local diversities. Then when neo-liberalists came to power, the neighbourhood renewal projects began to follow the “property-led” model and as the answer to the economic declines in inner-city areas. Economic renaissance was then at the central of the objectives for another round of neighbourhood renewal projects. Although the desire to fit public interests was not totally ignored, in practice the social objectives were put far behind the economic concerns. Public-private partnerships were widely used to operate the new projects, while the local authorities and communities were sidelined in decision-making and implementation. As the result, economic renaissance in the renewed areas were very significant while the positive changes were never widespread to wider areas. In all, the entire historical review showed the zigzag evolution. It provides sufficient background knowledge to understanding and analysing the most recent neighbourhood renewal initiatives, described in the following chapters.

Chapter 3 The Making of Recent Ideology

In more recent decades, British cities, like those in the rest of the world, experienced many new changes. Economic globalisation and deregulation, social transformation, cultural diversity, ecological crisis and new international political orders are the most frequently discussed issues. All the changes bring to urban neighbourhoods new challenges and problems which differ significantly from the “urban problems” in earlier periods. Since the early 1980s, the neo-liberal governments have been introducing a series of reforms to initiate property-led redevelopment projects in an effort to tackle the challenges of the economic renaissance. The following practice, however, showed the limitation of the neo-liberalist ideas which made positive changes in some specific areas and for some specific groups only. It is argued that the neo-liberal vision and strategies of neighbourhood renewal are no longer appropriate to respond to the new challenges. It really is the time for an innovative perspective to understand the new generation of “urban problems”. In practice, with the returning of the Labour Party to power, “The Third Way” as a revised theory of Social Democracy has become the mainstream ideology to influence the decision making of social policies. This chapter will give a brief introduction to the theoretical ideas, and will use them to understand the most recent “urban problems” in the disadvantaged neighbourhoods in British cities. The following questions will be answered:

- Within what context was the theory of “The Third Way” developed and widespread?
- What are the nature and key idea of “The Third Way”?
- What were the essential policy changes brought by the arrival of “The Third Way” and the New Labour government after 1997 in responding to pressing problems in British society?

Answers to these questions will provide a valuable theoretical background for policy-makers to understand the current “urban problems” in a new context. This has a potential to have crucial influence in the policy-making and implementation of neighbourhood renewal in a new era.

3.1 A Changing Context of Contemporary Britain

3.1.1 Economic context

Nowadays economic globalisation is discussed in governmental and academic publications as frequently as perhaps thousands of times, compared with 20 years ago. Tele-communication and inter-continental transportation technologies have achieved revolutionary improvements. They are usually widely applied to support longer-distance or larger-scale business activities. Because of the economic reform of many ex-Socialist states, the formation of the WTO, the expansion of world financial market and increasing international cooperation, the institutional barriers of world trade are going to be removed. The volume of international trade and the magnitude of cross-border capital flows now have reached historically high levels. The global-scale, complex and unitary international production networks are coming into being, which are restructuring the domestic economic system of not only developing countries, but also the early developed Western countries like Great Britain (Hirst and Thompson, 1996, p. 1).

The new freer global marketplace in the last decades of the 20th century provides simultaneously more opportunities and challenges to the British economy than before. The enhancement of competitiveness of industries has become more vital and essential than ever, which is driving the economic restructuring in Britain to go further. The decline of traditional manufacturing and mining industries has continued or has even been accelerated; the rate of the job loss and firm closure in Britain is higher than in any other Western industrial countries as the result of its earliest industrialisation. In contrast, the rapid boom of the high technology and service industries does provide new chances for future growth. But this does not mean the employees of traditional jobs would automatically be transferred to employment by new industries. In practice, the job opportunities suitable to the low-educated, unskilled people, just like the previous blue-collar jobs, have constantly shrunk while the highly-educated skilled workers would have more job opportunities. Meanwhile, in the face of the unpredictable changes of the global marketplace, the requirements of newly-emerging jobs are much more flexible, usually with various or frequently changing working styles, working venues and working times. For instance, some large cities like London have become more prominent as business and finance centres on a global or regional scale, sharing the 24-hour business day to control or influence world business. Statistics show that in

Britain the numbers of self-employment, part-time and short-term jobs have all continuously increased in recent years (UTF, 1999).

The process of economic change confirmed the key role of market forces and private capital in current national and international economic system. The old left-wing economic ideology, relying on closed domestic economy and top-down national economic plans, was suitable for the context 50 years before, but the old system must be removed in the face of the new challenges. The fiercer international competition, characters of new industries and the post-modern life style have overthrown the foundation of the Keynesian perception. In recognising this context, the economic reforms initiated by neo-liberal politicians were extremely effective. Public sectors retreated from some traditional social service sectors, with action such as the reduction of council housing supply and direct financial aid to the of jobless, and the new demand of other social service may be undertaken by other (private or voluntary) agencies in more flexible ways. In this way the heavy burden of government public expenditure could be greatly reduced to avoid high levels of taxation, which affects significantly the competitiveness of local enterprises. In practice, the outputs of the neo-liberal's marketing strategy of encouraging private investment and deregulation were significantly gratified. Many new opportunities of economic globalisation were seized so that British economy has achieved very distinct revival since the mid-1980s.

In addition, in order to achieve the sustainable development of national economy in the market-oriented system, the contribution of private investment only was not adequate. In the new era, the prospective economic growth has relied more and more on the knowledge-based industries, and local human and intellectual capital is becoming the key element to maintaining local competitiveness (Driver and Martell, 1998; Blair, 1998a, p. 10). It requires a more important role to be played by public agencies and service in local economic promotion, including the provision of education, training, healthcare, infrastructure and so on. Hence the enhancement of public resource delivery to all should have the same priority as the encouragement of private investment. The public sectors, private capital and other available resources now need to work together as partnerships by negotiation and cooperation, sharing the responsibilities and benefits of the promotion of local competitiveness. A flexible framework is necessary for the partnership working to better respond to the various local circumstances and fast changing external context.

3.1.2 Social context

In addition to the economic issues, the social structure in contemporary Britain also changed significantly but the consequences were more negative. Many signs show that under the marketing strategy in the neo-liberal years, social inequality was constantly rising. Although the economic revival came strongly, real benefits of the economic renaissance failed to be distributed to all areas or social groups. The vast group of unskilled workers employed by manufacturing and mining industries in the past, which used to be one of the mainstream social groups, have gradually disappeared as a result of the industrial restructuring. Some of them were successful in obtaining new jobs in new industries, and earned better salaries during the new round of economic prosperity, but the overall unemployment in Britain has remained high. The reduction of welfare provision increased everyone's personal living costs, so the proportion of people in economic difficulties became higher than before. Both the extreme poor and rich groups in Britain increased. The official figures show that between 1979 and 1994-95, the poorest 10% suffered a cut of 8% in their real income (after housing costs) compared with a 68% increase for the top 10% and average increase of 42% (Lister, 1998). The rising inequality gradually led to new serious social unrest in British society. After the mid-1990s, the crisis in social aspects may have overshadowed the economic achievements.

The mass change of demographic structure towards diversity makes problems more severe. The percentage of lone parent, one person and multi-person families, or the minority immigration, disabled or elderly families is much higher than decades ago compared with the decrease of traditional "core families": employed married couples with young children (The Housing Research Foundation, 1998). Unlike the traditional low-income "core families", the living difficulties that the present vulnerable groups have to face are highly diverse, differing from case to case. Most of them rely more on aid from public agencies, but their needs are various and continuously changing in the dynamic market-oriented circumstances. This means the egalitarian and standardised aids from the old-style welfare system, controlled by a top-down system, could mismatch the real needs of the vulnerable groups. Thus, it is a crucial time to reform: neither just entirely conserve nor abolish the entire national welfare system across Britain. The new generation of the system should still be a major responsibility of government, but it should be operated in more flexible ways to meet different demands.

In addition, it should work in conjunction with the non-returnable market-oriented strategy, which means the importance of improving the effectiveness and efficiency of public-funded services to keep public expenditure and taxation low. Moreover, the system should be easily transformed to fit future unpredictable socio-economic changes.

3.1.3 Cultural context

There have also been substantial cultural changes accompanying the economic and social restructuring. It is obvious that many traditional social values and lifestyles have no longer been representing the mainstream. The new generation of lifestyle requires that the time of working and parenting takes up smaller proportions of people's lives, and increasing time to leisure, social communication and whole-life learning (UTF, 2005). Thus the new life expectations become more and more difficult to be identified or summarised because of the diversity.

Many have claimed the growth of individualism since the late 1970s. That has become a significant sector of social values without any doubt, although usually it is difficult to be quantified. In many cases, people would like to seek more on the feelings of self-expression, individual independency or personal safety, rather than the need of economic rewards (Bean and Papadakis, 1997). Many politicians, from both left and right parties, are worrying about the so-called traditional moral decay or the emergence of the "me-first" society. But surveys show the young generation actually still carries great concerns about social morality; however the youth do not want to accept some moral values from authority or regulations (Wilkinson and Mulgan, 1995). They would like to create their moral standards from their own life experience of participation in public affairs and the influence of local surroundings.

Some more investigations of contemporary society have shown that there are actually increasing issues of public interests (Giddens, 1998a). The most frequently discussed topics include ecological values, cultural heritage conservation, human rights and sexual freedom and so on. Compared with the past social consensus, the concerns of public affairs are not only in new areas, but also with more features of their ambiguity and flexibility. At one specific time or location, one issue may be given priority to others but on other occasions it may be the opposite. Not only personal decision but also the "public interest" usually shares the same features. In all, it is not appropriate to regard

present society as the era of moral decay. Alternatively, it is just a shift time of some social values from which individualism has gradually emerged over the concerns of solidarity. In public affairs, there should be a new balance between individual and collective responsibilities (Giddens, 1998a).

Thus the changes of cultural context together with those of the macro-scale socio-economic context should be considered as pre-conditions rather than consequences of the changing political ideologies and the decision-making mechanism of the public policies of the new era. As Anthony Giddens indicated, “*with some oversimplification, it could be said that classical social democracy was most successful and best developed in smaller countries, or countries with homogeneous national cultures.*” (Giddens, 1998a, p. 34) Many others have also argued that, in the multi-cultural post-modern society of Britain, the “state” and its top-down bureaucratic system may no longer be the appropriate decision-maker or provider of many public services to satisfy the diverse public needs in the multi-cultural post-modern society of Britain. There should be a renewal of the ideology to help understanding the “public interest”, and also a reform of the decision-making and implementation model in responding to all the challenges of the new era.

3.2 Ideology of “The Third Way”

3.2.1 Emergence of “The Third Way”

The term “The Third Way” is currently used to capture the new political ideology of New Labour² Party who secured the central power of Britain following the 1997 General Election. The term was used to mark out New Labour’s departure from both the post-war social democratic (old left) and then neo-liberal (new right) political ideologies.

² “New Labour” is an alternative branding for the Labour Party dating from a conference slogan first used by the Labour Party in 1994 which was later seen in a draft manifesto published by the party in 1996, called *New Labour, New Life for Britain*. It was presented by Labour as being the brand of the new reformed party that had in 1995 altered Clause IV and reduced the Trade Union vote in the electoral college used to elect the leader and deputy leader to have equal weighting with other individual parts of the electoral college.

The name is primarily used by the party itself in its literature, but is also sometimes used by political commentators and the wider media. The rise of the name coincided with a rightwards shift of the British political spectrum; for Labour, this was a continuation of the trend that had begun under the leadership of Neil Kinnock. “Old Labour” is sometimes used by commentators to describe the older, more left-wing members of the party, or those with strong Trade Union connections.

Source: [http://en.wikipedia.org/wiki/Labour_Party_\(UK\)](http://en.wikipedia.org/wiki/Labour_Party_(UK))

The Third Way emerged corresponding to some ideas by Clinton's Democratic government in US, and also some political debates in continental Europe about the future of social democratic parties (Clinton, 1996; Newman, 2001, p. 40). All of them could be perceived as positive responses to the changing context discussed above by central left politicians and the ideas interacted by each other internationally.

The Third Way thoughts made very significant theoretical progress by the reconfiguration of relationships between market and welfare, public and private, individualism and collectivism (Mullard, 2000). It is clear that the mutual relationship between families/individuals and the society is no longer like the simple assumption of the social-democratic model: the fully employed workers contribute to the state in their work-place and benefit from national welfare provision. That could easily reach the balance between the in-ward and out-ward wealth of both sides in a homogeneous industrial society. In this model, the state granted a series of rights to people, but did not demand responsibilities (Driver and Martell, 1998; 2000). The coming of the post-industrial society quickly broke the old-style balance. In a macro-scale, the boom of the aging population, lengthening periods of education and the increasing unemployment caused by industrial decay produced heavy burdens to the welfare system that public expenditure can no longer afford to pay for. Certainly, the old style individual-state relationship has become a major obstacle to achieving economic renaissance in a new competitive global market circumstance.

Neo-liberal politicians have recognised the dilemma, and prompted the revolutionary attempts to change the whole system. Through a series of reforms, they finally transformed the traditional individual-state relationship into an individual-market relationship; here everyone should take more personal responsibility and gain most social well-being from the market rather than rights to require welfare provision from the state. This neo-liberal model is usually flexible in reaching the new balance in a macro-scale. However, the rising social problems show that it is still far from being an optimistic balance. There are at least two things to be noted. First a variety of status (family structure, education level, health, race, social networking etc.) of current families/individuals creates great differences among their capabilities of contribution and the demands of benefits. Second, the surroundings of people in various regions are also quite different, and many official statistics has shown the larger regional gaps in Britain (Hall, 2002). But the social features and regional inequality can never be

addressed by a unitary marketplace. Therefore social inequality and polarisation are inevitable in the contemporary British context.

Thereby The Third Way finally became the mainstream answer to overcoming all the challenges unsolved by the neo-liberalists. Actually, this political ideology was not very fresh. Its origin can be traced back to many political philosophies proposed in the early 20th century (Macmillan, 1978). However, since the mid-1990s it has become much more influential than ever. More active interventional approaches have been suggested, but all of them should cover the pre-conditions decided by the whole new economic, social and cultural context: the interventional approaches should be effective in promoting social justice but not against the market-oriented economic circumstance in the globalised era; the public interests should be protected but the individual options for personal development should also be highly respected; the public aid should be sufficiently flexible to fit diverse and changing local needs (Blair, 1999). In all, the new ideology should be “pragmatic” enough to ensure that all approaches, whether innovative or not, can be “workable” in the current context.

3.2.2 The nature of “The Third Way”

The Third Way ideology features in many of documents as a new way “beyond Old Left and New Right” (Labour Party, 1997; Miliband, 1994; Blair, 1998a; Blair and Schroeder, 1999; Brown, 1999; Darling, 1999), which is - above all - an endeavour to respond to the post-war social democratic state and the Conservative government’s series of reforms on the state (Driver and Martell, 2000). In front of the contemporary challenges from economic, social, cultural and other aspects, The Third Way idea tries to absorb or combine the ideas from both Old Left and New Right, in order to tackle the social problems in more pragmatic ways. The eclectic mix of political ideology accepts essential roles of both the global markets and the desire for social well-being in contemporary British society (Freedman, 1998).

The key principles of this new political ideology have been broadly agreed by most writers (Giddens, 1998a; Brown, 1999; White, 1998; Hargreaves and Christie, 1998; Le Grand, 1998; Driver and Martell, 2000). The Third Way politics now seeks to resolve the core ideological tension of the past two centuries: the controversy and opposition between socialism and liberalism. It believes that the ethical foundations of socialism -

fraternity and equality - can coexist with the freedoms of liberalised markets and liberal democracy. To be specific, Tony Blair (1998a) identified them by four principles in his third way pamphlet for the Fabian Society: “equal worth”; “opportunity for all”; “responsibility” and “community.” Although the interpretations of these basic values and the extent to which are still being debated, these values are undoubtedly producing a profound effect on contemporary British politics.

The first, “equal worth”, obviously comes from the legacy of the traditional left-wing political concern that human beings should be treated equally and not discriminated against. However, just as discussed above, The Third Way politics does not expect any unrealistic visions for the egalitarian outcomes for all. Blair (1998a) suggested that the current core task for pursuing equality is to get rid of existing obstacles to equality, which might include “gross inequality,....., handed down from generation to generation”. The second principle, “opportunity for all”, does absorb the opinion from new right which emphasised “equal opportunities”, but really has gone beyond it. The Third Way idea seeks the substantive (or positive) freedom by which individuals have sufficient resources to develop their talents and exercise the liberty, rather than the negative freedom which only guarantees legal conditions for free individual lives (Driver and Martell, 2000).

The third principle, “responsibility”, is closely linked to the fourth “community”. That differs greatly from both the Old Left and New Right rules. The Third Way idea aims to re-establish the individual-state relationship, with emphasis on both rights and responsibilities to individuals. The increasing rights come from the enhanced public agencies who provide necessary non-profit aid to vulnerable groups or anybody who needs it, in order to give everybody more equal opportunities for personal development. The responsibility means that the benefits provided by the public sector to everybody are no longer guaranteed. The individuals must be involved in the competition in a market circumstance. Today, the impacts of economic globalisation, together with the revolutionary improvements of information and knowledge communication, have provided individuals with more resources, options and potential capabilities for personal development. Our state should follow or facilitate the trend rather than resist it. Giving increasing rights and responsibilities to individuals should be an essential factor in reaching a new stable, dynamic and diverse society. The Third Way politics hence gives more trust to civil society. Local people are now empowered or involved more in the

decision making of many - especially the localised - public affairs, and higher-level public agencies coordinate and provide help to initiate the “local-centred” or “community-centred” mechanism.

In Table 3-1 some features of The Third Way ideology have been listed, to show the comparison between the old left and new right.

Table 3-1 Comparative features of three political ideologies

Dimension	Old Left	The Third Way	New Right
Nature	<i>Class politics by left</i>	<i>Post-class politics, political pragmatism</i>	<i>Class politics by right</i>
Policy priority	<i>Social justice and wealth redistribution</i>	<i>Both</i>	<i>Competitiveness and wealth creation</i>
Citizenship	<i>Rights</i>	<i>Both</i>	<i>Responsibilities</i>
Economic structure	<i>Old mixed economy: Corporatism</i>	<i>New mixed economy</i>	<i>Market fundamental: Minimal state</i>
Economic policy operation	<i>State over private and citizen society: plans, command and control</i>	<i>Co-operation/partnership</i>	<i>Competition</i>
Public expenditure	<i>High</i>	<i>Pragmatic</i>	<i>Low</i>
Role of welfare system	<i>Strong provision: protecting from “cradle to grave”</i>	<i>Social investment state</i>	<i>Welfare safety-net</i>
Institutional	<i>Leveller</i>	<i>Public as investor and coordinator</i>	<i>Deregulator</i>

Source: Giddens, 1998b; Powell, 2000

3.3 New Labour Government and The Third Way

3.3.1 Pragmatic policy shift

The New Labour Party’s victory in the 1997 General Election, marking The Third Way ideology, has become the mainstream political thought in Britain from then on. The transformation, however, was not very sudden, but has been following a gradual and pragmatic way. Although most key members of New Labour Government since 1997 have been founders or firm supporters of The Third Way ideology, the legacy of previous politicians was not immediately eliminated. In responding to the specific challenges in a new context, the New Labour government tried to absorb all valuable

ideas “beyond left and right” (Blackman and Palmer, 1999; Glennerster, 1999). In practice, many previous left- or right-wing ideas, especially the effective neo-liberalist ideas to facilitate economic prosperity, remained and were involved in the interpretation of The Third Way ideas by New Labour. For example, the application of “public-private partnership” were in fact significant features of the previous Conservative administration, but New Labour is now continuing with such attempts and is expanding its involvement with new labels.

Table 3-2 lists some of the flagship policies or programmes of New Labour. In this table, the major objectives of the approaches in the right column are to maintain the efficiency of the market economy, and those in the left column aim to enhance social justice and cohesion. Clearly in almost all areas, the ideas from both old left and new right were drawn simultaneously from a pragmatic way to re-establish or renew the relationships between individual and state, public and private, welfare and market.

Table 3-2 Major case policies or programmes by New Labour government

Ideas learnt from old left	Ideas learnt from new right
<i>Introducing a minimum wage</i>	<i>Cutting corporation tax</i>
<i>Developing programmes of welfare to work</i>	<i>Giving Bank of England independence</i>
<i>Tough policies on juvenile crime</i>	<i>Education reforms</i>
<i>Introducing power devolution</i>	<i>Giving central government “greater strategic capacity”</i>
<i>Increasing financial support to health and education</i>	<i>Tight limits to the overall level of government spending</i>

Therefore, it is clear that the New Labour government is reforming or adjusting the Conservative political strategies very carefully, trying to avoid revolutionary attempts in most cases (Powell, 1999). Most policy changes are actually not based on a clear new ideological framework or a single “big idea”, like the old left or the new right: their big idea is that there is not a single big idea, but they are just concerned with finding out the real “appropriate”, “workable” and “of the time” alternative visions and actions (Halpern and Mososz, 1998). Usually, the innovative policies or schemes were initiated as being problem-oriented, and were quickly put into application by combining many eclectic and pragmatic methods. Sometimes they appear based on an “emergent strategy” or “policy-making on the hoof”, when the policy strategy is still under-developed.

In practice, one of the most significant policy shifts brought about by the New Labour government was the re-emphasis of social justice and equity (Commission on Social Justice, 1994; Anderson and Mann, 1997; Pierson, 1998; Powell, 2000). That was the response to unacceptable social inequality and polarisation in the Conservative years, which reached its peak in the mid-1990s and threatened greatly the sustainability of economic prosperity. A series of strong approaches was launched based on the redefinition of social justice, equality and the role of welfare state. The ideas of The Third Way were well reflected in this area, and will be discussed in following sections.

3.3.2 From equality to social inclusion

Social justice and equity are common features of political ideology, and are always accompanied with controversial explanations by different political theories. In a very long period after the war, the view from social democrats was very dominant in practice: it tried to place the desire of egalitarian distribution of wealth as the goal of social justice. The state expanded the role of public sectors in the national economic system, and established the unitary welfare system primarily to achieve this objective. However, this then proved unrealistic when the national economic difficulties arose. Also, the top-down distribution of welfare frequently mismatched real local needs. Thus in later years the neo-liberal's perception became the mainstream. It claimed that the desire of egalitarian income equality was then replaced by the notion of "equality of opportunities". Neo-liberalists thought that the role of public economy and welfare system should be minimised, but instead the private economy and market force came to centre stage for the distribution of social resources. They believed that this should be a system to give every individual more freedom and personal choice and development so that the achievements of the economic revival would create a "trickle down" of wealth and benefits into local communities (DoE, 1985). However, when this was put into practice by the Conservative government, the result was far from the optimistic predictions: many statistics and reports revealed how the growth of wealth from economic renaissance had never been widespread, but distributed very unequally (Gordon *et al.*, 2000). This rendered the idea of "equality of opportunities" questionable. Critics pointed out that "equal opportunities" must exist with a condition as some "starting-gate" equality; as Vincent said: "*Without a basic minimum of educational, health and welfare conditions as a point of departure, individuals cannot develop their potentialities and powers.*" (Vincent, 1995, p. 103) In the 1990s, it was a common truth

that a large number of the lower-level population in British cities could not have equal accessibility to many social resources, compared with the mainstream groups. The lower quality of education, weak social networking and lack of access to other social resources meant they were unable to get opportunities equal to those of others when in the face of social competition. The children and young people of the poorest families in particular even have to stay at a very disadvantaged position in the competitive society from birth. That could be the real root of inequality or injustice in today's British cities.

In a market-oriented society, meritocracy and the 'winner-take-all' phenomenon are usually taken for granted. Social inequality will inevitably become inter-generational, and once most social sources for personal development are allocated by a free market, it could accelerate this process. The old-style social democratic approaches tried to reverse the process through wealth redistribution, but finally found that external aid can never fill the endless gaps caused by the market-forced polarisation. The neo-liberal politics ignored the threats of increasing inequality until the social crises across many aspects rapidly emerged. The Third Way proposed an innovative view to manage this tough job after reviewing the failures of both old left and new right. It should well fit the context of the era, such as diversity, not stand in its way. Finally, New Labour rejected both an unrealisable equality of outcome and a narrow view of equality of opportunity, but tried to concern positive assistance, not just a benefit payment to the disadvantaged (DSS, 1998). The terms of "inclusion" and "exclusion" are widely used by the New Labour government to define or measure the extent of inequality of British society (Le Grand, 1998; White, 1998; Daniel, 1998). This could be seen as progress in understanding the nature of social inequality, focusing not only on the phenomenon, but also the roots or causes of it. Many have claimed this is an important paradigm shift in values related to British public policies (Lister, 1998; Powell, 2000).

The origin of the notion of "social exclusion" was widely acknowledged in France during the 1970s (Silver, 1994; Martin, 1996; Re'vauger, 1997; Spicker, 1997). By the 1980s, social exclusion was increasingly seen as a consequence with its roots in wider economic restructuring and societal changes in many Western industrialised countries. In particular, following the impacts of economic restructuring and deregulation of housing market, the disadvantaged groups were concentrating on specific spatial areas, and the problems became much more complex than previous income poverty (Paugam, 1995; 1996; Drewe, 2000). Here the New Labour government set up the

cross-departmental Social Exclusion Unit specifically in charge of responding with policies and approaches to such challenges. The official definition of “social exclusion” by them is a reflection of the comprehensive understanding to the challenges, which was described as follows:

Social exclusion is about more than income poverty. It is a short-hand term for what can happen when people or areas have a combination of linked problems, such as unemployment, discrimination, poor skills, low incomes, poor housing, high crime and family breakdown (Social Exclusion Unit, 2001a, p. 1).

This official definition not only includes the problems of poverty and low-income, but also addresses the disadvantages of other aspects. It tends to focus more on the primary inequality as downward social trends rather than secondary inequality as the negative consequences (Oppenheim, 1997; Powell, 2000). Within it, the key point of exclusion is perceived as a “process” rather than a “state” of the marginalisation of specific vulnerable groups apart from the mainstream society. Those “excluded people” do not have the means, materials and otherwise to participate in or share social, economic, political and cultural life with wider-ranged groups. Many researchers understand social exclusion as lack or denial of access for these people to this or that kind of social relations, social customs and activities in which the great majority of people in British society engage (Gordon *et al.*, 2000; Levitas, R, 1999; Silver, 1994; Figueiredo, 1996; Room, 1995; Lee and Murie, 1999). This is a deliberately flexible definition, and the problems listed are only examples. Many other dimensions of exclusion could be added in different cases.

Social exclusion, now understood as the marginalisation process from the mainstream, used to come from different kinds of discrimination, such as ethnic origin, disability, religion or sexuality. These discriminations may have been quite serious in the 1960s or earlier years, but today British parliaments and governments have applied a series of laws or regulations to abolish almost all kinds of institutional discrimination (O’Conner and Lewis, 1999). However, since the 1980s, the exclusion process could be mostly ascribed to stratification by the changing labour market and welfare reform. The economic restructuring reshaped the social profiles of many people and their families, and the non-employed or the extreme lowest-level ones are gradually losing a wide range of access to marketised distribution of social service and other resources, and then

excluded from the mainstream. This process is becoming inter-generational in current British society.

The exclusion process can be generally measured by Gordon *et al.* (2000) by four dimensions as follows:

- (1) Exclusion from adequate income or resources: primarily poverty
- (2) Labour market exclusion
- (3) Service exclusion
- (4) Exclusion from social relations:
 - Non-participation in common social activities
 - Isolation
 - Lack of support
 - Disengagement
 - Confinement

From Hind, Pickering and Park (2000), there is an additional dimension of “attitudes and aspirations”, which can influence both networking and productive activity through generations. Other researchers (Madanipour *et al.*, 1998; Vincent, 2003) would like to use broader or narrower scope to describe the multi-dimensional problem. Many researchers have indicated that the most important characteristic of social exclusion is that the problems of these dimensions are linked and mutually reinforcing, and can combine to create a complex and fast-moving vicious cycle (Carley, 2002). The SEU has indicated that “*Only when this process is properly understood and addressed will policies really be effective*” (Social Exclusion Unit, 2001a).

The New Labour government has been convinced of the great social cost incurred by the exclusion process. The existence of the increasing number of excluded social groups could produce not only great threats to social cohesion, but also the upward pressures on public spending for the endless anti-poverty schemes. Also, the excluded groups were also a potential area of economic renaissance and prosperity in many areas: the concentration of excluded people usually represents a lack of skilled employees, a lack of customers and a lack of entrepreneurs and so on (Social Exclusion Unit, 2001a). No doubt, nowadays addressing the problems of social exclusion has become the core task in promoting social justice by the New Labour government.

3.3.3 Inclusion and social investment

The term “inclusion” is therefore used to identify the visions and approaches to address the multi-dimensional problem. Obviously, the process towards inclusion must not be simply or narrowly defined. Integrated interventional approaches are needed, and it is unrealistic to expect that the objectives of inclusion can be accomplished in a single action. To every dimension of exclusion, there must be effective corresponding actions simultaneously operated, and the overall strategy in relation to the inter-departmental cooperation is also critical. The New Labour government did adopt many experiments to develop the ways of promoting social inclusion. These experimental programmes now no longer concentrate on “income exclusion”, but try more innovative ways in relation to other aspects as: paid work, social service delivery - especially education; some other attempts are the central weapons in the government’s planned attack on the exclusion of labour market, of social service and social relations/networking (Mandelson, 1997; White, 1998; Brown, 1999). The specific strategies are summarised as follows:

Making work pay

One central concern by New Labour is to break the barriers of the excluded groups to access the mainstream labour market. Opportunities of work, more specifically of paid work, must be equally distributed to all people, and is the central objective of the new government projects (Driver and Martell, 1998; Jordan, 1998; Stepney *et al.*, 1999; McLaughlin *et al.*, 1999). These new projects were seen as the new generation of the welfare treatment of contemporary British society, or the “core of welfare state reform”. In practice, a series of new projects of “making work pay” or “welfare to work” as the crucial approaches to eliminate social exclusion can also contribute much to facilitate local economic success; as Miliband (1994, p. 88) claimed: “*the most potent social policy is also a successful economic policy*”. By such ways, these new welfare treatments have become preventive ways against social exclusion and its consequent inequality, rather than remedial ways to pull the disadvantaged people from their tough lives.

To be specific, the target of “make work pay” was realised through the following typical approaches (Table 3-3):

Table 3-3 Typical approaches of “make work pay” by New Labour

-
- 1. Minimum wage, a partial fusing of the tax and benefit system.** It aims to ensure that people who move to workplace from welfare should be financially better off.
 - 2. Working families Tax Credit scheme.** This offers more generous support to working families with children.
 - 3. Child-care tax credit.** This may cover 70% or so child-care costs for low or middle income families.
 - 4. New financial penalties against the “work-shy”.** This will punish the people who are capable of working but would like to stay at home all day.
-

The details of these approaches are usually updated year by year, and some alternative ways are also applied in different areas to better fit the specific local context. Among them, the most effective approaches are usually initiated combined with other actions, under a clear long-term strategy and operated by a flexible framework.

Enhancing social service delivery

Another series of approaches has been applied to address the exclusion in social service sectors. The service is very wide ranging, and the most important elements should include the following: affordable housing, public security and anti-crime, education and training, health care, and other types of social work such as childcare, disability services or violence prevention (Gordon *et al.*, 2000; Scottish Executive, 2002; SEU, 2001a). In some cases, the retail and entertainment units are also included as social service providers. Most items of the service mentioned above were previously operated by the welfare system or other public agencies, and some, such as health care, were highlighted as the key of governmental responsibility. Since the new right started the welfare reform, more and more service provision has been transferred to the private and voluntary sectors, and is no longer distributed in egalitarian ways to the excluded groups. New Labour policies reinforced the recognition of the significant role of social service delivery in inclusion and the economic sustainability.

The enhancement of the social service delivery is more than the general improvement of its provision; it also focuses on equal accessibility to all, particularly the vulnerable groups. Thus all kinds of barriers should be removed for every person to reach the service provision. The barriers usually include not only the physical distance, but also the less visible barriers, for example economic affordability, some institutional separation and additionally, perhaps the mentality or attitudes of both sides. It has been

claimed that the Conservative years provided very unequal accessibility to social services, and challenged the basic precondition of “equal opportunities for personal development” to these excluded people. Therefore, the New Labour approaches towards inclusion must now work effectively against all the barriers.

The state, now as the new style welfare provider, seeks ways to “enable” the excluded ones to overcome the barriers that prevent them from becoming like the rest of society (Clarke and Newman, 1998). Within the barriers, “Education” was placed as the first priority of all. Here education in schools and the long-life education are both included in governments’ agendas. The latter focused on many types of professional training, especially to the low-educated groups who were excluded from the labour market. Through many projects, the trainees should become more competitive, with stronger confidence and skills to start their own personal development in the labour market. Health care, public security and other social aid are also regarded as key elements to enhance the competitiveness of individuals or social groups. The discrimination to minority ethnic people, to females and to disabled people will be further addressed by other initiatives. Therefore, the key of the process towards inclusion is to reinforce the “indirect” help to the disadvantaged people so that society becomes more equal and inclusive, but still maintains diversity.

Community engagement

This is another innovative attempt related to establish the new generation of welfare state by New Labour. The reform of its institutional structure of the new welfare system started together with the alternative outcomes of “positive assistance” to disadvantaged people (Dwyer, 1998). In initiating most schemes towards social inclusion, the targets, priorities and approaches no longer follow the plans proposed by the top-down bureaucratic system or any other single stakeholder, but are decided by more stakeholders at the neighbourhood level. The involvement of local communities has become much more significant than ever, which means local people themselves now have more opportunities in influencing the decisions to set up the targets or priorities for these approaches. This new institutional structure aims to eliminate all non-localised “inadequate decisions” caused by the previous top-down bureaucratic system, and to encourage more localised ways to promote inclusion effectively. Normally, the role of central or higher level government now focuses only on the strategic framework to

direct a variety of local actions, and coordinate them at a regional or national level.

There are many reasons to support the community-led approaches by New Labour. Generally speaking, it is only the community itself or community-based organisations who can fully explore the potential of local social and economic capital for a long-term sustainable development towards inclusion. The detailed explanation may include the following:

1. It is a necessary approach to better understand the local conditions, and helpful to make the most appropriate response.
2. It is beneficial to collect available resources as much as possible to encourage local communities to become full participants.
3. It is aimed to ensure the equal distribution of the positive effects by the projects.
4. It is a process to provide local people with more options for their personal development.
5. It is designed to help them to access more resources, such as enlarged social networking, to “enable” them in future.

In practice based on the new institutional structure, most action plans to promote social inclusion are now made by full negotiation and cooperation among as many stakeholders as possible. The stakeholders usually include not only public agencies and private investors just like before, but also voluntary groups and local communities themselves. Actually in some schemes to encourage local employment or enhance social service delivery, the tasks are jointly undertaken by all stakeholders. Thus the increasing influence by local communities may be derived from many ways. In many schemes, local communities or community organisations are empowered with not only the right to be informed or consulted, but also the right to elect representatives to participate in the decision-making process. The steering or coordinating committees formed by representatives from all stakeholders are widely applied in implementing the schemes towards inclusion, but there is not a recommended universal structure of the decision-making body (Carley, 2002). The structure itself may frequently change to better emphasise the community-led principle.

In all, the reform of the institutional structure of “power devolution to neighbourhood level” and “community engagement” successfully demonstrates the process of further democratisation of the existing political system. It effectively minimises the depth of stratification around class, gender, religion and ethnicity, and also rhetorically brings about the “classless society”, whilst discussions around poverty and inequality are replaced with the term “social exclusion” (Rose, 1999; Lister, 1998). By this way the state successfully devolves more “rights and responsibility” to civic society in order to better maintain the micro-scale balance in the dynamic, diverse and developing society. Furthermore, the concept of “community engagement” is just a strategic idea rather than an applicable plan. The ways, principles and effects of community engagement in the inclusion process are now widely discussed by researchers and practitioners.

3.4 Conclusion

This chapter first analysed the changing economic, social and cultural context of British society in most recent decades. In the face of the economic globalisation, the active role of private capital and market force should continue to be confirmed, but there needs to be awareness of the increasing influence of public agencies for sustainable economic growth. The traditional social structure has changed but social inequality has emerged again in other ways. Emerging individualism led to more diverse and dynamic needs in everyone’s social life, but public interest is still a concern for many of the population. Therefore, a new political ideology is certainly needed to re-establish the relationships between the individual, the state and the market.

Here the ideology of The Third Way emerged as the key political thought of the New Labour government after 1997. This ideology recommends an eclectic and pragmatic way in political decision by combining many valuable legacies from both old left and new right. The market-oriented economic system and the promotion of social justice were both emphasised.

The most significant influence by The Third Way in New Labour years was the redefinition of social equity and further reform of the welfare system. By keeping the market-oriented circumstances, many interventional approaches were applied to eliminate “social exclusion” by providing job opportunities and social service in a more equal way to all so that the “equal opportunities” could be definitely achieved. These

approaches are now largely operated at neighbourhood level, jointly decided and directed by more stakeholders with strong community engagement.

Chapter 4 Policy and Practice of Recent British Regeneration Programmes

The triumph of the New Labour party in the General Election of 1997 is a landmark of political restructuring similar to the successes of neo-liberalism in 1979 and social democracy in 1945. Correspondingly, a new generation of neighbourhood renewal/regeneration policies and programmes was launched, and given high priority in the new government's agenda. After drawing on valuable experience and lessons from the controversial property-led redevelopment movement, the perspective of "The Third Way" was now used to understand and analyse the remaining problems of the declining neighbourhoods. National strategies have been published to form a basic framework to direct consequent practical programmes. More long-term, wide-ranged and interacting approaches have been put into practice, and they are intended to operate in more flexible ways to better respond to the "local problems and needs". In this chapter, the most recent changes will be introduced and analysed. It will answer the following questions in turn:

- How does one understand the new "urban problems" that the new programmes need to solve?
- What are the new strategies and approaches for the new generation of programmes?
- What is the new mechanism that will be used to operate the initiatives?

The ongoing programmes in Craigmillar at Edinburgh will be referred to as being typical, in order to provide more detailed information for the answers.

4.1 New "Urban Problems"

Some official documents published immediately after the New Labour came to power provided the overall understanding of current "urban problems". As the consequences of previous socio-economic and cultural changes and the widespread property-led projects since the 1980s, despite some positive outputs, such as the revitalised urban image, the rekindled civic pride and successful practice of public-private partnerships, most of the significant new crises highlighted by the reports concentrated on the social aspect. Prime Minister Tony Blair described his concern about the formation of isolated social

groups in British cities which had the potential to generate the new rounds of social unrest as follows:

“Over the last two decades the gap between these “worst estates” and the rest of the country has grown.... It shames us as a nation, it wastes lives and we all have to pay the costs of dependency and social division.” (Blair, 1998b, p. 1)

The major causes of the social failures were then analysed by both the official reports and other research projects initiated by academicians. The significant socio-economic changes in recent decades are significant external factors which have caused these failures, but by analysing past governmental policies and their implementation, more valuable lessons may be learned. These include housing policies, planning regulations, local economy strategies and the reform of welfare system, etc. The consequences of the policy shifts imposed heavy burdens on vulnerable groups. For example, when the housing market became less regulated, the specific vulnerable groups were then concentrated in unpopular neighbourhoods, with worse and worse living conditions. Clearly, just like the process mentioned in the last chapter, they then had to suffer multi-dimensional exclusion with the vicious circle of “marginalisation-deprivation” for generations. At neighbourhood level, the cycle of multi-dimensional exclusion was also renamed “multiple deprivation” by many official reports. Many previous renewal/redevelopment or regeneration projects frequently aimed to help target neighbourhoods escaping the cycle but, as a result, the aims were almost never reached at all.

4.1.1 Severe multi-dimensional exclusion

In the 1980s, under the city marketing strategy, many derelict and under-utilised industrial areas near city centres and in waterfront areas lands were transformed into commercial centres, office estates or leisure parks. Redevelopment projects brought not only refurbished or newly erected buildings with well-designated landscaping, but also distinct economic growth and job opportunities. Many figures showed that more people had started to move back into the inner cities for working and living: in 1990 there were only 90 people living in the heart of Manchester, in 2005 there were 25,000 residents; over the same period the population of central Liverpool increased fourfold (Urban Task Force, 2005, p. 2). The redeveloped areas used to be the worst “problematic”

neighbourhoods in British cities one or two decades ago, but have now become the new powerhouses of prosperous urban economy.

However, the promotion of these specific areas did not necessarily benefit the wider area. One result was that, although the population and job losses slowed down or even reversed in the specific redeveloped areas, these have done little to reduce the overall level of unemployment in many cities (Hall, 2002). For example, the project of “merchant city” to redevelop Glasgow city centre has been very successful in both generating wealth and creating job opportunities in the city centre, but in the area of the whole of Glasgow City, the unemployment rate in 1989 was 15.8%, which was even higher than that in 1980, at 15.1%. The rate was then going on to increase with effects of the inflation and recession between 1990 and 1992 (Paddison, 1993). Compared with the areas having experienced the local promotion, some of the worst-hit areas or sectors (for example, most peripheral social housing estates) were never involved in the market-oriented redevelopment projects. In these “abandoned” neighbourhoods, there was always very little investment from private sectors, mostly on account of less potential for economic return (Robson *et al.*, 1994; Scottish Executive, 2006; McCarthy, 2007).

The retreat of most public investment in some cases speeded up the decline of the general living conditions of these communities. Thus usually the declining areas with concentration of vulnerable groups were falling deeply into multi-dimensional exclusion: not only with inadequate job opportunities, but also very low levels of public services, including transport, health, child care, schools and access to many mainstream social events (Power and Mumford, 1999; Pierson and Worley, 2005). Although the detailed situation varies from case to case, the common feature is that the “local problems” all have wide coverage and they interact with each other. Some problems are visible, characterised by the marked increase of homelessness, poorer housing or environmental conditions, street begging, etc. Some others are invisible, including the higher level of long-term unemployment, the rising levels of crime and drug abuse, closure of shops, banks, and other vital services, bad quality of local education and so on (Oatley, 1995; Blair, 1998b).

Craigmillar is one of the most typical examples of the neighbourhoods suffering long-term depression but not experiencing significant promotion during the neo-liberal

Craigmillar Archives, 2000). The housing styles were diverse and reflected the different projects: some were designed as traditional low-rise detached houses; a few were semi-detached houses while the latest projects created some high-rise flats. The highest two blocks have 14 storeys (Pawson *et al.*, 2000).

After the large-scale housing construction, the total population in Craigmillar reached 17,000, the size of a small town. However, in this public housing area, despite its size there were very few shops and other facilities. The lack of a wide range of services and the distance from the city centre made the area less popular to potential tenants and the local living conditions never had a high reputation. In the following two and three decades, poverty and job losses in Craigmillar became more and more prevalent:

“The first rumblings came with the run-down of the coal-mines and breweries and the closure of the Creamery. This left Craigmillar largely a dormitory area. The resulting mass unemployment was to dog the area for decades to come, bringing with it all the festering social ills of 20th century urban living.”(The Living Craigmillar Archives, 2000)

The decay of the area became apparent in almost all aspects and they reinforced each other. The historic statistics reveal the decreasing population, rising crime rates, poverty and concentration of low-income people, together with the physical decay. Rounds of public funding were devoted to reducing the social problems in this or that single issue, while the process seemed like a never-ending task without reward. After the “Right to Buy” schemes and the reform of other welfare provision in particular, the gap between Craigmillar and other Scottish neighbourhoods became larger than ever: the better-off residents moved away while families considered to be problem families from all parts of the city were re-located to the area. According to Scottish Government statistics, it is now considered to be the fourth most deprived area in Scotland (4th out of 1222 areas) and the No. 1 deprived area in the City of Edinburgh.

4.1.2 Impacts of previous renewal/redevelopment practice

Many British neighbourhoods have experienced one or many rounds of renewal/regeneration projects, but the effects of previous practice were seldom successful in escaping the exclusion process. In those areas which had experienced

property-led redevelopment, although some stakeholders did gain many benefits from the process, the promotion of the places did not usually fully capture the real needs of all local residents. In practice, the variety of disadvantaged groups, including low-educated or low-skilled labour, immigrants, elderly, disabled or single-parent families, were greatly marginalised from the local promotion process. The updating of industries, beautification of the local physical environment and the incoming flow of a richer population simultaneously brought rising housing prices and increased the daily cost of living to the local community. Most of the poor tenants who used to live in dilapidated conditions, could no longer afford the local cost of living after the redevelopment projects. The result was that they had to be relocated out of the “redeveloped, promoted or gentrified” neighbourhoods. Since the late 1980s, because of the deregulation of the housing market, the people evicted by the property-led redevelopment projects were sent to be concentrated in some specific geographic areas together with other losers of the socio-economic restructuring. That means that the majority of people suffering intolerable living conditions were not eliminated at all but were only relocated and concentrated in some more “invisible” neighbourhoods in cities. Most of these areas are the residual public housing estates on the peripheries of cities, which were mostly inheritance of the large scale “demolition and relocation” movement of the 1950s and 1960s, and then excluded by the property-led redevelopment projects in the 1980s (Forrest and Murie, 1983).

In addition to the property-led redevelopment projects, in past decades there were also some regeneration projects which targeted more the promotion of social well-being rather than economic renaissance. They were either supported by public aid or based on self-organised community activities. These initiatives were usually carried out on a very limited scale and focused only on this or that specific problem, or return the exclusion in one or two aspects of the deprived urban neighbourhoods. However, the effects of these attempts were very similar to the over-marketised property-led redevelopment process: the approaches in this or that single domain might achieve short-term success, but this did little to help stop the decline in other aspects. Therefore, the vicious circle of “marginalisation-exclusion-decline” still occurred in these neighbourhoods.

In the case of Craigmillar, several rounds of regeneration initiatives have already been launched in the past thirty years. Among them, the ideas and approaches of the self-organised “cultural-led regeneration” must be marked, which is closely linked to

the Craigmillar Festival Committee (called the Craigmillar Festival Society after 1970). The community-based organisation launched frequent community activities, pulling out local talent and staging a People's Festival of music, drama, and the arts. Besides, many artists, politicians and researchers were attracted by the community arts; they soon formed a powerful partnership with local communities, and became dedicated to fighting to address the decline of local social well-being. As a result of this work, the area has gained some of the missing facilities and opportunities to enhance local services. Also, the activities enhanced the self-confidence of the people suffering deprivation, by encouraging them to undertake some public service themselves. The activities also encouraged local people who were trying to re-discover their lost local identity and spirituality, most of which was then transferred into useful recommendations for improving the quality of life in Craigmillar.

However, the achievements of the community-based initiatives were still quite limited. Despite the high passion of self-driven social improvement movements, some fundamental problems of the multiple deprivations, such as unemployment, education, health and crime, could not really be solved by the community themselves. Many of the above problems were not new but longstanding and interactive. Many young people had to face this unequal treatment as soon as they were born in the community. After more than ten years of neo-liberal reform with the retreat of public services, the problem has become more significant.

In earlier official documents produced by the New Labour government, as well as in some research reports by academicians (SEU, 1998; Carley, 2000), the tremendous costs of unsuccessful previous regeneration policy and practice around Britain have been described as follows:

“The failure to get to grips with the problems of the poorest neighbourhoods represents a costly policy failure. Public money has been wasted on programmes that were never going to work and generations of people living in poor neighbourhoods have grown up with the odds stacked against them. We are all paying for this failure, whether through the direct cost of benefits and crime, or the indirect costs of social division and low achievement.” (SEU, 1998, p. 5)

Furthermore, the following official documents (SEU, 2001b) summarised some significant lessons which should be learnt from the reasons behind the failures, as the follows:

“Too much reliance was put on short-term regeneration initiatives in a handful of areas and too little was done about the failure of mainstream public services in hundreds of neighbourhoods. There was too little attention to the problems of worklessness, crime, and poor education and health services. Government failed to harness the knowledge and energy of local people, or empower them to develop their own solutions. There was a lack of leadership, and a failure to spread what works and encourage innovation.”
(SEU, 2001b, p. 7)

The critical overview of previous practice did provide some possible positive changes to the later new style of regeneration policy and practice in the New Labour era for the most deprived areas like Craigmillar. First, the new regeneration strategy with longer-term, holistic, mixed targets (across economic, social and other areas) must be carefully proposed. Second, the barriers between governmental departments should be broken. Also, the role of the local community in both decision making and implementation need to be further emphasised and the self-organised activities should be coordinated with the aid of incoming public funding and private capital from outside.

4.2 New National Strategies

Since New Labour came to power in 1997, regenerating the large number of neighbourhoods suffering multi-dimensional exclusion/deprivation has been regarded as one of the most significant topics of social policy. Hence, the new round of neighbourhood renewal (in England and Northern Ireland) policies and programmes was prepared. In Scotland and Wales, similar initiatives were named ‘community regeneration’ (Tiesdell and Allmendinger, 2001; Carley, 2002; DCLG, 2006; Scottish Executive, 2002, 2006). Based on previous experience and lessons, the new programmes were operated in more flexible ways. The objectives, involvement and mechanism of every programme varied from case to case. Central government also provided national frameworks to regulate all the schemes.

4.2.1 Deprivation indices

In recent years, the UK government set up a series of official “deprivation indices” in order to measure rationally the extent of multiple deprivations (in a given area at a given time). They reflected the wide-range of “urban problems” currently found at the neighbourhood level. These are also used as references and a baseline to help selecting targeted neighbourhoods in future regeneration programmes, and to assess their effectiveness later. The indices cover several dimensions of deprivation, and each domain consists of a number of indicators. On 28 March, 2008, the DCLG published the newest version of *English Indices of Deprivation 2007*, which contains seven domains of deprivation as follows:

- Income deprivation
- Employment deprivation
- Health deprivation and disability
- Education, skills and training deprivation
- Barriers to housing and services
- Living environment deprivation
- Crime

In the 7 domains, 38 quantitative indicators have been selected to assess the multiple deprivations. Many of the indicators are very carefully issued from the perspective of “The Third Way”: trying to find out the “real” problems or difficulties that cause the deprivations rather than the consequences of the declines. For example, these data concern the equivalised income (excluding housing benefits) rather than the gross income to measure the income deprivation. The indicators used to measure health deprivation include the proportions of people with both physiological and psychological illnesses. Also, there are different indicators to measure the education and skill deprivation for both children/youth and the adults of working age respectively.

In Scotland, the devolved government issued the *Scottish Indices of Multiple Deprivation* (SIMD) in 2004 and revised it in 2006. The domains and indicators to measure multiple deprivations are very similar to those of the English version, and the detailed indicators differ owing to the special circumstances, the various sizes of the neighbourhoods, or the availability of some data. Scotland is divided into 6,505 data zones, of which the total population ranges from 800 to 1000. With reference to the

indicators in each domain, there will be a score for each data zone and then a combined score will be calculated so that a rank for the 6,505 data zones will be obtained from the most deprived neighbourhood to the least. In Wales and Northern Ireland, the devolved governments have also published the corresponding indices suitable for their own national contexts. In general, all these British indices have only slight differences among each other. There are also different ways of combining the “overall deprivation scores” between them, but the basic idea of the evaluation process is the same: to make more integrated results. From Table 4-1 it is easy to find many similarities and differences.

Table 4-1 The domains and percentage weights applied for the indices across the UK

	England	Northern Ireland	Scotland	Wales
Income	22.5	25	28	25
Employment	22.5	25	28	25
Health	13.5	15	14	15
Education	13.5	15	14	15
Barriers to housing and services	9.3	-	-	10
Proximity to services	-	10	-	-
Geographic access	-	-	9	-
Housing	-	-	2	5
Living environment	9.3	5	-	-
Physical environment	-	-	-	5
Crime	9.3	5	5	-

Source: http://www.neighbourhood.statistics.gov.uk/dissemination/Info.do?page=Indices_of_deprivation.htm

From the use of these indices, the complex “urban problems” now can be explored from a wider perspective than ever before. Also, the contents of the indicators and domains are usually revised every few years so that the quantitative data can better explore the most recent declines in the dynamic British context. Apart from the domains and indicators, some other factors potentially influence local living conditions but are not included. For example, the measurements of the cultural circumstances, the social networking of local residents, the community cohesion and so on are not usually listed, mainly because they are very difficult to assess in a quantitative way. However, it is very helpful to use them to capture real “local needs” for future regeneration programmes at a strategic level, and the missed issues of “local needs” could be remedied by other ways, for example, local participation and inter-sectoral cooperation.

In the case of Craigmillar, the multi-dimensional declines can be clearly shown by comparing the local data and those of other Scottish neighbourhoods according to the SIMD 2006 background data. As a very large-scale peripheral housing estate, Craigmillar contains 10 data zones, as shown in Figure 4-2. There is a rank for every data zone in each of the domains. Rank 1 means this is the most deprived (worst) data zone among the 6,505 cases around Scotland, while the larger number of the rank means a better result. The most recent result is listed in Table 4-2.

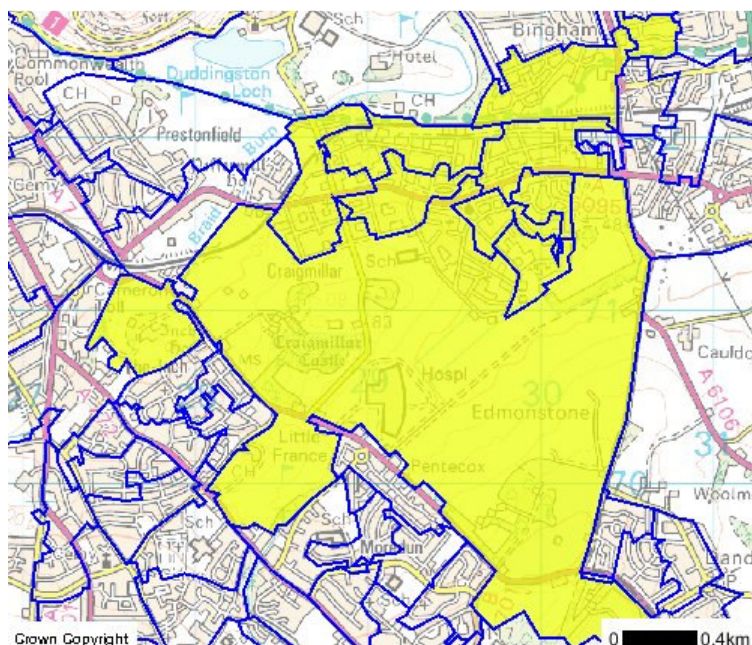


Figure 4-2 The boundary of Craigmillar and the data zones

Source: Scottish Neighbourhood Statistics (<http://www.sns.gov.uk/>)

Table 4-2 The domain and overall ranking of data zones in Craigmillar

Data Zone	Population	Income Rank	Employment Rank	Health Rank	Education Rank	Housing Rank	Access Rank	Crime Rank	SIMD Overall Rank
S01001906	804	2	1	1	118	1350	4371	18	4
S01001935	762	61	34	20	132	1432	3584	1279	39
S01001948	782	59	45	99	176	650	4532	270	54
S01001956	778	937	745	827	650	1089	4901	3094	862
S01001957	748	90	195	66	228	748	6044	279	103
S01001966	827	137	267	186	85	675	5230	305	129
S01001978	1058	74	298	233	186	1506	5301	2194	177
S01001982	321	265	553	956	41	395	5054	1118	329
S01002017	1106	134	91	131	91	837	4767	472	82
S01002044	682	228	519	525	147	607	5510	3159	346

Data source: <http://www.scotland.gov.uk/Topics/Statistics/SIMD/simdbackgrounddata2simd06>

Table 4-3 below shows how large the gaps in these domains are between Craigmillar and the average level of the whole Edinburgh city and around Scotland, although some data could not be collected on the domains of health and crime.

Table 4-3 Deprivation indicators comparison: Craigmillar, Edinburgh and Scotland

	Craigmillar	City of Edinburgh	Scotland
<i>Population</i>			
All persons (2001)	7933	449020	5064200
Child Population % (2001)	24.44	16.31	19.16
Working Population % (2001)	59.79	65.94	62.20
Pensionable Population % (2001)	15.77	17.75	18.64
<i>Economic Activity, Benefits and Tax Credits</i>			
Percentage of total population who are income deprived: (2002)	53.1	11.8	15.0
Percentage of working age population who are employment deprived (2002)	38.8	9.7	13.8
<i>Health</i>			
Low weight live singleton birth rate per 1000 live singleton births (2000-2002)	42.37	21.68	24.39
Percentage of children breastfeeding at the 6 to 8 week review (2004)	20.63	55.95	35.76
<i>Education, Skills and Training</i>			
Average tariff score of Male pupils on the S4 roll	120	166	162
Average tariff score of Female pupils on the S4 roll (2004)	99	171	178
Average tariff score of all pupils on the S4 roll (2004)	92	166	168
<i>Housing</i>			
Percentage of dwellings in Council Tax band A (2003)	53.85	11.14	24.73
Percentage of dwellings in Council Tax bands A to C (2003)	97.33	50.30	65.02
Percentage of dwellings in Council Tax bands F to H (2003)	0.43	19.42	10.69
Total number of dwellings per hectare (2003)	7.15	8.28	0.30
<i>Physical Environment</i>			
Percentage of people within 0-500 metres of any Derelict Site (2004)	4.0	5.9	27.4
Air Quality - Nitrogen Dioxide concentration - Population weighted (2002-2004)	18.2	21.8	-
Air Quality - PM10 concentration - Population weighted (2002-2004)	13.9	14.4	-

Data source: <http://www.scotland.gov.uk/Topics/Statistics/SIMD/simdbackgrounddata2simd06>

The data reveals the severe multiple deprivations in the Craigmillar area, where almost all data zones (except the zone of S01001956, narrowly missed) have fallen into the 10% of the most deprived zones in Scotland. Although the data are quite new, some historic archives can also provide similar evidence that the linked socio-economic problems in Craigmillar have existed for several decades (The Living Craigmillar

Archives, 2000). Previous housing renewal projects have involved demolishing many unpopular high-rise blocks and refurbishing or reconstructing the lower-rise flats. Thus it can be seen from this table that the deterioration of housing and physical environment is not the most serious local problem, while the deprivations of income, employment, health and crime should be given higher priority.

4.2.2 Regeneration visions and targets

In the face of the severe multiple deprivations, the following neighbourhood regeneration initiatives were proposed which had clearer visions and targets than ever before. This is in order to fill previous “absence of effective national policies to deal with the structural causes of decline” (SEU, 1998), which was agreed as one essential lesson from past failures.

At national level, the visions and targets are based on the commitments to respond to the deprivations in the several domains mentioned above. The only exception is that they do not include direct responses to the “income deprivation”. Actually the income issues in declined urban neighbourhoods were frequently over-emphasised in initiatives of past decades. The existing policies have successfully addressed the income exclusion in many ways, e.g. pension credits or income credit schemes. Thus, the new integrated targets in most national wide regeneration programmes do not include the direct economic aid to poverty but rather try to promote inclusion across all other domains of the multiple deprivations.

In 2001, the SEU together with NRU published “*A New Commitment to Neighbourhood Renewal: National Strategy Action Plan*”, which indicated many details of the combined targets in proposed Neighbourhood Renewal programmes in England, as follows:

Tackling worklessness and supporting weaker economies

The major target in this domain is to present the national-wide “welfare to work” strategy through a series of policies, funding and programmes. The detailed objectives of the strategy consist of the following: enhancing regional economies; reducing tax of working households; encouraging local financial service and shops; application of

National Minimum Wage; further eliminating racial and sexual discrimination in the labour market; providing free childcare service (for working parents); and improvement of traffic (to access jobs). For all measurements, the key idea is to ensure that people who have the capability to work would be better off in employment rather than relying on any other financial aid from the state.

Tackling crime

In order to create safer neighbourhoods in the long term, the regeneration targets must not only cut off the criminal or anti-social behaviour themselves, but also tackle the causes leading to social unrest. For example, in some specific programmes to address the severe threats of drug or alcohol abuse, more attention has been paid to events which educate the public, especially youth groups, rather than punishing the offenders. Meanwhile, more proposed attempts are not only being tackled by police forces, but also by community and voluntary groups working together. One typical example is the newly launched Neighbourhood Wardens schemes, in which local communities are encouraged to take more responsibility for keeping social order and enhancing cohesion to prevent potential crimes.

Improving skills

The concept of “skills” here means lifelong learning across all areas and for all people in need of them. Besides the attempts to tackle under-achievement in schools, the programmes also address adult education and wider skills training. For children, the major objective is to ensure decent health and early learning service or financial aid to families with children in poverty. The regeneration approaches may cooperate with or be involved in the Sure Start programmes. For young people, returning to some form of bad behaviour, such as teenage pregnancy or student drop-out, has become the major objective, and for adults of working age, the series of training schemes has been applied to improve skills in favour of seeking for jobs, and also for personal intellect to be better involved in modern society. That may include the skills of using the internet, electronic business facilities, and also the knowledge of mainstream culture and the arts.

Tackling poor health

The most direct target is to keep improving the whole NHS system, especially in the deprived neighbourhoods. Besides, the further target is the encouragement of healthy lifestyles. Some attempts towards the latter objective have been made through community-led activities. The important cases include the Smoking-cessation services, National School Fruit Scheme, and also the free and nationally available translation and interpretation service which will be beneficial to many minor ethnic groups.

Tackling poor housing and physical environment

The schemes of housing and physical improvement may no longer be placed in very central roles as before. However, this is usually also very significant in local promotion, for the housing or physical changes may affect the living conditions in many other aspects. In recent years, the large scale physical renewal projects have gradually been displaced by smaller scale betterment approaches. Moreover, the improvement of the physical environment is not only restricted to aesthetic design, but also involves more consideration of ecological issues such as air quality, wildlife, waste and pollution, etc.

In Scotland, Wales and Northern Ireland, the devolved governments have also published their own national visions corresponding to the English version. The majority of the contents are quite similar to the English strategy, and the slight differences show their unique national contexts (Table 4-4).

Table 4-4 The national-wide neighbourhood renewal visions across UK

Scotland Community Regeneration	Wales Community First	Northern Ireland Neighbourhood Renewal
1. Building strong, safe and attractive communities: preventing crime, reducing the fear of crime, reducing financial exclusion and multiple debts	1. Job and business 2. Education and training 3. Environment	1. Employment/employability (worklessness) 2. Crime 3. Health
2. Getting people back into work: increasing employment	4. Health and well being	4. Education 5. Physical environment including housing
3. Improving health	5. Active community (empowerment)	6. Community/recreation
4. Raising educational attainment: improving the confidence and skills	6. Crime and community safety	
5. Engaging young people		

Source: Scottish Executive, 2004; Welsh Assembly Government, 2007; DSD (N Ireland), 2006

At local level, the regeneration visions and targets are certainly much more flexible, but almost all of them are not different from the nation-wide vision. In the case of Craigmillar, the overall regeneration targets were officially issued very late there being a number of separate regeneration programmes over the years. In 2005, the local regeneration outcome agreement was finally published, and indicated the major targets to be covered by the regeneration approaches in the following three years. The outcomes meet all of the 5 national priorities suggested by Scottish Executive, and added community engagement and capacity building as separate priorities to meet the specific local context. Table 4-5 below shows more details about the local targets according to the six strategic priorities.

Table 4-5 Regeneration targets of Craigmillar (2005-2008)

Strategic priorities	Detailed local targets
Priority 1 Building strong, safe and attractive communities	<ul style="list-style-type: none"> • New housing units are built that meet housing needs, ensure a diverse tenure mix and provide a high quality of environmental amenity. • Reduction in incidents of crime, the fear of crime and the effects of anti-social behaviour.
Priority 2 Getting people back into work	<ul style="list-style-type: none"> • More unemployed and people 'far from labour market' come off benefits and into jobs. • A sustainable local economy is developed • Expansion of retail, office, business and work space
Priority 3 Improving health	<ul style="list-style-type: none"> • More people experience physical wellbeing • Mental health and wellbeing is promoted
Priority 4 Raising educational attainment	<ul style="list-style-type: none"> • Schools, parents and carers work together to ensure the attainment level of all learners continuously improves. • More people participate in adult learning courses and classes and receive effective educational guidance
Priority 5 Engaging young people	<ul style="list-style-type: none"> • Significant increase in young people, especially socially excluded, accessing mainstream resources, community based learning opportunities and intercultural exchanges • All young people are supported in making the transition from school into FE, HE or work
Priority 6 Community engagement and capacity building	<ul style="list-style-type: none"> • Having strong, effective local forums for special interest groups and community representation • Building strong, effective community organizations • The whole community is fully informed about local issues and participates in local decision making

Source: Craigmillar Partnership, 2005a

4.2.3 Institutional innovations and local community engagement

In the New Labour era, some institutional changes have been innovatively created for the better operation of the new regeneration initiatives. The changes try to break the bureaucratic and fragmented system in charge of public service provision and previous neighbourhood renewal projects. In the immediate post-war years, the large-scale slum-clearance projects in British cities were normally undertaken by the housing executives of local authorities. In the 1960s, the Urban Programmes and other initiatives targeting social unrest were the responsibility of the Home Office and then the Department of Environment. In the 1980s, public-private partnerships became widely used to operate the property-led redevelopment initiatives, such as UDCs to enlarge and enhance cooperation among different stakeholders, but the involvement was still limited and local authorities and community were greatly sidelined from the system. Nowadays, it is clear that, in order to stop the multi-faced decay across so many aspects, the new programmes should be operated based on enhanced parallel cross-departmental coordination, and also vertical cooperation between central, regional and local levels.

Thus in central government, the New Labour politicians decided to set up the cross-departmental unit to take charge of the wide-ranging regeneration issues. In England, almost all proposed new regeneration initiatives came under the direction of the “Social Exclusion Unit” (SEU). This unit was launched in December 1997 to provide joined-up solutions to multiple deprivation. It is set in the Cabinet Office and operates under the direct leadership of the Prime Minister. The aim was to break down the bureaucratic barriers among governmental departments and deliver the joined-up thinking for national-wide regeneration strategies. In May 2002, this unit was reset as a part of the newly established Office of the Deputy Prime Minister (ODPM) and then Department of Communities and Local Government (DCLG). Since 2001, the SEU had started working cooperatively with the Neighbourhood Renewal Unit (NRU), which is another part of ODPM/DCLG and responsible for overseeing central government’s comprehensive neighbourhood renewal strategy. Over the years, a series of official reports has been completed and issued by them as official statements to demonstrate the understanding, the policy priority and practical guidance of the new generation of national-wide regeneration programmes. In Scotland, Wales and Northern Ireland, following devolution, the new governments also established specific agencies and issued similar documents to direct the new regeneration programmes within their own

boundaries, sooner or later.

At a local level, in almost all disadvantaged neighbourhoods, the setting up of the widely-involved local partnerships was encouraged, in order to deal with most of the affairs associated with area-based regeneration initiatives. Although there is not a universal recommended structure of the partnerships, the involvement of local partnerships is usually much wider than before. Normally, public agencies, including all relative governmental departments at central, regional and local levels, and private developers, as well as other local voluntary organisations and representatives of local communities, together form committees to decide the overall strategy for local regeneration and a series of the following detailed approaches. The partnership should exist in the long term, remaining in charge of monitoring, evaluating and revising the strategy regularly. Every stakeholder should have an equal right in the decision making and work together to operate the proposed approaches through cooperation and negotiation. Every local regeneration partnership could also cooperate with other partnerships in other areas or on larger scales.

In Craigmillar, the first such partnership was established in 1996 when the first local regeneration project beyond housing renewal (“Priority Partnership Area”) was started. In April 2000, the involvement of the partnership was enlarged and the organisation was renamed the ‘Craigmillar Partnership’, which began independently to take more responsibility in the setting up of the overall strategy for regeneration. Besides promoting the strategic visions for future regeneration outcomes, the daily work of the Craigmillar Partnership is to get all the public, private and voluntary participants working together by negotiation in regular board meetings. Currently, the members of the Board of Directors are representatives of the following different groups:

- Local council (chair)
- City of Edinburgh Council
- Four community representatives
- Scottish Enterprise, Edinburgh and Lothian
- NHS Lothian
- South East Edinburgh Local Health Care Co-op
- Private Sector

The Board sets out the main priorities of the long-term complex regeneration process. Day-to-day work is carried out through a series of sub groups and supporting teams. Through the partnership organisation, all stakeholders can hereby have equal access to relevant information about the regeneration process. In 2003/04, 35% of those attending sub-groups were from the voluntary sector, 38% from City of Edinburgh Council and other statutory bodies, and 20% were community representatives, with another 7% from the private sector (Craigmillar Partnership, 2005a).

Besides, the partnership also set out a series of targets to further encourage community engagement in Craigmillar. The outcomes may include the following:

- Having strong and effective community representation: to ensure community representatives having consulting and voting rights on local decision-making bodies for any strategic thinking and proposal applications.
- Having significant influence on local issues: to ensure that effective consultation takes place with the community on important local affairs, and people should say they think their views have been taken into account by post-consultation surveys.
- The community is fully informed about local issues: to ensure that a high percentage of local people read the Craigmillar Chronicle regularly, and they are informed and aware of resources available in time, in various ways.
- Having strong, effective local forums for special interest groups: public support will be provided in forming these organisations, especially the vulnerable groups.
- Encouraging individuals to attend community activities and voluntary work: tailored, off-the-shelf training courses and workshops will be set up to help local people to improve their relevant skills in order to participate in these activities.
- Enhancing local people's communication and influence to outsiders: to encourage local people to attend or participate in city-wide and national meetings and networks.

Many existing research reports have shown very positive records of the successful community engagement in Craigmillar (Pawson *et al.*, 2000; Fioretti, 2007). The community representatives and other local organisations, such as the Craigmillar Regeneration Forum and the Craigmillar District Business Association, have truly been

actively involved in the consultation and decision-making process for some important action plans, for example the Craigmillar Urban Design Framework completed in 2004 (Davies, 2004). Many innovative suggestions from representatives' own perspectives have been taken into account in helping to reach the regeneration targets by the most "appropriate" ways. The successes may have benefited from the tradition of its long history of community spirit within the activities of the arts. However, the engagement and influence of the local community in the regeneration process sometimes appears "slower than ideal" (Craigmillar Partnership, 2005b). It seems the fragmentation of ownership of property is threatening the incisiveness of tenants' participation, which may mean that they are not as involved as much as they should be and this could lead to problems in the future (Fioretti, 2007).

4.3 New Deals and Programmes

A series of new deals and programmes has been put into practice to embrace the national regeneration commitments. In England, the list of the relative programmes is very long: New Deal for Communities, Neighbourhood Management Pathfinders, coalfield regeneration, Health Action Zones, community cohesion initiatives, Housing Market Renewal Pathfinders, Crime and Disorder Partnerships, Neighbourhood Warden Schemes, Sure Start programmes for children under five years old and some other smaller sports and arts schemes also with regenerative objectives. All the programmes clearly show the application of the New Labour ideologies against the multi-dimensional exclusion, and well reflect the true scale of how the problems are being addressed: *"...not the tens but the hundreds of severely deprived neighbourhoods ...; not just on housing and the physical fabric of neighbourhoods, but the fundamental problems of worklessness, crime and poor public services – poor schools, too few GPs and policing ...; hundreds of billions of pounds spent by the key Government departments (in a longer term), rather than relying on one-off regeneration spending (for a short term)."* (Blair, 2001, p. 5)

4.3.1 Nation-wide deals

Although almost every nation-wide programme now strictly follows its national regeneration strategy, it does not mean that all the new initiatives will be operated by following an invariable model. It is expected that the launch of a universal strategy will

just present the general ideas, or propose some possible or optional approaches, as a reference in coordination of a variety of single programmes in regeneration areas. In practice, following a universal framework the strategic approaches can be interpreted into very detailed actions to match the local context. The programmes of the “New Deal for Communities” (NDC) in England are a typical example of this.

The NDC now is widely regarded as the most significant “flagship programme” to push the new style regeneration process by New Labour’s ideologies. The NDC programme covers 39 neighbourhoods with an average population of 4000, and each of those can receive approximately £50 million guaranteed funding for (at least) ten years. The resources allocated to the deprived communities are greater than those of the most previous single regeneration programmes. Although a recent report (CRESR, 2005) showed that the NDC programme could “never make a major dent in neighbourhood deprivation across the country” because only 1/20 people living in deprived areas are involved in this programme, it still can be regarded, however, as pilot approaches, since too few lessons have actually been learned during previous programmes.

One significant feature of the NDC programmes is the longer-term commitment to deliver real transformative changes to disadvantaged communities. This reflects the acceptance that the poorest areas are facing multiple deprivations and entrenching the combination of social and economic problems. The NDC programme no longer aims to provide public aid in the traditional way, but provides opportunities to improve the capability of the communities (i.e. enabling people to do more for themselves). Thus the longer-term commitment and stable funding for ten years (total cost of £2 billion of each) may be a realistic cycle to achieve the in-depth changes.

The anticipated outcomes are spread across a wide range of themes, including: reduction in crime, raising the level of educational achievement, improvement of health, promotion of housing and physical environment, and actions to increase employment opportunities. Although housing improvement should still hold a central role in the delivery plans of the NDC, it was actually put down behind the other issues. This may be in order to return the strategies which over-emphasised the housing-dominated programmes and the logic of “place-based” initiatives.

A series of practical approaches in the five areas has been outlined in the delivery plans for every year, and covered a very wide range of local problems. The major projects may include the following (Table 4-6):

Table 4-6 The practical projects of NDC programmes

Projects for Housing and Physical Environmental Improvement	
• Environmental improvement project	• Housing management/services
• Physical redevelopment	• Neighbourhood management and/or centre
• Green, open spaces and parks	• Community facility
• Housing maintenance, redevelopment and new builds	• Master plan
• Transport – public, community and related	• Property acquisition and demolition
• Play grounds/areas	• Road improvements and safety
Projects for Employment, Finance and Enterprise	
• Business support and development	• ILM project
• New businesses/self employment	• Skills training programme
• Training scheme/support	• Vocational training/support
• Advice, support or information and/or centres	• ICT strategy/project
• Childcare related project	• Construction industry related project/initiative
Projects for Health	
• Leisure, sport or exercise project/facility	• Food & nutrition project
• Health improvement/promotion activities	• Older people's project
• Drug/ alcohol abuse project/worker/services	• Family support
• Health services availability/accessibility	• Healthy Living Centre and related
• Theme development/staff	• Alternative and complementary medicine
• Mental health project	• Teenage pregnancy project
Projects for Crime and Disorder	
• Police increase numbers & activity	• Security project – domestic
• Wardens/street concierge service	• Youth Inclusion Programme
• CCTV	• Street lighting
• Safety project	• Environmental improvement project
• Domestic violence worker/project	• Security project – non-domestic
• Drug/alcohol abuse project/worker/services	
Projects for Education	
• Educational support	• Theme development/staff
• Educational attainment project	• Educational facility
• Family learning/support project	• Other
• After school/early morning/holiday clubs	• School and related support programme or project
• ICT strategy/project	• Pupil support
• School maintenance, new builds and extensions	• Transition support project
• Early learning/pre-school learning and Sure Start	

Source: CRESR, 2005

4.3.2 Local actions

In practice, many programmes in accordance of the national regeneration strategy had already begun and had operated for many years before the publication of the national strategy. In most British neighbourhoods, besides those programmes initiated by central government, more regeneration actions have been launched by local authorities, voluntary organisations, enterprises, communities, or all of them jointly. But now the launch of the national strategy really emphasises better coordination among the actions at “neighbourhood” level. Here the concept of “neighbourhood” is pragmatic in definition but at the same time also a proxy for “community”. Usually a “neighbourhood” should have such boundaries established by roads, changes in housing tenure or design, catchment areas for primary schools and shops, or areas defined by transport links (SEU, 2001b, p. 13); each of these neighbourhoods normally contains several thousand people. The reasons for the selected scale are two folds: first, such a “neighbourhood” could well correspond to electoral wards where both statistical information and local political support can be more readily supplied; and second, on such a scale, many behavioural programmes would be easier to offer, including the job training for adults and school leavers, the improvement of school education, and the approaches to diminish the number of crimes and level of anti-social behaviour (Pierson and Worley, 2005).

Since Craigmillar is one of the most typical Scottish neighbourhoods to suffer the multiple deprivations, all the recent regeneration approaches have also been summarised in the published Regeneration Outcome Agreement by the local partnership (Table 4-7). These actions have covered all the regeneration priorities proposed by Scottish national strategy and local targets.

Table 4-7 Regeneration approaches of Craigmillar (2005-2008)

Strategic priorities	Detailed local targets
Priority 1 Building strong, safe and attractive communities	<ul style="list-style-type: none"> • Re-build Wauchope Square, Niddrie Mains and Greendykes • Use and maintain green spaces well • Community Concierges continue to cover neighbourhoods of Niddrie Mains, Niddrie Marischal and Niddrie House • 6 Police Officers continue to be deployed in Safer Communities Unit • Anti-social Behaviour Neighbourhood Agreement launched and regularly monitored by landlord and tenant signatories
Priority 2 Getting people back into work	<ul style="list-style-type: none"> • Employment access advice to: 1) 500 clients per year; 2) 300 new clients per year; 3) Place 184 clients into work; 4) Provide 20 pre-vocational and vocational courses per year; 5) Provide 350 affordable childcare places. • Business development support to start-ups and small and medium enterprises (SMEs) and encouragement to local employment • Build new supermarket, office block, business centre and work space units
Priority 3 Improving health	<ul style="list-style-type: none"> • Healthy eating food stalls, cafes and classes • Physical activity programmes • Smoking cessation services • Alcohol reduction services • Sexual health programmes • Providing social, lunch and day clubs for 65 older people and 60 children with special needs or learning disabilities • Phone 180 elderly and people with mental health problems every morning and evening • 480 counselling sessions per year for women • 25 drop-in sessions for young people on sexual and emotional health issues
Priority 4 Raising educational attainment	<ul style="list-style-type: none"> • Regular information and action meetings with parents • Implement Curriculum developments • Use facilities and expertise of others to support a wide-ranging curriculum • Increase number of staff with guidance skills • Programmes to remove barriers to learning • More people participate in adult learning courses and classes and receive effective educational guidance
Priority 5 Engaging young people	<ul style="list-style-type: none"> • Change existing services to remove barriers to access • Provide outreach and streetwork • Exchanges and study visits • Programmes for School to FE transition • Programmes for School to work transition
Priority 6 Community engagement and capacity building	<ul style="list-style-type: none"> • Using staff and resources to support the start-up and maintenance of local forum, networks and representative bodies • Providing training for local volunteers and staff • Wide use of different media for informing community

Source: Craigmillar Partnership, 2005a

Some of the above programmes can be seen as the continuity of early regeneration projects, especially the work on housing redevelopment, refurbishment and physical

improvement. For example, the refurbishment projects of council housing funded by City Council of Edinburgh started in the 1980s, and since the 1990s more private investments and the funds from central government have been involved. The major changes of housing conditions in Craigmillar can now be summarised as follows:

- Housing density reduction: through the demolition of some unpopular tower and multi-storey blocks, and redevelop the lower-rise blocks.
- Tenure transformation and diversification: a proportion of the public housing stocks were transferred to privately owned or housing association units.
- Refurbishment and improvement: some old housing buildings were then updated in both the images and the indoor and outdoor facilities.
- Mixed new development: the newly-developed housing units are mostly constructed with other facilities such as shops or entertainment units, and many of the new housing units are for rent.

Another factor to be noted is that many approaches listed above are linked to the relocation project of Edinburgh Royal Infirmary. The new construction at Little France, just neighbouring the area of Craigmillar, not only hosts the largest hospital in Edinburgh (previously located in the city centre) but also includes the development of the healthcare academy, the adjacent bio-medical research centre, the provision of high-quality parkland and the physical road linking to the hospital. That brings a great number of job opportunities to local residents, and also promotes the new housing development in Craigmillar. The residents of Craigmillar can also benefit from the enhanced public transport facilities connecting the new hospital and city centre.

4.4 Conclusion

This chapter introduced and analysed in details the most recent British neighbourhood regeneration initiatives. Compared with previous practice, the most recent regeneration process is really characterised by many new features. Almost all of the new features are closely associated with the new understanding of current “urban problems” from the perspective of “The Third Way”. Thus, the new regeneration initiatives now directly target the multiple deprivations in the declining neighbourhoods which were not eliminated by previous projects. A series of deprivation indices were officially issued to measure in a more rational and comprehensive way the extent of the deprivation in

several domains. Based on that, the targets were then proposed to reduce the deprivations in every domain, one by one, in a very pragmatic way. Most new changes were expected to be achieved through active and long-term interventional approaches. In order to implement the new-style regeneration programmes more smoothly, some institutional changes have been created to facilitate the vertical and parallel cooperation and community engagement. The practice in the following years shows that the new generation of regeneration process now truly covers a very wide range of issues and is operated in a very flexible way.

Chapter 5 British Experiences and Analytical Framework

This chapter aims to summarise valuable research findings on neighbourhood renewal or regeneration in British cities. As the discussion in chapters 2 to 4 showed, the ideas, policy, and initiatives of neighbourhood renewal/regeneration have experienced a long history of development. In every historical period, the objectives, approaches, mechanisms and effects of the projects or programmes differ, but the historical legacy was a valuable experience which provided lessons for later development. In most recent years, some new changes have reflected the re-examination of previous policy and practice. With the support of new political ideologies, such as “The Third Way”, a new national strategy was launched together with a series of institutional innovations. New programmes now aim to achieve integrated, long-term improvement of the disadvantaged neighbourhoods. The practice in Craigmillar is one typical case. Based on such a historical overview, this chapter will conclude the findings on the British experience, including: 1) an overall development trajectory of the evolution, in an attempt to highlight the essential elements of neighbourhood renewal process in any period; 2) universal criteria to evaluate rationally the neighbourhood renewal process.

This means the following questions will be answered in turn:

- What is the changing trend of neighbourhood renewal idea, policy and practice in British cities?
- What were/are the effects of the neighbourhood renewal projects/programmes?
- What are the nature and essential elements of the neighbourhood renewal process?
- How can one evaluate the process in different contexts?

The answers to the three questions will form the analytical framework to review and evaluate the renewal practice in China in the following chapters.

5.1 Development Trajectory of Neighbourhood Renewal in Britain

In most developed Western countries like Britain, the majority of the population have resided in urban neighbourhoods since the years soon after the Industrial Revolution. The urban areas became dynamic. Spatial, economic, social and other changes were significantly accelerated and the changes occurred together and interactively. The sum

of all the changes can be regarded as the “neighbourhood renewal” process. But the involvement of this term may be very uncertain and diverse in different historical and local contexts. From a macro-scale perspective, the policy and practice associated with the renewal process in Britain have always shifted with the alternative socio-economic circumstances and the mainstream political ideologies. Therefore, the historical review of the progressive development trajectory of British renewal/regeneration policy and practice can be divided into four eras: 1) the early Capitalist (*laissez-faire*) era, which began after the Industrial Revolution, reached its peak in the mid-19th century and ended in the first half of the 20th century; 2) the social-democratic era, which emerged in the early 20th century, was politically established after the Second World War and ended in the late 1970s; 3) the neo-liberal era, which began in the early 1980s and then was gradually replaced by a series of changes towards the renewal of social democracy; 4) the New Labour era, formally started after the 1997 General Election.

In the existing research about neighbourhood renewal/regeneration in British cities, there are fewer references to the practice in the early Capitalist era. This is because during this period, almost none of the initiatives was led by the government and the approaches were not interventional, which is very different from the practice in the later eras. However, in this period, the urban changes were quite extensive and the consequences were that the typical Victorian industrial cities which eventually resulted in dirty, crowded neighbourhoods with a range of social problems, became the most significant problems which the renewal projects in following years aimed to eliminate. Therefore the close linkage between the early and later initiatives should not be ignored, and they should be discussed together.

In the early Capitalist era, the significant changes in the built environment alongside with the high-speed development of the profit-led growth projects emerged based on two major pre-conditions: 1) The sanctity of private real property was strictly protected by law so usually what any landowner or landlord chose to do with their properties tended to be regarded as a private matter. There were few interventions from the public authorities to restrict any private-initiated renewal projects in British cities, unless the projects affected other private properties. 2) In the 18th and 19th centuries, when the Industrial Revolution brought massive growth of urban-based industries, the economic potential of urban land or properties increased greatly. Thus many of the existing urban neighbourhoods with low construction density or outdated functional buildings became

less profitable. This is why they were seen as the target neighbourhoods with “urban problems”, and required to be renewed. Almost all the renewal projects then were private-led. The new construction greatly increased local density to gain quantitative growth of properties in old neighbourhoods, and in later years most of the renewal process was linked with technological revolution or industry restructuring. For example, some traditional residential neighbourhoods were transformed to industrial estates, and then to retailing units and offices when the profit obtainable per unit kept rising. Also, the value of most properties increased significantly, with the improvement of local accessibility to modern transport networking. As a result, the economic efficiency of land use and property development increased greatly in the market. The profit came not only from the wealth of local properties, but also the increased revenue brought by the goods and service created in the renewed neighbourhoods. The neighbourhood renewal became a process for accumulating wealth for the private landlords and developers. During the process, most of the public interests, for example the promotion of public health or general housing conditions to the working classes, were usually sidelined. Although some possible approaches to improve social well-being had been proposed, they were usually excluded in the market-led practice.

In the social democratic era, almost all neighbourhood renewal initiatives were promoted by the public sector. The market-dominated renewal model and uncontrolled expansion of industrial use in the *laissez-faire* era was criticised and seen as the cause of the problems. The “urban problems” were re-defined, and the causes were related to the lack of state intervention to target the poor housing, the unbalanced demand and supply of the property market and the lack of non-for-profit public infrastructure. In theory, the identification of the “urban problems” should have been very wide-ranging, but only the “most visible problems” were emphasised in practice, which included the shortage of affordable dwellings with modern facilities for the working classes, a dilapidated city image with war damage in immediate post-war years, and social unrest in later decades. More neighbourhood renewal projects then were operated directly by the newly-strengthened public authorities, in an effort to provide quicker and more effective measurements to address the severe “urban problems”. During this process, the decision making was usually highly controlled by governmental agencies, and the implementation strictly followed a top-down bureaucratic way, with only very limited local participation and accountability. The role of private developers and others was restricted to a great extent in this era.

In the late 1970s, the focus of “urban problems” was turned to economic issues, including the industrial decline, depopulation of inner-city areas and redistribution of economic activities rather than environmental and social concerns. It could be argued that the causes behind the decline were closely associated with the too strong state intervention in urban economy, which led to the rapid increase of public expenditure and the delay of industrial restructuring. Hence a series of new policies and approaches was launched to focus on the economic renaissance and promote development in specific geographic areas. The roles of private capital and the free market were re-emphasised. Many new attempts for economic deregulation and re-stimulating private investment were combined with new neighbourhood renewal projects, for example encouragement of new property development in city centres and waterfront areas. The interventional approaches continued to exist, but their aims experienced a U-turn: from restricting private-led development to facilitating it. In many cases, the local authorities were excluded from the renewal process, while central government and private capital formed a union through the public-private partnership. Public subsidies came directly from central level to private developers. Tax breaks and the reduction in planning and other regulatory controls were also used to encourage private developers to invest in the economically disadvantaged urban neighbourhoods. As the result, economic renaissance was promoted through the property-led redevelopment process. The promotion of social well-being was also involved in the targets of most projects, but in practice was given less priority than economic regeneration.

In the most recent era, the neighbourhood renewal practice became a more complex process. Although the market-oriented projects in the previous period did create economic prosperity in some specific locations, the costs in social polarisation were great, both nationwide and for individual cases. The benefits of the economic renaissance were often restricted to ‘trickle-down’ impacts. Many urban neighbourhoods still experienced a self-sustaining downward spiral of decline, and did not benefit from economic growth. The instances of economic, social and physical decay interacted with each other, so rounds of single regeneration approaches failed to halt this downward cycle. Therefore, the new generation of policy-makers had to rethink and redefine the real “urban problems” as multiple deprivation resulting in social exclusion, based on the updated central-left political notions – The Third Way. The terms ‘multiple deprivation’ and ‘social exclusion’ are very broad, and their local interpretations could vary a lot. This means that the measures applied in the renewal

process are sufficiently varied and flexible to cover the diverse problems. There was also a shift away from short-term projects to longer term programmes of regeneration. Thus the newest regeneration programmes were all under a comprehensive national strategy with integrated objectives, but the detailed targets and plans relied on local decision. Also, the regeneration process was encouraged to be under the governance of wide-ranged partnerships with more stakeholders. The increased involvement of stakeholders, especially the enhanced role of local communities, together with better cooperation and coordination among all sectors, are seen as an effective way to ensure that the decision-making and implementation could achieve the real integrated approach to locally identified problems.

In historical terms, the development trajectory of neighbourhood renewal/regeneration in Britain has experienced several ideological shifts. The mainstream ideas always alter between left-wing and right-wing opinions, just as in the 1st (the *laissez-faire* era) and 3rd (neo-liberalist era) era, discussed above, the economic prosperity was given higher priority, but in the 2nd (social democratic era) and 4th (New Labour era) era the emphasis on social justice was reinforced. This does not imply that the history repeats itself, but takes a progressive spiral upward. In practice, by drawing on the lessons learned in the eras before, the new approaches should learn a valuable legacy from the past and eliminate the shortcomings of previous attempts. In every new shift towards either right or left ideologies, the new ideas always try not to follow the past or pursue extreme policies like before. Finally, the most recent ideas and approaches aim to maintain a better balance among different issues in such a complex process, so as to reflect the dynamic process in multi-faceted urban development, and sustain improvement in the future.

5.2 Evaluation of Neighbourhood Renewal in Britain

5.2.1 Early capitalist era

As the beginning era of the long evolution of urban neighbourhood renewal in Britain, the renewal process in the early Capitalist era followed a very simple logic. The objective of the renewal initiatives was just to serve the interest of private developers to increase profits, nothing more. Thus the criteria to measure the “successful” practice could also be very simple: just to assess the ratio of profit to its investment for

developers. In practice, in order to maximise the profit, the renewal process usually developed together with the technological revolution or industry restructuring, which could bring very comprehensive updating and promotion of the old neighbourhoods. Thus, after several rounds of urban development initiated by private investments, by the mid 19th century, British cities occupied the leading position in industrial technologies in the world, and gained tremendous wealth from the long-term prosperous national economy. After more than a century of market-led development, the less economical land use, which had been defined as the previous “urban problems”, had virtually disappeared. This should at least be attributed partially to the efforts of the market-led renewal process.

However, the product of renewal projects also reflected the negative subsequence of fierce competition in the market in the early Capitalist era. The gap between the demands of private capital and public social needs increased greatly. In the mid 19th century, just when the British cities dominated the world economic system, they also had the worst slums in the world (Hall, 2002). As a result of new industrial cities like Liverpool, Manchester, Glasgow, Sheffield and Newcastle, in many working class neighbourhoods the market-led renewal from medieval neighbourhoods provided only highly crowded housing units for the majority of ordinary urban residents, with a scarcity of fresh air, sunlight and sanitary facilities (Engels, 1872; Tarn-Lund, 1971). It could be argued that the market-led uncontrolled renewal projects resulted in more negative than positive effects for most urban residents. Gaudie (1974) put forward the major reasons for the emergence of the new problems: 1) low level of knowledge of the industrial-led urbanisation and its potential problems by public and governments; 2) the over-dominant economic philosophy of minimum state intervention; 3) poor political power of the working classes who suffered the most problems and 4) limited duty and available resources of public authorities.

Since the mid 19th century, many pioneer socialists have been aware of the emergence of new “urban problems” in the developed industrial cities in Britain, including the lack of “decent” housing stock which threatened public health, as well as the poor physical environment and absence of non-for-profit infrastructures or other public facilities. However, these ideas were seldom widespread and the following effective countermeasures in practice were very limited (Couch, 1990; Sutcliffe, 1974; Burnett,

1978). This meant that the complex nature of “urban problems” was just beginning to be understood.

5.2.2 Social-democratic era

In the first half of the 20th century, the poor living conditions of most urban residents and the disordered physical appearance of industrial cities, which initially emerged as the mainstream “urban problems” of the mid 19th century, became more widely recognised. The situation was worsened by war damage and the economic recession. There was therefore strong impetus for the public-led programmes to replace the market-led model as the mainstream mechanism for neighbourhood renewal in British cities.

With strong state intervention, the public authorities worked effectively to achieve positive changes in a short period of time. Within decades, the public-led renewal projects had brought a significant increase of housing provision to eliminate housing shortage, with the improvement of urban infrastructure and modernisation of many public facilities. Also, the promoted social improvements were more equally distributed to everyone in the nation. Most researchers sang high praise about the process for its very significant positive changes to address the urgent “urban problems” in the post-war British cities (Hall, 2002; Couch, 2003; Dunleavy, 1981).

However, the short-term success was contrasted with serious cost in later long-term development programmes or projects. With the changing socio-economic circumstances and the newly emerged “inner city problems”, there came more and more critical comments from researchers, planners, officials and residents to the “direct interventionist renewal” (Lawless, 1979; 1988; DoE, 1977a; 1977b; 1977c). In the years after the 1960s, it became difficult for the public-led schemes to continue to meet the increasing social needs as a result of the depressed national economy. The potential ability in urban development by private developers, other organisations and individuals, was ignored or marginalised for a number of years. Also, the top-down approaches, with increasingly centralised decision making and limited local participation, seemed no longer able to work effectively to meet the real local needs in a fast changing society displaying greater diversity. Social democracy’s intention of “benefits to people” in urban policies should have been supported by “power to people”, but on many

occasions, with the top-down model it could become “power over people, power to state” (Thatcher, 1986). Many real social needs, especially some newly-emerging problems such as the economic depression and declining population in the decayed communities, were still far from being eradicated. That is to say, the great achievements in improvement of the “visible” living conditions, mostly associated with physical changes, were only in appearance, whilst many other social and economic problems, such as unemployment, crime and poverty which might be hidden behind the physical problems but were significant to individuals’ lives, were only transferred from previous slums to the renewed neighbourhoods, with altered manifestation (Roberts and Sykes, 2000; Jacobs, 1961; Gibson and Langstaff, 1982).

In the later years of the social-democratic era, some specific schemes to address these social or economic problems were launched as early experiments. However, under the same top-down structure and without clear strategies, the real effects of the fragmented approaches, some with substantial support from public expenditure, were extremely limited (Loney, 1983). In all, during the whole of the social democratic era, the understanding of “urban problems” then was still simplified and unilateral, but in later years it developed to focus on wider-ranged problems, particularly those that were “invisible” or “non-physical” but very significant. However, the mechanism to operate the problem-solving approaches was still associated with the simplified top-down bureaucratic system, and usually failed to cover the diverse and dynamic local needs in post-modern British society.

5.2.3 Neo-liberal era

The series of new attempts, as the “property-led redevelopment process” initiated by private developers in collaboration of central government in the 1980s, replaced the public-led, top-down controlled renewal model. The “redevelopment” initiatives placed economic renaissance as the prime target. This reflected the lack of investment, and depression of the local economy had been recognised as a cause of the “urban problems” in this new era. This means that the policy makers had been aware of some of the “invisible” causes behind the urban decay. The other problems in environmental and social aspects were also noticed, but they were not considered as crucial by the Conservative government, who argued that successful economic revival would create a “trickle-down” of wealth into local communities and that all would benefit (DoE, 1985).

In practice, the series of property-led redevelopment or similar schemes, such as UDCs, EZs and City Challenges, did successfully promote positive changes: almost all academic and official evaluation admitted that the Thatcherite approaches had truly rediscovered the great potential of the market to deliver new economic growth, and it was argued that this was more crucial for the neighbourhood renaissance but had been ignored by the social democratic approach. Several years later, some new redevelopment projects did bring “new life” into the selected urban neighbourhoods, mostly in inner-city areas. The evidence of the success included not only the recreation of polished urban appearance, but also the strong reviving of the urban economics since the middle of the 1980s. Such great achievements as the consequence of more than ten years of new right-wing urban policies and practice ensured that the voice of market could not be minimised again. Most of the innovative approaches applied during the period, such as the reduction of public subsidies, tax breaks and deregulation of development control, have been retained by the present government.

Another legacy of Thatcherism is the successful application of the “public-private partnership”. The Thatcherite government had overseen the massive restructuring of British public authorities, thus breaking the post-war social democratic consensus as machines to restrict the private development, and fundamentally altered them to facilitate economic growth by private investments in the market (Allmendinger and Tewdwr-Jones, 1997). The new-style interventionist approaches could offer aid to market in both the supply and demand sides, which avoided the failure of either the classical-capitalist or the social democratic models. Many research reports had revealed the integrated benefits from the cooperative development which could not be brought from either the public or the private sector alone.

However, the negative outputs of the property-led “place promotion” process are also well documented. Countless commentators have criticised the failure of the neo-liberal approaches in social development and the unequal distribution of the wealth created from redevelopment projects. Almost all of the new right’s policies and schemes focused on places and their development opportunity, not on the original local people who lived there. They believed the benefits of this growth would be shared by all local people (Deakin and Edwards, 1993), but ignored dynamic changes, such as population replacement and mismatch of employment opportunities caused by the redevelopment practice itself. In some official reports of the projects, it is easy to find many indicators

to evaluate the effects of the redevelopment process. For example, HMSO has investigated the six indicators to do so; they are the change of (1) unemployment rate; (2) long-term unemployment rate; (3) net job; (4) the number of small business; (5) house prices; (6) the number of 25-34 year olds population (Robson *et al.*, 1994). Yet all of the figures measured the characteristics of the regenerated places only, not the impact on the original residents. To the further objectives of spreading the economic success and then to social promotion, in practice these approaches went far from the original objectives: the benefits offered by the local economic revival were seldom received by the most disadvantaged local groups; on the contrary, in the macro-scale area, the urban poverty, higher unemployment and serious social polarisation and segregation were never solved and the disadvantaged groups became more concentrated in some specific areas which the property-led redevelopment projects did not and would not cover. These people inevitably fell into the cycle of multiple deprivations which are more complex and harder to solve than the area-based economic depressions.

In all, the property-led redevelopment process could be more successful in understanding and solving the complex “urban problems” than before, but it was still selective. The effective measures could only work in some specific areas, and the benefits were not distributed to those who necessarily needed them most. Also, the understanding of the “urban problems” failed to be aware of the possible new problems in following years – the negative consequences for deprived people caused by the welfare reform in the neo-liberal years – which became one of the major causes for increasing social inequality in the new century.

5.2.4 New Labour era

In the New Labour era, neighbourhood renewal became a more inclusive concept. The new generation of policy-makers began to use a multi-sectoral perspective to explore and analyse the current “urban problems” in a whole new context. Multiple deprivations - especially the issues associated with social exclusion - now define the target areas to be renewed. These issues include high unemployment rate, low skills, crime, poor health, low quality of housing or physical environments and so on. The problems are now recognised not just as the current gaps demonstrated by the indicators between the deprived areas and the general average level, but also the barriers for the people in the deprived areas in accessing “equal opportunities” to have normal-level living conditions.

In practice, the new approaches are widening the agenda involved in the neighbourhood renewal/regeneration process. Many new deals have been launched with the aim of enhancing the wide-ranging investment in social capital for people in deprived areas so that they may access the “equal opportunities” to have normal-level living conditions and compete in the market economy.

Because of the complexity of the process itself, it is very difficult to count or summarise all the outcomes of the new stage of neighbourhood renewal/regeneration. This is on one hand because of the very wide involvement of the current objectives across so many domains; on the other hand, many changes of the domains may not be so significant in the initial years of the long-term regeneration process. Fortunately, the official “deprivation indices” and other household statistics can be used to monitor and assess one by one the most direct efforts of the renewal/regeneration process in every individual domain or indicator. In most existing official assessment reports of the newest nation-wide renewal/regeneration approaches (NRU, 2004; 2005a, 2005b; DCLG, 2007; Scottish Executive, 2006), current wider-ranging quantitative indicators were compared with previous data, so these could be seen as the direct effects achieved by the ongoing regeneration programmes. For most individual case areas, the changing indicators of the multiple deprivation can also clearly show the effects of the area-based regeneration process, although the data of some domains may be still absent. For example, the following Table 5-1 shows the changes in the Craigmillar case.

Table 5-1 Comparative indicators of the changing multiple deprivations (Craigmillar)

	Earlier	Later/current
Population (all)	7933 (2001)	7976 (2006)
Percentage of working population (%)	59.79 (2001)	61.55 (2006)
Percentage of pensionable population (%)	15.77 (2001)	15.06 (2006)
Percentage of total population who are income deprived (%)	53.1 (2002)	46.3 (2005)
Percentage of working age population who are employment deprived (%)	38.8 (2002)	37.2 (2005)
Average tariff score of all pupils on the S4 roll	92 (2001)	97 (2005)
Low weight live singleton birth rate per 1000 live singleton births	42.37 (2000-02)	51.36 (2003-05)
Percentage of dwellings in Council Tax band A (%)	53.85 (2003)	48.37 (2006)
Percentage of dwellings in Council Tax bands A to C (%)	97.33 (2003)	95.30 (2006)
Percentage of people within 0-500 metres of any Derelict Site (%)	4.0 (2004)	8.8 (2006)

Data source: Scottish Neighbourhood Statistics (<http://www.sns.gov.uk/>)

Just as in the Craigmillar case, in recent years most of the indicators for the nation-wide renewal/regeneration have shown positive changes to address the multiple deprivation in the target neighbourhoods. Some “basic-need” public resources in the form of welfare benefits are now more equally distributed to every individual, so more people can escape from social exclusion and the cycle of multiple deprivation, and then compete on equal terms in society. The opportunity gaps to reach decent living conditions between the people in deprived and normal neighbourhoods, or between the vulnerable groups and others, have reduced, or more people are now on the positive side of the gap. Of course, there are still a few changes going far from the optimistic expectation, or even seem to be making matters worse. However, with the help of such official assessment results, now the decision-making body, usually the local partnership board, can become aware of the unsuccessful effects in time, through the annual reports or regular meetings. Therefore, the visions for future regeneration process can be rethought and adjusted again and again to ensure that the improvement will be effective and sustainable in a longer term. In general terms, there has been sufficient evidence to show that the principle of social justice has now returned to central position during the renewal/regeneration process. The New Labour neighbourhood renewal/regeneration process can hereby be regarded as having achieved a more balanced promotion of urban neighbourhood, and the positive changes can be more sustainable in future.

Besides the quantitative assessment of the outcomes against the multiple deprivation indicators, qualitative analyses on the regeneration mechanism itself in the new era have also been completed by a number of independent researchers. Such analysis mostly focuses on how to establish an ideal institutional mechanism to ensure that the process will go forward smoothly in the longer term. Coordinating the objectives and actions with multi-dimensional targets in the longer term and also reinforcing the role of “community” in partnership working have not been easy. Even the most optimistic conclusion admits that the lessons and unsolved problems are really ignorable. Although the problems vary from case to case, in general the most frequently criticised issues include: the unbalanced priority against the multiple deprivation still with overemphasis on physical problems; the lack of effective cooperation and coordination of the policies and actions across economic, social and environmental aspects; and the poor effectiveness and efficiency of the partnership. In all, most signs have indeed confirmed that the progress of the renewal/regeneration is not only further exploring the essence of current “urban problems”, but also more innovative approaches to the

effective and efficient delivery of regeneration. It has to be accepted that the job is not complete and further regeneration is required.

5.3 Analytical Framework of Neighbourhood Renewal in Britain

5.3.1 Nature of neighbourhood renewal

In Britain, since New Labour emerged and came to power, the supporters of The Third Way have confirmed that a longer-term historical analysis should be the only reliable way to help understand the progressive trajectory of renewal/regeneration policy and practice. In every historical period, the contents of the mainstream renewal/regeneration practice vary: the uncontrolled private-led real estate development to reshape the medieval towns in the early Capitalist era; the public-led large-scale slum clearance movements in the immediate post-war years and the careful inner-city rehabilitation and betterment in the following one or two decades; the property-led projects emphasising economic renaissance initiated by public-private partnerships since the early 1980s; and the most recent wider-ranging programmes in order to realise “comprehensive local promotion” in the New Labour era. Obviously, for the countless renewal initiatives in every different period, scale and location, not only do almost all of their key factors keep changing the objectives and approaches, but the participators and mechanism also vary to a greater or lesser degree.

Despite the different approaches and objectives, all such initiatives can be counted together as the “neighbourhood renewal practice” just because all of them are actual responses to tackle the “urban problems” of the most disadvantaged built-up areas. With such a long development trajectory, the essence of the process can be seen as unchanged. How the initiatives will/would be operated should always depend on the answers of the following two questions: 1) How does one understand the “urban problems”, including both the “declines” and their deeply rooted causes? 2) What do the initiatives do in responding to the problems, including not only the measures implemented but also the delivery mechanism? The answers to these questions have various interpretations. The table below (Table 5-2) has been developed to summarise the development trajectory of neighbourhood renewal practice since the rapid industrialisation of British cities.

Table 5-2 Historical review of the nature of neighbourhood renewal in British cities

<i>Laissez-faire</i> era (industrial-led urbanisation-early 20 th century)	“Urban problems”	Inefficiency of land use, limited urban containment and outdated urban functions without new industries
	Causes	Lack of the market-oriented development mechanism
	Strategy and approaches	Increasing density, updating urban function and transport intervention
	Mechanism	Private dominant, interventional approaches by authorities very few
Social democratic era (1945-1979)	“Urban problems”	Shortage of decent dwellings for working class, dilapidated city image with war damage; social unrest in later decades
	Causes	Lack of state intervention to overcome unbalanced demand and supply of non-profit public resources
	Strategy and approaches	Slum clearance through relocation, beatification and modernization of city centre, housing rehabilitation, positive discrimination in specific zones
	Mechanism	Public-led projects as the mainstream, usually through top-down bureaucratic system
Neo-liberal era (1980-mid 1990s)	“Urban problems”	Economic decline and poor investment in inner-cities
	Causes	Impact of economic restructuring and the failure of planned economy
	Strategy and approaches	Deregulation and new deals to re-encourage private investment to accelerate economic restructuring, property-led redevelopment
	Mechanism	Public-private partnerships, excluding local authorities and communities
New Labour era (since mid-1990s)	“Urban problems”	Cycle of declines in multiple aspects in specific areas, social exclusion and multiple deprivations
	Causes	Continued economic and employment restructuring, welfare reform and selective redevelopment; the standard of remaining safety-net is too low
	Strategy and approaches	Integrated long-term actions with multiple targets, focusing on social investment
	Mechanism	Community-centred partnerships with wide involvement

According to this table, the “neighbourhood renewal process” at any time, location or scale, should be regarded as a problem-oriented process. Four tasks form the basic structure of the process: to explore the decline; to analyse the causes; to set up targets and launch initiatives; and to create a mechanism for decision making and implementation. Therefore the overview and analysis on the neighbourhood renewal process should cover all of the four tasks and be aware of the different interpretations of them within their current local context.

5.3.2 Criteria of successful neighbourhood renewal policy and practice

For researchers and policy-makers anywhere, identifying the “criteria” to evaluate rationally the success of the neighbourhood renewal/regeneration practice should be the major aim of their research, both at a strategic level and when specific projects are being designed and implemented (Moore and Spires, 2000). Owing to the changing contents of the neighbourhood renewal initiatives, particularly in most recent years when the practice has become more complex, a reliable evaluation framework and detailed criteria for them can never be simply structured. Also, any detailed criteria designated for a specific period cannot be reused in another circumstance. However, just in corresponding to the strategic analysis of the nature of neighbourhood renewal, the criteria of “success” should meet the two essential requirements: 1) understanding the “urban problems” exactly; and 2) appropriate response to the problems, including both the measures and the mechanism. In practice, the two criteria can have various interpretations according to the diverse circumstances.

Understanding the “urban problems”

The exact understanding of the “urban problems” should be the pre-condition of the next step of the renewal process – making the responding measurements and setting up a mechanism to direct them. In practice from the long historical review, there is a large number of examples in which almost all the wrong decisions and ineffective attempts for renewal practice were made as a result of the absence of an exact understanding of the on-site “urban problems” of the time. Also, any revision to previous failures must be based on “updated” understanding of the problems.

The historical review has introduced the changing ideas in understanding the “urban problems” of the target neighbourhood to be renewed. From this trajectory, it is clear that, when the cities experienced the development from a pre-industrial, industrial-dominated to the post-industrial society, the “urban problems” altered to become more and more complex, and with increasing contents. In most recent years, owing to the influence of globalisation and technological innovations, as well as the unexpected consequences created by unsuccessful previous renewal practice, contemporary “urban problems” have become even more wide-ranging. In the disadvantaged neighbourhoods, the declines occur across economic, social, physical and

other respects. Any one of them might not be new, and constantly tackled by left-wing or right-wing approaches, but nowadays, they emerge synchronically and are linked closely together. Thus, the perspective to understand all of them should be innovative: a mixture between the traditional left and right, and also inclusive. At the moment, the ideas of The Third Way, as the emerging mainstream political ideas, provide several appropriate principles by which such a comprehensive overview of “the problems” may be conducted. The principles have been summarised as several “dos” and “don’ts” in the following (Table 5-3).

Table 5-3 Principles in understanding current “urban problems”

Dos	Don'ts
<ul style="list-style-type: none"> • Explore the problems comprehensively, across all aspects • Be aware of the linkages between the problems • Explore the causes of the problems in depth • Be sensitive to the newest challenges and potential problems • Keep good balance among the problems in different aspects 	<ul style="list-style-type: none"> • Just narrowly define the problems in one or two aspects • Regard the problems separately or fragmentarily • Focus on the problematic outputs only • Address the longstanding problems only • Give unbalanced priorities to the problems

In most of the recent official reports analysing the urban decline, these principles were well reflected. Most researchers, officials and the public have recognised a universal commitment of the nationa-wide “urban problems” in the new century in Britain, which is: the multiple deprivation, particularly the issues associated with social exclusion (Pacione, 1997; McCarthy, 2007; SEU, 1998; 2001b; Scottish Executive, 2004). In a macro-scale, the problems identified by central governments should at least include the declines of: 1) local economy and employment; 2) housing and environment; 3) education and training; 4) health care; 5) safety and community cohesion. For some specific cases, the definition could be broader, for example leisure and sports; transport facilities and so on (Imrie and Raco, 2003). All the problems should be seen as being closely linked, interacting with and perhaps reinforced by each other. The root of the decline has also been explored, which is the unequal opportunities for individuals in personal development owing to the poor and unequal distribution of some basic-need public resources, including job opportunities, service, networking and others. Many of these problems have existed in the deprived neighbourhoods for many decades, but recently, the fast emerging threats concentrate on addressing social issues and environmental amenity. These problems will only get worse if not tackled now. In some

very typical cases of the British-style deprivation, unemployment might be the most significant issue, leading to a dependence on shrunken social welfare and poverty that was often accompanied by lack of self-esteem, poor health and potential social unrest. However, in more cases, it is really hard to identify what initiated the decline to cause the cycle of multiple deprivation. Hence, in these cases all the problems should be assigned a balanced priority in understanding the problems. In addition, certain specific social groups, for example the ethnic minorities, immigrants or disabled, may suffer the problems more than others and the problems can be concentrated. This reinforces the need for a detailed analysis of the “urban problems”.

Evaluating the measurements and mechanisms

Based on the understanding of the problems to be tackled, the evaluation of the renewal/regeneration measurements and mechanisms should follow a similar logic. The result should come from the answers to the following three questions: 1) Do the renewal/regeneration strategies exactly target the understanding of the “urban problems”? 2) Do the ongoing policies and actions produce enough positive effects in responding to the problems? 3) Is there an effective mechanism to ensure that the positive changes are sustainable, and the strategy and approaches are sufficiently flexible in case new challenges emerge in future? The three strategic principles should be interpreted into detailed criteria with various contents. In practice, from a historical perspective, the changes of the “criteria” just reflect the progressive trajectory in understanding the “current urban problems”. The evaluation framework also needs to take account of the understanding of the urban problems at that particular time in history to measure effectively the impact of the measures introduced.

A series of recent official reports have undertaken a considerable amount of evaluation (NRU, 2005a; 2005b; Scottish Executive, 2006; DCLG, 2007) to give the overall assessment (at least as interim conclusions) of the newest round of regeneration initiatives, both nation- and region-wide. Reflecting New Labour’s approach to the evidence-based policy, this means that progress has also been made in the effective evaluation. In the past, there were at least two major barriers to evaluating the real effectiveness of the neighbourhood renewal programmes: the lack of primary agreement about the ideal urban vision of different contexts (Lawless, 1995); and the absence of a definitive conclusion based on reliable evidence to show the success of long-term

policies (Geddes and Martin, 1996). Nowadays the launch of a national strategy and the national indices of multiple deprivation have provided better indicators to cover these areas. In this context, most official assessment reports concentrate on the quantitative analysis about the most direct outcomes. However, more and more researchers and practitioners who have been involved in the complex process for many years have claimed that the funders' requirements are really too narrow, and more qualitative approaches should be engaged with the complexities of the regeneration (Scottish Urban Regeneration Forum, 2006; McCarthy, 2007).

In addition, the British Urban Regeneration Association has addressed this issue through the nomination of the annual BURA Best Practice Award in Regeneration. The most significant criteria used by the assessors to identify the "best" practice emphasises the following three significant features: the comprehensive and integrated identification of urban problems, especially the social exclusion; the strategic thinking for lasting, long-term solutions focusing on both people and places; and the broader involvement of the partnerships, especially for the community participation. These are now believed to be essential performance indicators to assess the complex problems in changing contemporary British cities. Also, they are believed to be the best interpretation of the three basic principles, and based on that, a series of very detailed and systematic-organised criteria have been listed as follows (Table 5-4).

Table 5-4 Criteria for successful neighbourhood renewal/regeneration in the New Labour era

Advocate	Oppose
Integrated strategy to the problems	
<ul style="list-style-type: none"> • Multi-dimensional inclusive targets, for both place and people problems • Long-term target and consecutive actions 	<ul style="list-style-type: none"> • Simple or fragmented targets, for place or people promotion separately • "One-off" or short-term projects/schemes
Pragmatic positive effects in all respects	
<ul style="list-style-type: none"> • Prosperous and sustainable local economy with local benefits e.g. job opportunities • More equal and enhanced service delivery • Reduced fear of unsafe environment 	<ul style="list-style-type: none"> • Long-term recession or the economic renaissance without local benefits • Unequal or poor accessibility to service • High crime rate, anti-social behaviours and loss of community cohesion
Capable mechanism to make effective changes	
<ul style="list-style-type: none"> • Partnership work with wider involvement • Vertical and horizontal cooperation between stakeholders • The bottom-up, community-led partnership working in both decision-making and implementation 	<ul style="list-style-type: none"> • Unilateral or other simple structured bodies as operators • Fragmentation and contradiction between stakeholders • The bureaucratic, top-down model in either decision-making or implementation

Based on such a framework, some key principles of the “successful” practice in New Labour era should be interpreted as follows: 1) The vision and practical approaches should be incorporated within a wide-ranging strategy to reverse the multiple deprivation indicators across employment and the local economy, housing and physical environment, health, education, and crime, especially the newly-emerging threats on social exclusion and environmental amenity. 2) The outcomes of the programmes should make enough positive changes according to the national indices of the multiple deprivation in expected periods. 3) The decision-making and implementation of the renewal initiatives should be conducted through local partnerships (mostly at neighbourhood level) with wide involvement (usually including public, private, local community, voluntary groups and others), community leadership and multiple-sector collaboration.

Many international researchers and policy-makers are coming to agree with such or similar criteria in assessing the neighbourhood renewal/regeneration process occurring in different locations - not only in Britain - with different scales but with very similar objectives and outcomes. The results of the evaluation, no doubt, will also provide very valuable evidence from which to steer the consequent policy and practice.

5.4 Conclusion

In a historical perspective, the development of British neighbourhood renewal follows a zigzag trend: in different eras the private and public sector took a more active role alternatively, and correspondingly, significant economic and social achievements were created respectively but the problems were generated in other aspects. In all essentially, the neighbourhood renewal/regeneration process has always been initiated in order to tackle “urban problems” in a specific area and time, despite the understanding of “urban problems” and the policies and approaches used in response keep changing and developing in correspondence with the shifts in the external socio-economic, political and cultural context. More recently, the problems should be interpreted as the multi-dimensional exclusion and deprivations and the following cycle of declines. Moreover, the criteria to define “successful” neighbourhood renewal/regeneration process should evaluate the understanding of the “urban problems” themselves and the effectiveness of the responses. In this context, it is important to be aware of the coverage of the regeneration strategy and target, the substantial output and outcomes of

the regeneration process, and the mechanism of its operation. All of these findings, based on British practice, should be valuable references for international research, particularly in those countries which are experiencing socio-economic restructuring similar to that in Britain.

Chapter 6 Urban Development and Planning in China

The theoretical developments and practical experiences of British neighbourhood renewal and regeneration have been discussed in the last four chapters. This chapter aims to provide a general introduction to Chinese urban development and changes in a long history, which is the necessary background for the next chapter to review the development of neighbourhood renewal in Chinese cities. The introduction will first conduct a historical review of Chinese urban development and changes. The historical review will be divided into three eras: the first is the pre-Socialist era before 1949, the second is the Socialist planned economy era from the 1950s to the end of 1970s, and the era after the economic reform since the early 1980s. After that, some of the most recent socio-economic changes and their impact on urban development will be discussed in detail. In all, the following sections will answer the following questions:

- What was the general political, economic and social structure of China in every historic era?
- What were the major changes in the cities?
- What was the role of planning and policies in urban development?

Thanks to the excellent existing research publications produced by scholars of different disciplines, the sections of this chapter are based on the findings of the existing literature published in both English and Chinese.

6.1 Pre-Socialist Era (before 1949)

6.1.1 Socio-economic and political context

China is one of the largest countries in the world, located at the east end of the Asian continent with very far distances and great geographical barriers to most Western countries. In the huge area, only slightly smaller than the whole of Europe, the Chinese people created the earliest civilisations to form what used to be a leading nation in the world for several thousand years. Since the First Emperor (Qin Shi Huang) – who is often associated with the building of the Great Wall – established the first united, central-controlled state in 221 BC, the huge area was ruled as one nation in most periods. Through dynasty after dynasty, the history of Chinese imperial power lasted

over 2000 years with no great interruption to the continuity of its civilisation and administrative tradition, which is unlike the lost early civilisations in the Middle East, Mediterranean and America.

The long-term unity and stability during almost all of the cultivated history of ancient China were based on the advanced agricultural production in the downriver areas of the Yellow and the Yangtze rivers. The national economic output was always greatly reliant on the yield from agriculture. The initial development of the handicraft industry, mining and commerce was also very early but then greatly restrained by national policy since the Qin Dynasty (356 BC). Hou (2008) explained that, by comparing the historic context then between China and European countries: in ancient Europe most nations were small and the competition between nations was fierce so the industrialists and businessmen could have more chances to collaborate with political regimes; however, in China, a huge and united nation, the political authorities could have stronger power over industrialists and businessmen with the support of stable agricultural output in a closed self-supporting domestic economy. Throughout the centuries some 80 to 90 percent of the Chinese population were peasants. In most dynasties, the major industries such as mining, salt and wine were monopolised by the state. Private enterprises were developed slowly, always on a very small scale.

The huge number of farmers supported a small number of land- and office-holding elite families who dominated the running of the society. Government officials were selected from those rural elites who had passed the state-organised examinations. They were directly appointed and paid by the emperor, and were required to be loyal to their senior level leaders rather than the people they ruled. This top-down political structure well reflected the social order and cultural values of the agrarian society then. There were at least two major explanations for the structure. First, compared with the diverse and dynamic pre-industrial European countries, the society of ancient China was highly stable and homogeneous (World Bank, 1984). Because of the lack of social mobility, usually “previous experience” was the best knowledge in dealing with most public affairs. Thus the respect for and obedience to “senior” people were highly emphasised and were the core of the prevalent ideology of Confucianism. In addition, the cultivated area per family in China was smaller than in other agricultural countries; the organised collective labour work was quite normal, especially when constructing the infrastructure of irrigation and participating in the campaigns against flood and other natural disasters

(which happened much more frequently in China than in many other ancient agricultural countries). Therefore, the strong and effective central control of the entire society was regarded as very necessary. After successive dynasties, the power of the Chinese government was expanded further. Usually in ancient China, the governmental officials were not only in charge of the allocation of public resources, but also responsible for the judiciary, for there was not an independent legislative system. The strong political power of the governmental system ensured that the interventional approaches were very effectively applied to govern the national economy.

Being representative of Oriental civilisation, for many centuries the Chinese empire consistently outpaced the rest of the world in arts, sciences, military and technologies. Elvin (1975) and Riskin (1987) pointed out that the ancient China of around the 12th century had already possessed both the sufficient scientific knowledge and the mechanical ability to have experienced a fully-fledged industrial revolution some four centuries before it occurred in West Europe. However, for reasons not yet fully understood, technological improvement in production was slowed down in the last six centuries of the agrarian era. Between the 14th and 20th centuries, especially during the period between the 16th and 19th century, food production continued to increase, but the growth came largely from the increase in the size of population, the consequent increase in size of the agricultural labour forces, an expansion in the cultivated area and a gradual increase in intensity of cultivation, rather than from technological inventions (Perkins, 1969). By the mid-19th century, the population of China had reached about 400 million, which was 6-7 times of that of six centuries previously, so the potential of the existing arable land for food production had been nearly completely used (Riskin, 1987).

In recent centuries, without the process corresponding to the Industrial Revolution in Western countries, the development of modern science and technologies in China had lagged far behind that of the industrialised Western countries. Compared with the industrialised Western countries, the agriculture-dominated national economy of this old empire had, in relative terms, a much lower level of productivity per capita. In the 19th and early 20th centuries, the huge and less-industrialised empire was finally heavily affected by the great wave of world-wide colonisation. After 1840, the old empire was defeated by the armies from industrialised countries in Europe, North America and its neighbouring country, Japan. Then the whole country had to suffer the darkest age of its

history, which was characterised by frequent civil wars, foreign invasion and occupation, famines and extreme poverty. In many of the coastal areas, the Western colonists had occupied some small territories (like Hong Kong) or treaty ports (like Shanghai, Tianjin and so on). These areas were essentially out of the control of any Chinese governments.

Nevertheless, as one of the limited examples among Asian, African and Latin American countries, China has never been entirely governed by foreigners, perhaps because of its huge size of area and population. In any period, there was always at least a nominal national government maintaining power to some extent. In 1911, the monarchy was ended and some native reformers then tried to establish a Western-style capitalist system, but for the civil wars and foreign invasion, the new system was never successfully operated nationwide. That means that, although the impact of the Western invaders had begun to change the traditional Chinese society, their influence was very limited before the middle of the 20th century, and generally not too far beyond some large cities in the coastal areas. In the vast inland and rural areas of China, the agriculturally dominant closed domestic market remained, preventing the impact of foreign industrial production to a greater or lesser extent. The majority of Chinese people still maintained their traditional ways of production, the social orders and cultural customs. Thus since the middle of the 20th century, the impact of the Western imperialism and colonisation to China was not as big as in other smaller developing countries.

6.1.2 The development of traditional cities

In the agriculture-based ancient China, the cities and towns had never contained more than 10% of the population (Jones *et al.*, 1933). This judgment is based on 1) the fact that not until the end of the Qing Period (1644-1911AD) did China begin importing moderate quantities of foodstuffs from the outside world to help feed the population; and 2) the fact that the handicraft and commercial sectors never challenged agricultural dominance in the economy despite the symbiotic relationship between them. The majority of the urban populations were officials or staff employed by the government, but for most of them office-holding was not a lifetime career. They served a few tours and then returned to their rural hometowns, where their wealth, prestige, and network of official contacts made them dominant figures on the local scene. Thus, there is a long

tradition that every Chinese person is strongly connected with his / her local land and has seldom been relocated to other places (Fei, 1948).

However, the role of cities or towns was very crucial in Chinese agrarian society. Some Chinese cities were constructed as military forts or developed as trade hubs which were similar to most European medieval towns. However more of them, especially the larger ones, became administrative centres. Different from the situation in ancient European cities, in China the governance of rural and urban areas was never separated and always integrated into a unitary top-down system. Every town or city was normally the seat of a particular tier of local government which was also responsible for governing the surrounding rural area, large or small. That made the size of the bureaucratic system quite large. In most ancient Chinese cities, a great proportion of the residents were the most powerful elites, including officials, army men and the staff employed by the public sectors. They were also the major customers of the urban 'lower-class', including businessmen, handicraft people or other service providers who were the remaining part of the urban population. Generally, the urban population was richer and better educated than the farmers in rural areas. Actually, many of these urban residents were promoted from rural elites who still held the agrarian land in the rural areas and who might go back to their villages when they finished their official careers.

In more recent centuries, the private economy in the commercial and service industries began to increase significantly in Chinese cities. More and more landless farmers moved to reside in the self-built dwellings just outside the city walls and gates (normally called "*Guan Xiang*" 关厢), so that most of them could find jobs in the booming commercial sectors. In Beijing, after the middle of the 16th century, the majority of the urban underclasses, including small merchants, servants, hand workers and unemployed labours, gradually became concentrated in the neighbourhoods in the "Outer city", far from the Forbidden City and other "grand" spaces. The new areas were not under strict planning control by the authorities, and usually looked quite "disorganised" and very crowded. The infrastructure there was usually very poor, although sometimes the inhabitants might organise voluntary work amongst themselves to improve the conditions of the local road and other areas which required improvement.

The arrival of Western imperial powers accelerated the growth of urban population in some Chinese coastal areas. Following the Opium War (1840 AD), a series of unequal

treaties were signed between China and Western countries. According to them, the Western people gained the right to establish their “concessions” in most Chinese large cities or treaty ports. These areas quickly became overseas trade hubs and developed rapidly. Later, some modern manufacturing industries emerged with the importing of some Western technologies. Fast industrialisation meant the high-speed growth of urban population in these Westernised cities. The most typical example is the development of Shanghai. This port city, located at the sea access of the Yangtze River, was developed from a compact fishing town surrounded by a wall, and in the 1840s had a population of around 500,000 people. However, once British people had established the trade properly and set up the consul here, the port city developed at a remarkable speed. For a long period of time, Shanghai dominated the treaty port system, accounting for almost 2/3 of China’s foreign trade in 1870 and almost half of direct foreign investment in 1931 (Dernberger, 1975, p. 33). In 1936, Shanghai was ranked 6th largest city in the world and the largest and most prosperous city in the Far East (Yeung, 1996, p. 2). However, the industrial-led urbanisation process happened in only a small number of places in China along the coast and big rivers with significant Western influence, involving a very small proportion of the Chinese population.

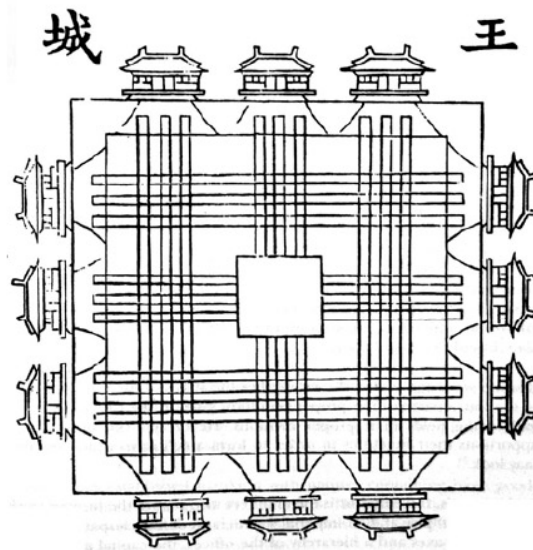
6.1.3 Urban planning and implementation

The construction of Chinese traditional cities followed the distinguished pattern of development, similar to that of European medieval towns. To most of the cities, as national, regional or local political centres, their basic urban forms were built in a short time as a whole, rather than being developed step by step (Dong, 2004; Wang, 2005). When a new administrative centre was set up, or if the war had damaged the old generation of towns, the new large-scale construction usually began. The authorities, sometimes with the help of the army, were the major organisers and investors in conducting the major projects. Many agrarian labours were involved in the process, and their contribution could be counted as their tax payments to the authorities.

The large-scale construction usually strictly followed the blue-print master-plan, where the geometrical patterns were widely used. Normally, the overall layout of the cities (with the exception of a few of the commercial or military towns) could be seen as good reflections of Confucian values which emphasised the centralised power structure (Zhu, 2004): there was considerable specialisation in land use and function, where the palace

and offices of the bureaucrats were located in the central area, facing south (the direction of the sun) to show their authority, while the residential neighbourhoods (usually called “wards”) and markets were in the insignificant places. In the micro-scale spatial structure, a similar order remained as well: every family was housed in a courtyard dwelling and the senior man lived in the room at the central, dominant place of the whole family. Gender differences of use and privacy were also strong, with women largely confined to dwellings, although the restriction was not as strict as in most Islamic cultures.

The borders of the cities were quite obvious, being mostly surrounded by city walls. The wards were all in low-rise buildings, and placed side by side compactly, with quite high density (up to 320 inhabitants per hectare in Beijing, the national capital of the 15th century) (Jenkins *et al.*, 2007, p. 93). The public open spaces for ordinary citizens were few, and usually the major open spaces were only in front of the major governmental buildings to show the stateliness of the powerful administrative system (Dong, 2004; Wu, 1986). Under Confucian theory, the emperor and central government administered the whole empire, and public participation in politics was strictly forbidden. Therefore, citizens should not be offered open spaces for public assembly, just like the squares in front of City Halls in Europe, for that was thought very dangerous for keeping the stability of the empire.



Major features:

1. A square shape
2. A chessboard road system with straight north-south and east-west streets
3. Imperial palace or administrative buildings in the centre
4. No open space for citizens

Figure 6-1 The ideal spatial layout of an ancient Chinese city

Source: Wang, 2003, p. 42

Beijing old town could be the best example of ancient Chinese cities whose spatial layout was decided by traditional Chinese values and social structure. As the national capital of the last two Chinese monarchic dynasties, the city was initially built in 1417 AD, with its size larger (urban area enclosed by the city is about 62 km²) than any other Chinese cities. Between 1450 and 1800, Beijing was also the most populous city in the world (except during 1650-1700, when it was 2nd, after Constantinople). The master plan of the city had a delicate design which was praised by Liang Sicheng (1952), “Father of Chinese Architecture”, as being an “*incomparable masterpiece of city planning*” (Figure 6-2).

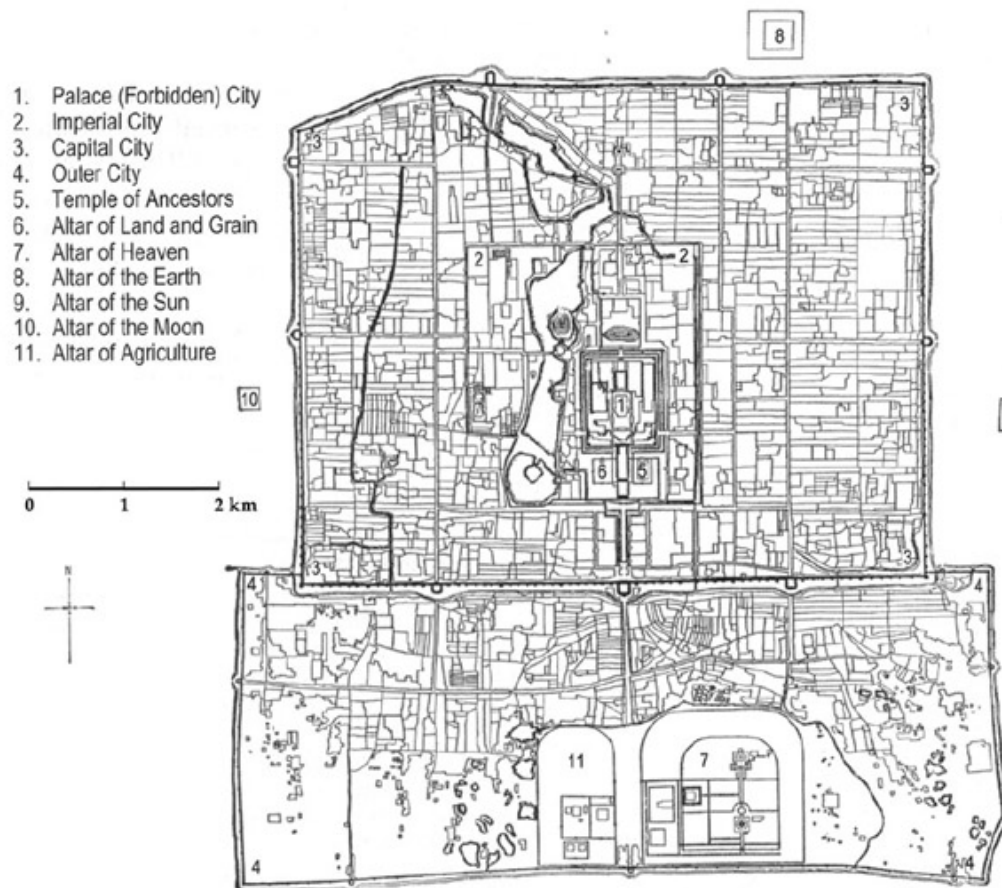


Figure 6-2 Map of Beijing old town (1553-1750AD)

Source: Liu, 1980, p. 280

Almost all Chinese traditional spatial rules were applied here to reflect the centralised power structure. The city had a profile of rectangular shape. Almost all major streets and minor aisles went either north-south or east-west, forming the chessboard-like road system and separating the rectangular neighbourhoods. The Forbidden City (the emperor’s palace) lay in the central area, with some important symbolic architecture

(for example, the Temple of Ancestor, the Altar of Land and Grain) and government ministries located in significant positions in the city. The homes of key officials and rich businessmen were located on two sides of the Forbidden City, near the administrative centre. The size and architectural style of their homes (normally formed by one or more courtyards) were decided strictly by the owner's political status, and the courtyards had to be placed alongside the straight, chessboard-like road system. The streetscape was very monotonous, but it was good to enhance the impression of the grand architecture which represented the strong state power over the citizens.

After the middle of the 19th century, Western colonists began to construct some modern industrial or commercial neighbourhoods in China's coastal cities. Chinese governments no longer had strong administrative control on these cities, and some areas were even entirely directly governed by Western colonists. Certainly, the spatial layout of the industrial-led urban construction was essentially no longer under the influence of Chinese traditional values. Foreign developers from different countries had the right to construct in their own ways. Some new functional buildings or estates emerged, including flats, parks, churches, schools, colleges, hotels, sporting clubs, hospitals, banks, and even railway stations. In some areas, all of the urban areas were well-planned and had modern infrastructure, including paved roads, piped water and electricity supply. In the first half of the 20th century, many newly-born Western planning ideas were imported and implemented in different concessions of the new Chinese cities like Shanghai. But in a city-wide perspective, the planning ideas were very fragmented, and the modern neighbourhoods were never constructed with strategic coordination. Moreover, most of these modern neighbourhoods were constructed on empty land or based in a small town or village, not on the sites of previous large traditional Chinese cities. There is no doubt that the Westernised new construction seldom made major changes to the old urban neighbourhoods in Chinese cities.

6.2 Socialist Planned-Economy Era (1949-1978)

6.2.1 Socio-economic and political context

The year of 1949 was a new starting point of China's national history. In this year the Communist authority led by Mao Zedong gained the state power and established the People's Republic of China (PRC): the first Socialist state governing all of mainland

China (excluding Taiwan, Hong Kong and Macau). After decades of disasters by civil wars, foreign colonisation and succession of weak or incompetent governments, only then was the new unified Chinese government able to assume effective nation-wide administrative control. However, the problems confronting China's new government were formidable: in one of the best known passages, Mao Zedong characterised the Chinese society at that time as "both poor and blank" (*Yi Qiong Er Bai*). The statement explained at least two of the urgent tasks for the government then: first, to recover the poor national economy affected by the long-term wars and lagging behind industrialisation. In 1950, the GDP (PPP) of China was only 4.5% of that of the world³. Industrial production in 1949 was only 56% of its pre-war peak level and food output was estimated to be 70-75% of its pre-war peak (Riskin, 1987, p. 33). Second, there must be an effective system for the new government to regulate and facilitate nation-wide economic development as well as social well-being. By following the Party's ideological beliefs and after considering the new post-war world political orders (Cold War) and the regional conflicts (the Korean War), the leaders of the Chinese Communist Party (CCP) chose to copy directly the well-known experience of the Soviet Union (mostly from the 1930s to 1950s) with the Stalinist central-controlled political-economic model as a whole. The central government was extremely strong in controlling the allocation of all public resources and the decision-making in dealing with all public affairs. The local governments were more like agents of the central government at local level, rather than independent political regimes. With a leveller structure with many tiers, every local government had to follow the orders of upper-level government in policy making and resource allocation. The choice might also reflect the legacy of the dynasties of traditional administrative control in Chinese agrarian society: after several thousand of agrarian society living with a top-down system, most Chinese people had taken the highly centralised administrative model for granted. In the consequent thirty years (the well-known Maoist period), the power of the authorities was very strong in implementing central control and state interventions in both the economic and social development of society as a whole.

After the 1950s, the newly-established national economic system strictly followed the Soviet model based on a planned economy. The Communist leaders expected to draw on the "successful experience" of the industrialised Soviet Union in accelerating GDP growth through the state-led rapid industrialisation, as well as the external assistance

³ Data from http://en.wikipedia.org/wiki/List_of_regions_by_past_GDP_%28PPP%29

from this Socialist ally. This Soviet-model economic strategy emphasised the fast GDP growth by the strongest state intervention upon a “closed economy” (Jenkins *et al.*, 2007). The imports and exports were also controlled by the state, and most economic resources (also including the capital and labour force) had to be collected and allocated by the state, while the market force and private capital were cut down most (Sun, 1992; Zhao, 1988). In this model, as well as the centralised financial system, most of the prices of commodities, the salaries of employment and cost of raw materials are all decided by the state, and the state-owned enterprises must hand in most of their profits to the national financial system (Sun, 1992). In the 1950s, governments applied financial pressures and inducements to persuade the owners of private, modern firms to sell them to the state or convert them into joint public-private enterprises under state control. By 1957, the proportion of privately-owned industry in the gross value of the industry output was below 0.1% (National Bureau of Statistics of China, 1984, p. 194). Thus the government could then essentially control the national economic system and allocate the investments and other resources by strictly following the economic plans. Although in fact the strategy was altered frequently on several occasions in response to the major ideological changes of national leaders, this basic framework dominated the socio-economic development until the late 1970s.

Under the centrally controlled development strategy, the government can effectively control the national economic system and then give more priority to investment and resource allocation to establish a “modern industrial system”, according to the ideas of Marxian economy (Zhang and Wang, 2001). To reach the target, most investment went to the sector of industry - especially heavy industry (for example in the First Five Year Plan of 1953-1957, the proportion is 52.4%, in which 88.8% in heavy industry) - while investment in the non-production sector was cut down to fit the “basic need” in daily life (Zhao, 1988). This accelerated the process of industrialisation throughout China considerably, and in the stable political environment of the period between 1953 and 1958, the increase of industry was considerable (18.4% annual average) (Sun, 1992). However, in later years, the development strategy with priorities in heavy industry was removed by the impacts of some major political campaigns, including the “The Great Leap Forward” (1958-1960) and “Cultural Revolution” (1966-1976). In the following years, the overall national economic output continued to grow together with the constant state-led industrialisation, while the capital-output ratios declined. The GDP (PPP) of China still maintained almost the same level of its proportion of world economy (4.6%

of the world, 1973)⁴. In agriculture in particular, the efficiency was greatly under-estimated and the per capita output in 1977 was no higher than that of 1957. At the end of such a planned economy period in the late 1970s, the population in extreme poverty in China (at least 250 million, mostly in rural areas) was greater than that of any other country in the world (Cai and Lin, 2003; Chen and Ravallion, 2004). China then had to suffer serious economic difficulties similar to those of the Soviet Union and other Socialist countries in Eastern Europe during the same period: the lack of market power reduced the motivation of employees, depressed the social need and meanwhile, the restriction of private and external investment led to a serious shortage of capital. Furthermore, to China, one specific point is that the strategy of heavy-industrial priority did not explore the potential of the huge number of labour forces (Cai and Lin, 2003), which would become the most significant comparative advantage within an open international market in the following period.

Analogously, the formation of the social structure was also determined by the national economic plans. The economic reward of the state-allocated jobs for everyone was always as low as a token payment, but individuals could make a living mostly by the redistribution process. The housing, education and health services was provided for everybody by public agencies, and the supply of low-cost food, clothing and some industrial production was restricted under a standardised quantity per head. The Communist politicians initially hoped that the strong state intervention, by 100% public-funded social welfare treatments, could be beneficial towards eliminating the social inequality of the past. Furthermore, the national economic plans could hereby be operated smoothly, based within a stable, predictable context.

Many researchers did think that the social development of Socialist China in the planned-economy era was a process of de-stratification and with egalitarian ideas of income distribution (Guan, 2001; Lin *et al.*, 1999). By the calculation of some researchers, the Gini coefficient of urban China in the 1970s was only 0.2 (Bian, 1999). But the above analysis of the economic data was rather superficial and without the in-depth investigation into the institutional inequality of welfare distribution. Compared with the pre-Socialist China before 1949, the previous social stratification relating to different income levels had been broken down, but the new social stratification was established in another pattern. Although the universal “equal” society is one of the

⁴ Data from http://en.wikipedia.org/wiki/List_of_regions_by_past_GDP_%28PPP%29

essential targets of the Socialist ideology, it did not become reality in China (Chen, 2004). The too low level of economic condition and the strong desire for rapid development finally removed, or at least partially altered, the Utopian thought. In order to follow strictly the national economic strategy, the whole society was divided into various groups according to their roles in the whole economic system; sometimes these were linked with their original “political status” (Wang and Murie, 1999).

First of all, the nation-wide “Residency Permit system (*Hukou*)”, which originated in 1958, divided this country into urban society and rural society. This is quite a unique phenomenon, found only in China, and it means even more strict demographic control than that of the Soviet Union and East European countries (see 6.2.2). By law, only the “registered” urban population could have valid access to allocated jobs, along with state-provided income, food, housing, health service and other essential consumer products in the “planned” society; while the majority of the population in rural areas were excluded from the “plans” but had the right to cultivate in an allocated agrarian slot. The objective was directly to ensure enough labour forces working in agriculture and restrict migrants from the countryside to work in urban industry so that the state could save the cost on infrastructure as a result of the urban expansion, and then have more investment for industrialisation. Moreover, even in urban areas, every urban population was also categorised with the title of “worker”, “cadre”, “soldier” or other. The labour forces, capital and other economic resources (such as use right of land) were prohibited from being transferred between sectors, so that the economic and social activities would be ensured following the “plans”. Therefore, the urban society ran as fragments and its structure was a reflection of the categories of all employers of the urban population, according to their various roles in the “planned society”.

According to the economic plans, the income distribution did not show as huge gaps between higher and lower income groups as those of a market-oriented economy; however, most of the personal needs affecting their life quality had to depend on the public-allocated provision of welfare. In practice, during these decades, almost all of the financial support of the welfare provision to individuals/families had to come from the employers they worked for (Work Units or *Danwei*), and usually the standards were related to the job levels and the social categories to which they belonged. Thus the gaps of living standard were greatly enlarged between social categories by many of the “invisible benefits”. For example, in 1978, the average income of the urban population

was 2.36 times that of the rural population (the gap had been increasing since 1949), but the benefits from many welfare treatments allocated only for the urban population, such as the provision of public housing, higher-level school education, qualified health service and others, were never included in the calculation (Chen, 2004). Even for the urban population, the inequality of the “invisible benefits” among Work Units was essentially unavoidable, because of either the imbalance of the plans themselves, or the differences of historical and geographical contexts (Li and Li, 2000; Li and Wang, 1992).

In addition, this “institutional isolation” (also called “institutional segregation”) nearly eliminated the chances of mobility from one social group to another. Some titles representing the social status of everyone (for example “worker”, “cadre”, “peasant”) were given at birth (usually the children inherited some titles of identity from their parents), and then the personal career option and social service might be with great differences. In theory, everyone could move from one social group to another; for instance the son of peasants could apply to join the “registered” urban population and be allocated a job if he/she had graduated from a university/college, finished his/her service in the army or married an urban person. But every year, the number of the “permitted transfers” was limited and the waiting list was always very long, so in fact only very few of the population passed through the gaps of “institutional isolation”. If anyone hoped to transfer from “worker” to “cadre” or even from one Work Unit to another, the procedures were usually complex as well. In 1952, the “cadres” were 0.64% of the whole urban jobs and in 1978 it was still only 1.21% (Lu, 2002). The increasing mobility of labour forces was deemed to produce unnecessary additional costs in the planned national economic development (Chen, 2004). Therefore, the urban society ran as fragments and its structure was a reflection of the categories of all Work Units, according to their various roles in the “planned society”.

In short, unlike the social polarisation in Western world, the inequality in pre-reform China was essentially not caused by the competition in accordance with the market rules, but as the consequence of its fragmented institutional system. More, the appearances of the uniqueness were shown in different levels. In the macro-structure of social development, this isolation showed an even more serious imbalance among sectors: in 1978, the output from agriculture was 28.4% of the GDP while the proportion of the “registered” rural population was 82.5% (Chen, 2004). However, in the micro-structure,

there was extremely high homogeneity in the same social group. The strict development plans and the lack of social mobility severely eliminated the diversity of each social group. The isolated and excluded groups or communities really enhanced the social stability of the pre-reform China, but also become one significant character of the social order which would be impacted upon drastically by the ensuing economic reform. The majority of the Chinese urban population still resided in the traditional cities as administrative centres, just as they had done before.

6.2.2 Urbanisation and demographic control

As discussed above, before the establishment of the People's Republic of China, the agriculture-based Chinese society had experienced little change on a macro-scale. The mass rural-urban migration during the Industrial Revolution in Western countries never took place in China. In 1949, when the Socialist state had just been established, the urban population was around 12% of the total population (He, 1989; United Nations Department of Economic and Social Affairs, Population Division, 2004).

In the first few years of the Socialist state, rural residents were allowed to move into urban areas without any formal restriction. Alongside the national allocated investment concentrated in industrial development in urban areas, millions of rural labourers rushed to the cities, seeking job opportunities. The population in some industrial cities doubled in a very short period (Day and Xia, 1994). However, the number of uncontrolled migrants quickly went beyond the job supply of the new industries. It also brought great pressures on urban infrastructures, such as severe shortage of housing supply and even food supply in some cities. As a response, in 1958 the "*Hukou*" control was introduced to halt the rapid urbanisation. According to a series of regulations, the migrants from rural to urban areas had to be approved by the authorities. The purpose was to anchor the farmers on land as the stone to kill two birds: reducing the population and job pressure in cities and also ensuring a sufficient labour force in agricultural production to support urban industry.

The strict demographic control by the *Hukou* system might be the most distinctive feature associated with Chinese urban development in that era, even when compared with that of the Soviet Union and East European socialist countries. As a consequence, the pace of urbanisation was very slow during the 1960s and 1970s. By 1978, still only

18% of Chinese people were registered as “urban population” (National Bureau of Statistics of China, 2003), which means that, although the changes of Chinese cities were so great in many areas during the Maoist period, their physical size had enlarged to a lesser degree.

6.2.3 Urban planning and implementation

In the era of planned economy, the communist government emphasised that all urban construction projects should be under the strict control of urban planning, which was seen as the spatial reflection of national or local economic plans (Zou, 2003; 2005). The major task of urban planning is to set up blue-print master plans to allocate the construction projects spatially. Almost 100% projects were initiated and invested by public agencies. Some large-scale “key” projects (the majority of them related to heavy industries) received direct investment from the central government, and the construction usually strictly followed the blue-print plans. However, other construction projects were usually completed in a more flexible way: the local authorities or Work Units, as holders of land development rights, could launch the development schemes on their own sites. These projects were usually self-invested, and the construction followed the instruction of the master plans and with the permission of the planning authorities.

The public-dominated urban construction tried to keep a more balanced development in cities. In many of the master plans of Chinese cities immediately after 1949, improving the living conditions of people was given the same priority as new industry development, but in practice the over-ambitious and comprehensive objectives were always hard to achieve because of difficult public finance procedures. As a result, housing and other infrastructure construction had to give way to industry. In a very long period, only very limited financial support was used to develop the “non-productive projects”, which included housing, social service facilities and general infrastructure (Zhang and Wang, 2001). This reflected the unbalanced urban development during the era of the planned economy under the strategy of “production first, livelihood later” across China. During the years of the insufficient support of public finance, urban development very frequently lagged behind the original plans.

Post-war urban development, especially the “key” projects, shared some similar spatial features to the European public-led projects in the same period, in both Socialist East

Europe and Social-democratic West Europe. The new industrial estates were concentrated in peripheral areas, together with the surrounding affiliated housing and service buildings. All of the projects had separate functional zones, wide use of public transportation and egalitarian-standard housing estates. Nevertheless, the Chinese characters were also obvious. As observed by Gaubatz (1995, 1999), excluding some very large “key” projects, the Chinese-style Work Unit-led construction projects were usually organised in smaller sizes and scattered in different part of the cities, unlike the European cases, where public housing estates were usually very large in size and concentrated mainly in one location. Each of the Work Unit-led projects would form a closed urban neighbourhood which was designated as self-sufficient, offering the residents almost all functions in housing, working and social service provision. Every city would consist of many such closed neighbourhoods, all relatively indistinguishable from one another. The Work Unit-led development provided great convenience, by creating a short distance between living and working places for the urban workforce and an easy way to provide and manage welfare services, which is really a very ideal urban model in a society without many private cars (Wang, 2004a).

Many “key” urban construction projects were placed in Beijing, the political centre of the Communist authority and the most important stage for showing the achievements of the Socialist state. In every version of its master plan, Beijing was defined as not only the political and cultural centre of China, but also a city with strong industrial production. The central and local governments hoped that the construction of new state-owned industrial estates could attract the unemployed labour forces, which reached 300,000 in 1949, as 40% of working age population (Dong, 2006). In the 1950s, four large new industrial districts were quickly set up in northeast, eastern, southern and western suburbs respectively, at a distance of about 10 km² from the old town. Over 50 large state-own firms were established, and new residential areas were constructed nearby to house the workforce. Meanwhile, in the Northwest periphery, several higher education and national research institutes were set up alongside two major roads, and the affiliated residential and service buildings were erected nearby as well.

Besides, another major task was to plan the projects in such a way that they would accommodate the large-scale national administrative bureaux. The 1954 master plan confirmed that the old town should be continuously used as the national administrative centre. Thus the majority of national and local governmental offices were not far from

the old city centre. Some of the new offices were constructed in the nearest periphery just adjacent to the old town. Some others came from the renewal projects of the existing neighbourhoods in the old town. Also, some well-maintained private inner-city houses, usually following the traditional low-rise style with courtyards, were transferred to public-ownership, and used as offices of many governmental Work Units. In all, these new physical changes had begun to increase the construction density and affect the well-reserved traditional urban form of Beijing old town.

6.3 Reform Era (since the 1980s)

6.3.1 Socio-economic restructuring

In 1978, Deng Xiaoping, the core of the second generation of China's national leaders, along with his colleagues, finally ended the years of fierce battles of national leadership and fundamentally changed the development strategy of the late Maoist period. The new national strategy to start the economic reform was applied; it is now regarded as the break-off point of the well-known "Chinese Miracle" in economic growth in the following decades. After reassessing the performance of the highly central-controlled planned economy, with the priority of development of the industrial sector - especially the heavy industry, - a series of changes was introduced step by step. In the following years, the role of economic plans in resource allocation gradually gave way to the market force. The closed national economy system was going to merge into the global market. Private capital, including foreign investment, was then encouraged to be involved in initiating new economic activities. Some public-owned enterprises were closed or transferred to private or joint ownership. More and more industries were allowed to receive private investment and import of foreign technologies. The private industrial enterprises boomed very quickly and enhanced significantly the competitiveness of China's national economy. The great potential and "comparative advantages" of China's economy, especially the huge cheap labour force and large domestic market, were quickly explored (Cai and Lin, 2003).

The speed of the economic growth has been remarkable. Throughout the reform period, China was the world's fastest growing economy, with approximately 10% annual increasing rate in the most recent almost 30 consecutive years. Most of the evidence and statistics clearly demonstrate that great changes had occurred. In 1998, China's GDP

(PPP) had occupied 11.5% of the total volume of the world⁵. By the end of 2006, China's GDP (nominal) had reached 2,644 billion US Dollars and ranked fourth in the world (World Bank, 2008). At the same time, there have been tremendous improvements in the living standards of most population: the Engel coefficient (the proportion of food expenses of total consumer spending) of urban residents decreased from 57.5 percent in 1978 to 36.3 percent in 2007; and that of rural residents dropped from 67.7 percent to 43.1 in the same period (National Bureau of Statistics of China, 2008). Moreover, by 2001, there were over 400 million fewer people living in extreme poverty than in the 1980s (Chen and Ravallion, 2004). In all, the achievements of China's economic miracle are much greater than those of any other developing countries and former Socialist countries in the world.

The economic reform also triggered the overall social restructuring in China. Alongside the establishment of the market-oriented economic system, people now have greater freedom of personal choice in many areas: job, lifestyle and mobility. The state no longer allocates guaranteed secure jobs to everyone, and employees can transfer from one job or sector to another much more freely. The wages of the labour forces now show their real personal contribution in workplaces. The income level has been quickly polarised. Capable people can earn several hundred times more than their previous income, but the salary of low-level labours has increased only slightly over many years. Meanwhile, many goods and social services are no longer provided by public agencies only, but are available from the market. As a result, the fragmented social structure in previous decades has been greatly overwhelmed. The life quality of every Chinese urban person is less associated with his / her categorised "social status" of the past, and is a now reflection of his/her current income. This is more or less similar to the changes which occurred in Britain in the 1980s, when the new right-wing government greatly encouraged the return of market forces and the shrinking of the Welfare State.

Unlike the fast changing socio-economic system, the administrative system in China did not experience major reforms during these years, for many reasons. The centrally controlled top-down governmental system, with many tiers, may have been weaker than before, but still very strong if compared with that in most other countries. The interventionist approaches are still frequently used by the public agencies to guide, facilitate or regulate the market forces when the government thinks necessary. In many

⁵ Data from http://en.wikipedia.org/wiki/List_of_regions_by_past_GDP_%28PPP%29

sectors, the old-style resource allocation or welfare provision (free or lower than market price) still coexisted with the marketised approaches during the transitional period. The Chinese government hoped to maintain both systems over quite a long period of time in order to ensure that the transitional process from planned to market economy would go smoothly and step by step. In addition, in practice the dual-track regulations are believed to be more beneficial to generating higher-speed development. In many cases, the private capital and governmental powers have formed a union by working together. For instance, many local governments would like to facilitate the private investors by providing cheaper land, improved infrastructure and lower tax rates, in order to accelerate the development of local industry. Sometimes, the legacy of the strong power of the previous local administrative system remains, so even some statutory regulations, including urban planning and environmental controls, can be bypassed or ignored for those development projects,. In all, the union between the two sides can easily remove the barriers against privately invested development, usually at very low cost.

Both sides of the union can achieve effective benefits through this model: the investors can obtain more profits and rewards from the public aid, while the governments appreciate the achievements of fast GDP growth. Actually, this has been seen as a universal development model in China, especially since the mid 1990s, with the booming private economy and continuous strong state power.

6.3.2 Rapid urbanisation and migration

Recent economic growth in China has been accompanied by accelerated urbanisation. The newly-coming private and foreign investment set up countless new enterprises in Chinese cities in a very short period of time. Many of them were the labour-intense firms or service providers which required a large number of unskilled and cheap urban labourers. This started the large flow of migration from rural to urban areas, and the single-way demographic mobility has lasted over 20 years and is still going on. The size and the speed of the migration campaign is the largest in Chinese history, and that may be compared with what happened immediately after the Industrial Revolution in most European countries.

Some policy shifts make the urbanisation process possible and speedy. Up to now the nation-wide “*Hukou*” system has continued to exist, but since the 1980s the strict

regulations to control rural-urban migrants have already been relaxed, in comparison with the past. At first, rural people were allowed to register as temporary population in urban areas and work and live there. They were permitted to run shops and set up stalls within some confines, or they participated in household domestic services. In later years, rural migrants were permitted to find jobs in more industrial sectors. After the 1990s in particular, large-scale property and infrastructure development in cities attracted many young people from the countryside to work on construction sites (Wang, 2004a; Chen and Chen, 1993; Shen, 2002). Meanwhile, the urban population, migrating from one city to another, no longer had as many restrictions as before. Corresponding with the pace of rural migrants, the prevalence of urban migrants from Western poor provinces to eastern coastal metropolitan towns and cities is also becoming more and more apparent. In all, the number of the incoming migration has been very large. It was reported that in 2003 Chinese cities had received 140 million migrants, which was over 10% of the total national population. No doubt, the rural-urban migration has since become the most important cause for accelerating the fast urbanisation (Knight and Song, 1999; Liu and Liang, 1997).

By 2006, there were already 577 million urban residents in China, 44% of the total population (compared with 18% in 1978). Although the general urbanisation rate is still much lower than that of most European countries, the remarkable factor is that distinct growth is taking place in such a short period. It took only around 25 years to increase the urbanisation rate from 18% to over 40%, while it took Britain 120 years, the US 80 years, and Japan more than 30 years to accomplish this. In some early-developed coastal provinces, the mass of incoming migrants has impacted greatly on the original population structure. For example, in Guangdong province, over 30% of the people were not locally born, and in some cities, the proportion may be higher than 50% (Wang, 2004a).

6.3.3 Urban changes, planning and implementation

Changes in the urban landscape in all Chinese cities were also striking. Built-up areas expanded at a much faster speed than ever. Almost every new urban area has been developing at a larger-scale, faster speed, higher density and with more advanced infrastructures. Many coastal cities and towns have in fact been turned into little more than huge construction sites. In Beijing, built-up areas have more than doubled in size

since the early 1980s. Expansion toward suburban areas is measured by the layers of new ring roads constructed. In the early 1980s, most parts of the built-up areas were enclosed by the 2nd ring road (33km), and few parts were beyond the 3rd ring road. Since 2000, the booming new construction has used up most of the land within the 5th ring road (99km) and some new projects may reach the 6th ring road (200km). Even some of the land reserved as green belt land around the city has been occupied by new buildings. (Figure 6-3) These new projects consist of many new functional zones and districts, such as CBDs, high-tech science parks, special economic zones, high-rise housing estates, manufacturing estates, shopping centres, luxury hotels and tourist districts. The continued increase in spatial and functional specialisation in Chinese cities is strongly tied to increased autonomy and diversity in the social and economic spheres. Compared with the monotonous urban neighbourhoods of the pre-reform city, the new urban area is developing in a context of greater socio-economic and individual mobility and changing and increasingly complex economic organisation and urban form. (Gaubatz, 1995, 1996)

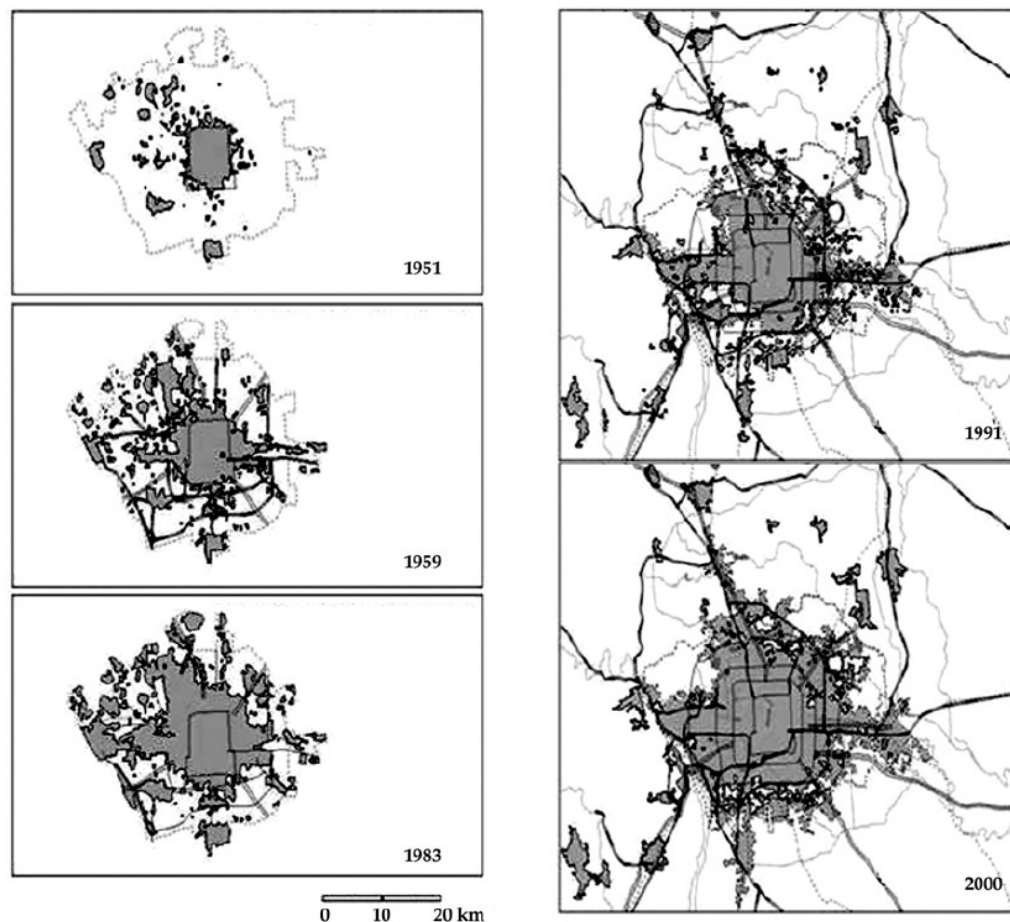


Figure 6-3 Expansion of the built-up area of Beijing City (1951-2000)

Source: Wang, 2003, p. 30-31

However, since the late 1990s, this land-consuming suburbanised development pattern has had to face greater resistance. The major resistance comes from the conflicts between the unstoppable expansion and the limited land resources in Chinese cities. Actually, in most coastal cities, like Beijing, the rapidly expanding urban construction has occupied nearly all available urban land for development. Many local governments have had to acquire neighbouring rural land for new projects. However, this is a very contentious process. According to Chinese law, in the case of the urban construction projects requiring the use of rural land, the local farmers must be well compensated before moving out. The compensation should include not only economic compensation, but also job distribution and urban welfare provision, because thereafter they will no longer hold the agrarian land and can never make their living from agricultural production. That is always a significant problem for local governments and the developers. In some cities, especially the highly expanding ones, local governments had successfully ‘urbanised’ a lot of agricultural land around their cities, but during the process a huge number of rural people were dissatisfied with the compensation they got and stirred some social unrest. That is a very negative sign for further sprawl. Other resistance comes from the environmental concerns. It is obvious that the increasing reliability on car traffic and reduced green land in an expanded city like Beijing has greatly worsened the air quality; this was especially the case when Beijing was preparing to host the 2008 Olympics. Certainly, in recent years, more and more researchers and officials have begun to question the effects of the fast expansion and think about the alternative ways for further urban development. As a result, the new versions of master plans in many cities have proposed the accelerated pace of urban renewal schemes so that the potential of existing built-up areas can be fully explored. Figure 6-4 shows how the complex spatial development trend in contemporary Chinese cities has been summarised by Wang (2004a), where the development pressure to both suburban and inner-city areas is indicated clearly.

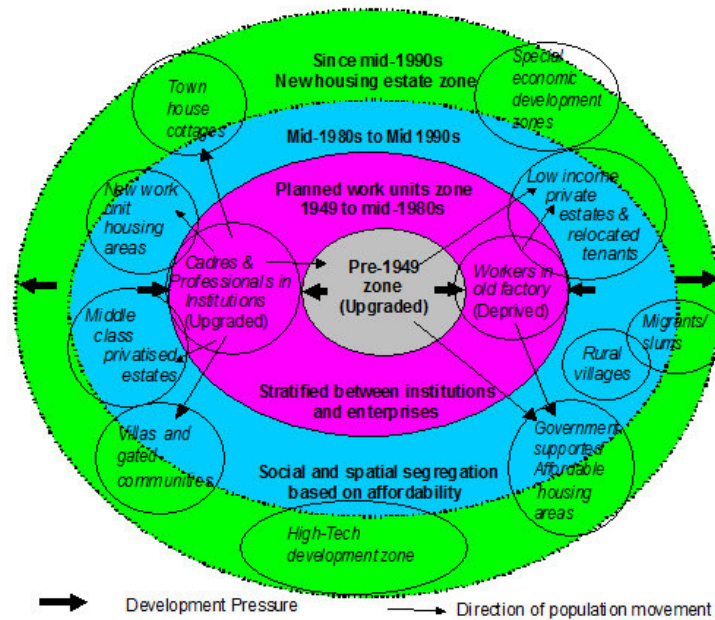


Figure 6-4 Spatial developing trend in contemporary Chinese cities

Source: Wang, 2004a, p. 44

6.4 New Changes since the Mid-1990s

6.4.1 Economic restructuring and social impacts

Since the 1990s, the reform towards market economy in Chinese cities has been accelerated, especially in the large coastal cities like Beijing. Mass private and foreign investment flow into the cities and initiated new economic activities. By the influence of economic globalisation, the major function of large Chinese cities was re-defined. The investors would like to use them as new centres of service industry and hubs of logistics, rather than the manufacturing bases, as before (Gu and Shen, 2003). Table 6-1 shows the significant transition of urban economic restructuring in the case of Beijing city.

Table 6-1 Percentage share of three industrial sectors in GDP in Beijing (1952-2000) (%)

Industry	1952	1978	1990	2000
Primary	22.2	5.2	8.8	2.5
Secondary	38.7	71.1	52.4	32.7
Tertiary	39.1	23.7	38.9	64.8

Source: <http://www.bjstats.gov.cn/>

The contribution of foreign direct investment (FDI) has been the fastest booming sector of the whole urban economic system. The growth of FDI in the large cities like Beijing has been faster than in many other cities. The majority of the inflow of FDI was utilised to develop the high-level service sector and high-tech industries, such as IT and financial service and modern logistics. As a result, the number of highly skilled and well-paid technical and managerial jobs has grown very fast. In contrast, some traditional industries, such as manufacturing, traditional wholesale and retailing, have shrunk dramatically. Most declined industries were controlled by state-owned and collective-owned enterprises which used to be the largest employers of the urban labour force, but most of them were privatised in the transitional years. In order to increase their competitiveness and economic efficiency in the market, they no longer provided unskilled jobs for the redundant as they had done in the planned economy era (Lu *et al.*, 2002). As a result, the growth of job opportunities was much slower than that of either the GDP, the fixed assets or the urban labour forces (Sun, 2004; Hu, 1999). In Beijing, the change of employment of three industrial sectors is shown as Table 6-2. Between 1978 and 2000 the city-wide jobs increased to nearly 40%; however, the local GDP had grown over 20 times (<http://www.bjstats.gov.cn/>). Many statistics also show that the average wage of unskilled labourers increased much more slowly than that of the higher incomers in the same period. In all, the economic reform in Chinese cities certainly realised the idea of “allowing a part of people rich first”, but meanwhile it also caused the emergence of a huge number of vulnerable groups as the losers of the restructuring.

Table 6-2 Employment growth in three sectors in Beijing (1978-2000)

	1978		1990		2000		Growth (1978-2000)	
	Jobs (thousand)	%	Jobs (thousand)	%	Jobs (thousand)	%		%
Primary	1259	28.3	907	14.5	729	11.8	-530	-42.1
Secondary	1779	40.1	2816	44.9	2082	33.6	303	17.0
Tertiary	1403	31.6	2548	40.6	3382	54.6	1979	141.1
Total	4441		6271		6193		1752	39.5

Source: <http://www.bjstats.gov.cn/>

As the result of the economic reform, the income differentiation has become a more decisive factor in the restructuring of the social groups in Chinese cities. Prior to the early 1990s, poverty was never a serious problem in the cities. In the planned economy system, the state allocated a secure job to almost every adult “valid” urban resident (with urban Hukou). The employees received egalitarian wages and also welfare

housing and other social services through their work units. Only very few urban residents were not employed by any work units and excluded from the state-funded safety net. They formed the “traditional urban poverty” groups, including the so-called “three no” persons (no ability to work, no source of income, and no relatives or dependents) and some others with very bad personal reputations (Fei, 1999; Guan, 2000). Up to the end of the 1980s, the total number of the traditional urban poverty population was very small. Although there was not a universal nation-wide standard, it was believed that in 1990, the number of people experiencing poverty in Chinese cities was about 1.3 million, much less than 1% of total population (Cai, 2003). In the 1980s, during the early stage of the economic reform, the rise of private economy and more flexible employment (including the short-term, part-time or contract jobs) created more job opportunities and did help some traditional urban poor people to escape from hardship.

Since the mid-1990s, the private economy has replaced the state-owned Work Units as the major contributor of GDP and job opportunities. That means most of the former rules for income and welfare distribution under the planned economy had been broken. Some people gained a boon from the restructuring, but the number of losers during the process was not small. Many official and research reports revealed that despite rapid economic growth in Chinese cities having continued in recent years, the income inequality and polarisation quickly emerged as the negative impact of the radical economic and employment restructuring (Wu, 2003; Guan, 2000; Tang and Parish, 2000; Zhou, 2000; Bian and Logan, 1996; Qian and Wong, 2000; Li, 2005a; 2005b; Khan and Riskin, 2001). In particular, after 1995, households at the lowest 5 percentile income distribution experienced an income reduction, while households at the top end of the distribution enjoyed accelerated income gains (Meng, 2004). There were also many ways to count the scale of the new urban poor or the groups “living with difficulties” (Hussain, 2003; Li, 2002; Guan, 2003; Solinger, 2001; Chen and Wang, 2001; Fang *et al.*, 2002; World Bank, 1993; Li, 2005a; Guan, 2000; 2003). The most frequently quoted number, “14-15 million”, is the estimate of the Ministry of Civil Affairs, the National Statistics Bureau and All China Trade Union in the surveys carried out independently during 1999-2000 (Li, 2004, p. 10).

Further, many researchers claimed that the more serious problems to the vulnerable groups were not only the income inequality, but a “marginalisation” process from

mainstream urban society (Li, 2002; Sun, 2002; Li, 2004; Tang, 2002). During the transitional period, millions of urban population lost their jobs and found it very difficult to access new jobs or start their own businesses to support decent living conditions. For those with poor education, long-term illness or disability, or broken families in particular, re-employment would become more difficult in the long term. Usually, all the losers of the restructuring period who had to suffer low living standards and employment exclusion were defined as the urban “underclass” (Wu, 2003, p. 412).

6.4.2 Formation of new vulnerable groups

In general, the new urban poverty and vulnerable groups could be classified into three main categories: the “laid-off” or unemployed former workers, pensioners, and the “floating population”, including all kinds of migrants without a local “*Hukou*”. The formation of the three categories will be discussed in turn as follows.

“Laid-off” workers

In the years of planned-economy, public-owned enterprises were major employers of the urban population. With less emphasis on economic efficiency and more emphasis on full employment, most public sector enterprises and their affiliated organisations employed more people than they should have. Work that could be done easily by one person was handled by two or more, and overstaffing was a main feature of the socialist Work Unit system. After the 1980s, when the private economy was introduced, the redundant employees became one of the biggest weaknesses for public enterprises in the face of the fierce competition in a liberalised market. Actually, since the early 1980s, the economic output of public sector has begun to take less and less proportion of the national economy, and more employees had transferred from the public to the private sector. However, in order to accelerate such a process, in the late 1990s the government adopted tougher policies to reduce the redundant labour forces and increase efficiency in the state-owned enterprise sectors, particularly in the larger ones of heavy industries which usually displayed poor performance in the market. A great number of workers, especially the unskilled blue-collar workers with lower productivity, lost their jobs. Between 1996 and 2003, 64.4 million work posts were eliminated from the public sector (Zhou, 2003). In some cities, about 30% of all jobs in public-owned enterprises were cut (Zhu, 1998). Normally, those redundant employees were described as “laid-off”

workers, to differentiate them from the “unemployment” population. In theory, the laid-off workers were still in receipt of basic livelihood allowances from their previous employers or local government until they get new jobs. The government and employers set up various re-employment service centres to help the laid-off workers to find new jobs or to learn new skills. However, because of the huge size of “laid-off” groups increasing in such a short period, the rate of re-employment was not at all satisfactory. At the end of 1999, the re-employment rate was 42%, a drop of ten percentage points from the previous year. In later years, the rate plummeted rapidly to just 10% or lower (He, 2002; Zhu, 2002). Some of them had to become long-term or permanent unemployed people, because many small or poorly performing public enterprises could not afford to run the re-employment service centres or even pay the basic living allowances. For millions of laid-off families, the financial difficulties could soon become as bad as those experienced by the “traditional urban poverty” groups. Their incomes rely greatly on the basic livelihood allowances and other subsidies, but that was far from enough to sustain the normal standard of life. An official study discovered that, nationwide, 20 to 30 million urban-registered workers had fallen into poverty around the turn of the century, and with their family members, they added up to about 40 to 50 million people altogether, or almost 13% of the urban population (Chinese Central Organisation Department Research Group, 2001).

Pensioners

The retired people with downward personal finance formed another group of the new urban poverty. In most Chinese cities, the ratio of pensioners to all employed people has increased significantly in recent decades. Official statistics show that the number was 1:30 in 1978, and 1:7.5 in 1985, but in 2002, it reached a record high, around 1:3. There were over 42 million pensioners in cities and towns at the end of 2002, 13 times the figure for 1978 (3 million) (Ministry of Labour and Social Security and State Statistical Bureau, 2003). The rapid growth in the number of pensioners is not only the result of the longer average life-span, but is also associated with radical reform of public enterprises. In many Work Units of the public sector, some “unimportant” employees (usually the unskilled workers or low-level managers aged over 40 or 45) were encouraged to retire early, when they had not yet reached the official retirement age. This could be seen as a supplementary approach to help cut off the redundant employees of public sector. However, it soon led to severe financial difficulties for millions of

pensioners. First, the amount of pension they received was usually very small. As a legacy of the planned economy, every pensioner can receive a fixed monthly payment as a proportion of his/her wage before retirement. That ensured the pension payment was very poor, for in the past the wage was kept at a low level, just as a nominal reward for their work. The governments from time to time did increase the level of the fixed payment for pensioners, but the growth could never catch up the inflation. Moreover, pensions were normally paid by the employers, but many poor performing enterprises frequently deferred the payment because of financial difficulties. Actually, the wages to existing employees were already a great burden, so the pension payment had to be a lower priority. In practice, some younger early retired people did try to find new jobs, but only a few of them succeeded. Lack of skills and their age were big shortcomings for them in the competition for new jobs. Some old pensioners had to live together with their laid-off children so their lives might be more difficult. Recent pension reform has aimed to centralise pension management to municipal level and avoid the problems caused by bankruptcy enterprises. Nevertheless, the reform was still on the way and seems too late for those pensioners already in long-term hardship.

Floating population

This category comprises many kinds of new urban residents who have migrated from other areas and who had no local “*Hukou*”. Those who may not stay in cities for too long or change their addresses very frequently are called the “floating population”. The majority of them came from rural areas and were referred to as rural migrant workers. In the early 1980s, “the household contract system” and advanced agricultural technologies (such as Hybrid Rice) were introduced into practice in rural China. The agricultural productivity increased significantly and more and more rural labour became surplus. New economic policies allow them to work and live in cities. The rural migrants quickly occupied most of the low-paid labour in urban areas. However, without an urban *hukou*, many of them had to suffer very poor working conditions, including overtime working, rigid workplace and delayed wages (Fan, 2001; Solinger, 1999, 2006; Wang, 2004a). Also, most of their jobs were never secure and they were often excluded from many well-paid industries⁶. In recent years, people other than rural

⁶ In almost every Chinese city, there are still some regulations to allow only a limited number of people without local *Hukou* to be employed in some “protected” industries, such as cashier and banking, post office, telephone switchboard, vehicle driver including taxi, ticket sales and collecting, nursery, shop assistant in department stores and so on. The unlimited jobs are usually hard, dangerous and dirty, physical, labour-intensive work.

migrants have also joined the category of “floating people”. Some of these new migrants may be better educated, young and unmarried. They have gone to large cities for more job opportunities, but in the face of fierce competition, most of them have to wait a long time for jobs, or get insecure low-paid jobs only. Some other farmers who had always lived on the periphery of large cities also joined the procession of rural workers from remote villages, for their agrarian land had been occupied by the recent urban sprawl. It is very hard to count the accurate number of all the “floating population” and the proportion of them varies from city to city, but it is estimated that, in some very large cities like Beijing and Shanghai, the number of “non-registered” people is nearly 30% of the total population (Gu and Shen, 2003, p. 112).

It is hard to know how many of the “floating people” have poor personal finance, but of course in the macro-scale their average income is significantly lower than that of the “registered” urban residents in any city. Moreover, the income of workers with low wages might be higher than that of the non-employed people, but in fact many of them always send their income to their rural homes to support their family members. As a result, they should be the group with lowest “real” income in cities, even excluding those subject to the frequently prevalent delayed wage payment.

6.4.3 Welfare reform and its effects

The rising unemployment rate and income poverty are not the only problems faced by the “new vulnerable groups”. Currently, in Chinese cities, many of the vulnerable families have to experience not only the poor income, but also the rising costs to support a decent living condition. Mostly, the major part of the increased cost is not for updated personal consumption, but for the marketisation of some public service provision. After years of economic reform, following the 1990s the Chinese government finally initiated the comprehensive welfare reform in many areas, trying to cancel or weaken the public-funded, wide-ranged and egalitarian welfare distribution system. Public funding is no longer the only financial support in most welfare or public service provision, and personal finance has to be involved to share the burden. Through the urban housing reform, the majority of urban housing stock has become privately owned. Some other important public service provision has become more reliable on the market. The public financial support to them has now been reduced to a very low level: for public security and relief, 3% of GDP; for education, only 2.9% of GDP and for

healthcare, only 2.0% of GDP (Guo, 2006). That is much lower than in most countries in the world.

Urban housing reform

The reform of the urban housing provision system in Chinese cities initially started in the late 1980s. Commercialisation and privatisation of the public housing provision system are the major themes of the reform process. At first, it was just seen as an alternative way to accelerate housing provision in responding to the urgent urban housing shortage then, but since the 1990s it has also become the most important element of the whole economic reform process (World Bank, 1992; Wang, 1992, 2000, 2001, 2003, 2004a; Wang and Murie, 1996, 1999; Bian and Logan, 1993; Chen, 1996; Logan *et al.*, 1999; Zhou and Logan, 1996; Wu, 1996; Lv and Shao, 2001), so after the mid-1990s the pace towards the market was drastically accelerated. The most important turning points of such a process are summarised in Table 6-3.

The reform towards privatisation and marketisation in Chinese cities has led to great achievements in reducing the housing shortage to some extent and improving general living conditions for many urban people. During this period, an increasing number of urban families moved into the purpose-built flats. In 2003 in urban China, the average floor area per person reached over 20 m², which is almost 4 times that of the early 1980s (Wang, 2004a). The close linkage for housing provision between individuals and their Work Units was broken up, and the fragmented system was replaced by a new one with less institutional barriers: in theory, every urban family now has equal opportunity to find their homes from the market or local government. However, the real impact from housing reform and development on different social and economic groups varies. Obviously, rich people can easily obtain spacious and better condition housing units. The increase in housing prices also helps them to accumulate more wealth. While to most of the urban underclasses, the abolishment of public housing provision means they have lost the guaranteed low-cost dwellings. Owing to their poor personal finance, they cannot afford to buy the expensive commodity housing in market. Many of them are also excluded by the affordable housing provided by the government, because they do not have local “*Hukou*”, or the list of applicants for affordable housing is too long. The only option for them was to stay or move to the unwanted low-quality houses, many of

which have not yet experienced housing reform and are still publicly owned, although that may bring much inconvenience for their daily life.

Table 6-3 Key steps of urban housing reform in Chinese cities

Time	Period	Content	Document
1979-1985	Initial and piecemeal experiments	Sale of new public housing at construction cost or discounted price in selected cities	
Late 1980s	Comprehensive housing reform experiments	<ul style="list-style-type: none"> • Increasing rents in public sector housing to reflect market price • Introduction of housing subsidy in public sector • Promotion of sales of public housing to sitting tenants 	<i>Implementation Plan for a Gradual Housing System Reform in Cities and Towns (1988)</i>
Early 1990s	Promotion of private ownership of housing and private-led housing development	<ul style="list-style-type: none"> • Formal establishment of real estate market • Emphasising the role of commodity housing in meeting urban housing demand 	<i>Interim regulation for trade and letting of land ownership in cities and towns; Suggestions on Promoting All-Round Reform of the Housing System in Urban Areas (1991)</i>
1998	Further reform to establish urban housing market	<ul style="list-style-type: none"> • Stop in-kind public housing distribution and construction • Enhance the role of commodity housing in housing provision system • Initiate public-aid affordable housing development for low-incomes (but in practice the provision is less than demand and only for registered urban residents) • Introduction of cash subsidies to all urban employees 	<i>The notice on Further Reform of Urban Housing System and Speeding up Housing Development (1998)</i>

Reform of other social service provision

In Chinese cities, other major social service provisions were made through a similar system to the housing provision in the planned economy era. Normally, Work Units took full responsibility for their employees in accessing all kinds of services provided by various public agencies. The government hope that the theoretical “full employment” in the Socialist planned economy can hereby guarantee all urban residents the same

opportunities to receive public services. However, in practice, the quality of the service provision for employees in different Work Units usually varies considerably. For example, public-funded compulsory schooling education has been applied for several decades in large cities like Beijing. In theory, every child can have equal opportunity to receive public education, but the teaching qualities of the public schools are not of the same level. Some elite schools were officially labelled as “key schools” to distinguish them from the “normal schools”. Certainly, the “key schools” can receive more public funding, have better teachers and advanced equipment. Of course, the “key schools” have a much better academic tradition, and every year a much higher proportion of their students can obtain qualification for further education in the high schools and then universities. Normally, only the elite children who achieve higher marks in the city-wide entrance exams can become the students of the “key schools”. However, some special Work Units - for example, the higher-level governmental or military bureaux or some famous universities with strong financial support - may set up their own high-quality “affiliated schools” to create more chances of better education for the children of their own employees.

After the 1990s, a series of reforms to restructure the service provision system was applied by local governments in most cities, in an effort to solve the fragmented and unequal service provision system. The role of the Work Unit in service provision was weakened and gradually replaced by a universal system. The aim of the changes was also similar to the housing reform: to reduce the burdens of public finance. Also, the public resources were expected to be used in a more efficient way through the introduction of the market and the collapse of the institutional barriers associated with the old fragmented system.

The reform of healthcare system, for example, was achieved through the introduction of the universal health insurance scheme at the end of the 1990s. The proportion of support from public sources to hospitals and other healthcare agencies declined, while the price of medical treatments and drugs was allowed to increase to reach or approach the market price so that the healthcare service provision agencies could be more independent. Private medical service providers were allowed to compete with the publicly owned hospitals. Meanwhile, the universal health insurance for all urban residents was introduced on a pay-as-you-go basis. Employees and the local government make a monthly contribution (usually with a fixed ratio) to the funds. When

the employee has to receive very expensive medical treatment, they can claim from the fund to pay a part or all of the cost. In some cities, local governments have also established special funds to provide aid to very low-income people who cannot afford the basic monthly payment for the insurance. However, the newly-established insurance systems have not worked very well up to now. With a short history of accumulation, everyone involved has to invest a lot but gets very limited help from it. Sometimes the help from Work Units was still very important in dealing with the increased service costs. However, the help from Work Units varies a lot. To most low-income people, the help is nearly nothing, either because of the poor financial capability of their employers with bad performance in the market, or because they do not have a secure, formal job contract from their employers.

Increasing education costs is another heavy burden for most poor urban families. For a long time, with the implementation of the policy of “compulsory basic education”, the government provided funds to support low-cost school education for children aged 6-15; however, the tuition fee was not totally waived. There was not a universal fee standard so that in some poorer cities, when the public funding to the education bureaux was not sufficient, the tuition fee could be increased. In some richer cities like Beijing, the unequal quality of public schools became the most important problem. In some old neighbourhoods with a concentration of poor population, local children usually had to suffer unsatisfactory schooling.

After the mid-1990s, some local governments - including Beijing - began to reform the “unequal” public education system associated with the fragmented Work Unit system. The titles of the “key schools” were removed and some of the badly performing schools were abolished or merged with other schools. All children with local “*Hukou*” aged 6-15 could now go to the school of their catchment area or be randomly distributed to the local schools in their district by means of a ballot, so that every child could have equal opportunities for education. The government hoped to use such a policy to eliminate the inequalities between different public schools. Nevertheless, the legacy of the previous system still remained. The students of the traditional elite schools still show much better academic performance. However, money can now buy better education for children as some schools take on children from other areas with a fee. If some families are unsatisfied with the school allocated to their children by the ballot, they may try to seek additional positions in the good schools. This may cost a lot of

money, set as the “choosing school” fees. The fees are normally as high as the salary of a low-income job so the poor families can hardly afford that.

Apart from schools, the cost of other education including college, university, kindergarten and nursery also increased very fast, although some of the institutions still receive public funding. After the mid-1990s, the size of almost all universities was increased and the universities were allowed to collect fees from students to support their expansion. That led to the University fees increasing out of proportion in relation to income increases in the country. A report showed that in Hubei Province, 22 percent of students (93 thousand) had problems with tuition fees and living costs in 2001. These students also had difficulty in paying for books and access to computers, which greatly affected their general academic performance (Hubei Province Urban Surveying and Research Team, 2002). Also, millions of students in poor families had to give up their opportunities for further education, even though their academic performance might be very good.

The reform of the social service provision still does not break the institutional barriers between the “registered” urban residents and the “floating people”. Many of the non-registered people were excluded out of the insurance schemes or low-cost public education. The only way for them to obtain the equal service provision is to pay more money. Many statistics (Shao, 2005) show that to most urban low-income families, nowadays, the cost for health and education takes a much higher proportion of all daily costs than average, which means that in Chinese cities, the gap of living conditions between rich and poor social groups is actually greater than the difference of their unequal incomes.

6.4.4 Marginalisation of old neighbourhoods with concentrated new urban poverty and vulnerable groups

Although the comprehensive socio-economic restructuring and welfare reform have been in progress in most urban neighbourhoods, the changes in old neighbourhoods are often lagging behind. In recent years, urban economic development has become more and more dependent on private investment and privately initiated economic activities. With the economic globalisation and the formation of the global market, more investment and new economic activities are attracted in places as the modes of

information exchange. Meanwhile, in some large Chinese cities like Beijing, car and underground traffic has replaced bus, cycling or walking as the major way of mobility, and the recent construction of modern traffic infrastructure has greatly increased the accessibility of people from the new urban districts outside the old town. Moreover, the advanced telecommunication infrastructure is forming new urban districts in more favourable locations. In Beijing since the 1990s, the majority of local GDP and job opportunities have been created in the new business centres outside the old town; these include the IT industry centre in Zhongguancun, Central Business District in Chaoyang District, Olympic Park and so on (Gu and Shen, 2003, p. 110). In the old town, economic prosperity occurred in some special small areas only, including the traditional shopping areas such as Xidan, Wangfujing and Qianmen, and other areas along major roads, subway stations and nearby tourist attractions. In most of the remaining residential areas, the advantageous accessibility to the city centre and workplaces has become a less important factor. These traditional areas have become “peripheral” or marginal in the new urban business networking (Qv, 2004). In a market-oriented system, this marginalisation process actually means a declining local economy, shrinking of local job opportunities and greater difficulties in accessing public services. Moreover, the marginalisation also means these communities are losing their influence on urban policy-making. In the top-down decision-making model, policy-makers may neglect the requirement for improvement of these disadvantaged areas, because the development of these “few reached” neighbourhoods by outsiders may be less associated with the city-wide economic health and the enhancement of local competitiveness. One good example is the “face-lifting” scheme initiated by Beijing Municipal Government before the Beijing 2008 Olympics. In this scheme, a substantial amount of public funding was used to help renovate all the facades of traditional houses just along the main streets and aisles so that tourists could have a beautified urban image, but the funding could not be used to repair the invisible parts of these houses, although the conditions within these houses may be very bad.

As a consequence of these complex development processes and economic forces, the decline of local living conditions in the traditional inner-city residential neighbourhoods became more obvious. The first sign of decline is the worsening quality of the housing. Almost all traditional and old housing was concentrated in these areas; there have been no large-scale public-funded repairs and maintenance for a long time. For the historical reasons discussed earlier, the self-organised small-scale renewal took place commonly

in the past several decades. Local residents put up low cost structures as additional bedrooms, kitchens or toilets. Almost all of these constructions were completed without professional guidance, and the building quality was extremely poor. These new constructions gradually occupied most of the open space of the courtyard in the traditional neighbourhoods, and the increasing urban population led to this never-ending infill and densification. This process has made the general living conditions worse year after year. In Beijing, several rounds of surveys were conducted in the early 1990s in the typical inner-city neighbourhoods. It was reported that in all, about 75% houses in these areas were lacking maintenance or repair, and over 50% were classified as 'unsuitable and unsafe' for living (Fang, 2000; Zhang, 1996). At least 1 million people were housed in these poor-quality dwellings. It was very common to see the old draining and sewage system of 100 years still in use, and most rooms had no central heating and piped gas, and some families did not even have access to tap water. Obviously in contemporary Beijing, no well paid white-collar employees and rich families would tolerate such rough living conditions.

The social structure of the residents in these declined old neighbourhoods changed a lot over the last two decades as well. In the planned-economy period, one of the most significant spatial features of Chinese cities was that most urban neighbourhoods had very fragmented structures. Separated compounds (*Dayuan*) of work units were located side by side, but isolated by walls. The layout or spatial order of these gated communities was quite similar. Together they formed many homogenous urban neighbourhoods. The mobility of urban residents in these gated communities was very little. Once a family resided in a gated community - the work unit - they seldom moved to another *Dayuan*. Thus, in the decades of the planned economy period, the homogenous spatial structure of most large Chinese cities remained very stable.

This unique spatial order of Chinese cities changed drastically together with the marginalisation process of the old neighbourhoods. Urban housing reform towards further marketisation finally broke the strong linkage between the influence of the fragmented Work Unit system and the personal housing choices. As a result, a great number of urban families had moved to new homes. Some of them may have moved many times. The reasons for the frequent changes are many: they may have changed jobs, workplaces, family structures or personal preferences of their living environment; they may also have become richer and can afford better housing units in the new

peripheral housing estates. But for many poor people living in the traditional areas of the city, relocation and move may be a forced, negative moving process. To the emerging urban poverty and vulnerable groups discussed above, usually any relocation means a downward change of living conditions. When housing distribution relies mainly on market forces, urban poverty and vulnerable groups begin to concentrate in some specific areas in contemporary Chinese cities.

Wang (2004a) indicated that four types of “disadvantaged neighbourhoods” could be identified with poor quality housing and concentration of urban underclasses in Chinese cities: traditional residential areas in the inner-cities, low-quality public housing estates associated with problematic public-owned enterprises, illegal dwellings in so-called “urban villages” and the dormitories in construction sites or other derelict land. All these “problematic” neighbourhoods were listed as target areas to be redeveloped. In the old cities like Beijing, the remaining old residential areas were still of quite a size, because many parts of them were preserved as unchangeable historic heritage over a long period of time. Thus, the population in these areas was much larger than in the other three types of “disadvantaged areas”. Many statistics have shown that, before the early 2000s, the old residential area of Beijing had become the most important container of the emerging urban poverty and vulnerable groups.

6.5 Conclusion

As an oriental nation with a long civilisation, China has its unique history of political, economic and social development, distinguishing it from Western countries. In ancient times, the central-controlled political system was established very early, and public authorities always had very strong power to control the national economy and social orders. The economic structure was dominated by agriculture. The social structure was highly homogenous and stable, always with a scarcity of dynamics and mobility. After the mid 19th century, some new changes occurred with the arrival of colonisation, but on a macro-scale the entire Chinese society was still running in traditional ways. In this context, urban development was happening at a very slow speed, more like a symbolic event trying to meet the requirement to show the virtual and political orders rather than economic and social needs. After 1840, in some foreign-controlled areas the urban development began to be driven by the Western-style industrialisation, but that took

place on a very limited scale only and had little impact on the traditional urban structure.

In the socialist planned economic era, the Soviet-style political-economic model was applied nation wide. The power of the state was further enhanced to an extreme extent, and the national economy and social development were both under strict central control, in both the decision making of resource distribution and project implementation. Urban development was accelerated more than before, and urban-rural separation ensured that more public resources could be concentrated in the construction of “key” projects as industrial plants and administrative estates in large cities. However, the development of the “non-productive projects”, such as the construction of housing and infrastructure, usually lagged far behind. Almost all new development strictly followed the master plans which were regarded as a spatial reflection of the national economic plans.

In the era after the economic reform, the socio-economic context was restructured greatly. The central control of the economic system was reduced gradually and significantly, as the role of private investment and market forces was re-introduced and enhanced. The social well-being of individuals was no longer closely linked with their political status but rather with their income, and the gap between the rich and poor has rapidly increased in recent years. Nevertheless, the political system still followed the top-down model, with few changes. Interventional approaches were still frequently used, but most of them were just applied to encourage and facilitate the private-led urban growth. Urban development in this period reached a very high speed, with the constant mass incoming of rural migrants. The expansion of built-up areas was extremely fast and it had by then used up almost all available land in many cities. Therefore, in most recent years, the renewal of existing urban neighbourhoods has been emphasised in future development through planning regulations.

Since the mid-1990s, the pace of economic reform has been accelerated to meet the requirements of economic globalisation. The GDP growth has sustained a high speed but the negative consequences in social aspects have emerged rapidly. Through the economic restructuring and reform of public-owned enterprises, most low-educated, elderly and other vulnerable groups have lost secure jobs, while the reform of urban and service provision has increased their cost of living so that the great majority of urban residents have had to live with difficulties. Meanwhile, the booming urban poverty and

vulnerable groups have become more and more concentrated in some specific locations. For many reasons, the old residential neighbourhoods in inner-cities became marginalised during the economic growth. In historic cities like Beijing, these old neighbourhoods had become the largest containers of the concentrated urban poverty and vulnerable groups.

Chapter 7 Urban Neighbourhood Renewal in Chinese Cities

Following the general introduction about the urban development in China, this chapter continues the historical review and focuses on the development of neighbourhood renewal in China. In practice, the renewal of the old neighbourhood has been a long-standing issue in Chinese cities, but the process and mechanism varied between periods under different political and socio-economic contexts, with distinguished urban changes then. Therefore, the following discussion is organised around three separate eras and in turn answers the following questions for each:

- What were the major objectives for the renewal practice?
- Who were involved in the renewal process and what were their roles?
- What approaches were applied during the renewal process?
- What were the outputs and effects of the renewal practice?

Answers to these questions will be fundamental to the understanding of the development trajectory of the neighbourhood renewal ideas and practice in Chinese cities which can be compared with the British development path discussed in Chapter 2.

7.1 Pre-1949 Urban Renewal Practice

7.1.1 Renewal practice in traditional cities

The renewal and reconstruction practice of aging neighbourhoods was a well-established practice in ancient Chinese cities, but there is no universal record in the existing literature about the operation of the renewal activities in such a long period of time. The description of some cases in the large cities, especially the capital cities, can be found in some official archives (Dong, 2004; Zhang, 1982; Shen, 1983; Wan, 2007; Song *et al.*, 1997). They show that the private-led and public-led renewal projects co-existed in almost all the periods.

Private-led initiatives were usually carried out on a smaller scale, and the objective was to upgrade the aging private properties when the buildings became dilapidated. The whole process was self-funded, so the property owners were free to refurbish or reconstruct them at any time or for any reason without official permission; however, in

most cases the new buildings still had to follow the plans set by the authorities (also limited by the technology available at the time). This included the restrictions of the size, height, design features and the function of the private buildings. By this way, the traditional urban form could hereby be well preserved as it was just completed according to the blue-print master plan. However, in more recent centuries, public control became somehow more relaxed so that the private house-owners could gain more freedom in dealing with their own properties. Since the late Tang and early Song Dynasties (800-1000 AD), many buildings alongside the major streets which were often adjacent to the important public spaces, were allowed to be redeveloped as commercial properties (Li, 2007; Wu, 1986; He, 1996). In areas near city walls, small open spaces were used as expanded market or agora, as well as informal venues for ordinary citizens' gatherings. In all, the expanding private-led renewal projects gradually increased the construction height and density of some urban neighbourhoods to a greater or lesser degree. The reconstruction process could also benefit from advanced building technologies, materials and facilities to provide better living conditions, but in the long agrarian era, the improvement was usually very piecemeal and incremental. From the macro-scale perspective, the physical changes caused by the private-led projects were fragmented and the scales could never be compared with the officially-designed constructions which still dominated the traditional urban form (Wang, 2005b).

Some larger projects were usually organised by the authorities, funded by public finance and under stronger planning control to preserve the virtue-based urban spatial orders of traditional Chinese cities. The objectives of these public-led renewal projects were either the expansion of royal, governmental or military estates, or the installation or updating of the infrastructure and other public facilities. The operation of the public-led renewal projects was similar to the construction of new cities: the government provided most of the resources but the public contributed labour as tax payment. Almost all these large-scale public-led projects had priority in land use; therefore in the process many urban residents could be forced to relocate, usually with in-kind or cash compensation.

In fact, the neighbourhood renewal practice, particularly the large-scale renewal schemes with household relocation, seldom happened in ancient Chinese cities. There were at least two major reasons. First of all, during the long stable agrarian society, urban economic activities were only of a very limited size and developed very slowly as

well as the urban population growth then, which could provide very little driving force for renewal activities. Moreover, urban developments were usually derived from expansion rather than the renewal projects. In many ancient Chinese cities, the scale of design for the cities was usually larger than was really required. The master plans of new cities were often very ambitious, occupying plenty of land. They were opportunities to show the powerful authority of the imperial government. That resulted in the large capital cities like Chang'an in Tang Dynasty and Beijing in Qing Dynasty; only some of the slots enclosed by the city wall were used for the construction of urban buildings, while others were always under-used or set aside as agricultural land, even after several hundred years of the original construction (Wang, 2006; Zhu, 2004) (Figure 7-1). Thus new development could easily be accommodated in the spare land rather than redeveloping the existing neighbourhoods and relocating the original households. In some other cases, if the urban population grew too large and the planned areas became too small, or the city was severely damaged by war, the authority would abandon the old city and organise the construction of a new city. The city relocation also reflected the shift of economic and political centres in the country. Environmental problems, especially contamination of underground water, were other reasons.

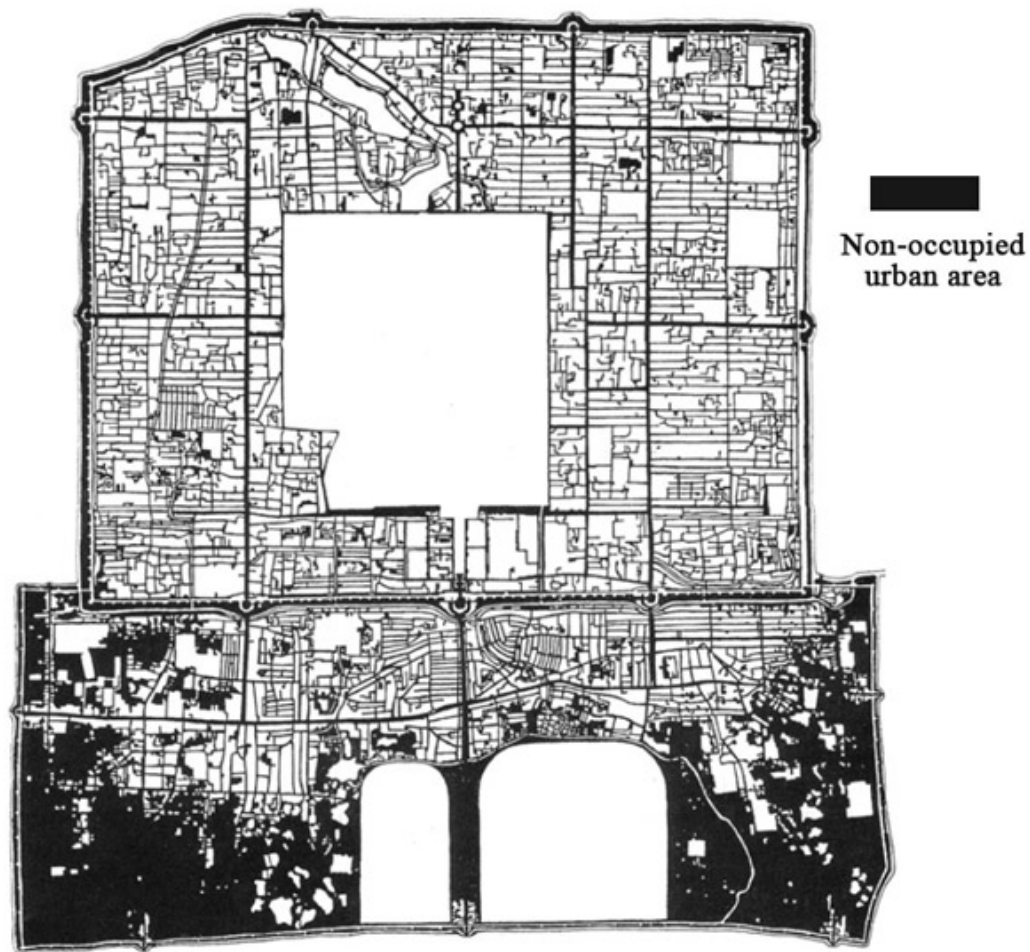


Figure 7-1 Non-occupied area enclosed in city wall in Beijing (1911)

Source: Zhu, 2004, p. 51

7.1.2 Renewal under early industrialisation with Western influence

The arrival of Western colonists and the establishment of some new cities constructed by foreigners brought lots of new ideas of urban planning and management. When the Qing Dynasty collapsed in 1911, the old-style feudal governmental system no longer worked, and in many large cities, local governments for the first time set up special agencies in charge of “urban affairs” in response to the increasing urban population and modern industries. Learning from relevant Western examples, Chinese governments began to issue new urban management regulations, which were often imported or copied from some Western approaches, to initiate practical schemes with the intention of creating modern Chinese cities. In Beijing, the earliest “urban planning bureau” (Jing Du Shi Zheng Gong Suo, 京都市政公所) was established in June 1914. Its duties, confirmed by later regulations, included two major tasks: a) to initiate public-funded

schemes of infrastructure updating in the old town areas; and b) conduct a comprehensive survey about urban neighbourhoods (Shi, 1995). Under the leadership of the bureau, some public-led neighbourhood renewal projects were completed in following years; these included:

- 1) Rehabilitation of some war-damaged major architectures, for example the Zhengyang Gate (South Gate of Beijing inner city);
- 2) Installation of a local ring-railway;
- 3) Extension and updating of pavements for major roads;
- 4) New road and bridge connections to facilitate east-west traffic (this used to be isolated by the existence of the Forbidden City);
- 5) Tree planting alongside major roads;
- 6) Rehabilitation of royal palaces and gardens as public parks and museums;
- 7) Demolishing some gates and making gaps in the city wall for auto-traffic or railway connection;
- 8) City-wide dredging of waterways and sewage system (Wang, 2008a, 2008b; Wang, 2005a).

From the 1920s onward, in several large cities (including Nanjing, the national capital between 1927 and 1949, Shanghai's Chinese quarters as the most populous city, and also Beijing the previous national capital and largest city in the past), very ambitious city-wide master plans were produced in the years when the central or local governments were in good financial condition. This demonstrated the strong confidence of the officials and planners in these cities to create a new appearance of the existing neighbourhoods. As part of the plans, many public-led renewal/redevelopment schemes were proposed, including large-scale slum clearance, public housing estates, a modern road system, infrastructures as well as new schools, hospitals, colleges and governmental offices. However, most of the planned schemes for the benefit of normal urban residents were never put into practice, owing not only to the poor public finance then, but also the impact of the later Anti-Japanese Invasion War and the following civil war. A small number of projects were indeed launched on schedule, but they were mostly in very small areas, and the real effects were very limited.

One such case project is the experimental redevelopment project in the Xiangchang area in the southwest part of Beijing's old town (Zhang, 2004; 2006; Wang, 2008b). The

local government started this project in 1914 with the intention of creating a “flagship” model of the modern urban neighbourhoods. This area was selected not only because of its dilapidated appearance at that time, but also for the large amount of derelict land and few local residents. Thus in practice, the demolition work was limited and the new chessboard road system was set up very quickly. Private (including foreign) developers were allowed to buy or rent the land plots for development according to a master plan (Figure 7-2). Some modern infrastructures, such as telephone lines, road lighting, auto-traffic signals and car parks, were installed. With the support of the advanced infrastructure, modern housing and commercial estates were erected here in a very short time (Figure 7-3). This could be a revolutionary achievement of Beijing’s urban development, but it is pity that because of the restriction of public finance, the renewed area was very small (approximately 3ha). Also, in following years, following national political changes, the government gradually lost the power of local planning control. Local economy declined as a result of the competition from the newly-emerging commercial centres in inner-cities near the areas where rich and powerful people lived. The “flagship modern neighbourhood” was eventually turned into a disadvantaged area crowded with dwellings occupied by poor residents (Figure 7-4).

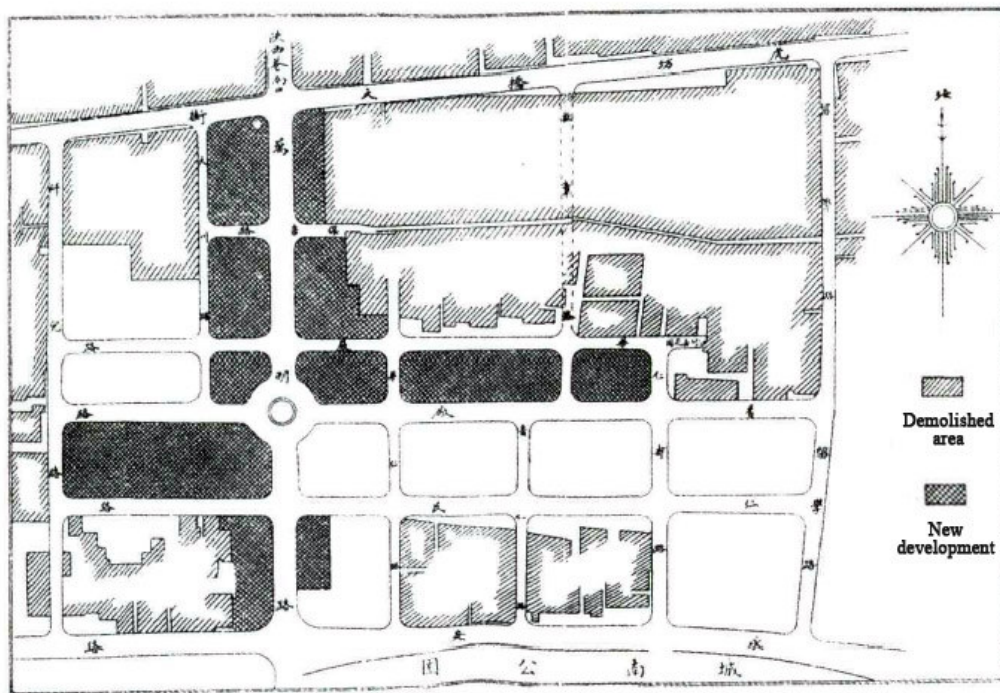


Figure 7-2 The master plan of Xiangchang area

Source: *Jing Du Shi Zheng Gong Suo*, 1919



Figure 7-3 Xiangchang in the 1920s

Source: Qi, 2007, p. 49



Figure 7-4 Xiangchang in the 1950s

Source: Qi, 2007, p. 48

In all, although the public-led renewal practice with the import of Western ideas had led to the revolutionary restructuring of some small areas, they did not make any significant changes, either to the overall urban form of Chinese cities, or to the lives of the majority of urban residents.

Some new styles of private-led redevelopment projects also occurred, including the emergence of modern industrial estates, shopping streets, new colleges and universities, hospitals, railway stations, churches, banks and so on. However, most of the large-scale projects (industrial firms, universities, large hospitals, etc.) were located outside the old town, and the construction inside the old town was scattered around in the city on a much smaller scale. In Beijing, as in many other cities, the small renewal projects re-used the traditional dwellings as new functions and caused only minor physical changes. Figure 7-5 clearly shows the limited physical changes caused by the renewal practice in the past century (1840s-1940s).

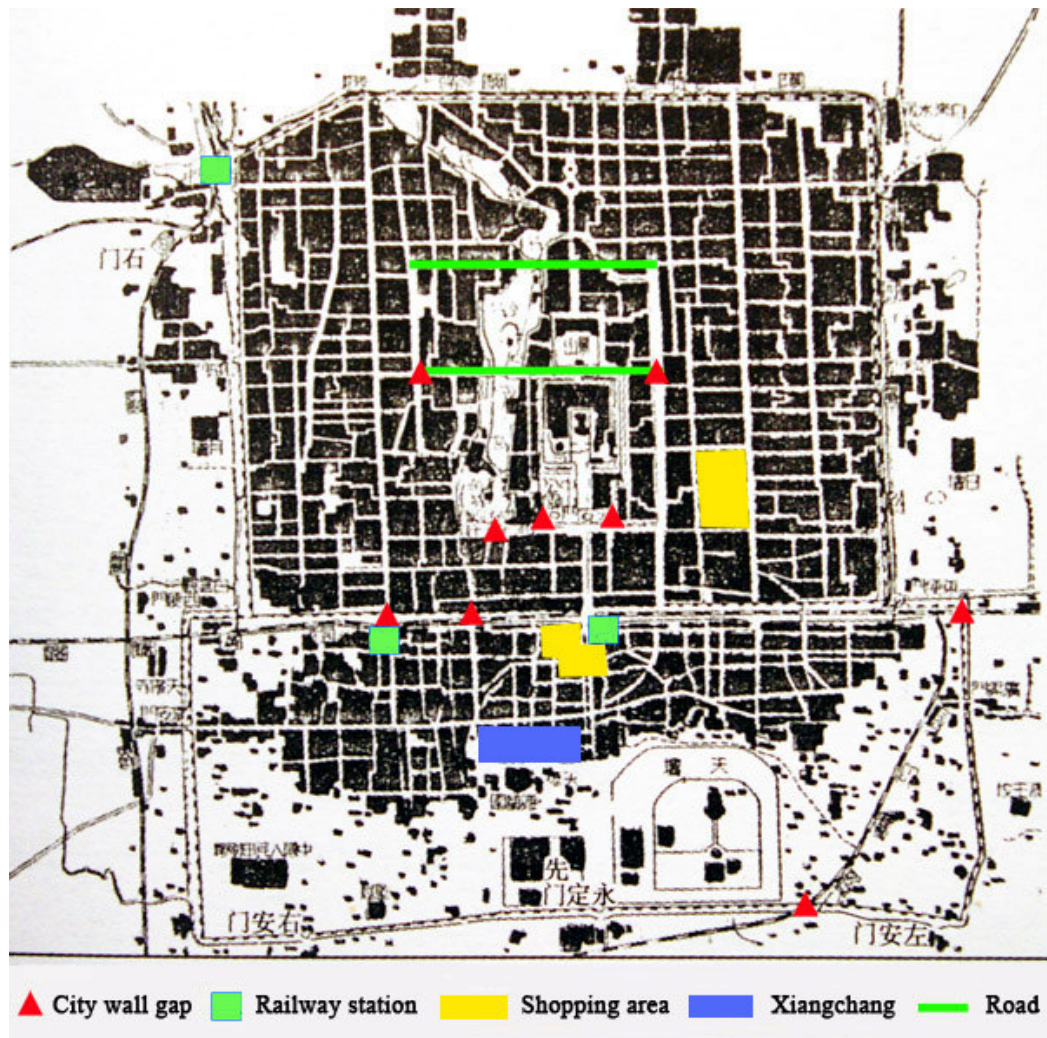


Figure 7-5 Major renewal projects in Beijing old town (1840s-1940s)

As a result, in most Chinese cities like Beijing, urban neighbourhoods with the traditional appearance and living conditions of the pre-industrial era remained till the middle of the 20th century.

7.2 State-led Renewal during Socialist Planned Economy Era

After the Communists came to power in 1949, the neighbourhood renewal practice was given more priority in urban development, and the way was regulated in a central-controlled system. After the establishment of the Soviet-style top-down governmental system, the planning bureaux in almost all large cities produced new versions of master plans with very ambitious large-scale neighbourhood renewal schemes. Many of the schemes were really associated with high political importance: the party leaders as the ultimate decision-makers of urban development hoped the

renewal projects could bring revolutionary physical changes to erase the bad memory of the past and create the new appearance of “Socialist cities” in a short time. By this way, the great achievements and the superiority of the Socialist political regime could easily be seen by the public.

There used to be many fierce debates among some officials and planners on the importance of renewal projects in urban development in the early 1950s. The story in Beijing could be the most typical example for its extraordinary political importance. As an old capital city, until the 1950s most urban neighbourhoods of Beijing’s old town were still well preserved in their traditional form. However, following its selection as the new national capital of the Socialist state, Beijing ought to have been the ideal city to pioneer the new “modernised” urban appearance. This caused controversy in drafting the master plan. Some planners represented by Professor Liang Sicheng (the most influential architecture and planner in China at that time) and C.K. Chen expressed cautious attitudes to neighbourhood renewal. They suggested the old town should be seen as very valuable legacy to be entirely preserved as a cultural heritage site to show the unique spatial orders of traditional Chinese town planning ideologies framed by the Chinese traditional philosophy. Meanwhile, the new city centre with modern housing, office and industrial estates should be constructed outside the old town, following the modern planning ideas such as the separation of functional zones and with advanced infrastructures (Wang, 2003; Dong, 1998). However, the opponents claimed that the old town should be continuously used as the city centre, but most outdated neighbourhoods and architecture (for example, the city wall), the symbols of the old era, should be eliminated through mass neighbourhood renewal projects so that they could soon be replaced by modern buildings, such as the high-rise office buildings, green spaces and broad streets (Beijing Urban Planning Committee, 1954; 1958). By this way, the Socialist “changes” could be more significant, and the costs and time would be less than the new developments on the outskirts of the city. Eventually the second option was approved by the officials and some Soviet consultants as a more “realistic” idea, and it was then confirmed by several later versions of the master plans.

In the following years, the Chinese neighbourhood renewal initiatives were set up by the practice similar to that of the post-war era in many British and European cities. The public-led projects became dominant, and most of them were very ambitious, including mass slum clearance, the increase of decent urban housing stock, the modernisation of

urban infrastructures, as well as other approaches to promote industrial or administrative estates. In Beijing, for example, the neighbourhood renewal target was set thus: to demolish 1,000,000 m² old dwellings per year and reconstruct 2,000,000 m² new dwellings per year. Thus, over a period of 10 years, all the old residential areas in the old town could be thoroughly improved. The other important renewal schemes also included (1) the construction of office buildings for new national government along the major roads; (2) the construction of some symbolic architecture, including the national museum, theatre, grand hall, new railway station, national stadium and others to show the achievements of the Socialist regime; (3) the demolition of the city wall and the on-site construction of the ring-road system (Beijing Urban Planning Committee, 1958). All the renewal projects were apparently given equal priority as the large-scale industrial estate development on the outskirts of the city.

However, within the Chinese context then, in practice it was impossible for public agencies to undertake so many huge multi-dimensional objectives with equal priorities. Owing to limited public finance and resources, in practice only some of these objectives and projects were given priority. According to the national economic strategy, the first priority in most cities was usually to establish the nationalised modern industrial system in a very short period of time. Most of the available resources were concentrated in such areas. Besides, the construction of offices for new urban administrative bureaux was seen as another priority for the new political system, which then needed to show its authority urgently to enhance its key roles in organising the national economy and other public affairs. On the contrary, only very limited financial support could be used to redevelop the old residential areas, public service facilities and other infrastructure of the inner-city area which had largely been constructed in the pre-industrial years (Zhang and Wang, 2001). As a result, the pace of urban neighbourhood renewal was still slow and the achievement was quite limited in the first three decades of the Socialist state (Fang, 2000; Sun, 2000). Compared with the newly-built peripheral industrial-led districts, the old towns became the inner-city neighbourhoods of the Socialist cities, where the majority of pre-industrial residential areas and traditional architecture were maintained, but becoming dilapidated year by year. In most inner-cities, the new multi-storey modern buildings were constructed separately, scattered in the low-rise old neighbourhoods here and there. Some traditional buildings beside the major roads were demolished or renovated to show the new facades.

In Beijing as the national capital, the renewal projects associated with the construction of new governmental offices and symbolic architecture certainly obtained more public financial support than any other schemes. Many projects were designed to provide more and better offices, as well as housing to some key employees of the “powerful” work units: the ministers of central government and their affiliated institutes. By 1959, central and local government departments had constructed over 200 residential complex and office buildings scattered in the old neighbourhoods. In the period 1956-1959, the construction of the “key” projects reached its peak, which was marked by the completion of “Ten Grand Architecture”⁷. Meanwhile, the demolition of city walls, gates and some other historic architecture was almost on schedule, and the 2nd ring road was constructed on site (Wang, 2003). However, the renewal of residential areas was seriously behind schedule. Moreover, many private dwellings were gradually transferred to public ownership, and the housing maintenance was always very poor because of insufficient public finance support. During the period between 1949 and 1979, the general living conditions of the households in inner-city neighbourhoods were hardly improved at all; on the contrary, the areas became more and more crowded and dilapidated.

Some inner-city residential areas were involved in the public-led renewal schemes. From 1949 to the mid-1960s, for the construction of new government offices or road extension, about 52,000 dwellings were demolished in Beijing (Chen, 2005). In these cases, most of the original residents had to be relocated to the outskirts of the city. Normally, these residents were compensated by in-kind public housing distribution, but the standards of different cases could be very different. For the “key” projects such as the construction of the “Ten Great Buildings” (1956-1959), the expansion of the Tiananmen Square (1950-1959), and the expansion of Chang’an Street (1955), the public financial support was usually sufficient to provide better new public housing units for the relocated residents. Although their new homes were usually located in peripheral areas, the quality of the housing units and affiliated facilities was significantly higher than that of the traditional dwellings. Sometimes these people could get public-allocated new jobs, usually in the newly-established state-owned industrial sector nearby so they did not need to go to the inner city for work. However, for the

⁷ Ten Great Buildings: The Great Hall of the People, China Revolutionary History Museum, The Nationalities Cultural Palace, The Beijing Railway Station, The Minzu Hotel, The Overseas Chinese Hotel, The Diaoyutai State Guesthouse, The Chinese People’s Revolutionary Military Museum, The Workers’ Stadium, The National Agriculture Exhibition Hall. The total construction area of them is 640,000 m². With the exception of the last four, all are located in the old town.

residents relocated by the smaller renewal projects, usually initiated independently by some Work Units, the in-kind compensation was not satisfactory. The relocated residents had to be housed in low-standard flats “like the barracks” and far from their workplaces (Tan, 2002). There was no universal compensation policy for these projects, and the fragmented operation of these projects did produce great inequality, the result of the living conditions of the relocated households.

After the 1960s, the pace of urban renewal in Beijing’s old town areas began to slow down because of the public financial difficulties and the turbulence among the national political leadership. Then the reuse and rehabilitation of old dwellings occurred more frequently when some Work Units declared that they would like to expand the size of their own estate. After years of tenure restructuring, the majority of properties in Beijing old town had become separately owned by the Work Units. The Work Units either reused the previous dwellings as offices, workshops or even warehouses, or redistributed the dwellings to house their own employees. Thus the public-owned old dwellings might need to accommodate more people than it used to. Some households had to share toilets, bathrooms and kitchens with others in the same courtyard. Sometimes, the Work Units might initiate the infill construction in order to explore fully the potential of containment of existing buildings in an easy and cheap way. Some low-standard flats were constructed by filling the courtyard between traditional dwellings to provide dormitories for the increasing employee population. Meanwhile, the small-scale projects to expand the size of existing dwellings, usually initiated by the residents themselves, were even more common. The residents usually did the work themselves, or enlisted the help of relatives and friends, and used very cheap materials such as timber, old bricks from the demolished city wall, or abandoned tiles collected from construction sites, to build their own toilets, bathrooms, kitchens and even bedrooms so that their homes could be a little more spacious. These self-help projects certainly made the inner-city neighbourhoods more crowded and that could be seen as going against the planning control (Figure 7-6, 7-7), while the local government usually ‘turned a blind eye’ and even encouraged such initiatives, for they were regarded as an effective temporary approach to reducing the housing shortage in the old neighbourhoods (Sun, 2000). Such “informal” renewal projects continued to expand as an important supplement to the public-led projects in responding to the urban housing shortage. However, the unstoppable expansion of the informal buildings had destroyed

the micro-spatial structure of the traditional neighbourhoods and made the general local living conditions worse than ever.



Figure 7-6 The courtyards filled with “informal” self-built buildings in Beijing old town (1980s)

Source: Liu and Tan, 2004, p. 4



Figure 7-7 Self-built low standard housing building in Beijing old town

Source: Zhang and Wang, 2001, p. 175

Besides that, in some of the most deteriorated inner-city slums or very crowded neighbourhoods, the local government also organised public-funded slum clearances and public housing construction to help those people “living with difficulties”. Local housing authorities were required to carry out mass demolition of “unfit” old dwellings and reconstruct new flats on these sites. In order to provide more people with modern housing units, multi-storey flats were normally selected as the most popular design style, which was very similar to that of the post-war European social housing estates. Thus the housing floor space increased by three or four times that of before, so that nobody should be relocated elsewhere and there could be extra units to cover the requirements of future demand. In those projects, the local government, sometimes in cooperation with the work units of the original residents, undertook the redevelopment and provided financial support. New housing units were distributed to the people affected according to the egalitarian principles and without charge.

In practice, the effects of the public-led renewal were far from the planners’ original expectations. They were constrained by poor public financial support. In earlier practice such as the project in Longxugou completed in 1955, the housing standard was very low. Residents still had to share toilets and kitchens, and the average floor space per head was only slightly larger than before. Because of this low standard, this area became the most dilapidated area again only about ten years later (Fang, 2000). In later practice, for example the projects in Qingnianhu started in 1973, the local housing authority raised the standard for new housing construction so that the returning residents would live in

improved dwellings. The original proposal planned to demolish dilapidated houses used by 800 households and reconstruct 1600 new flats locally. Because of the lack of public investment, the project was seriously delayed and finally completed 10 years later. By that time, the local housing demand had become nearly 2000 units for the rapid increase in local population and new marriages, so several hundred people had to be put on the waiting list (Dong, 1998; Shao, 2003).

The key features of the three modes of neighbourhood renewal practice in the planned-economy era are summarised in Table 7-1.

Table 7-1 Main models of public-led renewal projects (1949-1978)

Types	Participator	Contribution/cost	Benefit/loss
Housing redevelopment projects	Local authorities	- 100% investment - Implementation	- Improved physical environment - Released pressure of housing shortage
	Residents	- Dilapidated houses	- Improved living condition
Construction of “key” projects	Local authorities	- 100% investment - Implementation	- New public facilities and its potential benefits
	Residents	- Original housing - Relocation	- Improved living condition
Self-help redevelopment or rehabilitation	Local authorities	- Subsidy (very seldom)	- Released pressure of housing shortage
	Residents	- Original housing - Investment	- Improved living condition

Clearly, in the planned economy period, generally speaking the residents were very positive about becoming involved in the various types of public-led renewal initiatives, although sometimes the benefits they could gain were not very equal. But the renewal was often a great burden to the local authority, such that neither the physical size of the renewal projects nor the number of population benefited from them, because they had never reached the targets of the ambitious master plans. Although the physical changes produced by the renewal projects in the three decades were much greater than ever, these projects affected only a smaller area of the inner-city neighbourhoods; they did not alter the basic structure of the traditional urban landscape of Beijing old town. Figure 7-8 shows the large proportion of the non-reconstructed area in Beijing old town between 1949 and 1981.



Figure 7-8 Non-reconstructed area in Beijing old town (1949-1981)

Data source: Liu and Tan, 2004

At the end of the 1970s, the poor housing and infrastructure conditions in inner-city neighbourhoods had been a common feature, resulting from the imbalanced development strategy in most Chinese cities. The increase of housing stock was actually slower than the age increase of housing. In all large cities, the increasing urban population⁸ led to a greater housing shortage than that of the pre-communist period and made general living conditions in old neighbourhoods worse. Official statistics show

⁸ From the 1950s to the 1970s, the fertility rate of Chinese families was very high. So the urban population in China increased significantly, although the migration from rural to urban areas was strictly restricted.

that in Beijing old town housing floor space per capita declined from 4.75 m² in 1949 to 4.55m² in 1976 (Tan, 2002). At the end of the 1970s, over 600,000 families were suffering housing shortages, which was 55.3% of the total. Meanwhile, the proportion of registered dangerous (dilapidated) houses increased from 5% or so (in the 1950s) to about 50% by 1980 (Beijing City Planning Institute, 1993). Many poor old houses had to be used continuously and intensively to accommodate the boomed urban population. Moreover, the self-help renewal projects emerged more and more commonly. The open spaces of the traditional courtyards were occupied by the informal structures. The increased housing density not only affected living conditions, but also produced potential threats to safety, for it was frequently found that the access for fire evacuation was blocked by these structures. In addition, some heritage architecture had been refurbished for residential or office use.

7.3 Marketised Redevelopment Movement during the Reform Era

From the early 1980s onwards, the urban renewal practice in Chinese cities began to experience another significant shift in its mechanism alongside the transitional journey from a planned to a market-oriented economy. After suffering years of slow growth of the public-dominated economy, investments from private and overseas sources were re-introduced and encouraged to increase economic outputs in industries. As a result, cities, especially those located in the coastal regions which are the favoured locations, advanced infrastructures and the concentration of highly-educated labourers, attracted the majority of private investment and experienced faster growth in economic output. Together with the lasting economic prosperity, urban changes in these years were much greater than in any other period. New development emerged not only in the suburban districts, but also through the large-scale renewal and redevelopment projects in the old town areas. By the turn of the century, traditional urban forms had been entirely replaced by modern development in most Chinese cities.

The market-led initiatives supported by private investment became more and more important in the renewal process. However, just like the progressive economic reform, this transitional process towards the marketised model of renewal practice comprises several steps. The discussion in the following sections divides the period into two phases: before the 1990s, the urban real estate market had not yet been formally established and the private investment was a supplement financial source for the

semi-marketised model which maintained many features of the public-led model of the previous period; after 1990, when the urban real estate market was more established, the urban renewal model soon became radically marketised and then prevailed as the mainstream model in almost all cities across China.

7.3.1 Semi-marketised model

In the 1980s, during the early stage of economic reform, the trade of development right of urban land was not yet permitted by law, which means that, unlike many other industries, in theory the urban estate development was not initiated by private developers nor supported by private investment. The government had hoped that all major urban construction projects would be undertaken by public agencies so that the planning control could be exercised effectively.

In Beijing, a new version of the master plan proposed new targets for the future development of the capital city (Beijing City Planning Institute, 1982). Urban renewal projects - especially renewal projects for residential neighbourhoods - were for the first time given priority over industrial development. However, the initial implementation of the renewal schemes was still very conservative. Most planners worried that the large-scale “demolition-reconstruction” process might damage the well-preserved urban form which was seen as a very valuable historic heritage. They cautioned that the renewal projects in the old town should not be too hasty and should follow well-considered and integrated objectives (Beijing City Planning Institute, 1982; Urban Planning group of Department of Architecture, Tsinghua University, 1980; Dong, 1998). More important, the budget of Beijing Municipal Government in the early 1980s was still very small and it could provide financial support to only a limited number of public-led renewal projects. Thus without the involvement of private investment, the pressure of the inner-city housing shortage in Beijing, as well as in other large cities, became greater and greater in the face of the booming urban population and further decline of traditional neighbourhoods. In Beijing, a household survey in 1983 showed that in the old town, housing floor space in dangerous old dwellings reached 2 million square metres, about 30% of total traditional buildings (Dong, 1998). The municipal housing authority of Beijing also identified 29 of the “most dilapidated residential neighbourhoods” with a total floor space of 1.9 million m². In each of them, the number of dangerous dwellings was more than 200 and occupied over 40% of total dwellings.

That means, if following the previous public-led renewal model and the same level of support from public finance, it would take approximately 172 years to complete the renewal of these “most dilapidated residential neighbourhoods” (Fan, 1985). Clearly, the public-led renewal model prevalent in the planned economy era could not cope with the huge renewal demands in the cities. That forced the government to look for alternative policies.

As a result, some semi-market-oriented redevelopment projects were launched as “experimental” approaches in the inner-city neighbourhoods of some large cities in order to accelerate the local housing improvement process. In this new-generation of projects, apart from local government investment, private investments from local residents themselves and also from work units were encouraged. Other sources such as bank loans were also tested. The semi-independent public-owned development corporations were established to undertake urban renewal projects instead of housing authorities. The corporations were given independent financial power so that projects could be carried out according to market principles, a more efficient way. Meanwhile, local governments provided some aid to the corporations to reduce the cost of the overall renewal projects. These included tax break and subsidies. They also restricted the development corporations’ profit at a low level. This arrangement aimed to control the total cost of the renewal projects and to ensure that they were “affordable” to all stakeholders – mainly the residents affected. As a reward to private family investment, after the new buildings were completed, these households who had invested in the scheme could move back and hold the shared ownership of their homes. Compared with the old models, it is obvious that the financial burden to local government will be reduced, and with the same level of public financial support, redevelopment projects can be operated on a much larger scale and at a faster speed than before. All the stakeholders share the input and output of the projects.

In Beijing, three neighbourhoods (Jverhutong, Xiaohoucang and Dongnanyuan) were selected in 1987 as pioneers to implement the new model (Tan, 2002; Fang, 2000; Lv, 1997). In these areas, most local residents were low-income people. After the renewal projects, residents could obtain a new housing unit (usually in multi-storey developments) without relocation. During the process, many innovative approaches were introduced in different projects to help local people, especially the poor families, in arranging the self-investment. Cross-subsidy was used. For example, in Xiaohoucang,

the developers were allowed to build some commodity housing for sale in the market to non-local residents. The income received was used to subsidise the construction of new houses for the local families. In Jverhutong, a “housing cooperative” was introduced as a non-profit organisation to help reduce the financial burdens of the original households. Local households could obtain low-interest loans from the housing cooperative (up to 70% of the house price), and their work units acted as the warrantors (Wu, 1998; Lin, 1990; Shao, 2003). Table 7-2 summarises the main features and the relationships among different sectors in the semi-marketised renewal practice.

Table 7-2 Features of the semi-marketised renewal projects (1978-1990)

Participant	Contribution/cost	Benefit/loss
Local authorities	<ul style="list-style-type: none"> - Reduced taxation - Subsidies to some poor residents - Partial investment 	<ul style="list-style-type: none"> - Improved physical environment and infrastructure - Reduced housing shortage - Reduced financial burden
Developers (state-owned corporations)	<ul style="list-style-type: none"> - Being project operator - Partial investment 	<ul style="list-style-type: none"> - Restricted profits from sales or rent of surplus new housing after accommodating the original residents
Work Unit	<ul style="list-style-type: none"> - Financial or other aids (such as warranty of loans) 	<ul style="list-style-type: none"> - Higher living standard for their employees
Residents	<ul style="list-style-type: none"> - Original housing - Partial investment (some from mortgage or with other subsidies) 	<ul style="list-style-type: none"> - Partial ownership of their homes - Improved living standard

This approach could be seen as part of the original attempts of the application of “partnership” based on the cooperation amongst local government, development corporations, work units, residents and other local financial institutions. However, in the Chinese context at that time, these experiments still maintained some essential features of the past socialist practice. In this model, the public sector (local government) in fact was in the dominant position over other sectors. The roles of local government in the operation of such “partnerships” were essentially as “instructors” rather than “coordinators” or “participants”. The projects were always undertaken by the public-owned development corporations who held the decision-making rights in drafting the scheme plans. Sometimes, these corporations were also very keen to develop extra buildings and facilities to the neighbourhood renewal projects for financial gains outside the original proposal. Other participants, especially the residents, were usually not fully informed about these decisions. Some local residents, particularly the poor ones, participated only passively in these schemes. However,, overall, these

experiments were seen as “win-win” cooperative approaches: residents acquired new and larger housing units and an improved living environment; the government was happy to see polished inner-city images and modernised infrastructure; development corporations gained profit, though at a restricted level.

The experimental idea with the involvement of market was seen as a successful attempt by governments for its much higher economic efficiency in practice. Nevertheless, owing to the limited benefits, public-owned developers did not have much desire to undertake this type of redevelopment project. In Beijing, up to the early 1990s, the renewal process was still very slow. The widely-praised successful projects were completed in a few small areas only, and no more than 1000 households in total benefited from them (0.2% of all households in the old town who were suffering from the housing shortage). Moreover, the progress of almost all of these projects was delayed seriously (Jing, 2004).

7.3.2 Radical marketised model

The experimental renewal projects in the late 1980s did demonstrate that the involvement of private investment and market forces could speed up the urban renewal process. However, in the face of the severe housing shortage and increasing housing demand in the old neighbourhoods, the semi-marketised model was not enough to address the problems. By the end of the 1980s, the number of dangerous dwellings in Beijing old town reached around 6.3 million m², more than half of all dwellings, higher than that in the early 1980s (30%) and 1950s (5% or so). About 200,000 households with 800,000 residents lived in these areas (Meng, 2000). There is no doubt that a more efficient approach was urgently required to accelerate the renewal process. By drawing on the successful experience from experimental projects, almost all local governments decided to rely more on market forces in the renewal process. In 1990, Beijing municipal government proposed the target (for the second time) to eliminate all the “inadequate” dwellings in ten years (before 2000) (Fang, 2000).

Actually, the emergence of the new renewal model reflected the new steps of the economic reform. In 1991, the central government formally established the land and real estate market by law. Private developers were permitted to contribute to urban estate development and obtained profit from it. After 1994, the reform of the national taxation

system gave local authorities more direct benefits from local GDP growth. Thus, the newly-established real estate market was seen as the industry with the greatest potential for success, replacing the traditional industry in local economic growth of the new period. Local governments approved a series of policies to encourage more private investment to initiate new real estate development, and in cities with limited land supply, large-scale redevelopment projects became attractive to many developers. One of the objectives of these projects was similar to those of the past, in expecting more provision of new housing, a nice city-image and modernised infrastructure. Nevertheless, besides that, the local governments also hoped to use opportunities of estate development associated with the redevelopment initiatives in old neighbourhoods as the most effective vehicle to attract more private investment and then create faster growth in GDP. Therefore, since the early 1990s, urban redevelopment projects have been carried out at a much higher speed and on a larger scale than ever in almost every city. Thousands of old neighbourhoods were demolished and the volume of new construction reached a record speed.

A variety of private or joint venture developers began to play more active roles in the projects, and private developers were allowed to sell the new properties in the market, no longer with restriction. However, in China, the most populous country in the world, especially in the east coastal areas where most large cities are located, the land was always regarded as having very limited public resources. The government is always hoping to control the expansion of urban areas strictly and encourage new developments to locate in the existing urban neighbourhoods. Thus the redevelopment projects became very important in the booming real estate market. Many large-scale projects emerged in a very short time, and operated in a simplified way - demolishing the whole traditional urban area and reconstructing modern higher-rise buildings with greater density.

In Beijing, private investment to the inner-city redevelopment projects was tremendous during the entire period of the 1990s. For the favourable location of some areas in the old town, the new real estate development projects brought great potential profits⁹, so much so that both the speed and scale of new projects reached a historic high. Most of

⁹ For historic reasons, the requirement of new office and shopping buildings in Beijing old town was very high. In the half year since the commencement of the "Oriental plaza" (one of the largest redevelopment projects adjacent to Wangfujing, the most famous shopping area of Beijing old town) in 1999, 30% offices had been booked. Furthermore, in 2004 when the projects were completed, 90% offices had been rented and the rent rose by 20% (Gan, 2004).

them, with the intention to speed up the process and enlarge the construction volume, were planned without careful design, so the simplified “demolition-reconstruction” process became very common everywhere. In the ten years (1990-1999), renewal projects demolished about 5 million m² of old houses and replaced them with 14.5 million m² floor spaces of new buildings in Beijing old town (Zhou, 2002). In total, 184 thousand households were involved in the process (Huang, 2003), which is nearly 1/5 of the urban families. Figure 7-9 shows the comparison of the renewal/redevelopment speed in this decade and before. In some cases, the reconstruction projects were usually of much higher density (even 8 to 10 times) than before (Fang, 2000, p. 67). Many traditional residential neighbourhoods were entirely replaced by new high-rise buildings with complex usage, including residential buildings, shopping malls and offices. Apart from the historic conservation areas, open spaces, water ways and lakes and roads, about 72% of traditional residential areas in Beijing old town had already been cleared by the end of the 1990s (Figure 7-10).

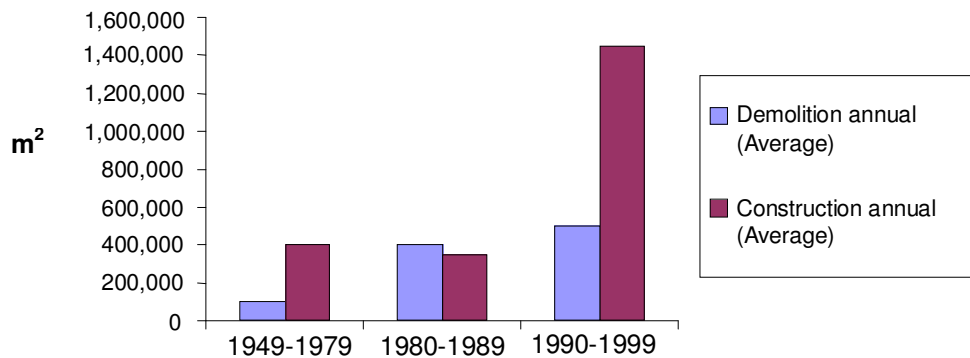


Figure 7-9 Demolition and reconstruction volume in Beijing inner-city (1949-1999)

Data source: Ping 1999; Sun, 2000; Zhou, 2002

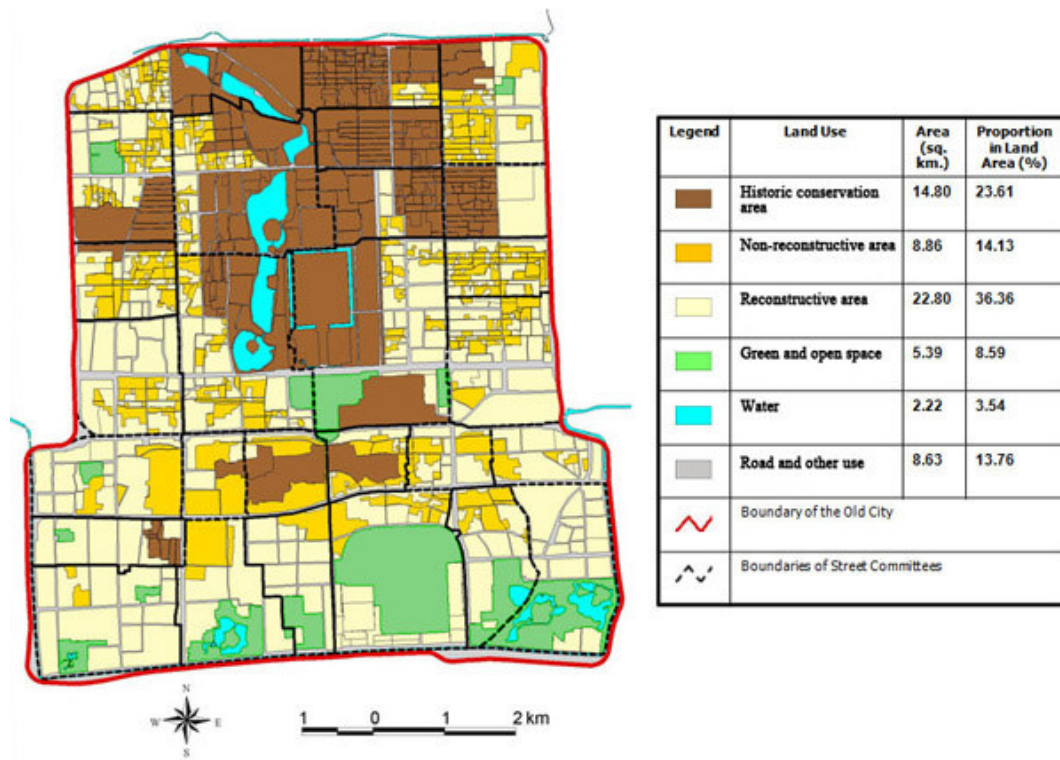


Figure 7-10 Reconstructed and non-reconstructed areas of Beijing old town (2002)

Source: Han et al., 2004

In the new renewal model with radical changes towards marketisation, the redevelopment practice was no longer supported by substantial governmental subsidies, but local governments still gave extra aid to encourage private developers to accelerate their redevelopment initiatives. Compared with the aid to state-owned developer corporations in the past, the external aid to the private developers in the new period might be more: the profit limitation, the restriction of relocation or maximum construction density according to local plans were cancelled or neglected, while some other forms of aid from governments since the 1980s, such as the tax break or cheaper price of land acquisition, still existed. Thus the great advantages in market had become the main driving force to push the large-scale “demolition-reconstruction” movement rapidly ahead.

Many developers expected easy and large profits. During the period between 1993 and 1995, most redevelopment projects could bring profits of more than 60% and some even 100% (Wang, 1996). Meanwhile, local governments were also delighted to witness the “great achievements” in physical changes. Thus the two sides with shared interests quickly formed a union and controlled the renewal decision-making process. The original objective of neighbourhood renewal to improve general living conditions for

local residents gradually became sidelined. The balanced partnership of the previous semi-marketised model based on multi-sector coordination, had been broken and local residents were placed in very disadvantaged position for their weak voice in decision-making and poor participating capability in the market. Table 7-3 summarises the features of this model of renewal.

Table 7-3 Features of the radical marketised renewal projects (since 1990)

Participant	Contribution/cost	Benefit/loss
Local authorities	<ul style="list-style-type: none"> - Land provision with reduced land use fee charges - Reduced taxation - Subsidies to builders - Support to relocation 	<ul style="list-style-type: none"> - Improved physical environment and infrastructure - Income from land letting - Increased tax and other income from new economic activities
Developers (private companies)	<ul style="list-style-type: none"> - Discounted compensation for land use and demolition - Investment of rebuilding - Implementation 	<ul style="list-style-type: none"> - Income for sale or rent the new property - Other income from new economic activities
Residents	<ul style="list-style-type: none"> - Original low-cost housing - Cost of relocation 	<ul style="list-style-type: none"> - Reduced compensation of demolition - Possible relocation to other peripheral areas - Loss of original community

Obviously, both the local authorities and private developers who formed the union to control the decision-making were winners from this model. On the contrary, the residents and local communities - especially the low-income ones - were the losers, whose loss was almost always much greater than the gains. To seek higher profit, some traditional neighbourhoods or mixed-use areas were transformed into commercial use. Most local families lost their homes but received only limited monetary compensation. They had to choose the cheap peripheral housing units as their new homes rather than moving back (Tan, 1997; Fang, 2000; Li, 2000; Wu, 2004). In some cases, the pace of demolition has been so rapid that local residents were required to vacate their old housing before the high-rises being built for them on the outskirts of the city were completed (Gaubatz, 1999; Zhang, 2002b). Some of them had to wait for more than three years (Zhang and Fang, 2004).

This process is more or less similar to the “property-led” redevelopment prevalent in Britain in the 1980s, by which the new projects were perceived as a very effective “growth machine” for high-speed GDP growth (Logan and Molotch, 1987). In Chinese cities, the legacy of the planned economy makes the local governments the largest

owner of urban land and estates, and also, the remaining state power can be used more frequently to facilitate the profitable redevelopment initiatives. That is why in such a short period both the local governments and private developers can accumulate such huge wealth through the large-scale redevelopment in a very easy way.

7.4 Conclusion

In the long period of pre-socialist China, generally the neighbourhood renewal was carried out at a very slow speed and in a limited scale. There was no universal way for the renewal practice. The private-led and public-led renewal initiatives co-existed, with diverse objectives. The private-led projects were usually brought some new industries in order to achieve returning profits while the public-led projects were to meet the requirements of state, including the update of infrastructures and beautification of city images. However the scales of both the private- and public-led projects were very limited and few of them were eventually completed. As the result, their impacts of Chinese traditional cities were really very little. In the socialist planned economy era, the speed of neighbourhood renewal became faster, especially in cities like Beijing which had high political importance. During this period, the public authorities had full control of the decision-making process, and took all responsibility for implementing the projects. Most of projects were proposed to help create a modernised equal urban society in the superior ideals of Socialism. However in practice only the projects associated with the developments of new industries and administrative systems were given priority to be completed, while most projects of slum clearance and infrastructure update were seriously delayed. In the reform era, the neighbourhood renewal was accelerated revolutionarily. More and more projects became private-initiated, and gaining considerable profit from the newly-established real estate market through property development was the prime driving force of the process. The property-led redevelopment process was usually supported by local authorities in order to achieve higher local GDP. However, many real public needs from local residents were sidelined, and these then formed the new “urban problems” to be tackled in most recent years.

Chapter 8 Lessons of Market-Oriented Redevelopment and Remaining Problems of Old Neighbourhoods in China: with Case Study of Shichahai

Since the early 1990s, the market-oriented redevelopment movements have made a significant impact on old neighbourhoods in Chinese cities. Tremendous private investment was soon attracted to initiate the larger-scale redevelopment projects. Most of the projects were completed in a very short time in a simple “demolition and reconstruction” process. Compensation for most residents who had lived in the demolished dwellings was paid by cash, and a large number of local residents had to be relocated. This then resulted in the significant growth of the local GDP. However, more and more researchers and members of the general public have recognised some negative consequences of this process. Usually, the significant economic prosperity did not provide benefits to many local residents, especially the vulnerable groups. Also, most social, economic and physical problems still existed in the remaining old neighbourhoods which were never involved in the property-led redevelopment process. This chapter will explain the two problems in turn. Analysis and discussion are based on the primary data collected during the fieldwork. They will answer the questions:

- What are the negative impacts of the market-oriented redevelopment projects on local residents?
- What are the remaining problems of the unchanged old neighbourhoods?

Shichahai in Beijing old town will be perceived as a typical case to provide quantitative evidences. The answers to the two questions will form the understanding of the most recent “urban problems” and potential “local needs” in the old neighbourhoods to be renewed after 2000.

8.1 Lessons from the Marketised Redevelopment Practice

8.1.1 Land speculation and limited scale of area-based promotion

Some optimistic estimations have claimed that the market-oriented neighbourhood renewal campaign could be the most significant contributor to the continuous growth of

GDP since the early 1990s (Gu, 1998). However, more recent research has revealed that the real contribution of the market-oriented redevelopment projects to local economy was not as great as expected. Many signs show that the newly-established real estate market in Chinese cities was very immature. Inevitably, many market-oriented renewal initiatives tend to be speculative and hope to gain short-term profit only. Many local governments used strong interventionist approaches to reduce the cost of redevelopment so that more private investment could be attracted for higher potential profit. This enables the developers to get considerable profit from applying for redevelopment rights for a discounted price, and then selling them to other developers. In this process, every developer may get considerable profit but there could be no construction on the site at all (Fang, 2000, p. 40; Yan, 1998; Zhang and Fang, 2004). In Beijing, it was very common to see many old neighbourhoods being entirely demolished, but new construction was delayed year after year. In 1999, the area of demolished old houses in Beijing reached 2379 ha, however, the reconstruction was only immediately initiated in 1/18 of the demolished areas (Zhong and Wei, 1999). Within an overheated property market, some large scale renewal projects aimed for sudden profits rather than creating sustained long-term business opportunities. As a result, the short-term prosperity might produce great burdens for the city rather than assets in future which may weaken the future competitiveness in practice (Wu *et al.*, 2007).

Under such an immature market circumstance, though the market-led urban redevelopment projects in most Chinese large cities in the 1990s reached a record scale, they occurred in some specific geographic areas only. It was found later that the better neighbourhoods, where simple ownership structure, few households and lesser population density exist, were demolished. The majority of the worst neighbourhoods, with a concentration of poor quality and overcrowded houses, low income and poor people, remain unchanged. When areas of easy access and profitable have all been redeveloped, the private investors lost interest in continuing the urban renewal process. In Beijing, the campaign of renewal slowed down at the end of the 1990s. In 1999, the scale of the new redevelopment projects fell to the lowest level since 1990 (which affected only 8000 households and 210,000m²) (Shao, 2003, p. 101).

According to the original plan drawn up by the Beijing Municipal Government in 1990, the authority hoped to use the property-led redevelopment projects to eliminate all “unfit” dwellings in the inner-city areas by 2000. But in fact the proposed

redevelopment projects were seriously delayed, and by 2000 the progress was far behind the initial expectation. During the 1990s, urban renewal projects demolished 4.99 million m² of old housing, which is much smaller than the total amount of “unfit” dwellings (7 million m²) identified by the housing survey carried out in 1991. Furthermore, many of the houses demolished did not belong to the “unfit” dwelling category. There were 279 officially defined “dilapidated areas” in Beijing in 1997. The renewal projects affected only 133 of these areas (44.1%). Only 33 (11.8%) of them have been completed (Wang, 2002; Fang, 2000; Zhang, 2002a; Zhou, 2002). Therefore, when the new century began, Beijing, like many Chinese cities, still had a very large old town area, consisting of many poor-quality old residential neighbourhoods. A housing survey in 2000 revealed that there were still 6.54 million m² of “unfit” dwellings in Beijing old town (Beijing Daily, 2002). Although the figure reflects a change in the definition for ‘unfit housing’, it does show the slow progress of early renewal practice and the huge problems faced by the inner-city areas.

8.1.2 Social impacts by the marketised approach: unfair compensation, forced relocation and its consequences

In most of the market-oriented inner-city redevelopment projects in the 1990s, the old residential neighbourhoods were reconstructed into offices, luxury housing and commercial centres in order to meet the market demand. The demolition process accelerated the loss of public housing stock in the city. It was estimated that, in 1990, 40% of the dwellings in the old neighbourhoods of Beijing were publicly owned (Tan, 1997, p. 87). The redevelopment in the 1990s demolished about 2 million m² of public housing. The great number of low-cost private rental and owner-occupied houses were also involved. Original local residents who had lost their homes could no longer get in-kind houses (a practice of the 1980s), but received money compensation instead. It was very common that this process was implemented with the aid of local government by using the “compulsory purchase” right, and the monetised compensation for the old buildings (not for the land, which is in state ownership) was much lower than the market price. The unfair compensation forced thousands of low income households to lose their affordable inner-city shelter.

In Beijing, between 1990 and 1999, the redevelopment process was carried out in 150 areas, and 48 of them were completed. Over 4 million m² of old housing were

demolished and 12 million m² floor space of new housing was built. The process affected 184 thousand households, of which 81.3 thousand had been re-located to peripheral housing estates and only 55.4 thousands moved back to new houses in inner-city neighbourhoods (either the original site or nearby neighbourhood) (Huang, 2003; Shun, 2000). Most of the previous tenants of the demolished old houses were forced into being relocated. Some have moved to and concentrated in some peripheral suburban areas of poor quality new public housing or low price and low standard commodity housing. The locations of these replacement housing estates were usually in very far suburban areas with poor accessibility to amenities (Wang, 2004b; Zheng, 2003). Some other original residents chose to accept the cash and move into the private-rental sector in the remaining old neighbourhoods nearby. With the sudden increase of demand, the competition for housing in the market became fiercer so that housing price inflation became serious. This group had to face much higher housing costs, even though their housing conditions might not improve much or get worse (Li, 2005c; Hao and Zhu, 2005). Some very poor residents became “homeless” after the large-scale demolition. In theory, the households from demolished public housing would have qualified for buying subsidised housing (the so-called “economic and affordable housing”) units, but in practice the provision of the subsidised housing was far behind the real demand. The waiting list of the potential households of the economic and affordable housing was long. Most of these families had to stay in temporary dwellings or live with relatives for several years. By the end of 1998, the redevelopment schemes had produced 32,000 “homeless” households (with a population of approximately 100,000) and the number kept increasing in the following years (Fang, 2000, p. 29).

The forced relocation brought great inconvenience to almost all residents. In the redeveloped inner-city areas, newly-erected office blocks and modern shopping centres made a significant impact on the remaining traditional shop units in the old neighbourhoods. Many of them had to be closed because of low competitiveness in the market. The massive demolition also eliminated many small-scale collectively-owned enterprises. This accelerated the loss of low-level jobs in old neighbourhoods. At the same time, the large-scale redevelopment projects removed spaces for traditional small-scale street trading, and destroyed the basis for the informal economy which made a significant contribution to a large proportion of poor residents.

To those relocated to peripheral housing estates, the increase in distance between workplaces and homes did create some problems. According to the investigation conducted by Tan (1997), about two thirds of the original residents in Beijing inner-city neighbourhoods used to cycle to work, and the average distance between homes and works was less than 5 km. After being relocated to peripheral housing estates, 80% of them had to take the bus to work, and the average travelling time for them increased to 1 hour. As a result, many people without good personal means of transport had to give up working.

The delivery of social services to the poor residents was also affected by the large-scale redevelopment projects. For those staying in the remaining old neighbourhoods, the large-scale reconstruction would eliminate the service units within walking distance. For the relocated people, the troubles could be much greater. In the large-scale peripheral cheap commodity housing or “economic and affordable housing” estates, the accessibility to service provision was not given enough consideration at the planning stage. It normally takes many years for the relevant services to settle in. A comprehensive survey was conducted to evaluate social service provision in new housing estates. This includes Tiantongyuan and Huilongguan, the two largest “economic and affordable housing” estates in the north suburbs of Beijing. The survey examined 5 major categories of service: food and restaurants, healthcare, education, entertainment, and child playing facilities. In every category the two areas were among the top 3 worst areas (Zhang *et al.*, 2006).

Many relocated families had to send their children to schools in the inner-city areas and elderly and sick people had to go to the inner-city general hospitals for treatments. The journeys cost a lot of time and money for these families. Tan (1997, p. 77) found that, because of bad accessibility or increased cost, 65% of relocated households had to reduce the time spent on recreation, especially for elderly and children; 53% of them had to reduce the frequency to see doctors; and 19% reduced their shopping time. A quarter of families also felt that public services in the relocation estates had become poorer than before. They were particularly dissatisfied with the poor public security, cleaning, waste collection and so on (Shao, 2003).

8.1.3 Impacts on the environment

Large-scale redevelopment projects also generated a negative impact on the physical and environmental quality of urban spaces. Many developers increased the density of construction from the restriction of urban plans for higher profits. The designs of these areas were not good, and the projects produced extra pressure on the capacity of the infrastructure. In Beijing, for example, more than 50% of traffic flow and economic activities concentrated in the crowded city centre which occupied only 5% of the whole urban area (Wu, 1999; Zhang, 2002a). Another serious problem was the threats to the architectural heritage in old towns. The large-scale new buildings damaged the traditional small-scale, mixed-use urban fabric (Shu, 1998; Shan, 2006). Meanwhile, the natural environment in the centre areas was also polluted. The redevelopment projects produced illegal occupation of public green spaces, and caused more traffic congestion and air pollution (Fang, 2000).

8.1.4 Undemocratic decision-making

In the marketised property-led redevelopment process, decisions were often made without the participation of local residents. This is more or less similar to the property-led redevelopment in British cities during the Thatcher period. The most important feature of this process is that the decision-making mechanism is controlled by the union of the state power and the private capital. In China, because of the specific political and economic system, the “capital-state” union worked more effectively and with less resistance. The influence in public affairs by local communities has been weak in comparison with the previous redevelopment model of the 1980s.

The Chinese government always has a stronger influence over economic development. Since the 1990s, local authorities have been empowered with more freedom to use interventionist approaches to promote local competitiveness and accelerate GDP growth. One of the common ways to develop local economy is to facilitate real estate development through large-scale urban redevelopment projects. Municipal governments, as the legal owners of all land, can easily provide the required support to attract private investment, and at the same time keep the cost of compensation of demolition at a low level. In some cases in Beijing in the mid-1990s, land and property compensations were only 1/3 or even 1/10 of the open market price. The developers, however, could sell

their property at market prices. They were also given some other aid, including tax reduction and priority of using public infrastructure (Fang, 2000). As a result, both sides of the union shared the redevelopment benefits: the government gained substantial income from releasing the land for development and achievements in local economic output, and developers reaped the shocking profits.

Local communities and other small non-government organisations and enterprise did not gain much benefit from the redevelopment. Owing to the existence of the work unit during the planned economic era, the role of communities and voluntary organisations in neighbourhood affairs was very limited. It was the work unit which often undertook responsibility to collect public opinion in community management. Some community-based or voluntary organisations, such as Neighbourhood Committees, existed, but had little influence over economic development affairs. For very limited resources and power, Neighbourhood Committees were seen only as supplements to the work unit system. During the 1990s, this system began to change gradually. For various reasons, many residents from the old neighbourhoods had lost the relationship with their “work units”. This meant they had lost the formal channel to get information about local community development and management, and found it difficult to express their ideas. The government had hoped to establish a new community-based management system to replace the role played by work units, but the new system has not materialised.

In these old neighbourhoods, because of the decline of the old community management system and the absence of the new system, there was no independent body to represent the “local community” in the decision making process to balance the powers of the government and developers. In many redevelopment areas in Beijing, regulations on compensation and the full project proposals were never formally made available to all local residents. According to the investigation from Shao (2003), the majority of residents obtained the information from newspapers (38.6%), TV (20.3%) and friends (20.3%). If any resident had queries about the project, they had to make the presentations personally. This individual approach was much less effective than if the views were to be presented by the work units. As a result, the government and developers became the two main forces in urban redevelopment, while the voices of the local community were almost completely ignored (Zhang, 2001). Because of the almost non-participation by local residents, redevelopment decisions often have an inappropriate priority:

- 1) Economic growth
- 2) Physical and environmental improvement of the area
- 3) Social requirement of the local residents

The ignorance of “local social needs” just reflected the weak position of the local community in the unbalanced decision-making mechanism.

In recent years, the unfair compensation and forced relocation in the redevelopment projects have produced much social unrest in Chinese cities. Lacking a valid way for collecting public and community opinions, some local residents chose extreme ways to complain or protest about the unacceptable low compensation of the redevelopment schemes proposed by government and developers. Between January and August 2000, the Construction Ministry received 1350 complaint letters about unfair compensation; and 103 individuals or groups appealed to the ministry about problems related to demolition and relocation (Wang, 2004a). In some serious cases, the protests became even violent. That created great pressure on the government to find new ways to rethink the real problems and needs of the communities in old neighbourhoods, as well as the imbalanced participatory mechanism.

8.2 Remaining Problems of the Old Neighbourhoods in the 21st Century

In contrast to the areas having experienced the market-oriented redevelopment process, the remaining old neighbourhoods abandoned by the private developers kept declining after the 1990s. Recent socio-economic restructuring, the welfare reforms and the mass relocation caused by the property-led development campaign together led to significant demographic changes in these areas, and the declines were believed in wider aspects. Therefore the “urban problems” of the old neighbourhoods in this new era had to be measured from a new perspective. In the following sector, the problems will be examined by following a multi-dimensional framework, with the reference to the British “multiple deprivation indices”. All primary data collected by fieldwork in 2007 refer to one of the most typical cases of the remaining old neighbourhood in Beijing – Shichahai. The situation was a very good reflection of the problems existing in all remaining old neighbourhoods in Beijing (largely in the old town area). The discussion will also draw on some secondary data collected by other local researchers. All city-wide data, where necessary, are based on the official statistics from “Beijing Statistics Information Net” (<http://www.bjstats.gov.cn/>).

8.2.1 Residential history of Shichahai

Shichahai was one of the oldest residential areas in Beijing old town. It is about 2.5 km away from the Forbidden City, the old palace of Chinese emperor, and adjacent to the man-made water system. In the 13th century, when the city of Beijing as the capital of Yuan Dynasty had just been constructed, the waterfront area was soon developed as the main port to receive grain shipping from the southern provinces. The surrounding neighbourhoods then became the largest commercial areas in Beijing (Xiong, 1983; Zhang, 1999). After the Ming Dynasty (early 15th century), following the change of Beijing's water system, the port was closed and the city-wide commercial centre gradually moved to southern neighbourhoods. The waterfront areas, with their beautiful landscape, became high-standard residential areas. Many big courtyards were occupied by royal families, rich merchants or higher-level officials as their homes. Some commercial streets remained in order to provide services to the local rich population. Many local tea houses, restaurants and shops were very famous for a long time (Li, 1995).

In the early 20th century, following the civil wars and collapse of the monarchy, most of the big courtyards which used to be the homes of royal families were occupied by governmental and military bureaux or schools. Most of the remaining residential houses were sold to various buyers (Yuan, 1997, p. 85). After 1949, the majority of big courtyards were nationalised as public assets. Some of them were distributed to some work units for non-residential use, including the Jishuitan hospital, China Music College, Museum of Songqingling, No.13 Middle School and Shichahai Sports Institute, as well as some newly-established small enterprises (mostly collectively-owned). Another part was directly owned by the local housing authority, in order to house some newly-incoming urban population. Some other houses were still privately owned, but strict rent control was implemented. The tenants, level of rent and expiry time of the rental contract were all decided by the local housing authority, not the owners (Dong, 1998). For the fast growth of urban population in the national capital city, a variety of households were constantly moving in. In particular, in the 1950s and 1960s, the growth of local population was most significant. More than half of (51.7%, data from survey by Tsinghua University in 2002) the current residents moved in during this period. The majority of the incoming population were working class and other poverty people who could not get welfare housing from their work units. Some old dilapidated dwellings

were then demolished to make way for the reconstruction of new offices and workshops. Most shops and restaurants were closed, and the commercial estates were re-used to accommodate the increasing urban population. Some others were redeveloped or renovated as new social service units, for example public bathrooms and grain shops. Because of the rising pressure of the housing shortage, every residential courtyard which used to accommodate one family became shared by several households. New construction to infill the courtyards to house more people was very common. Most local buildings, especially those that were publicly-owned, had become very dilapidated for the long-term lack of good maintenance.

Following the economic reform, some houses which had previously been privately owned, and which were nationalised in previous decades but not distributed to any work units, were returned to private ownership. Rent control was removed as well so that the owners could decide the use of their properties. Under the market-oriented circumstance, the waterfront area of Shichahai again became very prosperous for new business. Most private houses alongside the main streets were renovated as new restaurants, bars, curio shops or night clubs. Their customers were international and domestic tourists, not local population. Meanwhile, for many reasons, the great number of public housing stock remained. Most of it was still poorly maintained. Some better-off households had purchased new houses and moved out of this area. Their homes were either empty or re-rent to others. But the very high proportion of low-income and vulnerable groups still stayed here (Fan, 2002). A detailed survey in 2002 found that, compared with the remaining residents, the outward movers had a significantly higher education level and better jobs, and most of them were of working age (Zhang, 2003, p. 62-63). After 2000, the demographic density in Shichahai was still more than twice that of the average level of Beijing city (Zhang, 2003, p. 85). Recent welfare reforms have created a major impact on this area, with a high concentration of low-income and vulnerable households which, it was believed, further affected their living conditions.

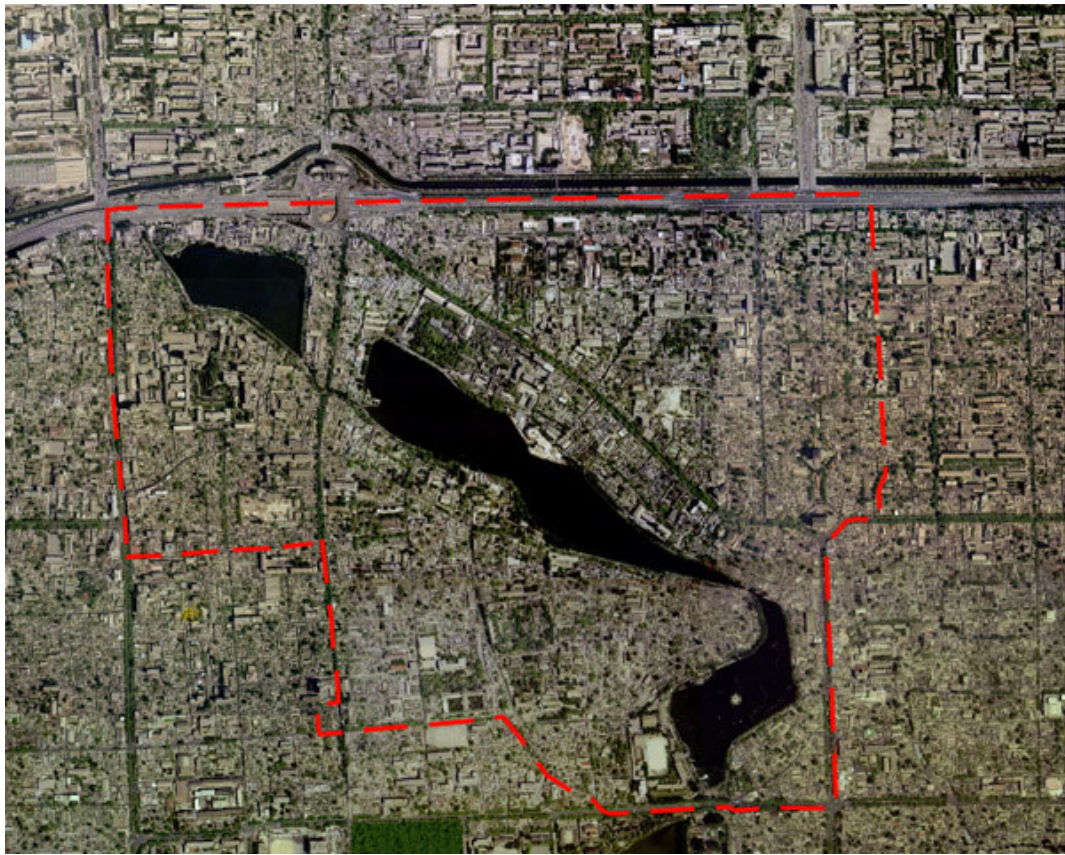


Figure 8-1 Shichahai from satellite

Source: School of Architecture, Tsinghua University

8.2.2 Demographic structure and employment problems

Table 8-1 clearly shows the aging residential groups compared with the city-wide average (excluding the rural population). The population of retired age and elder working age groups was higher while the young population was smaller. The gap between local and city-wide data was extremely huge. During the interviews, many elderly admitted that their children had had to leave this area because of the low number of local job opportunities. Table 8-2 shows the general education level of the current residents (excluding the under-18 population). The current structure of Shichahai was very similar to the city-wide data 20 years ago, but certainly, as a result of the slow progress now, the rate of low-educated population was much higher than the city-wide average. It was learned from the interviews, that none of the more than 100 residents held a postgraduate degree. The low education level was certainly associated with the concentration of elderly people. During the interviews, it was discovered that all the illiterates are over 60 years old. They had all moved here in the 1950s and 1960s, and had always worked for state-owned or collective-owned enterprises.

Table 8-1 Age structure comparison (Shichahai and Beijing average)

	Shichahai	Beijing Average (urban only)
0-18 (years)	8.9%	17.4%
18-25 (years)	12.0%	9.9%
25-40 (years)	19.9%	26.8%
40-60 (years)	34.0%	31.3%
Over 60 (years)	25.1%	14.6%

Table 8-2 Education level comparison (Shichahai and Beijing average)

	Shichahai	Beijing Average (urban only)
Below Junior Middle School	20.8%	14.1%
Junior Middle School	28.3%	26.5%
High School	24.2%	26.8%
College/University or above	26.7%	32.5%

Households in the old neighbourhoods also have a heavier burden because of their special family structure. Data from Shichahai show that as a result of the existence of many long-term residents, local households usually have larger family size. The average number of persons per household in Shichahai is 3.55, much higher than that of the city-wide data: 2.67 persons per household in urban districts of Beijing city in 2007. About 30.4% households have 5 or more family members (compared with the city-wide data at 9.4%).

Many researchers have revealed that in specific geographic areas of Chinese cities the larger average family size may mean the existence of more vulnerable and low-income households (Li, 2005c; Li and Knight, 2002). Although there is no recent macro-scale data of the family size per household in Beijing¹⁰, some research reports have pointed out that since the economic reform the average number of persons in Chinese urban households has been constantly going down at the same pace of their growth of personal wealth. The “one-child” policy has been implemented for over three decades, resulting in fewer children in ordinary Chinese families. Meanwhile, as a response to the revolutionary socio-economic restructuring, there are fewer households with more than two generations sharing the same housing units. Most “core families” with three or four persons have become rich because the adult wage earners can have lighter burdens with

¹⁰ According to the official statistics, it is not hard to calculate the number of persons per registered household. However, in practice, and for historic reasons, the official record for “*Hukou*” cannot reflect the real address and living conditions of a great number of urban populations. It is very common for one person to be “registered” officially in one address but live in another housing unit. In this research, the number of persons in every household was established from the face-to-face interviews which are about the real situation rather than the “official record” in theory.

fewer children and elderly relatives than in the traditional Chinese large families. Also, in recent years some rich families have purchased two or even more housing units which has also helped to further decrease the average number of persons living in one house. However, in old neighbourhoods like Shichahai, such changes have occurred in only a few households. It is very common to see several generations still living in the same dwelling, for it is the only way to save housing costs. This also allows the adult to care for elderly or disabled family members or those with long-term illness. Some of them may need 24-hour care, so that further affects the competitiveness of their adult family members in the labour market.

The specific demographic structure has greatly affected the performance of local residents in the labour market. Table 8-3 summarises the overall employment status of local residents (excluding those before graduation) in Shichahai with four simplified categories. It is hard to find comparable city-wide data classified in the same categories. Nevertheless, obviously quite a proportion of local people have been excluded by the “formal” labour market in recent years. In 2007, the official urban unemployment rate in Beijing was 1.84%. Although this figure was believed to be far from the real situation, the average level must still be much lower than that of Shichahai.

Table 8-3 Employment status (Shichahai)

	Proportion
Retirement	42.4%
Long-term secure employment	34.8%
Temporary unsecure employment	7.6%
Long-term unemployment (more than half year)	15.2%

Meanwhile, the new economic prosperity may present a considerable threat to the existence of traditional job opportunities in the old neighbourhoods. For example, the emergence of luxury shopping malls and cheap supermarkets chains have forced the closure of quite a proportion of the traditional retailing units which were scattered in the old neighbourhoods, which certainly accelerated the reduction of low-level local jobs in the old town areas. Also, the decline of the open spaces reduced the “appropriate” venues for the occurrence of some “informal” business, for example the street traders, self-employed manual workers (such as tailors) and waste collectors, etc. The informal economic activities were a major income source for many poor residents. In Shichahai, the proportion of families depending on the informal economy is at least 13%. Unfortunately, 65% of local people admitted that the informal job opportunities suitable

for the low-educated and unskilled people are going to disappear during the economic restructuring.

The poor performance in the labour market has directly affected the general economic capability of the local households in Shichahai. According to the survey by Tsinghua University in 2002, in Shichahai the average household income was CNY 2302.09 per month, only 73.9% of the city-wide average (3115.98). Almost 3/4 of the monthly household income was lower than the average (Shao, 2005). In recent years, similar to the change of job opportunities, the growth of average personal income never did catch up with the speed of GDP growth (Cai, 2003). Also, the growth of the lowest-level income groups was much lower than that of the higher groups and their general consumption (Wang, 2004a; Li, 2005a, Li, 2005c, Sun and Qi, 2005). Unfortunately, in Shichahai, 50.9% of employed labourers are unskilled and at the bottom income level among their colleagues, which no doubt means that the general economic capability will be even poorer.

In all, in the old neighbourhoods like Shichahai, a great number of residents are experiencing economic and employment exclusion: their potential incomes are shrinking while the maintenance costs remain high. Obviously, if there is no external aid, the declining trend will not stop.

8.2.3 Housing problems

Poor housing conditions have been a significant problem in Shichahai as well as other old neighbourhoods in Beijing for several decades. In the 1991 housing survey, Shichahai was marked as one of the neighbourhoods with the very highest number of “unfit” dwellings. Several rounds of ambitious renewal proposals have been prepared to use mass demolition and reconstruction to improve local housing conditions comprehensively, but for many reasons, - for example the consideration to conserve historic architecture - the large-scale renewal projects were never put into practice. Local plans were refreshed very frequently to update the alternative priority between conservation and renewal. The uncertainty of future prospects for this area brought very negative impacts on the local housing conditions. In the face of the accelerated decline in housing conditions, most house-owners and tenants have held a very negative attitude: do nothing to prevent housing damage until the demolition-reconstruction project as the

terminal resolution finally comes. Both public and private owners, plus outside investors, are no longer enthusiastic about investment for the maintenance, rehabilitation and refurbishment of existing dwellings. In the last 20 years, only around 2% and 10% public housing units have experienced thorough renovation and repairs (interview with Professor Bian in Tsinghua University). Progress in housing reform was also seriously delayed. The proportion of the damaged or “inadequate” housing units continued to increase. Normally the poor housing conditions comprised three major problems: the extreme crowded housing spaces; the lack or low standard of internal facilities; and the frequent damage without repair. Figure 8-2 shows the result of a local housing condition survey organised by Tsinghua University and local government in 2002.

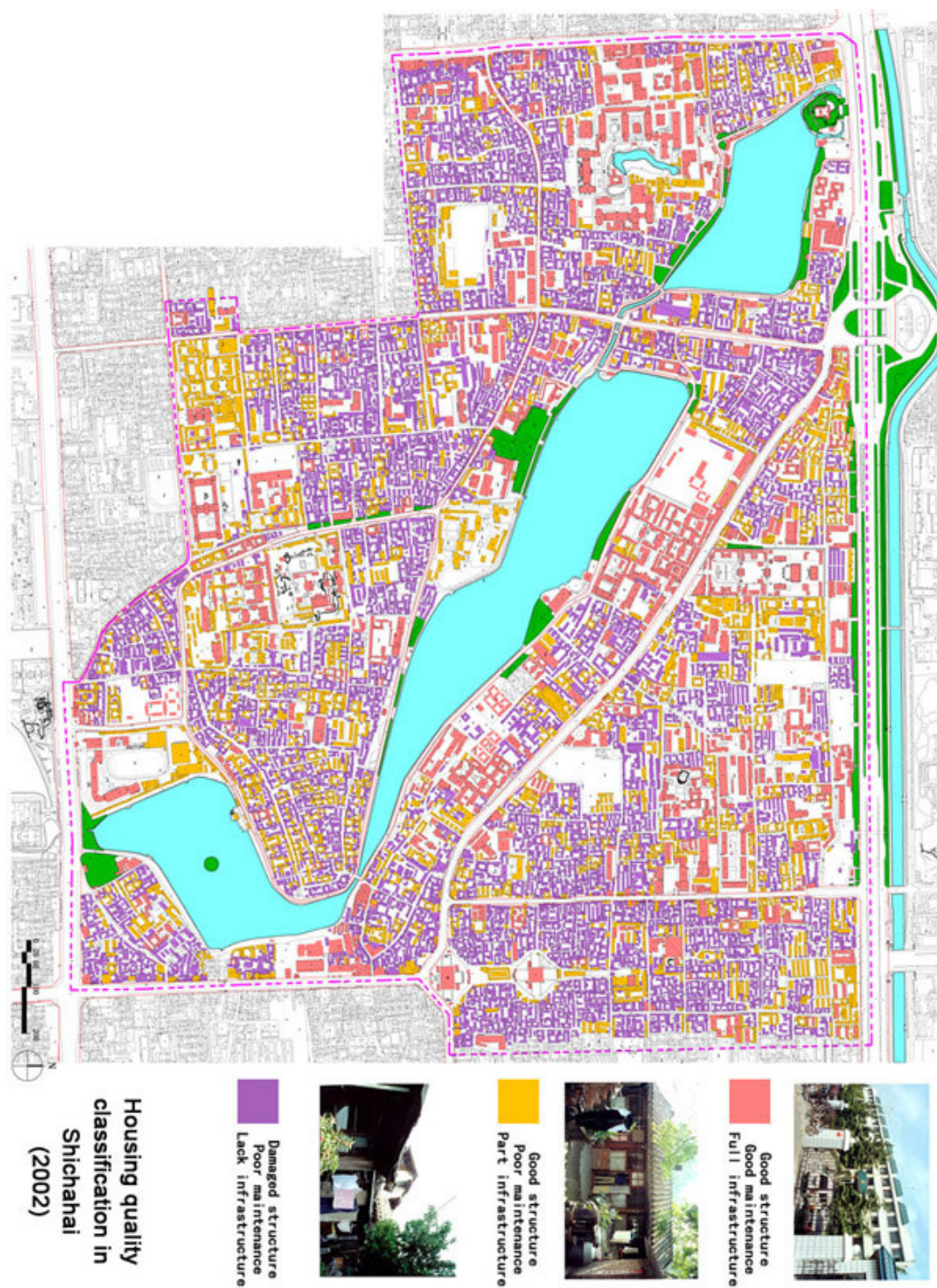


Figure 8-2 Housing quality classification in Shichahai (2002)

Source: Survey by Tsinghua University and Xicheng District government, 2002

Table 8-4 reveals the over-crowded housing space for current households in Shichahai. Figure 8-3 shows in detail the over-crowded problem in the east Shichahai area. In 2007, the average floor space per household in Beijing (urban only) was approximate 57.6 m², which means in Shichahai at least 90% households were below this level. It is very

common to see several generations living in the same room: during the daytime the residents fold their beds to make room for the table and sofa, but at night the table and sofas are folded down to make room for the bed(s). Quite a large proportion of residents have to live in the self-built dwellings. Figure 8-4 shows the locations of every self-built building in the east Shichahai area. The “illegal” self-built dwellings have occupied 27% of total land use in this area.

Table 8-4 Housing floor space classification (Shichahai)

	Proportion
below 10 m ²	1.8%
10–20 m ²	33.9%
20–30 m ²	28.6%
30–50 m ²	26.8%
50–100 m ²	5.4%
Over 100 m ²	3.6%

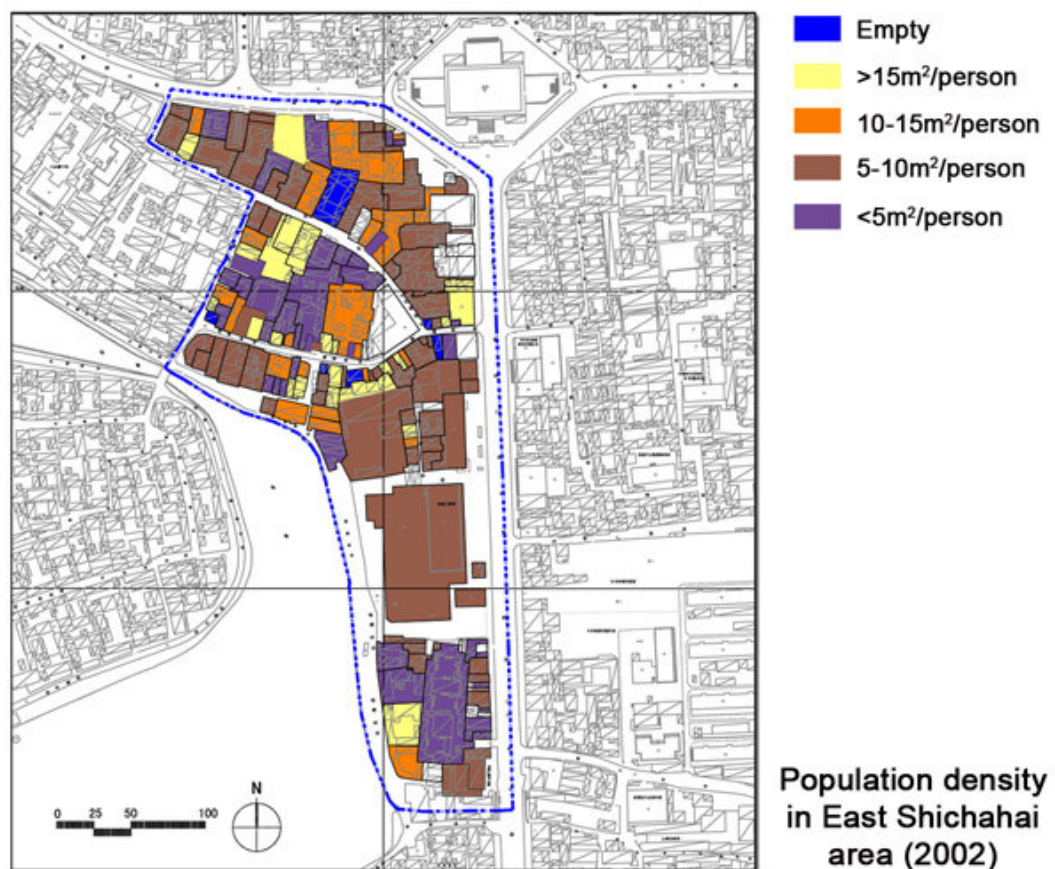


Figure 8-3 Population density in east Shichahai area (2002)

Source: Survey by Tsinghua University and Xicheng District government, 2002

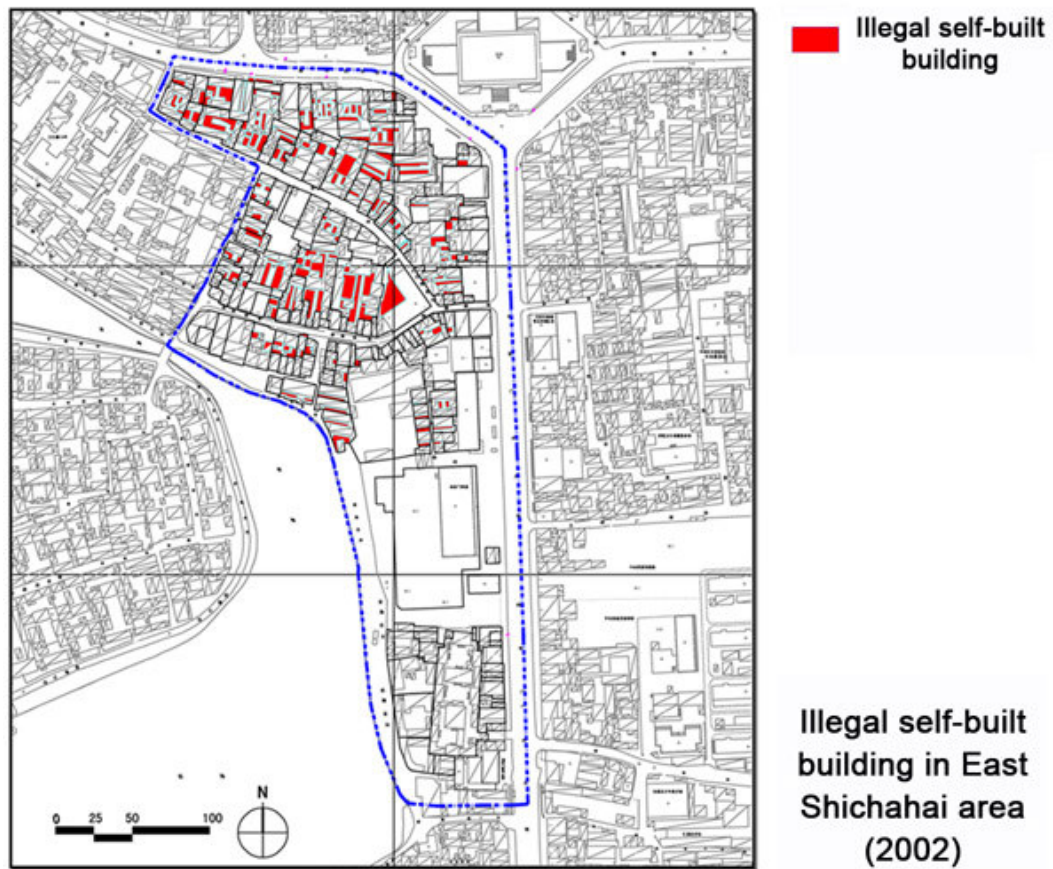


Figure 8-4 Illegal self-built buildings in east Shichahai area (2002)

Source: Survey by Tsinghua University and Xicheng District government, 2002

Essential living facilities and household goods are important indications of the living standards. Table 8-5 shows the proportion of households in Shichahai which have access to or own necessary facilities and goods. The gap between local and city-wide data is also huge. It is clear that a large numbers of households in Shichahai lack the modern “hardware”. Even basic privacy and health can hardly be guaranteed.

Table 8-5 Availability of affiliated facilities (Shichahai and Beijing average)

Have access to:	Proportion	Beijing Average (urban only)
Private and exclusive use of a kitchen	87.5%	No data
Private and exclusive use of toilet	19.6%	95.0%
Private bathrooms or showers	48.2%	94.1%
In-house water connection	71.4%	98.3%
Central heating	7.1%	95.1%
Self-provided heating	78.6%	4.9%
Piped gas	0.0%	76.4%
Canned gas	62.5%	22.6%
Rubbish recycling facilities	30.4%	No data
Circuit TV	60.7%	99.9%
Telephone	53.8%	No data
Internet connection	23.2%	61.7%
Private computer(s)	35.7%	91.6%
Air conditioning	44.6%	99.7%
Private car(s)	5.4%	No data

Table 8-6 shows the very frequent structural problems of the housing stock in Shichahai. The most frequently mentioned problems include leaking roofs or walls, blocked sewage pipes, distorted windows or jumped doors, outdated/dangerous electric wires and circuits. Delayed repair was very common. Table 8-7 shows normally the extent to which the structural problems and other housing damage can be repaired in time. In the self-built “illegal” kitchens, toilets or bedrooms, the quality of construction was lower (Figure 8-5). They also used up almost all available land in the courtyards and blocked the fire evacuation exits, which may cause serious safety problems.

Table 8-6 Housing structural problems frequency (Shichahai)

	Proportion
Very bad, damaged almost at any time	3.9%
Bad, damaged frequently	26.9%
Just so-so, damaged sometimes	32.7%
Good, damaged few	25.0%
Very good, nearly never damaged	11.5%

Table 8-7 Maintenance and repair of public housing (Shichahai)

Are repairs carried out on time?	Proportion
No, never on time	16.7%
On very few occasions	19.1%
Sometimes on time	23.8%
Frequently on time	14.3%
Always on time	26.2%



Figure 8-5 Images of poor housing quality in Shichahai

Left: self-built kitchen; central: self-built bathroom; right: infilled courtyard

For the large proportion of public-owned housing units, the public agencies are still responsible for the physical maintenance. Local government housing departments take responsibility for maintaining the houses owned by the housing authority; for those houses which belong to Work Units, each Work Unit has to use its own resources to cover the repairs. The economic capability of the house owners decides the service quality; that is why the satisfaction of housing maintenance is very diverse in Shichahai. In some very poorly maintained dwellings, tenants have had to do some repairs by themselves to keep their homes useable.

8.2.4 Access to social service

In Shichahai, since the majority of local residents used to be employed by public work units, their public services, including school education, healthcare, food supply and retailing and even entertainment services, were all provided by their work units and other public agencies in the long planned economy period. To most under-educated and unskilled employees, the quality of service provision was usually low, but the basic safety net always existed. Recent welfare reform with the introduction of the market has broken the linkage between most service provision and work units. To the old communities with more vulnerable groups, the service quality has become much lower than that of outsiders. Many of them have had to face the inter-generational service exclusion and find it hard to escape the “cycle of decline” in the future.

The equal education for all children could be the most crucial element to prevent the inter-generational inequality and exclusion, especially in a more marketised society full of competition. In China, the importance of education for younger generations is always emphasised in every family. For over 1000 years, the national examination system was almost the only vehicle by which the social elites could be selected from the public. The successful candidates could then become governmental officials who were guaranteed favourable social well-being in a hierarchical society. This tradition continues and it is now still very common that most highly-educated people are in the upper groups of the income pyramid. Therefore Chinese parents always try to find the opportunities for their children to receive longer or better quality education, but in the socialist work unit system, such opportunities are extremely rare, because of the institutional barriers.

The recent reform for the 9-year compulsory education broke the old system and did benefit some of the residents in the old neighbourhoods. For historic reasons, in the inner-city areas just like Xicheng District in Beijing where Shichahai is, there are several of the former “key” schools, so the average quality of school education is relatively higher than the city-wide average. During the investigation, 41.7% households in Shichahai reported that their children received ‘above average’ public education. This was much higher than the city-wide satisfaction level. However, in these aging neighbourhoods (see Table 8-2), the number of children aged 6-15 was very small, so the high-quality basic education did not benefit many households in practice. On the contrary, many households said they felt much greater pressure to support their children for further education. In large Chinese cities like Beijing, people with only 9-year compulsory education have almost no appeal in the labour market. Further education is crucial for every child’s personal development. The recent reform of the marketised university education did provide more opportunities for further education, but obviously only rich families could benefit and afford to pay the increased tuition fees. About 13.9% of the households in Shichahai said their children had to give up opportunities for further education or studying in a better school because the anticipated economic burdens for that could be too heavy for their family to bear.

The restructured healthcare service system also brought significant impacts to the residents in the old neighbourhoods. The universal insurance system gradually replaced the Work Units to provide financial assistance to residents for medical costs. In theory, employees of Work Units with severe economic difficulties should get some benefits

from the new insurance system. Nevertheless, there are still some local residents without local “*Hukou*” who are excluded from the insurance system. Among them, some richer migrants have bought commercial health insurance, but many poor ones cannot afford it. In recent years, Beijing Municipal Government, as well as the local governments in some other Chinese cities, introduced the “medical aid” scheme to provide assistance to the poorest people who had no health insurance. Because of the limited financial resources, there are very strict conditions for applicants and the subsidies are at a low level. Therefore, in the poor urban neighbourhoods, there are still some people having to pay the full medical costs which are usually hard for them to afford. Table 8-8 shows the coverage of health insurance in Shichahai.

Table 8-8 Health insurance coverage (Shichahai)

Payment of healthcare costs	Proportion
100% self-financed	11.9%
Covered partially by commercial health insurance	4.6%
Assisted by “medical aid” scheme	0.7%
Partially covered by national health insurance	82.8%

About 21.3% households in Shichahai face difficulties in accessing the affordable health care. They often have to give up receiving necessary medical treatment because the costs have become too high. Even for those households covered under the national health insurance, many still felt considerable pressure because the payment from the insurance was very limited. In the current system, the financial help of the health insurance actually does not give priority to those who are in most need of the aid. In Shichahai, a quarter of the households have “unhealthy” family members who are either disabled or have a long-term illness, and almost all of them reported that the medical costs have become the largest cost for their families. The insufficiency of public health service clinics is another problem. In old neighbourhoods, the majority of medical services are provided by large hospitals, but the disabled or seriously ill people find it very inconvenient to go to hospitals which are located at a distance from their homes. Actually, the general hospitals are not ideal for residents who need daily local care service. Usually, general hospitals are very busy and crowded; every patient has to wait for hours even if they need only some very simple treatments. Beijing Municipal Government has drafted a detailed plan to establish the community-based healthcare network with a large number of smaller units, but, because of lack of public financial support, the plan is still at the proposal stage. In Shichahai, some old houses have now

been turned into private clinics or pharmacies to provide a daily health service. However, to most residents, the national health insurance covers the spending in the government appointed general hospitals only. The customers of the private clinics and pharmacies, therefore, are limited, and include mainly the poor migrants who were excluded from the national healthcare system. The Shichahai case demonstrates that the current health service system is not very effective and not sufficiently efficient to use all available resources to promote its service delivery to all, especially those who need it most.

8.2.5 Public security and loss of community cohesion

The decline of public security and loss of community cohesion are other problems of the old neighbourhoods. Table 8-9 reveals the satisfaction level of local households in Shichahai compared with the city-wide data (Zhang *et al.*, 2006, p. 100).

Table 8-9 Satisfaction level on local public security (Shichahai and Beijing average)

	Shichahai	Beijing average
Very unsatisfied	8.9%	3.7%
Bad	37.8%	11.1%
Neutral	11.1%	35.1%
Good	22.2%	40.6%
Very satisfied	20.0%	9.1%

Clearly residents in Shichahai feel their living environments are much “unsafier” than the city-wide average level. However, in earlier over-crowded low-rise neighbourhoods, the problems of crimes and other anti-social behaviours were not so serious despite the local police force being under-staffed. Many neighbouring families were very close to each other and many of them shared toilets and kitchens in the same courtyard so everyone knew the neighbours very well. In their daily lives, neighbours often cooperate with each other in dealing with public affairs such as street cleaning and housing repairs. The frequent interaction reinforced the community cohesion. In every courtyard, an informal neighbourhood watch was carried out automatically every day, and the resident themselves sometimes organised the 24-hour neighbourhood watch in some areas which were experiencing problems.

Recent changes did produce potential threats to local public security. Because of the physical decline, some better-off households moved out and were replaced by

unemployed or poorly-educated people. Some of them could be trouble makers. In some areas the concentration of the new-comers has destroyed the well-reserved traditional community cohesion. The neighbourhood watch schemes, whether formal or informal, can hardly be organised again. Also, many residents are quite unsatisfied about the increasing number of bars and small luxury restaurants scattered in the traditional neighbourhoods in recent years. The bars and restaurants may be open all night and attract a great number of outsiders. The local government initially encouraged the night-life venues in the hope that they would help to enhance local economy. As a result, local residents actually never get economic benefit from them and on the contrary, they have to suffer the unpredictable noise and even violent incidents at nights. Fortunately, the households who live far from the main streets still feel much safer and receive less negative effects from the outsiders. That is why there are still 20% (much higher than city-wide average) of local households who are “very satisfied” with local security. But they are still worrying that the further urban restructuring may lead to worse local security and continuous loss of community cohesion which will certainly threaten their living conditions significantly.

8.3 Conclusion

Although the market-oriented redevelopment campaign prevalent in the 1990s had created significant growth of the local GDP, it also generated great negative impacts in many aspects. From the economic aspect, the immature urban real estate market with strong and inappropriate interventional support led to frequent land speculation. In practice, this market-oriented model was quite unsustainable. When almost all profitable projects had been completed, the large-scale renewal campaign could no longer continue, although most of the dilapidated old neighbourhoods were still unchanged. From the social aspect, the unfair cash compensation and forced relocation directly caused the downward change of social well-being for a great number of low-income original households from the renewed old neighbourhoods. Moreover, the negative attitude towards the natural environment and historical conservation has also been highlighted recently by many researchers. More critics have targeted the undemocratic decision-making mechanism prevalent in the 1990s. The union between private capital and state controlled the renewal process and paid too much attention to economic renaissance only, but local communities were strictly excluded from decision-making

and implementation of the process, so their social and other concerns were always seriously ignored.

In the remaining old neighbourhoods, the problems became more complex for the recent socio-economic restructuring and welfare reforms. All of them may be explored through the survey in Shichahai as a typical case of the remaining old neighbourhoods in Beijing inner city. First of all, owing to recent demographic changes, the proportion of aging, under-educated households and those with larger family sizes was much higher than the city-wide average. This led to the majority of local population having very low competitiveness in the current freer labour market. Second, the housing and physical declines continued, including the problems of over-crowding, poor housing quality and lack of basic facilities and infrastructures. Third, a higher proportion of the local population found it difficult to access affordable education and healthcare services. In addition, the loss of community cohesion and decline of public security led to further deterioration in the living conditions of neighbourhoods like Shichahai.

The lessons of previous practice and new findings of local problems together provided valuable targets to be overcome in the new round of renewal programmes in some large Chinese cities after 2000.

Chapter 9 New Policies and Projects after 2000 in Beijing City: with Case Study of Jinyuchi

After the previous lessons of the over-marketised renewal campaign had been learned, and the new problems in the remaining old neighbourhoods in large Chinese cities re-assessed, the new policies and projects were launched with innovative ideas differing from those of previous practice. This chapter will give a detailed introduction and analysis of the most recent round of neighbourhood renewal policies and projects first applied in Beijing. It will answer the three main questions in turn:

- What were the strategies of the new neighbourhood renewal projects?
- What were the real outcomes/substantial changes the projects created?
- What was the new mechanism that was applied to continue the renewal process in the remaining old neighbourhoods?

The project in Jinyuchi in Beijing old town will be used as the case to be analysed with a series of primary data.

9.1 New Renewal Strategies since 2000

In 2000, another round of the neighbourhood renewal campaign started first in Beijing with the launch of a series of new policies and approaches. The new policies and projects reflected a significant strategic shift of the renewal campaign by Beijing Municipal Government. Because Beijing is the national capital, the strategic shift must overcome at least two urgent new problems. One is trying to eliminate the bad reputation of the renewal campaign with the frequent unfair compensation and forced relocation of the past. The other is to develop a realistic way to continue pushing the urban renewal process forward in the remaining old and dilapidated neighbourhoods after private investors have lost interest in these areas. As a result, the new projects are an attempt to make a balanced priority between economic, social and other objectives. In practice, after the new policies and approaches were applied in Beijing as experimental projects, they were then introduced to many other Chinese cities.

In 2001, the Municipal Government proposed a new five-year-plan with the objective of renewing most of the remaining dilapidated residential areas before 2005. The

promotion of housing conditions and other aspects of social well-being of the target neighbourhoods were given equal or even higher priority to local economic renaissance. Many of the target neighbourhoods had been involved in the previous round of renewal plans, but because of the low potential profits, they were bypassed by the market-led redevelopment. In the new plan, it was expected that the renewal projects would be operated in more diverse ways according to different local contexts. Some projects were still implemented under the property-led model, but with strong economic concerns; however, new regulations were launched in an attempt to prevent unfair compensation and forced relocation, with the exception of projects in some specific situations. More commonly, the projects were initiated in a new model. Public financial support was provided by the municipal government so that the renewal projects with stronger social objectives could be initiated in the unprofitable areas. In practice, the projects operated by following the new model gradually became the mainstream, and a couple of flagship projects had been completed as demonstrations in a very short time. Some specific cases were also operated by combining the revised and new models. The following subsections will discuss the details of the models for new initiatives.

9.1.1 Property-led renewal with fairer and flexible compensation

Despite being launched in the face of rising controversy and critics, the property-led renewal model with cash compensation and relocation was still allowed in some “appropriate” areas. For the new changes of infrastructures, - especially the new major roads and subway lines - many old neighbourhoods which used to be in non-profitable locations were now attracting higher potential land prices in the market. Some of them had not too high residential density and not too many low-income households. These neighbourhoods soon become new targets for private developers to initiate new rounds of property-led renewal projects. In Beijing, the municipal government continued to give support to facilitate the property-led projects which relied on private investment in order to continue the growth of local GDP. However, a series of new regulations was issued to deal with the issue of unfair monetary compensation to the relocated households. The key document “The Regulations to Adjust the Compensation of Urban Housing Demolition in Beijing City” was issued by Beijing Municipal Government in 2000 (referred to as No.60 Document). According to this new regulation, forced relocation could be implemented only when the developers paid the compensation at no less than a new standard. This standard of monetary compensation for housing

demolition no longer followed the fixed discounted price decided by governmental agencies, but was calculated using a new formula which reflected the market value of the property; it consists of two parts:

$$\text{Final compensation cost (C)} = \text{demolition compensation} + \text{relocation subsidy}$$

The two parts of costs are decided by the following elements:

M: Average housing price in the local market (yuan per square metre)

S: Floor space of the demolished dwelling (valid areas agreed for compensation)

P: Current average price of affordable housing (Yuan per square metre)

R: Relocation subsidy co-efficient, normally 0.7¹¹

Thus the compensation formula would be:

$$C = (M \times S) + (P \times S \times R)$$

If a family lived in a property with less than 15 square metres of floor space, 15 is used as the minimum “S” for the calculation.

Those households still living in the public rental housing were required to purchase their homes according to local housing reform regulations and then would receive the cash compensation calculated by the formula in No.60 Document.

Initially, the local market housing price “M” was to be decided by the local housing authority by calculating the average housing price in the surrounding areas. Since 2001, this price has had to be assessed by a third party, normally an independent surveyor. From this formula it is clear that the location (the market price for housing varies greatly in different areas) and the floor space of the demolished dwellings are the two decisive elements in calculating the final compensation. These changes effectively respect and protect the residents’ property right and its market value in a market economy. By use of this formula, the monetary compensation for an inner-city dwelling should be enough to purchase a reasonably good-sized and good quality housing unit not too far from the areas demolished. It also significantly reduced the potential profits

¹¹ To the households with very dilapidated and crowded original dwellings, this co-efficient may be increased to 0.8 or 0.9 with the approval of district-level government.

of private developers. Therefore, after 2000, the number of renewal projects in Beijing following this model was actually very small. Developers were interested only in areas with fewer residents, very small dwellings and better potential business opportunities. As a result, after 2000 the property-led redevelopment has been on a smaller scale. From 2001 to 2005, it is estimated that only around 10% of old inner-city dwellings developed followed this marketised model in the city (Interviews in Chongwen Housing Renewal Office).

9.1.2 Renewal with Housing Reform

In most remaining old neighbourhoods with high residential density and very dilapidated housing conditions, a completely new model was introduced to initiate the renewal projects. Because usually these areas were not attractive to private capital, these projects were now initiated by public authorities or public-owned corporations. In the areas with a great number of overcrowded dwellings, local residents were still encouraged by the municipal government to relocate to peripheral housing estates after the renewal projects. Rather than being forced to move out, however, all residents were given more choices. Except in some very specific cases, such as the installation of essential public infrastructure, mass relocation was no longer compulsory. Residents could decide either to stay (or move back to the area after redevelopment) or not come back to the same area after the projects had been completed.

Housing reform and privatisation of public and work unit owned housing have changed the urban housing provision system and improved general living conditions in other areas. These areas have fallen behind. A recent housing survey shows that in these remaining old neighbourhoods the progress of housing reform was fallen behind for many reasons, for example, the uncertainty of future renewal proposals. Thus the proportion of public-owned dwellings, which were either under the direct management of local housing authority or owned by Work Units, was still much higher than in any other areas. Most of the worst dwellings were in the public sectors. Certainly the poor financial capability of public house-owners was the major cause of the housing decline. Thus the forthcoming renewal projects could provide an opportunity for carrying out housing reform in the old town areas, and among this final group of public sector tenants.

Hence a new renewal model called “renewal with housing reform” was introduced by Beijing Municipal government after 2000. This model was first applied in several flagship public-led projects, and soon became regarded as successful deals to resolve current “urban problems” in the old neighbourhoods effectively. In the flagship projects, in order to achieve quick changes over a shorter time, physical renewal was still seen as the core of the process and it was usually operated by the most efficient way: to demolish as many old, dilapidated and over-crowded low-rise buildings as possible and then reconstruct new multi-floor flats with modern standards on the same site. During the process, the sitting tenants of the demolished public housing can opt:

- a) To move back to the area by purchasing the new flats at a discounted price as a compensation for losing their previous homes. (The details of the compensation rule will be explained in following sections.) The new flats were no longer available for rent. Residents who bought the new flat at the discounted price could trade it in the market without any restriction.
- b) To take the monetary compensation, and find their own housing in the market.

By this way, all the “problematic” public-renting stocks would be transferred into privately-owned flats, usually of much higher quality and in a better physical environment. In the process, the tenants and government share the investment so that it would not be too heavy burdens to both sides. Actually, this model reflects the saying “to use one stone to kill two birds”: improving the general living condition and pushing the urban housing reform forward at the same time. Through this new attempt, the government expected that the returning rate of local households could be high and the original inner-city community could be kept. At the same time, it would preserve the established social networking between residents and some of the traditional cultural customs.

In 2000, Beijing Municipal Government issued the document “*The Way to Accelerate Urban Dilapidated Housing Renewal in Beijing City*” (normally called No.19 Document) as the key compensation rule for such projects. Some special regulations were launched in order to provide more benefits to the large number of tenants in public housing stock, whether they chose to receive in-kind or monetary compensation.

According to the No.19 Document, if the original tenants of public rental housing choose to move back to the new flats after the completion of the local renewal project,

they should have the right to buy a “similar” sized new housing unit at a discounted price. “Similar” means with the same number of bedrooms as their previous homes. However, in the dilapidated housing areas, most households actually do not have self-contained house “units”¹². So in these cases, some special rules were made (Table 9-1).

Table 9-1 Housing replacement standard of No.19 Document

Original non-self contained housing used by household	Size of new flat allowed to purchase under the discounted price
a) Less than 20 m ²	One bedroom flat
b) 20-30 m ²	Two bedroom flat
c) 30-40 m ²	Three bedroom flat
d) More than 40 m ²	Follow the rules of a), b) or c) for the floor space over 40 m ² ; e.g. a household with 50 m ² of non-self contained housing will have the right to buy one three bedroom flat and another one bedroom flat m ²

The qualified original tenants could then buy the new “similar” flats. The total cost to buy the new flats should be the sum of three parts of prices calculated by the following rules:

Part I = discounted construction cost per square metre × original floor area of previous home

Part II = real construction cost per square metre × subsidised floor area

Here Subsidised floor area number = number of the persons of the household 15m²-original floor area of previous home

Part III = average price per square metre of current affordable housing × additional floor area

To the households with very crowded homes, if the original dwelling is less than 5m² per person, then the original floor area of previous home should be calculated as the number of persons of the household × 5m².

¹² Normally, the “self-contained housing unit” refers to the unit in which the household owns their living room, bedroom, (formal) toilet and kitchen as a whole privately. In the old residential areas in Chinese cities, a great number of dwellings could not reach such a standard to be “self-contained” as an independent unit. Many households had to share the toilets, kitchens or bathrooms with their neighbours or they built the informal rooms as the toilets, kitchens or bathrooms by themselves (usually by occupying the open space in the courtyards) but the informal construction is not approved by planning control and the households do not have the ownership of these self-built rooms in law.

For example, if there used to be a 3-person household living in a public rental unit with 25m², they would be allowed to buy a 2-bedroom flat after the renewal project. Suppose the 2-bedroom flat is 60m², the discounted construction cost is 1800Yuan/m²; real construction cost is 2200 Yuan/m²; and average price of current affordable housing is Yuan/3000m² (estimated price around 2001). Then the price for the new flat includes:

$$Part\ I = 1800 \times 25 = 45,000\ (Yuan)$$

$$Part\ II = 2200 \times (15 \times 3 - 25) = 44,000\ (Yuan)$$

$$Part\ III = 3000 \times (60 - 15 \times 3) = 45,000\ (Yuan)$$

In total, this household needs to pay 45,000+44,000+45,000=134,000 Yuan to get the full ownership of the new flat. This price was estimated to be just 1/3-1/4 of the market price then.

If a tenant chooses not to move back after the renewal project, they can get monetary rather than in-kind compensation. A special calculation for compensation (C) is applied as the formula: $C = P \times S \times (1 + R)$

In this formula, the deciding elements include:

C: Final compensation

P: Average price of current affordable housing (yuan/m²)

S: Floor space of the demolished dwelling (m²) (valid areas agreed for compensation)

R: Relocation subsidy co-efficient

Here the relocation subsidy co-efficient is also normally 0.7.

For the private house-owners of the demolished dwellings, they still have two choices. If they choose to stay, they would have the same right to buy the new flats with the discounted price calculated by the rules explained above. If they choose to accept monetary compensation, the cost would be calculated according to No. 60 Document (see the section above).

Clearly, this compensation arrangement for the relocated tenants in public housing (mostly poor) is much lower than that for the house-owners (relatively richer). The Municipal Government hoped to use these different rules from No.19 and No.60 Documents to encourage more tenants in previous public housing to move back and

“buy” the new flats *in situ* rather than moving away. Through this way it hoped to preserve the “local community” and avoid many social problems caused by mass relocation. At the same time, it could collect more investment from the original households so the renewal project could be run with less public financial support.

In later regulations, for example “*The Way of Urban Housing Demolition and Management in Beijing City*” issued in 2001 (No. 87 Document), original households of demolished dwellings can also choose another way as compensation: to be rehoused in “similar” housing units. The “similar” housing unit means that the new home should be within the boundary of urban area; the floor space should be no less than the original house; there should be no additional charge for the same tenure. Tenants living in private properties could be “rehoused” in similar units elsewhere so the effect can be minimised.

The new ways of calculation of compensation give not only more options, but also more chances for the poor original households to obtain benefits from the renewal process. Larger households with more spacious homes could get much more compensation than before. Also, for the first time tenants of public housing could get the same benefits to the homeowners through the renewal process. Between 2001 and 2005, this “renewal with housing reform” model was applied in all districts of Beijing. The resistance from residents to this renewal model was much smaller than before.

9.1.3 Other special cases

In more cases, the task of neighbourhood renewal was usually bound together with some public-led “key development projects”. Most of them were projects designed to improve the quality of urban infrastructure, including broadening and modernising major roads, development of new public and green spaces, the installation of underground or light railways, update of drainage and sewage systems and dredging up old waterway systems. In recent years, the infrastructure improvement has been seen as a very crucial step for many large Chinese cities to develop an international metropolis. The local governments then significantly increased public investment in these projects. In Beijing, most of them were located in old town areas. In addition, the key projects also included some special cases, such as the construction of new Olympic stadiums which received a large amount of public investment as well. In these cases, some old

dwelling adjacent to these key projects, especially along the narrow inner-city roads, had to be demolished before the new construction. Local residents had to lose their original homes and be relocated after that.

Normally, for these public-led projects with the objective to reach public interests, the compulsory purchase rules were allowed to be used, but the residents would have at least two choices to get the compensation. One is the monetary compensation as usual. For these key projects, funding is not a problem. Original residents can usually receive sufficient cash compensation (according to the No.60 Document) to buy a better housing unit somewhere from the market. Alternatively, if they wish, they can also receive in-kind compensation (according to the No. 87 Document). Sometimes the key development projects include the construction of some new flats in nearby areas to rehouse a number of returning original households. The returning households have to buy the new flats at the discounted price, a practice similar to the “renewal with housing reform” (according to the No.19 Document). In most recent projects, the municipal government tried to avoid the mass relocation after the large-scale housing demolition. In some projects, the design of new road or other infrastructures is adjusted at the suggestions of local residents or expert consultants. On many occasions, the layout of new construction has to be changed a little to preserve valuable traditional dwellings, cultural heritage and aged trees. Though the people who can benefit directly from this type of neighbourhood renewal project are few, the update of urban infrastructures can bring positive changes of local economy and social well-being in the long term.

In areas near the important historic heritage sites, the renewal practice has become very cautious in proposing physical changes. As the largest old town area in China, there are hundreds of valuable historic buildings and relics scattered in old neighbourhoods in Beijing. Many of them are surrounded by the dilapidated housing. In recent years, the municipal government has increased investment to historic conservation schemes. The rehabilitation or renovation project of heritage architecture or sites can affect a larger area. This may include the upgrade of some infrastructures and housing so that the historic buildings and their surrounding areas can be well protected and conserved. For the requirement of historic conservation, upgrading of infrastructures and housing should be done in a very cautious way. The dilapidated dwellings near the heritage sites can only be rehabilitated or repaired rather than demolished in order to keep the “traditional image”. Even in cases where the surrounding dwellings are in too bad

condition and have to be demolished and reconstructed, the new buildings had to follow the traditional style, in low-rise and courtyard format. That means the improvement of local living conditions may be limited. Nevertheless, at least for the support of public funding, the quality of new housing units could be improved and necessary modern facilities could be installed. Also in many areas, after the heritage rehabilitation project, the local tourist industry has developed significantly, which brings benefits to the local people.

9.1.4 Partnership working and enhanced local participation

In the projects following the new model, the renewal process is no longer dominated by private developers. More stakeholders, including public agencies and the local community, were involved through a partnership in the decision-making and implementation process. Rather than employing a top down approach, negotiation and cooperation became the main part of the decision making. In many flagship public-initiated projects, district-level housing authorities were in the leading position and took overall responsibility in organising all of the projects. Other public sector agencies, including the local planning bureau, traffic management bureau, cultural heritage bureau, civil engineering and infrastructure providers, were invited to attend the board meeting of the partnership and give their professional suggestions and advice so that the objectives of renewal projects would integrate the demands of different areas. Some independent experts and professionals were also invited as external consultants or assessors to give more suggestions to the project proposals. Private developers were also involved in these public-led schemes to undertake major practical work, including housing demolition, rehabilitation, reconstruction, and refurbishment. Sometimes they were allowed to play a more central role as project organisers. However, the profit for private developers was restricted to a low level because of the introduction of new compensation rules.

The role of the local community was also modified through the partnership. After all, most original households would move back and contribute an important part of the financial investment into the renewal projects. As a legal requirement, the area renewal proposal had to be posted publicly in the areas so that all local residents could see the plans and have an opportunity to express their ideas to the decision-making body. Every household had to make an important decision: to be relocated or not, and how they

should receive the compensation for losing their original homes (for details, see next section). This model drew some lessons from the experimental semi-marketised redevelopment model of the 1980s in Beijing, which was based on multi-sector cooperation, but now there are more fixed regulations to clarify the exact loss and gain of every stakeholder. This new round of projects had wide-ranging objectives towards comprehensive improvement, and was on a much larger scale owing to the greatly enhanced public and personal financial capability in the new period.

9.2 Renewal Process and Output: Case Study in Jinyuchi

In Beijing's new five-year-plan, in order to eliminate most of the remaining dilapidated old neighbourhoods before 2005, 130 "dilapidated areas" were marked as target neighbourhoods to be renewed. Most of them were in inner-city areas. It estimated that there were over 3 million m² unfit dwellings to be demolished, involving 347 thousand households (Beijing Municipal Commission of Development and Reform, 2001). Another round of ambitious renewal projects began, with a scale almost as large as the peak-time property-led projects initiated in the mid-1990s. In 2001, the first year of the five year plan, 1.14 million m² old dwellings were demolished, affecting 93,000 households. Most of these new projects were completed over a short period of time: over 70,000 households whose homes were destroyed in 2001 had moved into new homes within one year (Wang, 2002). From 2001 to 2003, 127,600 households in the "real" dilapidated areas had moved into new homes. This is about three times that achieved during the previous period (Beijing Daily, 2002). At least half of the ongoing post 2000 renewal projects were public-led, and almost all the flagship projects in the most dilapidated areas followed the "renewal with housing reform" model. Jinyuchi is one of the typical flagship projects.

9.2.1 Jinyuchi as a demonstrative project area

After the 2001 plan, practical "flagship" projects were started in five old residential areas in the south part of Beijing old town. Jinyuchi is one of them. Jinyuchi is a historical residential area located in the heart of Chongwen District, the south-east part of Beijing old town. In the 15th century, it was a non-residential area outside the newly-constructed Beijing city, the national capital of the Ming Dynasty. Soil was taken away from the land and some small man-made lakes were created. Waterway

connections were made between these lakes and the water in the moat of the city. They formed the local water system so the scenery of this area was once very pleasant. Some temples and gardens were built around these lakes, and golden fish were raised in the fresh water. This gave the name of this area: Jinyuchi, in Chinese which means “the pool with golden fish”.

From the middle of the Ming Dynasty (mid-16th century), Jinyuchi was enclosed within the walled city by the newly-built outer wall. The area was designated to accommodate the increasing number of poor people who were employed by the booming commercial and trade industries. Since the so-called “outer-city” area was relatively far away from emperor’s palaces and administrative areas in the early-built imperial city, buildings were erected in a more disorganised way, also with poor infrastructure. Gradually, the uncontrolled construction blocked all the waterways connecting the lakes in Jinyuchi to the external water system. By the end of the 19th century, the lakes in Jinyuchi were all pools of still water. The local environment degenerated quickly, but because of its location, quite near Qianmen and Dashila, one of the most prosperous commercial areas in Beijing, many people still chose to live here, and large-scale and over-crowded slums formed. Many residents were migrants from the poor countryside because of famine, flood or war. With a poor education, they could hardly find any good jobs. Many were involved in illegal business. The local living conditions became worse and worse because of not only increasing population and low-quality houses but also the dirty water poured into the lakes by the residents. By 1949, when the Communist Party came to power, Jinyuchi had become one of the most dilapidated residential areas in the city and with the most concentrated urban poverty (Figure 9-1, 9-2).

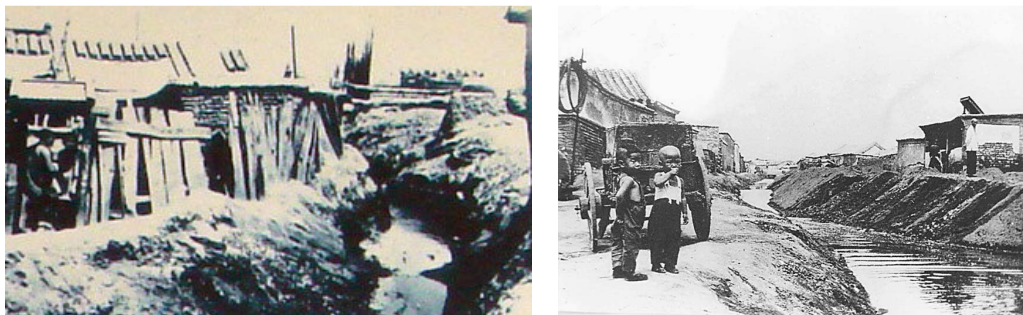


Figure 9-1, 9-2 Slums in Jinyuchi before the 1950s

Source: <http://www.cwi.gov.cn>

During the early 1950s, Jinyuchi was given the first round of urban renewal. As a flagship project to show the achievements of the contribution by the Community

government in urban modernisation, the municipal government tried its best to invest in the project, although the public finance situation then was very poor. The dirty pools with contaminants were cleaned and the areas around them were transformed into small public gardens. The municipal government also allocated jobs to many local unemployed working age people. Most of them were employed as unskilled workers in the new publicly-owned manufacturing or commercial enterprises nearby. These Work Units were usually much smaller and not as well equipped as the large “key” firms in the peripheral industrial estates or the big department stores in the city centre. Few of these Work Units had sufficient financial ability to build new public housing for their employees, so most of the original residents of Jinyuchi still stayed in the area. Although some poor residents in the dangerous or near-to-collapse buildings were accommodated temporarily in free public dormitories provided by the district housing authority, most of the low-quality dwellings and poor infrastructures remained.

In 1966, the environment in the area degenerated to such an extent, a second round of renewal was carried out in the area. A new drainage system was built and the pools were all filled up to create more building land for new housing to shelter the increasing local population. Over 50 public housing buildings were erected by the housing authority in a very short time (Figure 9-3). Most of the housing buildings were three-storey-flats, but the general living standard was still very low because at that time these flats were just designed as temporary dwellings to be used for less than ten years. In order to keep the investment low, the floor space of most housing units was smaller than the minimum standard of urban housing design at the time. Besides, there were still a great number of slum dwellings remaining in which the living conditions were quite poor. Compared with the general housing conditions in the city in previous years, Jinyuchi was certainly one of the extremely poor areas, despite two renewal efforts.

In the early 1990s, this area was no doubt on the list of the most dilapidated areas to be redeveloped with some urgency. The municipal government made several redevelopment proposals for the area, aiming to attract private investment into this area, but in fact the renewal project had to be postponed indefinitely. The major difficulties for attracting private investment for the project were two: the high local housing and population density was the first one, and the compensation cost for housing demolition and resident relocation were much higher than in other areas. Also, this area was just at the north side of the Heaven Temple Park, the UNESCO World Cultural Heritage site.

The requirement for historic conservation restricted the construction height of this neighbouring area, so any new buildings had to have limited construction density, which certainly affected the potential profit of the redevelopment project (Figure 9-4).



Figure 9-3 Jinyuchi in the late 1960s

Source: <http://www.cwi.gov.cn>



Figure 9-4 Jinyuchi in the 1990s

Source: <http://www.cwi.gov.cn>

During the 1990s, the poor physical environment and housing decline of Jinyuchi area became major problems for Beijing Municipal Government. It had affected the general living conditions in its own and the surrounding areas. In the housing buildings constructed in 1966, all families living on the same floor had to share the toilet, washing room and kitchen at the end of the corridors. In 56.1% of households, several generations had to live in the same small unit or even the same room. Most rooms were used as living rooms during the daytime and bedrooms at night. Housing conditions for the households living in the remaining traditional low-rise dwellings were even worse. The majority of families in Jinyuchi did not have central heating, piped gas supply or exclusive access to water taps. Table 9-2 shows the housing floor space used by families, and Table 9-3 shows how few local households had the necessary internal facilities.

Table 9-2 Housing floor space per household at Jinyuchi (before renewal)

	Proportion
10—20 m ²	31.8%
20—30 m ²	29.6%
30—50 m ²	27.3%
50—100 m ²	6.8%
Over 100 m ²	4.6%

Table 9-3 Affiliated facilities (Jinyuchi before renewal)

Family has exclusive access to:	Proportion
Kitchen	55.8%
Toilet	34.9%
Bathroom	23.3%
In-house water connection	74.4%
Central-provided heating	18.6%
Self-provided heating	51.2%
Piped gas supply	16.3%
Canned gas	44.2%
Rubbish collection facilities	37.2%
Circuit TV	32.6%
Telephone	44.2%
Internet connection	7.0%

For a very long period, all sorts of “temporary” structures were built and used as housing. Because of the lack of public funding, maintenance was very poor. By 2000, the local living conditions in Jinyuchi area remained poor, while the pace of the general living conditions in Beijing as a whole speeded up. Around 33% households reported

that their dwellings had very serious long-lasting problems; another 30% reported some periodical problems. The most popular problems included leaning walls and roofs, and blocked sewage systems. Considering the living conditions in the area as a whole, the houses and other structures were too poor to be maintained or repaired; demolition and reconstruction seemed the best option for the area (Figures 9-5; 9-6; 9-7).



Figure 9-5, 9-6, 9-7 Housing damage and the poor outdoor and indoor environment before renewal

Source: <http://www.cwi.gov.cn>

9.2.2 Renewal objectives

For the new round of renewal projects, attracting private investment and pursuing local GDP growth were no longer the prime aims. Instead, it focused more on the real problems faced by local people, with emphasis on the issues of social well-being. For Jinyuchi, this was the first time a renewal project had been concerned more about the severe housing poverty and its very poor outdoor physical environment. The municipal government wanted these experiments to gain visible achievements as quickly as possible, so the demonstration projects were given a very short time to be completed.

Meanwhile, in the new round of renewal project, some social objectives other than the significant housing and physical promotion were involved in the renewal process. These included the approaches targeting the following problems: poor provision of infrastructures, scarcity of public and business service provision, and poor access to public transport facilities. All these factors had contributed to the multiple deprivation of the old housing areas. In some cases, when dealing with these multi-dimensional problems of the old areas, equal priority had to be given to each of these problems to ensure the long-term success of these renewal projects, and to avoid a very narrow approach which could often lead to new problems. In Jinyuchi, there were some

distinctive local problems which differed from the problems in other old neighbourhoods for its special local context. In the renewal process, most of these were considered together with the housing and physical promotion to produce better-tailored responses. The detailed objectives included the following:

- Creation of more leisure spaces and facilities: create more public spaces between housing buildings and provide more venues for outdoor leisure and neighbourhood activities.
- Improvement in service provision: eliminate the unlicensed shops, restaurants and other local business; create new retailing units and other service provision facilities according to the master plan.
- Update of the infrastructures: replace the outdated facilities with new ones, and introduce necessary modern facilities.
- Wider use of clean energy: coal should no longer be used as the principal fuel for cooking and heating, and the use of piped gas will be introduced to all households.
- Refurbishment of a local middle school: the refurbishment of the Beijing No.11 Middle School would be an affiliated product of the new housing estates. This school was founded in 1950, and currently most classrooms were very crowded and many facilities were very outdated.

9.2.3 The renewal process and output

The renewal project in Jinyuchi, following the “renewal with housing reform” model, started in late 2000, when the first round of households moved out. The whole area was soon entirely demolished and reconstructed, following a blue-print master-plan. The whole area to be demolished was 10.27 ha, which included 55 publicly-owned buildings of multi-floor flats (most of them built in the 1960s) and 492 single-storey dwellings (103,000 m² in total) (Figures 9-8, 9-9). In total, 3055 households with 7828 people moved out. The area also housed 19 institutes scattered in the residential area. The renewal project was completed over a very short period of time. On 18th April 2001, the first household moved out from its old home and the construction work started on 28th July. One year later, on the 18th April 2002, the first group of returning residents moved back to the newly-built flats. The whole project ended at the end of 2002 (Beijing Chongwen District Committee for the compilation of local history, 2002).

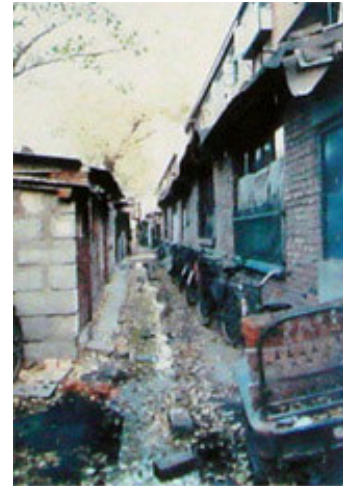


Figure 9-8 (left) The flats to be demolished

Figure 9-9 (right) The single-storey dwellings to be demolished

Source: <http://www.cwi.gov.cn>

Following redevelopment, the area now consists of a total of 307,900 m² of new floor space in 42 new multi-floor buildings of flats (all with 4-7 storeys, totally 198,500 m²), and some other buildings to accommodate local service facilities, community centres and retailing units (Figures 9-10, 9-11). Being adjacent to the Heaven Temple, the construction height was strictly controlled, so some public facilities, such as the food market and car parks, were constructed underground with a total area of 57,300 m². The high-rise construction leaves sufficient public open space - about 25% of total land use. The project and landscape designers tried to reflect the traditional image of Jinyuchi in its golden age. In the centre of the estate, a new water feature has been created with a 150-metre waterway containing 5 small pools. At both ends of the waterway, there are two fountains and golden fish pools. Sculptures were created in the public space to reflect on the traditional activities and life of old Beijingers. Trees and fences split the large public spaces into several small areas so that local residents can have more comfortable places to relax and take part in various activities.



Figures 9-10, 9-11 New housing estate after the renewal project in Jinyuchi

Most of the local infrastructures, including power lines, water and gas pipes, were updated. Every household has a gas boiler and heating system so that the residents can control the use themselves. At the west side of the new housing estate, the new No.11 Middle School was completed in 2003, with 29,000 m² of construction floor space, double its previous size. With all its new equipment, it has become one of the best equipped schools in Beijing.

An experimental partnership was established to operate the renewal process. The housing authority of Chongwen District is in the leading position as the major organiser. Beijing Huacheng Real Estate Development Corporation undertook most of the practical work for housing demolition and reconstruction. The investment for housing renewal came from three sources:

- the original households who would like to move back,
- the developer itself, and
- public subsidy

Apart from the new flats to accommodate the returning households, the developer was allowed to construct some additional housing units and sell them in the market in order to recover the investment and with limited profit. The municipal government waived most of the tax for housing redevelopment to reduce the financial burden of the developer. All of the updating of the local infrastructure was completed by public agencies and supported by municipal finance.

In theory, the local housing authority has held the decision-making right of most affairs during the renewal process. However, participation by the local residents was much more active than before. Before the demolition, the master-plan for reconstruction was posted in the area, so every household was provided with an opportunity to express its views about it. Moreover, according to the No.19 and No.87 Documents in this project, all original households could have several options. In the end, 1573 households chose to move back by buying new flats at the discounted price; 180 households were re-accommodated somewhere else and most of them moved to another public housing estate approximately 4 km away; 1078 households received monetary compensation and moved away; another 224 households, through special application and negotiation, were

permitted to buy similar flats in other affordable housing estates, using the discount price similar to that specified in the No. 19 Document.

9.3 Conclusion

This Chapter gives a detailed introduction to the most recent neighbourhood renewal policy and practice in Chinese cities, Beijing in particular. After drawing on the lessons of previous over-marketised redevelopment projects, and re-thinking the current problems of the remaining old neighbourhoods, the most recent projects experienced a significant strategic shift. Economic concerns were no longer the only priority, and the importance of social objectives was emphasised. The new round of public-led projects replaced the market-oriented approaches and became the mainstream renewal process. Most new projects were operated by following the “renewal with housing reform” model. The “demolition-reconstruction” process was still a main approach of the renewal process, but local households were empowered with more personal choices to acquire their new homes, rather than the compulsory unfair monetary compensation and forced relocation. Through the new compensation rules, more tenants of demolished public housing could own modernised new flats and stay in the original communities. The public finance and local households shared the renewal costs. With this new mechanism, the target neighbourhoods of new renewal projects were the areas with most dilapidated dwellings and high residential density which had been abandoned by market-oriented projects in the past because of their low potential profits.

These new ideas were first applied in several flagship projects in Beijing inner-city. Jinyuchi is one of the earliest and most typical cases of these. Although the housing promotion and improvement of physical environment were still seen as the main tasks, during the renewal process some other wider-ranging objectives were also involved. These included the improvement of leisure spaces and facilities, service, infrastructure, use of clean energy and the local school. In practice, the project was operated through a partnership with a wide involvement including public authority, the developer, local community and some other consultants. By this way, many stakeholders, especially the local community, achieved stronger influence in the decision making and implementation of the renewal process. This renewal project was completed in a very short time, and almost all objectives were reached. A great number of original

households finally returned, and benefited from the many social benefits of the project, although many others moved out for a variety of reasons.

Chapter 10 Evaluation of Recent Projects in China

This chapter aims to provide a comprehensive evaluation of the most recent neighbourhood renewal policies and projects, showing the significant strategic shift in Beijing. The evaluation will follow the criteria proposed in Chapter 5 based on the British experience. In this research, because of the lack of city-wide data, all the results will be generated from the primary data collected from the Shichahai and Jinyuchi cases, which represented the declining neighbourhoods before and after the renewal projects respectively. By comparing the situation of the two case neighbourhoods before and after the renewal project, sufficient evidence will be provided to answer the following questions:

- Did the decision-makers exactly understand the real “urban problems” of the target neighbourhood at the time of setting up the strategies and objectives of the projects?
- Do the projects generate enough positive effects to resolve the problems?
- Is there an ideal mechanism to better define the “urban problems” and achieve sustained positive changes in all aspects?

All of these form part of most valuable findings of this research.

10.1 Strategies and Objectives

As chapter 9 indicated, , most of the new round of renewal projects, different from previous marketised redevelopment approaches which regarded the renewal projects as the vehicle to gain more local economic output only, followed the “people first” principle and placed more emphasis on social objectives. The low-income and vulnerable groups could be given more aid and opportunities to improve their general living conditions. The shift of objectives from “economic first” to “people first” required the renewal projects to have more integrated strategies and objectives across many aspects. The rapid growth of local GDP through private investment was still encouraged by all policy makers, but there had to be a premise that the benefits of the economic renaissance should be more equally distributed to all local residents, particularly those needing it most of all, and should also facilitate or at least not counteract the promotion of social service and community cohesion. This ideological

shift is more or less similar to what New Labour did in re-establishing the strategy for the most recent urban regeneration and neighbourhood renewal programmes in British cities.

Such a comprehensive promotion process is, however, not easy to implement in some neighbourhoods which do not have enough attraction to private investment. That is why in Beijing, most of the very dilapidated residential neighbourhoods with high population density were excluded by the property-led redevelopment movement in the 1990s. No doubt, in the new round of renewal projects, the public financial aid must be used, though usually through a more flexible way, to help initiate such a process. Therefore Jinyuchi, as having the typical most dilapidated neighbourhoods with a huge amount of and highly-concentrated urban poverty, was selected to set up the flagship public-aided renewal project. In Jinyuchi, although there was not an official proposal to set out clearly the priorities and objectives of the project, it is not hard to see the issues that particularly concerned the municipal government through the policy practice.

In almost all recent projects, the quick improvement of the general local housing conditions is the core target. In Jinyuchi, it was decided in 2000 that, because of the poor housing conditions, all old housing buildings should be demolished and replaced with modernised high-rise flats. Meanwhile, the beautification of “local images” and the update of most infrastructures were other key objectives of the project. Infrastructure upgrading and housing reconstruction were considered simultaneously from beginning. The other major renewal targets included the improvement of local education and service facilities. The old building of the No.11 Middle School was rebuilt with greatly enlarged floor space. New retailing and service units were constructed according to the blue-print plan: mainly on the ground floor of the new buildings or in the “shopping building” adjacent to the housing estate, although the latter has yet to be completed.

Some comparative data have revealed that projects with “more integrated objectives” have addressed the “local problems” better than the previous narrow targeted practice. In Shichahai, a typical unchanged “problematic” traditional neighbourhood, the survey shows that the local residents regarded the following four issues as the main problems:

- 1) Very poor housing quality and maintenance (43.8%);
- 2) Shabby physical environment (43.8%);
- 3) Fearful public security (39.6%); and
- 4) Crowded housing space (27.1%).

These could be regarded as being similar to the local problems in Jinyuchi in the past, before renewal. The objectives described above seem to have captured these problems very well. The first, second and fourth issues were all directly addressed, and the third was indirectly addressed through the improvement of the local physical and socio-economic environment. This is great progress in comparison with the widely-criticised over-marketised property-led practice.

However, many signs show that the integration of different objectives is not strong enough. Still some of the important “local needs” of these neighbourhoods were ignored by the renewal practice. Some of these local needs were minor or “invisible”, and therefore not easy to identify unless by means of a thorough household survey. However, they do affect the local living conditions greatly. For example, in the practice in Jinyuchi, the redevelopment has not touched the long-standing problems of low rates of local employment and high concentration of low-level employees. Although not many local residents reported this as the “most urgent local disadvantages”, the analysis in Chapter 8 has revealed that this might be the most significant essential cause of the general economic difficulties for local households, and the starting point of the vicious “cycle of deprivation” among the poor and vulnerable households. There have been some innovative interventions in some other neighbourhoods in Beijing. Professional job training has been provided through the establishment of career centres, and subsidies have been provided to the self-employed and small private businesses. It is a pity that these approaches were not included in this “integrated approaches” in Jinyuchi during the renewal process.

The absence of the effective response to “invisible local problems” has affected the satisfaction level among local residents about the renewal project in Jinyuchi. The result of field investigation proved that physical renewal and upgrading may not lead to sustained prosperity in the area. The “cycle of multi-dimensional decline” partially remains in the renewed housing estate in Jinyuchi (see the following sections). If compared with some well-praised British neighbourhood renewal programmes, the

policies and actions applied in the Jinyuchi project could be classified as passive approaches. Most of them focused on providing external aid to the declining area and trying to pull some local people out of the difficulties. Based on the British experience, positive approaches which place emphasis on the essential causes of decline should be adopted. Renewal projects should explore the internal potential capability of local communities and enable them to escape the cycle of decline through a more equal distribution of public resources.

10.2 Impacts of Renewal: Essential Changes

The real effects of all the approaches during the renewal projects have also been clear through the household investigation. In fact, although the strategy and targets of the projects cannot cover all aspects of the urban decline, the changes in one aspect may also affect the other issues; thus for the survey on the satisfaction towards local living conditions in Shichahai and Jinyuchi, all possible domains are still involved.

In the questionnaire survey, the sampled households were asked to list three main advantages and three main disadvantages of living in the neighbourhood. The results of the two neighbourhoods – Shichahai and Jinyuchi, were compared. Broad differences exist between them, which clearly show the essential changes as a result of the renewal project in Jinyuchi.

Table 10-1 Advantages of living in the neighbourhood (%): a comparison of Shichahai and Jinyuchi

	Shichahai (A)	Jinyuchi (B)	Differences (B-A)
Housing space	0.0	68.0	68.0
Housing quality and maintenance	13.0	24.0	11.0
Outdoor physical environment	37.0	32.0	-5.0
Employment and job opportunity	26.1	10.0	-16.1
Education	37.0	16.0	-21.0
Health care	41.3	38.0	-3.3
Retailing, entertainment and other services	56.5	26.0	-30.5
Public security	4.4	10.0	6.0

Table 10-2 Disadvantages of living in the neighbourhood (%): a comparison of Shichahai and Jinyuchi

	Shichahai (A)	Jinyuchi (B)	Differences (B-A)
Housing space	27.1	2.2	-24.9
Housing quality and maintenance	43.8	64.4	20.6
Outdoor physical environment	43.8	17.8	-26.0
Employment and job opportunity	2.1	4.4	2.3
Education	0.0	0.0	0.0
Health care	4.2	2.2	-2.0
Retailing, entertainment and other services	6.3	26.7	20.4
Public security	39.6	35.6	-4.0

Tables 10-1 and 10-2 clearly show the gains and losses caused by the new model of renewal. It is obvious that the improvement in housing space is the main achievement of the renewal project. In Shichahai, no one mentioned housing space as the area advantage, but after renewal in Jinyuchi, 68% households saw it as one of the main area advantages. On housing quality and maintenance, a mixed picture can be seen in Shichahai: 13% households saw them as an advantage, while 43.8% saw them as a disadvantage. This reflects the diversity of houses in the pre-renewal old neighbourhood areas. In Jinyuchi, again there are different views about it: 24% saw it as an area advantage, with 64.4% as a disadvantage. Theoretically speaking, the area is new and the residents should have a high opinion about the housing quality and maintenance. In reality, the nature of the residents in Jinyuchi after renewal is very different from that of Shichahai. Many very poor residents have been excluded, and some new and richer residents have moved in. Their expectations about housing quality differ from those of the traditional residents. The quality of new housing in neighbourhood renewal areas in general is poor because of the restriction of funding. In particular, when the residents have paid a high price to move in, complaints are very common. Similar arguments based on diversity and expectations can be made about the outdoor physical environment. Fewer households in Jinyuchi than in Shichahai saw it as an area advantage; at the same time, a much smaller proportion of households in Jinyuchi saw it as a main area disadvantage. For education, local job opportunities, healthcare facilities and convenience to shops and other retail facilities, fewer households in the renewed Jinyuchi than the pre-renewal Shichahai saw them as area advantages. Although the results might be affected by the distinctive local features of the two areas, they do raise questions about the wider contributions of this new round of renewal projects.

The following sectors will provide more detailed analysis on each of these aspects.

10.2.1 Housing and physical changes

There is no doubt that the objectives to improve the overall local housing conditions have been reached in Jinyuchi. The accommodation offered in the new flats is so spacious that previous local dwellings could never compare. In Shichahai, 91.1% households still have to live in houses with floor space of no more than 50 m², and 35.7% are smaller than 20 m². In Jinyuchi before 2000, the situation was very similar: 88.6% were below 50 m² and 31.8% below 20 m². After renewal, the crowded buildings have been totally eliminated and replaced with new buildings of spacious flats. Now 96.2% households live in housing units with above 50 m² of floor space and 17.3% over 100 m². This is higher than the average housing space per household (approximately 51 m², Beijing Statistical Bureau, 2007) in Beijing. Figure 10-1 shows the improvement of housing space in Jinyuchi.

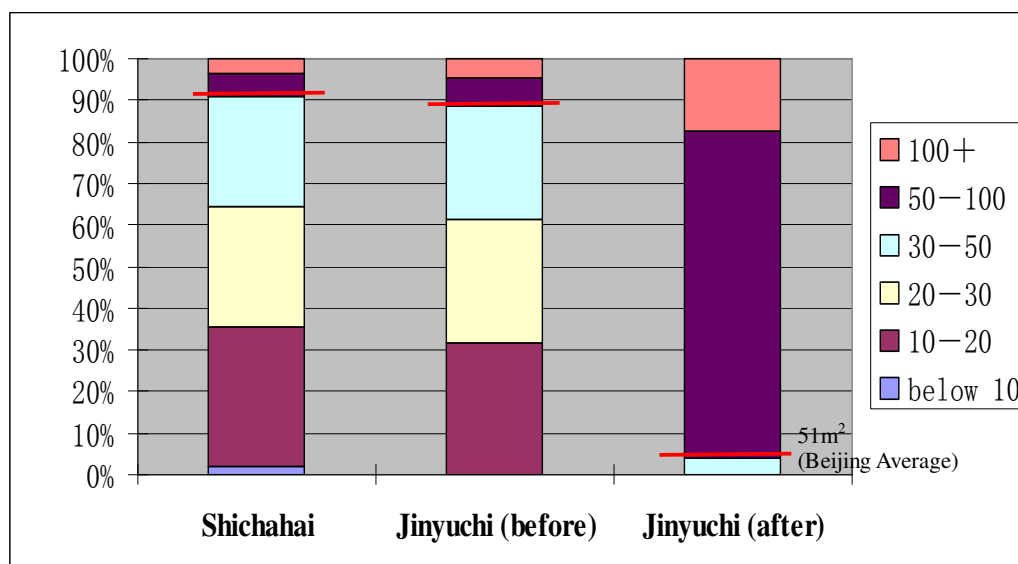


Figure 10-1 Housing floor space per household in Shichahai and Jinyuchi (contrast of before and after the renewal project)

Renewal projects involved the improvement of the outdoor and indoor infrastructures and upgrading of other facilities in the area. An investigation has been made to assess the changes related to these factors. Table 10-3 summarises and contrasts these changes.

Table 10-3 Access to facilities and internal features

	Shichahai	Jinyuchi (before renewal)	Jinyuchi (after renewal)
Private kitchen	87.5%	55.8%	100.0%
Private toilet	19.6%	34.9%	100.0%
Private bathrooms or showers	48.2%	23.3%	100.0%
In-house water connection	71.4%	74.4%	100.0%
Central heating	7.1%	18.6%	100.0%
Self-provided heating	78.6%	51.2%	0.0%
Piped gas	0.0%	16.3%	100.0%
Canned gas	62.5%	44.2%	0.0%
Rubbish recycling facilities	30.4%	37.2%	100.0%
Circuit TV	60.7%	32.6%	90.0%
Telephone	53.6%	44.2%	82.8%
Internet connection	23.2%	7.0%	75.0%
Private computer(s)	35.7%	19.4%	43.6%
Air conditioning	44.6%	41.9%	72.7%
Private car(s)	5.4%	6.5%	10.9%

It is clear that the improvement of the “hardware” caused by the mass demolition and reconstruction is quite substantial. All the “unfit” and “over-crowded” old dwellings with outdated facilities such as self-provided heating, canned gas, have been eliminated and replaced by the uniform and standardised new flats with private kitchen, toilet, bathroom or showers and central heating. The mass redevelopment could be the only effective way to realise the vast improvement in such a short time. Meanwhile, the new outdoor physical environment with dedicated landscape design and new modern infrastructures are the most important by-products of the physical renewal of the traditional housing. The new man-made water systems with the “golden fish pools” are reminders of the local prosperity and the distinguished local image. These facilities can easily be seen by visitors. That is why the renewal project in Jinyuchi has been praised by the government as one of the most successful experimental cases of the “renewal with housing reform” model.

Beyond these positive physical changes related to space and basic facilities, the renewal project has created some new problems. Table 10-4 summarises the problems related to the structures of the housing buildings. These problems include leaking roofs or walls, blocked sewage, distorted/jammed windows or doors, outdated electricity wiring/circuits and other unforeseen structural damages. Table 10-5 shows the extent to which the damage can normally be repaired on time.

Table 10-4 Frequency comparison of housing structural problems

	Shichahai	Jinyuchi (before)	Jinyuchi (after)
Very bad, damaged almost at any time	3.9%	20.0%	9.3%
Bad, damaged frequently	26.9%	13.3%	14.8%
So-so, damaged sometimes	32.7%	31.1%	37.0%
Good, seldom damaged	25.0%	20.0%	22.2%
Very good, nearly never damaged	11.5%	15.6%	16.7%

Table 10-5 Maintenance and repair comparison

Are repairs carried out on time?	Shichahai	Jinyuchi (before)	Jinyuchi (after)
No, never on time	16.7%	16.7%	16.7%
Few	19.1%	16.7%	14.9%
Sometimes on time	23.8%	26.2%	22.9%
Frequently on time	14.3%	23.8%	18.8%
Always on time	26.2%	16.7%	27.1%

These data show that, after the renewal project in Jinyuchi, the improvement of housing quality and maintenance/repair is very limited. During interviews, many residents pointed to countless design defects and problems of construction quality of the fast-built housing units. Owing to the too-fast construction speed required by the local housing authority, the master plan and housing design were completed in a very short time, and planners and designer focused on the “the creation of better image” of the area, while the invisible needs of the residents were not given enough attention. Careless and high-speed construction did leave many hazards for the users. In some flats, the walls began to leak within one year of completion. Another common problem is the poor performance of the heat preservation: there are many gaps between window and door frames, and the walls lost heat, creating additional heating costs for the residents during the winter. The poor quality construction, the mismatch of the new housing and the requirements of the residents repeated the similar problems of the mass high-rise public housing development in Western countries several decades ago.

The local “housing maintenance and repair services” have experienced very complex changes. In the past, because of the existence of a high proportion of public-owned housing units, public agencies were the main service providers. Local government was responsible for maintaining the dwellings owned by the municipal housing authority; Work Units were responsible for the properties owned and managed by them. The economic capability of the property owners determined the service level. In some very poorly-maintained dwellings, residents had to do some DIY repair work themselves to keep their homes habitable. After the renewal, new flats became privately owned and

the responsibility of maintenance and repairs was transferred to the owners. Similar to all new housing estates built in Chinese cities, a private real estate management company was hired to manage and maintain the renewed area. This company provides maintenance and repair services for a charge on the households in Jinyuchi housing estate. According to local government regulations, the returning households should pay only a discounted and fixed real estate management fee decided by the local government, at 0.53 yuan per month per m². Other residents (who moved into the area through the market) must pay the market price of the real estate management charge determined by the company, which is 3 times the fixed fee level.

In practice, the dual price collection resulted in low maintenance fee collection for the management company, which led to unsatisfactory service provision. Delays in repairs and other maintenance were a common problem before the renewal. It is still a common problem after redevelopment. For technical reasons, it is no longer easy for local residents to do the DIY repair for their homes in the high-rise buildings. Some richer households can hire other housing service providers to do the work; the poor ones have to suffer from the problems and engage in endless negotiations with the real estate management team.

Most of the residents in Jinyuchi, especially the returning households, have very mixed feelings about their new homes. Many of them enjoy the visible improvement in their housing, while from a comprehensive perspective, the achievements have been greatly affected by the problematic changes of the invisible factors.

10.2.2 Accessibility to social services

Although the renewal project in Jinyuchi did not include too many specific social objectives, the housing renewal process did have important implications for the provision of many social services in the area. This section reports the investigation about the changes in accessibility to some major social services, including education, health care and others.

Education

Earlier discussion has revealed the concentration of the lower-educated population in both Shichahai and Jinyuchi. Table 10-6 gives a general evaluation of education changes based on the judgement of some households on the performance of their children.

Table 10-6 Public education quality comparison

	Shichahai	Jinyuchi
Above average	41.7%	35.7%
Not better than average	58.3%	64.3%

It is interesting to note that the proportion of children who achieved an above average performance in the renewed Jinyuchi is lower than in the pre-renewal area of Shichahai. Although this is a very crude evaluation, the result does reflect the local situations before and after redevelopment. The Xicheng District, in which Shichahai is situated, has better tradition in high quality public education service than Chongwen District, which hosted Jinyuchi. Although since the mid 1990s, Beijing Municipal Government has begun to reform public education service with the abolishing of “key schools” and district-wide random distribution of schooling children, the legacy of the past still remains.

In the poor neighbourhoods like Jinyuchi, few parents can afford the fee for “choosing the school” to send their children. The majority of children in the poor neighbourhood - Jinyuchi - still receive below-standard education, and some clever children from low-income families have had to leave school early, although the opportunities for children in poor families have increased through recent reform.

In fact, in the inner-city neighbourhoods, there are currently not many families with school age children, so the impact of the public education reform is very limited in these areas. Meanwhile, many households have reported that their living quality was heavily affected by the commercialisation of university education since the late 1990s. On one hand, the fast increasing number of university graduates did produce fiercer competition in the labour market, which greatly excludes young persons with only 9 years of standard compulsory education. On the other hand, the increasing tuition fees for university do block the way to higher education for many students in poor families.

Although the government has used several ways - such as personal loans and subsidies - to help the poor students, the impact is extremely limited. In Shichahai, 13.9% of families said their children had had to give up the opportunities for further education or studying in better schools because of the economic burdens on the family. In Jinyuchi, the number increased to 14.6%, which means the pressure of education cost has not been reduced at all by the renewal process.

Health care

Both Shichahai and Jinyuchi have recently experienced the reform of the health care system. Most of the local households were covered by the national health insurance, but there were still some who remained out of the system. Table 10-7 shows the coverage of health insurance in the two case neighbourhoods.

Table 10-7 Health insurance coverage comparison

	Shichahai	Jinyuchi
Totally self-paid	11.9%	7.0%
Commercial health insurance	4.6%	0.6%
Funded by “medical aids” schemes	0.7%	0.6%
Covered by national health insurance	82.8%	91.7%

The comparison of the two areas shows a slight positive change in health insurance coverage. However, many residents reported that the difficulties in accessing health care still existed, particularly among the low-income households. There is the absence of national healthcare insurance coverage to the floating people (rural migrants), which made up quite a proportion of low-income residents in the inner-city neighbourhoods. Besides, in the two cases, even among those who are covered under the national health insurance, 21.3% find it very difficult to obtain affordable and decent health care. To some disabled or elderly people with long-term illnesses, the national health insurance can only provide limited financial help and they themselves still need to pay very high medical costs. Also, in Jinyuchi, disabled or ill people find it very inconvenient to get out of their high-rise flats without lifts. Sometimes they have to give up going to hospitals even when it is necessary.

Other services

The accessibility to some other services also affects the general living conditions. This section examines the changes in shopping, civil service, and recreation. Tables 10-8, 10-10 and 10-12 show the comparative evaluation of accessibility in these three areas, and Tables 10-9, 10-11 and 10-13 analyse the effects of the renewal projects in Jinyuchi.

Table 10-8 Accessibility to retailing/shopping units

	Shichahai	Jinyuchi
Very good	28.9%	7.7%
Good	30.8%	19.2%
Ordinary	11.5%	15.4%
Bad	19.2%	26.9%
Very bad	9.6%	30.8%

Table 10-9 Effects of renewal project to the accessibility to retailing units in Jinyuchi

Significantly increased	2.1%
Increased	8.5%
Nearly no change	34.0%
Decreased	14.9%
Significantly decreased	40.4%

Local retailing and shopping units include food stores and markets, groceries, restaurants, bars, daily utility shops and so on. It is clear from the comparison that most residents felt that living in the newly-developed high-rise estate in Jinyuchi is not as convenient as in the traditional neighbourhoods. The mass demolition and reconstruction destroyed almost all the small traditional retailing units scattered in almost every street. Although some of them were unlicensed, these shops and retail outlets did contribute much to support the daily life of the residents in the old neighbourhoods. In the new estate at Jinyuchi, the master plan included sufficient retailing units, but they were located in the underground spaces or ground floor of the housing buildings. The underground food market has been closed since 2004, because residents living above them complained about the noise and the smell of rubbish. New retailing units on the main streets are still open, but most of them sell luxury goods rather than the commodities the low income people need for daily use. Almost all residents interviewed complained that there are no food stores or market within walking distance, and the food in the nearest modern supermarket is much more expensive than what had been sold in the street market in the past. In fact, according to the original

master plan, there should be another “shopping building” as the affiliated construction to contain all kinds of retailing units just near the housing estates. The building has recently been abandoned, owing to low local purchasing power.

Table 10-10 Accessibility to civic services comparison

	Shichahai	Jinyuchi
Very good	34.6%	19.2%
Good	44.2%	28.9%
Ordinary	9.6%	34.6%
Bad	9.6%	7.7%
Very bad	1.9%	9.6%

Table 10-11 Effects of renewal project on the accessibility to civic services in Jinyuchi

Significantly decreased	4.4%
Increased	17.4%
Nearly no change	52.2%
Decreased	17.4%
Significantly decreased	8.7%

The “civic services” such as post offices, banks and business facilities is another area evaluated. The differences in the neighbourhoods before and after the renewal project are actually very similar to the changes of retailing units. In the high-rise estate, several previous small service units have usually been replaced by a larger one, so the average distance from individual homes to the unit is much greater than before. Also, because of the increased rent, the owners of these services have had to reduce the number of staff, so most local residents feel they have to wait longer to be served.

Table 10-12 Comparison of accessibility to entertainment venues

	Shichahai	Jinyuchi
Very good	43.1%	38.8%
Good	35.3%	36.7%
Ordinary	17.7%	16.3%
Bad	3.9%	8.2%
Very bad	0.0%	0.0%

Table 10-13 Effects of renewal project on the accessibility to entertainment in Jinyuchi

Significantly decreased	4.3%
Increased	19.2%
Nearly no change	57.5%
Decreased	12.8%
Significantly decreased	6.4%

The entertainment venues include cinemas, community centres, children's playgrounds, sport facilities and so on. The result from the renewal project is also not very positive despite a lot of public funding having been used for these purposes. In Jinyuchi, the new construction has created more and better entertainment facilities, compared with the old crowded neighbourhoods; however many residents do not like them just because they are too good and too well maintained, and they have to pay fees to use them. For most of the low-income families, the renewed area has offered them fewer choices about how they can spend their spare time. For children and elderly people in particular, the change may reduce their happiness in everyday life.

10.2.3 Public security and community cohesion

Another important measure to evaluate local living conditions is the "safety feeling" among residents. In Western countries, there are many different indicators to measure such a feeling. They could include the local crime rate, the frequency of anti-social behaviour, incidents of drug and alcohol abuse, etc. It is still difficult to use such a comprehensive approach in China. Thus during the interviews in Beijing, three questions were asked in an attempt to obtain some idea about residents' feelings about public security, neighbourhood interaction and the role of the neighbourhood committee or other community organisations. In fact, the last two issues were closely associated with some self-help activities to maintain public order in Chinese traditional urban neighbourhoods. The results are shown in Tables 10-14, 10-15, 10-16, and 10-17.

Table 10-14 Satisfaction of local public security comparison

	Shichahai	Beijing average	Jinyuchi
Very dissatisfied	8.9%	3.7%	14.8%
Bad	37.8%	11.1%	40.7%
Neutral	11.1%	35.1%	22.2%
Good	22.2%	40.6%	13.0%
Very satisfied	20.0%	9.1%	9.3%

Table 10-15 Effects of renewal project on general public security in Jinyuchi

Much better	3.9%
Better	25.5%
Nearly no change	37.3%
Worse	23.5%
Much worse	9.8%

It is clear that most residents in both neighbourhoods feel their living environments are much more “unsafe” than the city-wide average, before and after the renewal project in the case of Jinyuchi. This is understandable, considering the high concentration of unemployed and poorly educated population. The detailed situation in different small areas within the scheme is, however, quite diverse. Shichahai is near several tourist attractions, and the great number of outsiders is sometimes a major safety concern. Many residents are quite dissatisfied about the existence of bars and luxury restaurants opening all night long. The local government initially encouraged the night-life and hoped that it would help to enhance the local economy. However, in practice, the local residents gained nearly no economic benefits or job opportunities from these night-time activities; on the contrary, they constantly produce unpredictable noise and sometimes violent incidents at night. Fortunately, those households who live far from the main streets feel much safer and receive less negative effects from the outsiders. Actually, in the over-crowded low-rise neighbourhoods, there are really not so many crimes and all kinds of anti-social behaviour as was thought, even though the local police offices are under-staffed. The homes of many families are very close to each other and they may have to share toilets and kitchens in the same courtyard, so that the neighbourhood watch could be automatically on 24 hours. Also, because of the lack of wealthy households, these areas are not attractive to the thieves and robbers.

In Jinyuchi, after the mass demolition and reconstruction, the good tradition of “neighbourhood watch” was lost. The high-rise buildings provide more “invisible corners” as possible venues for crime and anti-social behaviour. Because of the increased diversity of the population, some wealthy new incomers have become the targets of criminals and the under-staffed local police force can provide very limited help to prevent the (potential) crimes. That is why many residents in the renewed area feel that the local public safety is getting worse, even when the local unemployment rate has been reduced by the process of gentrification and population replacement.

Table 10-16 Comparison of frequency of neighbourhood interaction

	Shichahai	Jinyuchi
Almost daily	38.9%	10.9%
Frequently	42.6%	26.1%
Sometimes	13.0%	23.9%
Seldom	1.9%	26.1%
Nearly never	3.7%	13.0%

Table 10-17 Help from Neighbourhood Committee for public security comparison

	Shichahai	Jinyuchi
Always helpful	20.4%	3.9%
Frequently helpful	30.6%	15.7%
Sometimes helpful	20.4%	39.2%
Seldom helpful	26.5%	21.6%
Nearly never helpful	2.0%	19.6%

Neighbourhood Committees are the lowest-level of (informal) governmental agencies in charge of some public affairs at neighbourhood level. For a long time, the Neighbourhood Committees in the inner-city areas maintained a very good tradition in organising and enhancing the “self-help neighbourhood watch (or warden) schemes” by local residents. Many facts show that these amateur wardens are actually more responsible and experienced than the policemen in keeping local safety, because they are familiar with the area through the frequent neighbourhood interaction. Traditional and established residents are always happy to share useful local information and to organise public events, which is important for enhancing community cohesion. In the renewed area of Jinyuchi, neighbourhood interaction has been reduced because of the new physical arrangement of flats and the changes in local population (Table 10-17). With less community cohesion, self-organised activities to promote local public security are no longer as effective as before.

10.3 Unexpected Effects and New Problems

The above analysis shows that the renewal project in Jinyuchi has achieved the objectives of housing and physical improvement, but some other consequences were problematic and unexpected. Those may form the “new challenges” for the future development of the neighbourhoods. This section looks at these problems in detail.

The main unexpected consequence is the large-scale population replacement after the physical renewal. It was one of the objectives of the renewal project “to keep original communities”, and the housing authority produced the special compensation rules according to No.19 Documents in order to encourage more residents to return to the area. However, finally, the returning rate was just a little bit higher than 50%, which is of course much higher than the market-led projects in the 1990s with mass relocation. This is much lower than the expectation of the officials of the local housing authority (approximately 70%), (although this was not formally included in the strategy). As a

result, in these newly-renewed neighbourhoods like Jinyuchi, population structure has become more mixed.

10.3.1 Changes of demographic structure

Traditional neighbourhoods show some special demographic features. In both unchanged Shichahai and renewed Jinyuchi, the household size is bigger than that in other areas. The average number of persons in a household is 3.55 in Shichahai and 3.6 in Jinyuchi. Both of these are much higher than that of the city-wide average: 2.67 persons per household in urban districts of Beijing in 2007. The distribution of the household size in the two cases differs slightly (Table 10-18). The traditional large families of 5 persons or more declined in Jinyuchi, but the proportion of “core families” with 4 persons, couples with one or two children and one older generation member rose. Family size does indicate that the redevelopment has modernised the household structures in Jinyuchi, with a reduction of small and large families and an increase in the mainstream households of 3 to 4 persons.

Table 10-18 Family size per household in Shichahai and Jinyuchi

No. of family members	Shichahai	Jinyuchi
1	5.4%	5.5%
2	16.1%	10.9%
3	39.3%	25.5%
4	8.9%	38.2%
5 and over	30.4%	20.0%

The second common feature is that there is a higher proportion of old people living in the two neighbourhoods. Table 10-19 gives a comparison of the local and city-wide age structure. It is clear that both neighbourhoods have many more persons of retired age (over 60¹³) and fewer working-age persons (18-60) in comparison with the city average. In Jinyuchi, there are more working-age (25-40) people than in Jinyuchi, and most of these come from the newcomer households. The increase in the children and the 25-40 age groups indicates the nature of the newcomers – young families. The decline in the 40-60 group means the Cultural Revolution generation has lost out through the redevelopment process. The so-called 40-60 group comprised the red guards from the

¹³ In China, the official retirement age is 60 for males and 55 for females, but in some cases some specific people - particularly senior governmental officials or high-level professional experts - can keep working beyond that age and retire later,. So here “over 60” represents just a general definition for the “pensioners”.

peak of the Cultural Revolution; they had missed the proper school education. They were sent to the countryside for re-education in the farms later. After the Cultural Revolution, they were allowed to return to the city, but were employed only by the unprofitable and poorly performing collective sector enterprises. During the industrial restructuring of the reform era, they were the first group who lost their jobs and become unemployed. It seems that they have become the victims again in the urban regeneration process. Because of their poor economic profile, they have been pushed out of the relatively advantageous centre location and relocated to the peripheral areas. The over-60 group has maintained its position.

Table 10-19 Age structure (for all population) comparison

Age span	Shichahai	Jinyuchi
0-18 (years)	8.9%	10.2%
18-25 (years)	12.0%	8.6%
25-40 (years)	19.9%	28.9%
40-60 (years)	34.0%	25.9%
Over 60 (years)	25.1%	26.4%

The data reveal that in the inner-city areas, more family members per household and more aging people mean the common existence of the multi-generation households. Normally, several generations living together is a forced choice. Some elderly, disabled or people with long-term illnesses, for example, have to be cared by other family members. The primary data show that in Shichahai 25% households have “unhealthy” members who require constant care. Other family members who may not live together also have to provide financial support. In the renewed Jinyuchi, the number of these types of households dropped significantly, to 12.7%. This could mean that the redevelopment has not provided sufficient support to those families which require special support; more of these families could have been forced out to other areas.

Comparing the family size, age structure and proportion of the households with family members requiring care between Shichahai and Jinyuchi, it is clear that some positive changes have been made by the renewal project, but these positive changes are limited to the areas themselves. For the people who can afford to stay and buy back the newly constructed flats, there are significant improvements. Redevelopment has brought them the benefits of modernised living in a favourable location in a fast expanding city. But for these households who were unable to move back to the areas and have been forced out to other locations, the changes could be very negative. They have lost their original

homes, job opportunities, business promises, communities, and social networks. These groups tend to be poor, ill, and the unemployed 4050 group. These changes and consequences are very similar to the common problems of gentrification in all inner city regeneration projects. The evaluation of urban renewal projects should take a broad view to include the social factors of the original residents. The focus on simple economic or physical improvement indicators of the area concerned may tell only part of the story.

10.3.2 Changed competitiveness in labour market

The changed demographic structure could affect the local labour market as a whole. Tables 10-20, 10-21, 10-22 and 10-23 present the education level employment status and types among residents in Shichahai and Jinyuchi.

Table 10-20 Education level comparison

	Shichahai	Beijing Average (urban only)	Jinyuchi
Below Junior Middle School	20.8%	14.1%	22.4%
Junior Middle School	28.3%	26.5%	14.5%
High School	24.2%	26.8%	29.0%
College/University or above	26.7%	32.5%	34.2%

It is clear that in Shichahai as an unchanged inner-city neighbourhood, the education level of local residents is far below the city average. This is closely associated with its aging demographic structure. However, the situation in the renewed Jinyuchi is more interesting. First, there is a clear improvement in the educational profile among the residents with a higher-than-average proportion of high school and university graduates. At the same time, the educational profile also reflects the population before redevelopment. Almost all the newcomers who purchased the housing units at market prices are much better educated than the original residents. Thus the combination of the returning households and new comers form a very strange structure of local education level.

The most direct consequence of the concentration of low-educated population is the poor performance of local residents in the local labour market. Table 10-22 summarises the overall employment status of local residents (excluding those before graduation) in the two case neighbourhoods.

Table 10-21 Employment status comparison

	Shichahai	Jinyuchi
Retired	42.4%	37.7%
Long-term secure employment	34.8%	47.7%
Temporary unsecure employment	7.6%	5.9%
Long-term unemployment	15.2%	8.8%

It is hard to find comparable city-wide data on this issue, but it is obvious that there is quite a proportion of local people being excluded from the “formal” labour market in both cases. The very high proportion of retirement and unemployment rates are main features of many deprived areas in Western countries and in Chinese cities. In 2005, the official unemployment rate in Beijing was 2.5%. Although this figure is far from the real situation because migrants without local “*Hukou*” of Beijing are not included in the calculation, the average level must be much lower than that of Shichahai. Again, the data of Jinyuchi are relatively better, but the differences could have been caused by the contribution of the newcomers with good jobs.

The primary data collected include details of jobs held by the local population in the two case neighbourhoods. Table 10-22 describes the roles of the employees in working. Table 10-23 summarises the distribution of their employers. Both tables include data for the current employment for working people and the last employment for retired people. Part-time jobs are not included.

Table 10-22 Job type comparison

	Shichahai	Jinyuchi
Unskilled	50.9%	48.9%
Lower level skilled	31.0%	22.6%
Lower level managerial	15.5%	18.8%
Higher/middle level skilled	2.6%	2.3%
Higher/middle level managerial	0.0%	7.5%

Table 10-23 Employer type comparison

	Shichahai	Jinyuchi
Temporary job	8.0%	9.5%
Collective enterprise	3.0%	18.3%
State-owned enterprise	46.0%	35.0%
Private enterprise	13.0%	14.6%
Foreign invested enterprise	1.0%	0.7%
Self-employed	5.0%	5.1%
Governmental institutions	15.0%	7.3%
Hospital/academic	6.0%	7.3%
Others/NGO	3.0%	2.2%

Obviously, more people than average in Shichahai do the lower-level jobs. As discussed in chapter 6, the general workers of the public-owned enterprises (including both the State-owned and Collective enterprises) are the main losers of the macro-scale socio-economic restructuring towards marketisation. The staffs of most foreign invested enterprises (including the joint venture enterprises) and some governmental institutions are widely regarded as winners of the ongoing urban transformation. The higher-level managerial and skilled staffs in all organisations gain more in a market circumstance. The structures of the job and employer types are closely linked to the high retirement and unemployment rates. In many public-owned enterprises, redundant unskilled staff were forced to retire much earlier than the official retirement age (maybe 40 or 45). This is why there are more retired people than aged people here. Some others were even forced into unemployment. Usually, their previous employees were too poor to provide any help (e.g. training of professional skills) for them to find new jobs, and their monthly allowances were much lower than those of the retired people from other employers.

The employment profile of residents in Jinyuchi is significant better than that in Shichahai. However, if excluding the newcomers, almost all returning people reported no changes in employment, or did not have any opportunities to improve jobs during the process. The housing renewal project was not associated with other measures to promote local employment. On the contrary, just as what happened during the market-oriented renewal process in the past, the mass redevelopment did affect the prosperous “informal” local business in the previous low-rise, crowded but small scaled neighbourhood. Before the demolition of old neighbourhoods, many local people could run small shops, do business in the “street market” and find part-time jobs or let one or two of their self-built rooms to increase their daily incomes. Although many of the businesses were unlicensed and not easy to be seen by outsiders, they did create significant contributions to support a basic living condition for many low-income households. The primary data show that in Shichahai, 12.5% households can get extra money from housing letting, 16% are involved in self-employed small business and 8.7% have at least one part-time job associated with the “informal” business. However, in the newly-built high-rise housing estate in Jinyuchi, the “informal businesses” disappeared. 15.4% households can still get extra income from housing letting, which is slightly higher than previous proportion of 12.5%, while none of the households can

engage in the self-employed small (unlicensed) businesses and part-time jobs. That means 5% - 20% of their previous income has probably gone.

10.3.3 New problems caused by the population replacement

The unexpected demographic changes in the renewed neighbourhoods like Jinyuchi may have created some new problems which affect the achievements of these projects. The benefits of local housing improvement cannot be distributed equally to all the original households. According to the rules of demolition compensation analysed in Chapter 9, the original households who choose to return could obtain more economic benefits than those who no longer lived in Jinyuchi after the project. Therefore, the government hopes that by this way more people would like choose to return, and that they will be financially able to contribute more to release the burdens of public finance. Also, all returning households can become house owners, and that could entirely eliminate the troubles in public housing management of previous periods. However, in fact only about half of the original households moved back after the completion of new high-rise estates.

Most of the returning households were the better-off original households who used to live in relatively spacious dwellings and were not very poor. According to the application of the new compensation rule, they could pay less to buy the new flat units after the renewal project. On the contrary, most households with either smaller original housing space, or too poor financial capabilities, became losers. Although every original household had the opportunity to purchase a new flat at a very favourable price which was much lower than the market price, many of them still found it difficult to afford that because the new flats are usually much bigger. In Jinyuchi, quite a large proportion of the original households were hereby “forced” to be relocated elsewhere.

The compensation rule also created inequality between different groups. For example, one household might be in a very dilapidated but larger dwelling, while the neighbouring one was in a better but smaller one. The market value of the second dwelling could be higher than the first one, while the compensation calculated following the rules might be higher for the first one. Also, one household may need to pay the same price to buy a new flat of the same size as that of the neighbouring household, even if one household has two retired and disabled elderly people only while the other

has two healthy working-age people without any dependents. Undoubtedly, the compensation rule failed to give equal treatment to every household, and also did not provide extra aid to those with most difficulties.

It is difficult to trace the relocated residents and evaluate their life changes after the demolition, the fact that the relocated group is a relatively weaker and poorer group among all original residents. In this investigation, it is impossible to find information about the current living conditions of the relocated households who are actually excluded from the renewal project, but many of the returning households confirmed that the living conditions of their previous neighbours in other places are much worse than theirs in general.

As a result, although unexpected, many of the poor households have been forced out of this area and replaced by a group of relatively wealthier households who bought the new housing units at the market price. The comparative data of social profiles in the two cases provide some direct evidence of this. Therefore, the general observations in some aspects should be seen in a different light. For example, access to education, healthcare and job opportunities in Jinyuchi is slightly better than in Shichahai at the general level, but the improvement could be the consequence of the population replacement, not the improvement of service delivery itself. To some low-income returning households, the access to services was reduced as a result of the massive physical changes. In old neighbourhoods like Shichahai, access to affordable education, medical or other services was not very bad. The convenient and cheap local services were crucial for many low-income people in their efforts to maintain basic living standards. After the mass reconstruction, access became worse, especially for the vulnerable groups who are weaker in personal mobility. That is why in Jinyuchi, inaccessibility to the retailing, entertainment and service units has become one of the most significant disadvantages.

10.4 Partnership and Community Involvement

Looking at the operation of the renewal practice could help reveal the reasons for some shortcomings: why the vision and objectives failed to capture fully the real local needs, and why the real effects failed to meet the original objectives. Although the vision and objectives have shifted since 2000 to achieve an integrated local improvement, and the multi-sectoral cooperation has been promoted by partnership working, the

organisational structure of decision-making and implementation bodies are still similar to the old style mechanism: the partnerships are too strongly dominated by public authorities; many fragmented participators worked separately and the local residents' views were still sidelined. These shortcomings ensured the emergence of the unexpected failures in many aspects.

In the renewal project at Jinyuchi, a simple, experimental partnership was established as the prime operator of the project, which involved various branches of public authorities, private developers and other stakeholders, including the local community. Nevertheless, the structure of this partnership continued the legacy of the top-down model: the housing authority of Chongwen District had the dominant power to make final decisions on renewal strategies and objectives, as well as allocation of most of the public funding or resources. The development corporation can influence the decision-making process significantly, because it has a close relationship with the local government (the corporation is partially supported by public finance), and it directly undertakes the task of implementation of the project. Frequent communication, negotiation and cooperation between the two sides went very well. However, other public agencies became “informal partners” within this organisation. Most of them are the agencies in charge of some “visible” affairs, for example the planning bureau, heritage conservation bureau and some infrastructure supporting agencies. These “informal partners” were sometimes “involved” in the decision-making and implementation process: normally being informed and consulted about the renewal proposal and getting more opportunities to send their feedbacks to the leaders of the partnership. However, in practice their ideas were never decisive and seldom influential because of their “unequal” involvement in the mechanism.

Many other agencies associated with important “invisible” affairs, including the education bureau, health care bureau, police office and others, were still excluded from the partnership. In the face of urgent “local problems” in the inner-city old neighbourhoods, many of these agencies were proposing or applying their own policies and schemes to improve the services under their control, including providing assistance to the “households in difficulties”. The compulsory and equal right for education and the application of universal health insurance plus the “medical aids” schemes are examples of these good attempts. However, these individual attempts to create social well-being were never coordinated together in the redevelopment area. The simple

approach of one or two issues can contribute very little to stop or reverse the “multi-dimensional deprivation”. These un-coordinated schemes could affect each other, so the real positive effects could be less than the expectations.

To local communities, compared with the previous model, the new approach does give them more information about changes in future, and also more options for their future living, but much more could be done to promote community involvement and local participation. The amount of information for local households was less than that for the public sectors, and because of the absence of community-based organisations or the election of community representatives, the voice of the community was always very difficult to be heard. Some active households tried to express their ideas, but these individual opinions were usually not supported by other households and the ideas varied or even contradicted each other. In the Jinyuchi case, one of the most significant consequences is that more than half of the returning households do not like the design of their new flat units. Many feel that the new house is too spacious and the gas central heating system too modern which could increase the cost for them. That is because, before the project started, the housing authority did not collect local opinions about future housing design, even though the master-plan layout had been publicised. The officials hoped that the mass reconstruction would make the housing improvement as revolutionary as possible, but they ignored the real affordability of local households who should have had a say about their living conditions in future. During the investigation, many returning households said that they have to switch the gas heating off in cold days to save money, or reduce the expenditure for food or leisure to support the costly heating fees, which means that, in a case without active community involvement, the expected elimination of housing poverty or exclusion could lead to severer poverty or exclusion in other services for many low-income households. Similarly, that is why the dedicatedly-designed retailing units failed to provide the appropriate or affordable services that the local residents really need.

Furthermore, without sufficient involvement of local communities, the renewal practice lacks the flexibility to provide tailor-made assistance to households with special needs. Although the general evaluation on some issues was not bad in the renewed scheme, to some specific groups, the service delivery is much lower than average, which may cause great difficulties and affect their general living conditions. Face-to-face interviews discovered that the problems of the so-called ‘households with difficulties’ could be

very diverse. For example, some households became poor because of their low education achievement and failure to secure decent jobs, while others are poor because of their poor health, or they have too many elderly people to support. Each household may have very different “needs” from the household next door. Thus the area-based mass renewal project could bring very different effects on them: some households may benefit greatly, while others gain little but lose a lot; one resident is very happy to see the change in one issue but hate the change in another. That is another reason for so many final results being out with the original expectations of the policy-makers for the experimental practice.

From the views of some low-level governmental officials who know the local community well, the diverse and “invisible” local needs had been recognised before the start of the project. However, as one of the pioneer experimental projects for the new round of renewal practice led by the municipal government, the project in Jinyuchi has to be completed as quickly as possible. Also, the achievements should be made as observable as possible in order to provide more positive evidence to convince the residents in other old neighbourhood areas. As a result, under the dominance of local housing authorities, all resources had to be concentrated on the most “visible” issues as the prime short-term targets. There were not enough resources and time to be spent on the “invisible” aspects and approaches to address the diverse local needs.

Certainly, it is clear that the outdated current mechanism without sufficient community involvement should be the essential cause for the faulty vision, approaches and their implementation during the most recent renewal projects. In future, the organisation must be aware of the failure, and the new mechanism should try to enhance flexibility and effectiveness in decision-making and project implementation.

10.5 Conclusion

This chapter provides a comprehensive and detailed evaluation of the most recent neighbourhood renewal projects in Beijing represented by the Jinyuchi case. With the “people first” principle, the overall strategy and detailed objectives of these projects has now become more integrated, and better capture the real local needs than before, but the coverage of these policies is still not deep and wide enough. They tend to concentrate on some of the most “visible” issues and lack in-depth local investigation and analysis. The

most successful effects of these projects are the revolutionary improvements of housing conditions and the physical environment, and the higher returning rate of local households who benefited from the redevelopment compared with earlier schemes. However, the new approach also has many problems: although the housing quality was improved in a short time, the quality of the new buildings and public facilities has not achieved the desired standard. Housing maintenance service in general was as bad as before; in some cases they became worse, especially for the low-income households who cannot afford the high cost of the maintenance service provided by private companies. Besides, the changes in local employment, education, healthcare and other services, as well as in public security, are not so positive and have become worse. Although many of these are not “visible” problems in the renewed neighbourhoods, they could lead to a further round of decline. Finally, there are serious defects in the organisational mechanism of the renewal process: the simple structured partnership did provide more opportunities for community involvement, but the decision-making and implementation were still not balanced; therefore the outputs of the project inevitably missed some of the important local needs.

Chapter 11 Conclusions and Recommendations

This study aims to provide answers to the following research questions: *How are old and declining neighbourhoods renewed in Chinese cities and what are the main features of the urban renewal and regeneration process? Judging from the experiences and lessons learnt from the renewal and regeneration of declining neighbourhoods in British cities, what are the achievements and shortcomings of the recently completed renewal and regeneration projects in Chinese cities?* The first question has been addressed in chapters 7, 8, 9 and 10. This final chapter will provide the answer to the second question through a comparative summary and evaluation of British and Chinese neighbourhood renewal/regeneration process. It will first contrast the social, economic, political and cultural contexts in both countries; this will be followed by a summary of the urban renewal/regeneration policies and practice in different periods of time. The achievements and problems will also be compared, before drawing together the recommendations.

11.1 Comparison of the Context

As a cross-national comparative research, the comprehensive understanding of the contexts in different countries should be the pre-condition in setting up the comparative analysis. In this research, the similarities and differences of the socio-economic and political contexts have been discussed in various places in previous chapters. The following section will summarise them in a systematic way.

11.1.1 Economic context

Britain is the earliest industrialised country in the world. After the Industrial Revolution, British cities were quickly modernised and quickly occupied dominant roles in the global economy. In later years, with the consequences of wars, loss of colonies and slow growth, Britain lost some of its leading position in the global economy; nevertheless, until the 21st century, it was still one of the wealthiest countries in the world and exercised significant influence over the global economy. The latest data show that current GDP (PPP) per capita in Britain (2008) is about 3.5 times that of the world

average¹⁴. The advanced economic development is reflected by the high standard of living. According to the United Nations Development Program (UNDP), in 2009 Britain's Human Development Index (HDI) is 0.939, ranked 23rd out of the 179 member countries or regions on the list¹⁵. However, since the early 20th century, regular economic depression has occurred frequently and traditional industries have declined significantly, so the general growth speed of GDP has slowed down. After the industrial restructuring, when service industries, replacing manufacturing and mining, became the dominant sector of British economy, a new round of economic revival has emerged since the mid-1980s, but the growth speed has been much slower than that of most newly-industrialised countries.

China is the largest developing country in the world. Over the last several centuries, as a result of the lack of industrialization, outdated productive technologies and the closed domestic economy, China had been marginalised from the global market. However, since the economic reform started in the early 1980s, this big country has been moving towards the central stage of the world economy system. In the last thirty years, the Chinese economy has experienced constant high-speed growth. The GDP (PPP) per capita increased from 2.9% (approximate 1/35) of the British in 1980 to 15.1% (more than 1/7) in 2007. This is still less than 60% of the world average¹⁶. The national HDI is 0.787, ranked only 84 and far behind that of any European countries¹⁷. Economic development is very unequal between regions in China. In recent years, when the manufacturing industries were booming in most inland cities, some early industrialised large coastal cities were experiencing the de-industrialisation process. With the rapid growth of service industries, the modernisation pace in these cities was greatly outpaced. In Beijing City, the GDP (PPP) (2008) reached 1.7 times the world average and the city-wide HDI was 0.893¹⁸. This is almost at the same level as that of some European countries like Portugal, Slovenia and the Czech Republic.

Clearly, as an early developed country with a long-term leading position in global economy, British society experienced a long and gradual process to accumulate national and personal wealth. The modernisation process of most cities was done step by step. In every specific period, the prior target of the concept of “development” was clear and

¹⁴ <http://www.imf.org/external/data.htm>

¹⁵ http://en.wikipedia.org/wiki/List_of_countries_by_Human_Development_Index

¹⁶ <http://www.imf.org/external/data.htm>

¹⁷ http://en.wikipedia.org/wiki/List_of_countries_by_Human_Development_Index

¹⁸ <http://en.wikipedia.org/wiki/Beijing>

relatively simple. In the early capitalist and the neo-liberal eras, the major priority of “development” was to lift the economic competitiveness, with increase of productivity, technological innovations, booming of new industries and attraction of private investment; while in the social democratic and New Labour eras, more concerns were given to re-distribution of the national wealth to benefit more people. Also, in the early capitalist and social democratic eras, the development process was based largely on quantitative growth, while in the neo-liberal and New Labour eras, qualitative improvement became more important. The alternative shifts of British economic policies just reflected the changing requirements of modernisation in different periods. The development of British low-income households may be a very good example: in the 19th century it emphasised the installation of basic sanitary facilities; in inter-war and immediate post-war years, the quantitative growth of new council housing supply became the core task; then the improvement of the quality of the existing houses became more important; and later more concern was given to local service provision and betterment of the environment.

In China, a later-developed country trying to catch up with advanced Western countries like Britain, the modernisation process followed a different route and was concentrated over a shorter period. The rapid growth may, however, bring some more complex problems. In almost every historical era, the development process tried to meet the requirements, both to increase economic efficiency and promote equal distribution of national wealth. Also, in order to achieve high-speed modernisation, the requirements of both quantitative and qualitative growth are of great importance. Such tough requirements for modernisation and the wide-ranged targets were often proved to be unrealistic. The national economic policies were ambiguous or shifted frequently: in the early Socialist period, equality was high on the agenda through the application of economic development plans, but the policy-makers quickly adjusted the plans, so that investment was concentrated into some “key” areas only in order to ensure a rapid growth of the national economy and an increase in competitiveness. In the reform era, policy-makers also had to face the dilemma of balancing efficiency and equality. After over 30 years of rapid economic growth, policy makers still need to make choices between quantitative growth and qualitative improvement. For example, in order to provide more suitable houses for low-income groups, the requirements to increase new social housing stock and improve the quality of existing stock are matters of high urgency at the same time.

11.1.2 Political context

The British political system is one of the classical models of the capitalist regime in the world. In this system, the majority of national wealth is owned and controlled by the private sector, and there is a long tradition of distrust of the public authorities. The modernisation process was largely reliant on the initiatives or approaches for the extraction of surplus value and returning profit from the free market, while the government responsibilities were supplementary: just to ensure the circumstances for free competition. The rapid growth of productivity was the major driving force to facilitate the modernisation process, and the improvement of social well-being was taken for granted as the consequences of the economic prosperity. However, since the early 20th - particularly in the post-war years, - social democrats questioned the basic capitalist ideology and expanded the responsibilities of the government. Interventional approaches were frequently applied in an attempt to achieve social justice in more direct ways. In most recent decades, the role of the market was re-emphasised, and interventional approaches became more “indirect” or flexible, with the aim of promoting cooperation between market and state, and to ensure the integrated and balanced economic and social development in the new era. Thus with the combination of more social concerns, nowadays the British political system has become quite different from the classical capitalist model, and operated by following a more pragmatic agenda in an effort to address the real needs of the people.

The structure of British governments used to be very simple because of its limited power in the early capitalist era. In later years, with the enhanced power, more new branches were established, and each of these was charged with governmental responsibility in one aspect. Usually the branches were operated by following the top-down control and worked separately. Cooperation and coordination between the fragmented agencies were rare and very weak. In the New Labour years, the institutional system was reformed considerably. One change is that the decision-making right for many issues such as regeneration has been devolved to neighbourhood level. Another is the establishment of some multi-departmental units in central governments in order to break the institutional barriers between the public agencies. The local-based partnerships, involving not only central and local governments but also all related public and private agencies and local community, are empowered with the leadership of most

public affairs. This is a very innovative change which could help to tailor the responses to local problems.

In Chinese history, there is a long tradition that the governmental power was strong to influence or even control national economic and social development. Since 1949 in particular, when the socialist state was established by following the Soviet model, the role of government was regarded as the only effective answer to accelerate the modernisation process. The majority of national wealth was publicly owned and economic development always followed the central controlled plans. The role of private capital and market was almost eliminated from the national economic system. Since the economic reform, the planned economy has gradually been rolled back. Private capital and market now form a large part of the national economy, and the desire for economic prosperity has been given increasing political importance. However, the power of government remained strong and interventional approaches were still frequently used to adjust the national economic and social development. Just similar to Britain, in most recent years the policy-making largely followed a pragmatic way, paying more attention to the real needs of the people but not necessarily following a particular political ideology.

Institutional barriers between Chinese public agencies are a long-term problem, having existed at least since the establishment of the socialist state. In cities, because of the unique work unit system, the entire society ran in a very fragmented way. According to the economic plans, the majority of governmental responsibilities were undertaken by each work unit separately. The provision of social welfare was comprehensively considered by each work unit, but between different work units the service was provided in different ways and to varying standards. In the most recent welfare reforms, the relationship between service provision and work units was broken. Instead, local governments established the unitary agencies and charged for the services for all urban people. However, the reforms were just in the initial period and they did not proceed in the same way, in different aspects. In practice, cooperation and coordination of the service provisions were seldom considered up to now.

Another obvious political difference between Britain and China is the party political systems. Britain has a multi-party democratic election system, while in Chinese regime the Chinese Communist Party (CCP) is the only party firmly in control. This difference

has important implications to any comparative social study. The analysis in this research, however, shows that the difference should not be over emphasised. Party stands hold important influence over policy shifts in Britain. In China, similar policy shifts (sometimes big changes) could be initiated by the internal differences of the CCP. A change of top party leaders or their ideas could bring in very different policies and actions which often reflect the general trend at international level. The economic reform and the reduction of economic planning power started at the beginning of the 1980s, and followed the neo-liberal approach fashionable at the time. The harmonious society debates and policies promoted by the current leaders is in line with the idea of good governance and the correction of mistakes made by the neo-liberal followers during the 1990s.

11.1.3 Social and cultural context

Social structure of British cities changed in parallel with the modernisation process following the Industrial Revolution. In the early capitalist era, apart from the super rich, the majority of the urban population could be divided into two classes according to their employment: middle class and working class. The middle class took control of political power and ensured the dominant role of the free market in the national economic system so that they could obtain more wealth from rapid economic growth, while the working class hoped to gain more governmental and other non-market aids, but their desire was far from reality. Nevertheless, the political influence of the higher proportion of the working class of the urban population was greatly enhanced later, particularly when the social democrats finally came to central power in the post-war years. In the long term, the life style, income, education level and family structures of the unskilled working classes were highly homogenous, so the common social needs were very clear. In response to this, the post-war governments established the welfare state and frequently applied economic plans, trying to promote “full employment” of all and redistributing the national wealth in egalitarian ways to benefit the working class. Since the 1960s the social structure of British society has become more complex. Economic restructuring cut off the unskilled jobs so the homogenous working class then gradually disappeared. For younger generations, their job types, life styles, personal interests and family structures have diversified. The incoming immigrants from overseas created more new specific social groups with different cultural customs. Thus their social needs differ with each other significantly and can no longer be recognised in simplified ways.

Another feature of British society is its strong civic society. In the past, when the power of governments was very weak, there used to be many cases in which the bottom-up organisations took in charge of local public affairs. Even in the years when most public policies were eventually decided by the centrally controlled bureaucratic system, the voice of the local community was never ignored during elections and in public media. In the New Labour years, the participation of civic society was highly emphasised for local decision making. Many attempts were applied to enhance community cohesion so that the real local needs could be clearer. The long history of democracy ensured better communication, negotiation and coordination among different social groups, and was also helpful in balancing the individual, local and public interests on a larger scale.

In China, the social structure changed much faster following the arrival of Western colonists. Before 1949, the majority of people were still farmers living in rural villages. In the cities, the urban social structure was highly fragmented. Neither the working class nor the middle class were well formed because of late industrialization. After the 1950s, the agrarian population was anchored in rural areas by the *Hukou* system, and almost all the urban social groups were re-organised. They were categorised by political status and their work units. Each category of people had a different role in economic plans and received different standards of social service. The mobility between categories was strictly restrained. Since most urban housing was provided by work units, social segregation was well reflected spatially. However, in every work unit or neighbourhood, the micro-scale social structure was highly homogenous. The colleagues usually shared the same incomes, family structures, life styles and even personal interests. Usually the work units had good channels of communication with their employees so that their social needs could be known by decision makers.

Following the economic reform, Chinese urban society was greatly restructured again. People were re-categorised by their incomes. The new urban poverty and vulnerable groups were formed and expanded quickly; they were diverse, consisting not only unemployed or laid-off unskilled workers, but also pensioners, mass rural migrants and many other groups. The enlarging social inequality became a significant potential threat to social stability and sustainable economic development. Moreover, when urban housing was no longer provided by work units, in most urban neighbourhoods the demographic structure changed significantly and the loss of community cohesion was inevitable. The new vulnerable groups had to suffer much worse social well-being than

the richer groups. This was just like the polarisation process in neo-liberal Britain, but the difficulties faced by the newly-formed vulnerable groups in Chinese cities were harder to explore: the disadvantaged people did not usually trust each other, so the civic society for them was not formed to express the common social needs. Therefore, in Chinese cities, besides the long tradition of the top-down bureaucratic system, the lack of civic society was another important obstacle to realising sufficient community engagement and local participation.

Table 11-1 Comparison of British and Chinese context

	Britain	China
Economic development and policy	<p>The earliest industrialised country in the world, high GDP per capita and high HDI</p> <p>Used to dominate global economy and now still plays a significant role in world economy</p> <p>Slow economic growth in recent years</p> <p>Long and gradual modernization process</p> <p>Quantitative growth first, qualitative improvement later</p> <p>Economic policy shift but develop gradually</p> <p>Market and state intervention dominate alternatively</p>	<p>A developing country with very late industrialisation, low GDP per capital and low HDI</p> <p>Used to be on the fringe of the world economic system but now moving towards the central stage in the global economy</p> <p>Very fast and constant growth since the economic reform</p> <p>Concentrated modernisation process</p> <p>Combined requirements for both quantitative and qualitative development in every period</p> <p>Economic policy shift frequently with alternative priorities</p> <p>State intervention always strong</p>
Political and administrative system	<p>Long term capitalist regime, but recently political concerns becoming more mixed and pragmatic</p> <p>Weak tradition and distrust of central control</p> <p>Power devolution to local and neighbourhood level in recent years</p> <p>Encouragement of multi-sector partnership working</p> <p>Social service provided through fragmented systems but the institutional barrier broken recently</p> <p>Multi-party democracy</p>	<p>Long term Socialist regime, but recently political concerns becoming more mixed and pragmatic</p> <p>Strong tradition of top-down central control</p> <p>Central control reduced but still very strong in some cases</p> <p>Strong state-capital union but excluding local community</p> <p>Social service provision experiments in reform and cooperation between institutions was very poor</p> <p>Communist Party control</p>
Social structure and cultural features	<p>In early years categorized by middle class and working class</p> <p>Working class used to be a homogenous group but in recent decades its scale shrunk and became diversified</p> <p>In recent years social polarisation emerged</p> <p>Vulnerable groups booming recently with highly diverse social profiles and cultural customers</p> <p>Strong tradition of civic society</p>	<p>Before 1949 urban population was few and highly fragmented</p> <p>Urban society was re-organised by economic plans and the work unit system</p> <p>In reform era the urban population was re-categorised by incomes and social polarisation emerged very fast</p> <p>New vulnerable groups were formed consisting of diverse sub-groups</p> <p>Very poor community cohesion especially for poverty, lack of civic society</p>

11.2 Similarities and Differences of Neighbourhood Renewal Process

Although the context of Britain and China differs in many ways, the development trajectories of the neighbourhood renewal in the two countries, however, share some common features. Both trajectories could be divided into four eras. In both countries in the 1st (*laissez-faire* Britain and pre-Socialist China) and 3rd era (neo-liberalist Britain and reformed China), the market was the decisive force in driving urban development - including neighbourhood renewal projects; while in the 2nd (Social Democratic Britain and Socialist China with planned economy) and 4th era (New Labour Britain and post-reform China towards “Harmonious Society”), the role of public or other stakeholders was reinforced and the prior objectives of the renewal projects were no longer profit-led, but to accommodate some “public interests”. Clearly, in both countries, the ideas which guided the neighbourhood renewal process developed progressively. The understanding of the “urban problems” and their causes, the renewal strategy and approaches, and the mechanism to operate the process in every era, will be compared in turn in the following sub-sections.

11.2.1 *Laissez-faire Britain and pre-Socialist China*

For British cities in the early capitalist era, the neighbourhoods targeted for renewal were the compact, low-rise medieval towns. These towns used to be prosperous because of their handicraft industries and local businesses, but fell behind in competition with the new industrial cities which had emerged from the Industrial Revolution. Thus the renewal projects occurred in order to overcome the problems of the inefficiency of land use, the insufficiency of housing for booming urban population and the lack of new industries with higher productivities. In fact, all the problems came from the same source: the lack of the market-oriented development mechanism in the old areas. Thus the neighbourhood renewal was essentially a process to capitalise the targeted areas. The old buildings were replaced by modern, industrialised and profitable properties. Private capital dominated the whole process and obtained considerable returns, while all non-market impacts were very weak.

In China, before 1949, the urban renewal process was very slow and on a much smaller scale compared with the British practice. For very late industrialisation and long-term exclusion from global economy, the “urban problems” in old neighbourhoods were very

similar to those in British medieval towns under the Industrial Revolution. However, in practice, because of the lack of a unitary central government in power, the practice of neighbourhood renewal in Chinese cities differed in two regions. In some coastal large cities, especially the cities with concession territories directly governed by foreign colonists, private developers initiated some projects to develop new industries with higher productivity. The development process ran following a similar way to what had happened in Western countries in the early capitalist era, but these projects seldom made changes in old neighbourhoods. In most inland Chinese cities, the renewal projects still followed a very traditional way. Public authorities dominated the decision-making and implementation of the neighbourhood renewal process. But the targets of these projects were very limited: most aimed just to install or promote modern infrastructures or beautify the appearance of the key areas, but were seldom associated with the initiation of new industries or modern houses.

Both of these two ways left a significant legacy to the following development trajectory of neighbourhood renewal in Chinese cities. The majority of urban areas were influenced by the public-led projects only, which reflected the inheritance of Chinese traditional culture on urban development: the respect of the central-controlled decision-making process. However, the influence of the Westernised model increased gradually. More and more Chinese people were impressed by the urban appearance of the new industrialised neighbourhoods.

Table 11-2 Comparison of neighbourhood renewal in *laissez-faire* Britain and pre-socialist China

	Britain	China
Urban problems	Inefficiency of land use, limited urban containment and outdated urban functions without new industries	Outdated urban functions, lack of modern infrastructure
Causes	Lack of the market-oriented development mechanism	Lack of industrialised technological revolutions; excluded from world capitalist system
Strategy and approaches	Increasing density, updated urban function and transport intervention	Basic infrastructure improvement and city beautification
Mechanism	Private sector dominant, interventional approaches by authorities very few	Publicly-led but very weak; private initiatives very few

11.2.2 Social Democratic Britain and Socialist China with planned economy

In social democratic Britain, most of the residential slums and declining industrial estates, which were the typical products of the development and renewal projects in the early capitalist era, became the neighbourhoods targeted for renewal. The shortage of decent and affordable houses for the working classes; the dilapidated city image caused by the uncontrolled industrial boom and war damage; and the social unrest in some specific areas with concentrated poverty in later years were regarded as the new “urban problems”. In nature, all the problems came from one core reason: the long-term lack of effective state intervention, the demand and supply of non-for-profit public resources were very unbalanced. Thus the power of public authorities was enhanced, and most neighbourhood renewal projects became public-led and were regarded as an effective vehicle to reach the social objectives. In most projects, the physical change was regarded as the primary target in order to create more “visible” achievements of the projects in a shorter time.

In China, when the Communist Party came to power after 1949, some old “urban problems” – dilapidated urban appearance and poor infrastructure – still existed; meanwhile, the establishment of modern industrial and administrative systems was given higher political importance. Thus many large-scale neighbourhood renewal projects were proposed through very ambitious city plans to overcome these problems. Because of the international political picture of the time, the newly-established Communist authority had to emphasise specifically its left wing political ideology against the Capitalist system. The left wing political ideologies were largely learnt from the Soviet Union, as well as many other European countries. Thus the market and private developers were seen as the only root of these “urban problems” at that time in Chinese cities.

This made the neighbourhood renewal process in Chinese planned economy era quite similar to projects not only in the Soviet Union and the Socialist Eastern-European countries, but also in some Western European countries such as Britain: public agencies did almost everything in the renewal projects, while private investment and market forces were strictly excluded. The decision-making process was controlled by the top-down bureaucratic system, which emphasised the objectives of meeting the public or national interest but not profits. Industrialised construction technologies and the

European-style blue-print master plans were also imported, which helped in realizing the mass physical changes necessary to eliminate the unwanted old neighbourhoods entirely.

Because of the difficulties of public finance in the following decades and the shifts of the central political power, the ambitious plans for a state-led neighbourhood renewal campaign for the macro-scale urban promotion was never turned into reality. The completed projects were smaller than the European projects in the same period, and a great number of them, having been proposed by the city plans, were seriously delayed. In particular, for the mass renewal schemes of traditional urban residential neighbourhoods, the pace of practice was seriously delayed behind schedule. Overall, in the Socialist planned economy era, the pace of neighbourhood renewal became faster than in previous periods, but was still far from the planned targets to solve the perceived “urban problems”.

Table 11-3 Comparison of neighbourhood renewal in Social democratic Britain and Socialist China with a planned economy

	Britain	China
Urban problems	Shortage of decent housing for working class, dilapidated city image with war damage; social unrest in later decades	Dilapidated urban appearance, poor infrastructure and very small urban industrial sector
Causes	Lack of state intervention to overcome the unbalanced demand and supply of non-for-profit public services	Outdated productive technologies, poor urban investment, lack of state intervention to overcome unbalanced demand and supply of non-profit public resources
Strategy and approaches	Slum clearance through relocation, beautification and modernization of city centre, housing rehabilitation, positive discrimination in specific zones	Public-led slum clearance and re-construction of city centres but often delayed because of short of funding
Mechanism	Public-led projects as the mainstream	Public-led and dominant, minimum private initiatives

11.2.3 Neo-liberalist Britain and reformed China

Following the early 1980s, the vision and approaches of British neighbourhood renewal were re-designated by neo-liberalists. Most new projects were located in the very dilapidated inner-city or waterfront areas which used to be occupied by declining

industrial estates and warehouses, or were derelict. The shrinking local economic output and lack of investment in these areas were seen as the prime “urban problems”. This essentially reflected the failure of economic plans which had frequently been used and revised in previous decades under the impacts of economic globalisation and industrial restructuring. The inner-city areas, for their early industrialisation, were the areas suffering the heaviest impacts. Thus as the response, the role of private investment and market force was re-stimulated and in some specific zones, interventional approaches were applied in an attempt to increase local attraction to new investment. In practice, many projects were very successful, bringing not only physical improvement but also significant local economic renaissance, largely through the new property development. They were usually operated by public-private partnerships through which private investment formed a union directly with central financial aid. Local authorities and communities were usually excluded from the decision-making process, so that the “economic first” principle could be confirmed without major resistance.

In China, many new changes brought forward by the economic reform were similar to the reforms made by the British neo-liberalists. After several decades of planned economy, private capital and market forces were introduced into urban development for the first time. The “urban problems” to be addressed were still in two areas: 1) the low local economic efficiency with the existence of outdated industries and lack of new industries; 2) the slow development of urban housing supply and infrastructures. They were not very different from the problems in the planned economy era, but for the acceleration of urbanisation and the requirements of economic globalisation, the problems became more and more acute. Economic plans were regarded as the cause of these problems, and the market was seen as the appropriate answer.

In complying with the progressive economic reform in China, urban neighbourhood renewal projects took a step-by-step approach in the transition towards the market. In the first stage of the 1980s, when the real estate market had not yet been formally established in Chinese cities, only in some pioneer projects was the semi-market model introduced as an experimental model. The state, the work units, households and the private investment shared the financial burden and operated the process cooperatively. Many of these projects solved the two “urban problems” synchronically, so they were regarded as a successful way towards modernisation. In the second stage after 1990, the private capital and market force took more active roles, and the private-led

neighbourhood renewal projects were allowed by law in all Chinese cities. Public investment retreated from the renewal projects and a series of state interventional approaches was applied only to attract more private investment to initiate the urban changes. The pace of the private-led renewal campaign in the largest Chinese cities like Beijing reached its peak in the middle and late 1990s. The private capital and the state then formed a union to achieve rapid economic prosperity through property development, while the local communities were excluded from the decision making process. Therefore many local people - especially the vulnerable groups who had been the losers of the economic restructuring and welfare reforms - could not benefit from the renewal process, and many had to suffer lower living standards because of the redevelopment. Thus the over-marketised model was soon widely criticised by researchers and the public for its ignorance of social objectives.

Table 11-4 Comparison of neighbourhood renewal in neo-liberalist Britain and reformed China

	Britain	China
Urban problems	Poor and problematic communities, economic decline and poor investment in inner-cities	Poor and problematic neighbourhood, under funding for non-productive sector, low local economic output
Causes	Impact of economic restructuring and the failure of welfare state	Limited public finance, problems of planned economy
Strategy and approaches	Deregulation and new deals to re-encourage private investment, property-led redevelopment	Introduction of market and private capital, interventionist approaches to facilitate property-led and private funded redevelopment
Mechanism	Public-private partnerships, excluding local authorities and communities	Strong government-private sector partnerships, excluding communities

11.2.4 New Labour Britain and post-reform China towards “Harmonious Society”

When New Labour came to power in Britain in 1997, the economic, social and cultural context of British neighbourhood renewal was changed again. As a result of economic globalisation and international competition from newly industrialised countries, the active role of a free market and private capital in the national economic system was recognised as a long-term strategy, but the cooperation and coordination between public and private sectors should also have been given an important role to play. Social structure changed radically. The traditional barriers between the working class and

middle class had been broken, but social inequality emerged in other ways. Emerging individualism led to more diverse and dynamic needs in social life. All of these created a new relationship amongst individuals, the state and the market in British cities, which was the cause of many new “urban problems”. Based on a thorough analysis of this new context, the Labour Party used ‘The Third Way’ as the core political ideology to understand the challenges in British cities in a new era.

The Third Way thought combined many valuable legacies from both old left and new right political ideas in analysing the new “urban problems”. The importance of economic renaissance was still emphasised, while the concerns on social equity increased significantly. But the major social problem which needed to be dealt with was the “exclusion” rather than the “inequality”. This refers to those disadvantaged social groups who cannot have “equal opportunities” to access basic social resources to support individual development and decent living conditions. Also, the exclusion process existed in many aspects, usually reinforced by each other. In recent years in some specific deprived neighbourhoods, the vulnerable groups who were suffering multi-dimensional exclusion were more concentrated.

In following years, a series of neighbourhood regeneration policies and programmes were launched to tackle the multi-dimensional exclusion in the deprived neighbourhoods. Central government launched official multiple deprivation indices to measure the extent of the deprivation. The major domains of the officially recognised multiple deprivation include the decline of local employment, education and health services, safety, physical environment and some others. Meanwhile, national strategies were published to set up the vision and targets to attack the deprivation in every domain. Compared with previous renewal/regeneration processes, the new initiatives had wider-ranging targets to ensure the integrated local improvement in the renewed neighbourhoods. In order to implement the new-style regeneration programmes smoothly, some innovative institutional changes were made. Through these changes, regeneration programmes could be run with enhanced vertical and parallel cooperation and stronger community engagement so that they could better meet the diverse and dynamic local needs. The positive effects of these changes have been confirmed by many recent research results.

Many recent changes in Chinese cities were very similar to what had happened in British cities. The CCP and Chinese central government proposed the vision of a “Harmonious Society” (Chinese Communist Party Central Committee, 2004; 2006), which is a milestone of the new changes of political priority, which emphasised more social objectives besides the economic concerns in public policy. This also has important implications for the neighbourhood renewal process. Nevertheless, before that another new cooperative neighbourhood renewal model had already been put into place as an experiment. In Beijing, the earliest projects were initiated in 2001 and in other cities the changes came later. For this new round of projects, the “urban problems” to be addressed became clearer: the concentration of the newly-formed urban poverty and vulnerable groups who had to suffer much worse living conditions and multi-dimensional exclusion from mainstream groups. The cause of the problems was also similar to the recent changes of the British context: continued economic and employment restructuring since the economic reform and radical welfare reforms since the 1990s. In addition, the forced relocation and selective property-led redevelopment brought more negative impacts on the vulnerable groups. Different from the British situation, urban poverty in Chinese cities was more serious. In British cities, the lives of most vulnerable groups had been covered by the safety net provided by authorities, while in Chinese cities, the problem was that the establishment of a basic safety net had not yet been completed, and many poor residents were not covered by the safety net at all. The campaign to tackle the social and economic exclusion in Chinese cities was still in its initial stage. This was, however, the first time that the target of neighbourhood renewal was turned to qualitative improvement for specific groups, not the general public who had benefited quite a lot from the market-oriented approaches.

In the new experimental projects, public aid was re-used to address the social objectives, but the role of market force was maintained to ensure economic success. Meanwhile, the contribution of local communities became more important. By drawing on previous lessons, the newest projects placed greater emphasis on local improvement in wider aspects. Housing and physical upgrading were still the primary target of the projects, but better service provision was also considered. Detailed evidence can be found from the investigation into the case of Jinyuchi. Of course, compared with the British practice, the targets of the projects were still too narrow and the local participation was very limited. Nevertheless, these experimental projects have established a possible new model for neighbourhood renewal process in Chinese cities in the future.

Table 11-5 Comparison of neighbourhood renewal in New Labour Britain and post-reform China towards “Harmonious Society”

	Britain	China
Urban problems	Cycle of declines in multiple aspects in specific areas, social exclusion and multiple deprivation	Concentration of new urban poor and underclass in specific areas
Causes	Continued economic and employment restructuring, welfare reform and selective redevelopment; Too low standard of safety-net	Continued economic and employment restructuring and welfare reform, forced relocation and selective redevelopment; lack of a complete coverage of the social safety-net, especially for special groups
Strategy and approaches	Integrated long-term actions with multiple targets, focusing on social investment	Integrated actions with multiple targets, increased social concerns but physical upgrading still dominant
Mechanism	Community-based partnerships with wider involvement	Experimental model of partnerships with improved community involvement but still far from ideal

11.3 Achievements and Lessons

The achievements and lessons of the neighbourhood renewal or regeneration process in every period in both British and Chinese cities have been evaluated in previous chapters. Key findings will be summarised in the following sub-sections. The evaluation process follows the same criteria proposed in Chapter 5, and focuses on the renewal and regeneration strategies, their outcomes and the effectiveness of the mechanisms.

11.3.1 *Laissez-faire Britain and pre-Socialist China*

In the early capitalist era, almost all British neighbourhood renewal projects had a very simple strategy: to create more economic output by eliminating the outdated buildings and developing new properties on site. The industrialisation progress played an important role in addressing the old “urban problems”, and successfully pulled the old neighbourhoods into the capitalist system. As a result, the newly-developed estates became great assets for British cities and supported the modernisation process of the nation. However, meanwhile, it also led to the emergence of the poverty problems of the mass working class, which became the major “urban problems” of the next era. The private-dominated renewal mechanism was proved to be the most effective way to address the problem of low industrialisation, but it was not effective in solving the new

problems caused by the market-oriented development itself.

In the pre-socialist China, the overall evaluation of the neighbourhood renewal process was difficult for its too small scale. Public-led and private-led initiatives co-existed, and each of them captured a part of the “urban problems” at that time. The private property developers brought new industries to cities and gained returning profits, just like the process which had occurred in early capitalist Britain. But the projects’ needs of decent housing, health service and other social services expanded so much that the provision from the market could not be adequate. This led to new social problems. Some public-led renewal projects targeted the social needs, but were limited in a very narrow aspect: focusing on basic infrastructures or beautifying the city landscape but missing the housing needs. These projects were operated in traditional top-down ways. Although the detailed outcomes were diverse case by case, in general the renewal projects produced only very limited positive changes in the traditional neighbourhoods. The public-led projects were controlled by the top-down central control model which could be perceived as the continuity of the way to initiate urban development in a long agrarian society. The private-led projects just directly copied the model, learning from the West. Both were applied without careful consideration of the context and real local needs of the renewed neighbourhoods.

Table 11-6 Evaluation of neighbourhood renewal in *Laissez-faire* Britain and pre-Socialist China

	Britain	China
Strategy vs “urban problems”	Strategy addressed the requirements of industrialisation and property development in a market-oriented circumstance	No clearly defined strategies; partial actions, very weak impacts to traditional Chinese cities
Outcomes	Created great assets by market-oriented projects; but significant imbalance between demand and supply	Some successful but the scale is small
Effectiveness of mechanisms	Suitable to development but not effective to newly-emerging social problems	<i>Ad hoc</i> , empirical decision-making and copying from the West

11.3.2 Social Democratic Britain and Socialist China with planned economy

The main objective of the British renewal projects during this period was to eliminate physically the dilapidated neighbourhoods, especially the slums and other non-profitable estates, and also to increase social housing supply quantitatively. Within decades, the public-led renewal projects had brought a significant increase of housing provision to eliminate housing shortage, the improvement of urban infrastructure and modernisation of many public facilities. These projects were all public-led and conducted directly under the control of the top-down bureaucratic system, so that the changes could be achieved in a shorter time. As a result, the majority of the working classes have benefited from these changes. This addressed the most urgent “urban problems” in the post-war British cities. However, the short-term achievements soon became problematic in later years. The increase in social housing and other service provisions was either of too low quality, or did not match the dynamic and diverse social needs of individuals. The public-led model was no longer suitable for tackling the newly-emerging economic declines in inner-city areas.

In China in the socialist planned economy era, neighbourhood renewal projects had very wide targets, including the schemes of mass slum clearance, the improvement of urban infrastructures and beautification of the built environment of the dilapidated areas. Some other projects also aimed at establishing new public-owned industrial enterprises to improve local productivity. Strategies in proposals often addressed all “urban problems”, but it is noted that the ideas were seldom put into practice. The projects to realise rapid industrialisation were given priority, while most other projects with social objectives were restrained or seriously delayed in order to save limited public expenditure. Thus the advantages and shortcomings of the top-down system were both significant: it could complete the projects in the most efficient way, but it usually give unbalanced priority between different targets and distributed the benefits of the new development in an unequal way.

Table 11-7 Evaluation of neighbourhood renewal in Social Democratic Britain and Socialist China with planned economy

	Britain	China
Strategy vs “urban problems”	Well targeted at the urgent post-war problems	Aimed at urban problems at the time in proposals but lack of implementation
Outcomes	Great achievements as quantitative growth but not enough qualitative improvement	Industrialisation first, livelihood later; most projects with social objectives seriously delayed
Mechanism	Suitable in the immediate post-war years but ineffective in new context	Effective in achieving efficient outputs but benefiting the better-off and ignoring others

11.3.3 Neo-liberalist Britain and reformed China

In the 1980s, the property-led redevelopment in British cities, initiated by private developers in collaboration with central government, replaced the public-led renewal model as the mainstream. The “redevelopment” initiatives placed economic renaissance as the prime target. This is the first time that the lack of investment and depression of local economy, perceived as the “invisible problems” behind the physical decay, had been recognised as the core of “urban problems” at that time. In practice, a series of projects did successfully create a new round of economic revival after the mid-1980s in the renewed areas. However, the positive changes took place in some selected locations only, providing more benefits to the places rather than to the local people. Meanwhile, for the local gentrification, many disadvantaged groups suffering from previous economic decline had to be relocated, so the urban problems still existed. The most valuable institutional feature of these redevelopment projects was the wide application of “public-private partnership”. The new-style interventionist approaches could offer aid to the market in both supply and demand, which prevented the failure of either the classical-capitalist or the social democratic models. However, this mechanism with the exclusion of local communities usually led to unbalanced distribution of the benefits, so that the most disadvantaged groups were excluded from receiving them. Thus social inequality increased together with the growth of local wealth. Associated with the radical welfare reform, was the situation in which the disadvantaged people inevitably fell into a cycle of multiple deprivations which were more complex and could not be solved by the projects initiated by the two-way partnerships.

In China, following the economic reform, the acceleration of the neighbourhood renewal practice was quite radical. Many ambitious projects of slum clearance and infrastructure improvement, which had frequently been proposed in city plans in the past, were finally put into practice with the support of private capital. The new projects also brought new industries to replace the outdated urban functions of the old neighbourhoods. This effectively targeted the most urgent “urban problems” in Chinese context then: the insufficient investment, lack of marketing strategy and the outdated industrial structure. This new model was very similar to the neo-liberal approaches in Britain prevalent in the 1980s. The outcomes of them were also similar: it resulted in significant economic prosperity in some specific cases, but failed to make the prosperity widespread. Moreover, since the city marketing strategy in China had stronger government support, “forced relocation” and “unfair monetary compensation” were very common. As a result, more vulnerable groups were excluded from the local upgrading but had to suffer more living difficulties than before. Many signs have shown that, in most cases, the rapid economic growth and increasing gap of living conditions between social groups co-existed after the over-marketised renewal projects. Thus for this over-marketised model, its effectiveness for short-term, unbalanced economic growth and the shortcomings for its unsustainability in long-term development, have become the new problems.

Table 11-8 Evaluation of neighbourhood renewal in neo-liberal Britain and reformed China

	Britain	China
Strategy vs “urban problems”	Effectively meet the economic declines as the most urgent problem, first time to focus on the invisible problems but still too narrow	Accelerating industrial modernization, put many delayed projects into practice but still missed many, very similar to neo-liberal approaches
Outcomes	Partially successful, but only on a limited scale and just “removes” the problems for most people	Partially successful, but only on a limited scale and just “relocated” the problems for most people; worsened the living conditions for vulnerable groups
Mechanism	Effective in the short term but unbalanced and unsustainable	Effective in the short term but unsustainable

11.3.4 New Labour Britain and post-reform China with most recent changes

In the New Labour era, the “urban problems” were de-fined by a multi-dimensional framework, usually including exclusions across economic and employment, social services, safety and some others. The launch of the nation-wide multi-deprivation indices provided the way to measure quantitatively the extent of the problem in every domain. According to this, the renewal/regeneration strategies could be decided in more rational and pragmatic ways, and captured not only the urgent problems but also the essential causes of them: the “equal opportunities” for the deprived communities to access necessary public resources to support normal-level living conditions.

The outcomes can also be easily measured through the official “deprivation indices” and other household statistics. In most cases, whether national or local, the positive changes have constantly occurred in almost every domain, although some progress was not as fast as the initial expectation. More disadvantaged groups are escaping from social exclusion and the cycle of multiple deprivations, and obtaining more equal opportunities for their individual development in a society with a market economy.

Nowadays, more and more neighbourhood regeneration programmes are operated by the multi-sectoral partnerships. This mechanism was inherited from the application of “public-private partnerships” in the neo-liberal redevelopment projects, but the involvement of the stakeholders was enlarged. Local communities were involved and their role was emphasised. This new mechanism, though with a very complex structure, was definitely more flexible in responding to the diverse local contexts, and also the dynamic changes in the longer term. Of course, the structure and operation of the partnership working were still developing in order to improve both effectiveness and efficiency.

In China, the neighbourhood renewal campaign is just experiencing some new changes through the launch of the experimental projects after 2000. Drawing on the criticism on the over-marketised approaches in the 1990s, the experimental projects re-emphasised the comprehensive and balanced local improvement. The importance of social objectives was promoted and the new projects aimed to seek more positive changes within local communities rather than the places to be renewed. The objectives were much wider than before: not only the improvement of housing conditions and the

physical environment, but also some affiliated infrastructures, education and retailing facilities and even the conservation work of historic architecture in some cases. However, the investigation, based on primary data from fieldwork, indicated that the objectives were still very narrow in comparison with the British practice and the real local requirements. Many serious problems were ignored.

More local people have benefited from some positive changes effected by the projects. Most of them were “visible”, such as the modernised housing conditions, enlarged housing spaces, beautified outdoor environment and the updated infrastructures. However, because of some “invisible” problems, such as the poor quality of housing management, inequality of education and healthcare for some specific groups and the public safety, improvements have been small or even negative. There were also some unexpected outcomes caused by the population replacement through the redevelopment process. In all, although the strategies of the experimental projects did better address the real “urban problems”, in practice their real efforts were compromised by the problems.

The new projects were based on more cooperation and negotiation amongst public and private agencies and local communities. This institutional innovation towards the multi-sector partnership should signal significant progress, but many signs have revealed that the partnership was still operated in a very unbalanced way. The legacy of the strong bureaucratic system still existed, and community participation was insufficient. This could be the most significant shortcoming of the experimental renewal process, since the lack of wide-ranging involvement could be the real cause of the un-integrated strategy and unsatisfactory outcomes.

Table 11-9 Evaluation of neighbourhood renewal in New Labour Britain and post-reform China towards “Harmonious Society”

	Britain	China
Strategy vs “urban problems”	More integrated, comprehensive and pragmatic way to cover the nature of “urban problems”, despite some details still being controversial	More integrated and comprehensive than before, but the coverage is still not wide enough; many “invisible” problems were ignored
Outcomes	Constant positive changes in most cases	Some significant positive changes but the negative outcomes are significant as well
Mechanism	More suitable to meet the requirement of the dynamic and diverse local needs but the structure is still evolving.	Some progress but far from ideal

11.4 Explanations for the Similarities and Differences

All of the above evidence indicates that the developments of neighbourhood renewal ideas, strategies, approaches and mechanism in British and Chinese cities are both very complex evolutions. However, from a perspective at macro-level, the historical developments in the two countries are still comparable.

From the years of earliest industrialisation to the present day, the development trajectories of British and Chinese neighbourhood renewal/regeneration share a similar trend, which can be divided into four progressive stages/eras. Moreover, the turning points between the historic eras in both countries seem to correspond to each other. In Britain, the key milestone of the first turning point was the General Election of 1945 when the power of the state rose dramatically. After that, the dominant role of public authorities in urban reconstruction was finally confirmed, although in practice many publicly-led renewal projects had already occurred before that in some industrial cities. In China, the first shift occurred a little later than 1949, when the Communist Party established the new republic and completed the socialisation of the national economy. The second era in Britain ended when the top-down controlled public expenditure fell into serious difficulties and Margaret Thatcher came to office after the General Election of 1979. In China, the economic reform started at almost the same time, but the changes were more progressive – after experiencing several years of experiments until 1990 the real estate market was formally established and the market-led renewal initiatives with government support finally emerged. This model was then questioned and criticised by more and more researchers and the public in both countries, because these property-led projects had led to a wider gap in living conditions between the disadvantaged and other social groups, despite the local economic renaissance. Here came the third strategic shift. In Britain, the victory of New Labour in the General Election of 1997 could be regarded as another milestone, but in practice the changes emerged more smoothly than before: the essential changes in practical projects started in the mid-1990s and the new national strategies were finally proposed in 2001. In China, the third shift also experienced a quite long period: in some cities the experimental projects to seek more achievements in social well-being were initiated in the early 2000s; the vision of a “Harmonious Society” proposed in following years confirmed this trend, but there is not yet an official strategy for the new style neighbourhood renewal projects. Thus from a historical view, once the British development trajectory was restructured, the

corresponding similar changes occurred in the Chinese context several years later.

However, the effects of British and Chinese neighbourhood renewal/regeneration practice, although following a similar development trend, had significant differences. In every historical era, the British renewal processes were proposed to target directly the most urgent “urban problems” at the time: in the early capitalist era, the private-led projects accelerated the industrialisation process and profitable urban property development; in the social democratic era, the public-led projects contributed significantly to solving the shortage of affordable modern housing for the working classes and some other social problems; in the neo-liberal era, the property-led projects initiated economic renaissance in inner-city areas; and in the New Labour years, the community-based programmes have begun to reduce multi-dimensional exclusion and deprivation. All these policies and practice have led to significant successes, at least for a short term. The common shortcoming of them was that the strategies, approaches and mechanism could be unsuitable once the “urban problems” changed together with external contexts. Thus the products of the renewal practice in an earlier era – for example, the back-to-back houses prevalent in Victorian cities and the high-rise council housing in immediate post-war years – could become the targets for renewal or regeneration again in the future. Fortunately, in most recent years - particularly when New Labour came to power, - the sustainability of the renewal process was emphasised, and many new attempts were applied in order to increase the flexibility and dynamics of the decision-making and implementation mechanism.

In contrast, the effects of Chinese neighbourhood renewal in every era were relatively unsatisfactory. Usually, the renewal process could make progress in overcoming only some of the “urban problems” at the time, but leave others unsolved: in the pre-socialist era, some projects improved urban infrastructures but contributed little to initiate industrialization; in the planned economy era, the projects made significant progress to develop modern industries, but the housing and infrastructure development was seriously lagging behind; in the reformed era, the development of new industries, housing and infrastructures were all accelerated, but the positive changes benefited selective areas and people only; after 2000, the new round of projects began to follow the “people first” principles, but the strategies were still not sufficiently integrated to meet all needs for all people, especially the poor. Also, the products of earlier renewal projects could also create new (unexpected) problems for later years; for example, the

forced relocation in the 1990s and unexpected population replacement in most recent projects actually led to further social segregation, which will need to be resolved in the future. Moreover, in most recent years, the unbalanced structure of current renewal mechanisms in decision-making and implementation has still been unable to capture the diverse and dynamic local needs, even though some progress has already been made.

Here comes a new question: why do the neighbourhood renewal/regeneration processes in British and Chinese cities share great similarities but their effects are quite different? The explanation lies in the different national and local contexts in which cities are formed, which we have compared in the section 11.1. Britain, as a typical representative of early-industrialised Western countries, is very different in almost all aspects from China, as a typical representative of newly-industrialised developing countries. In each of the four historic eras, the national economic, political, social and cultural development of the two countries faced different problems and had different development goals. However, for the impacts of globalisation, the neighbourhood renewal process, as an important issue of public policy in less developed countries, was strongly influenced directly by the development of Western theories and practical experiences, regardless of the context. Many Western ideas and approaches in neighbourhood renewal were often copied without careful consideration of the contexts, so the attempts inevitably mismatched the real local needs. The Chinese case well reflects this phenomenon.

Before 1949, almost all ideas to develop modern Chinese cities and neighbourhoods came from the Western colonists. In the territories directly governed by Western people, the Western-style urban development model was imported with nearly no revision. These ideas were soon learnt by Chinese policy-makers. Although few of them were put into practice and had a significant impact on changing the traditional Chinese cities, the fast development of the modernised new neighbourhoods had important demonstrative effects. More Chinese people began to trust the Western experience with greater confidence.

When the Communist authority was established after 1949, Chinese policy-makers realised the importance of modernising Chinese cities and the more valuable experiences from the “Soviet state-led model” which proved to be the most successful “international experience” to accelerate the growth of national economy at that time. In the area of urban reconstruction, many experts from the Soviet Union were invited to

give suggestions in decision making and help with the training of Chinese practitioners. There were also some elite Chinese intellectuals who received professional education in British, French, German or American universities, and returned to China to establish schools to teach the Western-style knowledge and techniques for urban planning and neighbourhood renewal. Both the Soviet experts and returning Chinese intellectuals emphasised the leadership of public authorities and the restraint of private developers in the neighbourhood renewal process. That resulted in the city plans, in which almost all features of the neighbourhood renewal products in Western countries like Britain were copied, such as the blue-print master plans, the high-rise housing estates, the broadened road system to facilitate car traffic and so on. However, in practice, the ambitious plans were quickly proved to be unrealistic. With very poor public finance, most investment had to concentrate on the development of modern industry only. Most of the proposed public-led neighbourhood renewal projects were not completed, and failed to achieve the social success that had happened in Western countries.

Following the economic reform, the development of Chinese cities experienced even stronger global influence. Especially after the establishment of the urban real estate market, the increasing amount of foreign investment was attracted to create extraordinary prosperity in old neighbourhoods through a property-led process. For some reasons, the public authorities still held quite strong power to intervene in the market whenever the officials thought it necessary. Thus in the mid-1990s, the private developers and local governments formed a strong union to achieve greater boons for both sides through the application of the public-aided marketised model to initiate neighbourhood renewal projects. In this way, the neo-liberal ideas gradually became dominant in the new Chinese renewal model: the ideological shift was initiated first in the projects invested by Western capital, but then it restructured the whole system. In the 1990s, the majority of neighbourhood renewal projects in Chinese cities followed the model, which could be also seen as an extreme type of public-private partnership encouraged by neo-liberalists in Britain. However, in the British context, the new shift was initiated, with the aim of changing the egalitarian urban society without enough competitiveness, but still maintaining the basic safety net for vulnerable groups; while in China, the changes meant the withdrawal of the basic social safety net for vulnerable groups, and the too-strong state intervention made the sudden economic prosperity unsustainable. Therefore, for another time, the application of Western experience in a quite different Chinese context was not as successful as expected.

After years of reform, the gap in economic development between Chinese and Western countries has been reduced significantly. Moreover, Chinese society has become more westernised in many aspects. This makes the Chinese and British contexts more similar than before. For neighbourhood renewal projects, the policy-makers now need to face some similar challenges: they must achieve longer-term and wider-ranging betterment to promote the real living conditions for all local people, especially the vulnerable groups, and economic success must be maintained in a more sustainable way. In Britain, the challenges had been well understood and analysed in depth by a great number of researchers from various perspectives, and the New Labour government had made the clear response to them from both an ideological and a practical level. However, in China this progress was still in its initial stage. In the experimental projects, the renewal strategies came more integrated than before, but they were still not wide enough, nor were they clearly defined. Therefore, in the face of many similar challenges, including the economic and employment restructuring and the negative impacts of welfare reforms, the British-based theories and experience in neighbourhood renewal could be more valuable references for Chinese researchers and policy-makers.

To be remarkable, some differences of the contexts in the two countries should still not be ignored. Many historical lessons of inappropriate copying of Western ideas and approaches should be learned. Therefore, the most valuable British experiences should be understood in a more strategic way: Chinese researchers and policy-makers should better understand the analytical framework based on a long historical analysis in Britain, rather than the short-term detailed policies and actions. This framework provides a theoretical contribution towards finding the real “urban problems” to be solved, and how to launch a real effective and efficient response, which will be helpful in generating an “appropriate” renewal strategy and mechanism to respond to the changing “urban problems” in the longer term.

11.5 Recommendations: What Can China Learn from the British Experiences?

Although there are too many differences in the neighbourhood renewal processes in Britain and China, it is still possible, through systematic and comprehensive comparisons, for Chinese policy-makers to benefit from the British experience. In recent years, Western influence over development in China has increased significantly, and many Chinese cities - especially the large metropolises like Beijing - have been

gradually integrated into the global economy. Modernisation and industrial restructuring have posed new challenges in neighbourhood renewal. The British experiences and lessons - especially those from the New Labour era - could provide useful guidelines and resources for policy makers in China.

11.5.1 Being aware of the “invisible” problems

Current neighbourhood renewal in Chinese cities is a difficult job. The investigation in Beijing in this research shows that the social, economic, and environmental problems in old neighbourhoods are very complicated. They are much more difficult problems than had been expected by the policy-makers. In declining old neighbourhoods like Shichahai and Jinyuchi, the dilapidated housing and living conditions and the poor outdoor environment were no doubt the most significant “local problems”; however, they were just some of the difficulties that local residents had to face. Many local households had to suffer poverty, long-term unemployment, inconvenience in accessing essential social services, and they had to endure other difficulties in daily life. These problems were usually “invisible” to outsiders. Both local officials and residents indicated, during interviews, that these “invisible” problems are extremely serious and adversely affect the quality of life. The poor housing conditions were actually the consequences rather than the causes of their economic and social difficulties. This means that the multi-dimensional exclusion across physical, economic and social aspects and the “cycle of local declines” observed in British cities are now emerging in the disadvantaged Chinese urban neighbourhoods. To Chinese policy-makers, the challenges from these “invisible” problems may be fresh, but the British practice - especially in the New Labour years – has provided a very good example and framework by which one can understand the nature of these complex problems. In this research, local problems in Shichahai and Jinyuchi were explored in 8 domains, with reference to the British experiences and lessons. This framework was very simple for the limited availabilities of data in many aspects. In future research and practice, this framework could be further developed to include more detailed indicators.

11.5.2 Integrated and longer-term strategies and approaches

In the one-off projects like Jinyuchi which were completed in a very short period, the outcomes were restricted to very narrow aspects. The increase of housing space and

promotion of indoor and outdoor facilities were extremely significant and easy to be recognised by outsiders, but through the investigation, the significantly positive impacts to local residents were limited, and most of them were short-term gains. The decline in local employment, education, healthcare, personal safety and others were not all effectively addressed during the renewal process. The vulnerable groups have to suffer the unexpected negative outcomes of the renewal project with its unbalanced priorities. This means current strategies and approaches are effective in addressing the superficial and short term, physical problems only, but not the multi-dimensional and integrated problems and the causes behind them. In fact, the problems across housing, employment, education, health, safety and others are closely related to each other. Many of them could be caused by historical reasons, for example, unemployment, the unequal spatial distribution of high-quality education and health services. That means the effective solutions to these problems must follow an integrated and long-term approach, rather than the “one-off” actions focusing on one or two aspects. In recent years, Chinese governments have launched a series of new policies trying to reduce the negative social impacts of the radical housing, education and healthcare reforms, but most of the vulnerable groups living in the old neighbourhoods were still excluded. Thus the multi-dimensional and longer term approaches should be explored to stop the chorological “cycle of declines”.

11.5.3 Institutional changes

The most significant obstacle to realising the integrated strategies and approaches for neighbourhood renewal was the fragmentation between public agencies. As the legacy of the planned economy system, most public agencies in China, including those in charge of social service delivery, are run following a top-down model. Each agency is in charge of a special action plan and its implementation in its own area. Cross-departmental coordination and cooperation are very difficult. Traditionally, the initiation and management of neighbourhood renewal projects were seen as the duty of local housing authorities only, which is why until very recently the renewal approaches focused on physical changes. In most recent renewal projects, the institutional barrier has begun to be broken down. In Jinyuchi, some other governmental branches, including the local planning bureau, traffic management bureau, cultural heritage bureau, civil engineering and infrastructure providers, have been involved in planning and negotiation over the renewal strategies and approaches. However, this change has

contributed only very slightly to improving the very fragmented system. The long-term partnerships in British neighbourhood renewal projects provide valuable lessons for institutional changes. First, the cross-departmental cooperation should have wider involvement. It should include agencies in charge of social services such as education, healthcare and police. Second, more participants should have equal rights to influence the renewal process so that the strategy and approaches can be more integrated and balanced. Third, there should be an overall cross-departmental strategy or regulations to confirm the duty and role of every government branch in the renewal process, so that every participant can have enthusiasm to work for this process. Through the interviews, many local officials indicated the necessity of the institutional changes. However, because of the slow progress of reform in Chinese political and administrative systems, it could be a long time before a well-coordinated institution system is achieved.

11.5.4 Enhancement of civic society

Many findings have indicated that the lack of community engagement and local participation is a big problem related to the neighbourhood renewal mechanism. Compared with British practice, the voice from local communities has always been weaker or nearly non-existent in some cases. This is partly because of the unbalanced structure of the decision-making process, but, more important, owing to the traditional weak role of civic society in China. For a very long time, the central-controlled administrative system was so strong that almost all neighbourhood-level public affairs were also charged by the top-down system rather than community-based organisations. In the planned economy era, work units took charge of the social service provision and decided the living conditions for most urban residents. Neighbourhood committees were also established to help in managing local communities. The staff of the committees was elected from local households every one or three years. Nevertheless, compared with those of government agencies, the responsibilities of the committees were very limited, just to organise some social activities, but made little contribution towards changing local living conditions. Also, the finance of the neighbourhood committees was provided by local government so the staff essentially worked for the top-down bureaucratic system, rather than the local public. This resulted in a situation whereby, even in the most recent neighbourhood renewal projects like the one in Jinyuchi, when the importance of public participation has already been emphasised in the decision-making process, it was still difficult to find an effective channel to collect

public opinions democratically from the local community. The main duty of the neighbourhood committee in the renewal process was to explain the details of the official compensation policies and regulations to individual households on behalf of the government and developers, rather than to represent the residents in negotiation and bargaining on their behalf.

In future renewal projects, the duties of neighbourhood committees should be expanded, and the central control of them should be relaxed so that the committees can become the real community-based organisations. Their roles in decision making for local public affairs - including renewal strategy and approaches - should be adjusted. In Chinese urban society, although there is not a tradition that the local management was influenced by the community-based organisations, the new mechanism to encourage community engagement can be promoted first through the neighbourhood renewal process.

11.5.5 More investigation and research

Through this research, it has become clear that in Britain the decision-making process and implementation of neighbourhood renewal/regeneration programmes in recent years have become more and more complex than before. In order to make effective and efficient responses to the diverse and dynamic “urban problems”, all policies, strategies, action plans and approaches were based on careful investigations and research. The research findings have contributed to many aspects of policy making. They have brought a comprehensive understanding of the nationwide challenges in disadvantaged neighbourhoods, and provided the foundation for national policies and strategies. They have also provided the analysis of local contexts for specific areas, such as the pre-conditions to decide action plans for single programmes. They have offered theoretical frameworks on structural features of macro- or micro-scale partnerships working in decision making and implementation as the evidence to promote better regeneration mechanisms. They have pointed the ways to measure regeneration outcomes so that the effects of the programmes can be evaluated rationally. In every single topic area, there are rich research resources and outcomes. The researchers also come from many different disciplines, including urban planning, housing studies, geography, sociology, politics, economics and so on. Their findings and contributions also come from different perspectives. UK research on urban renewal and regeneration has accumulated vast knowledge on this huge topic, and provides very valuable

references to researchers in other countries.

Investigations and researchers on neighbourhood renewal in China are limited in comparison with those in the UK. Although the neighbourhood renewal practice in Chinese cities is developing at a dramatic speed, most projects have been initiated and completed without careful consideration and evaluation. During this research, the scarcity of existing research findings, either from official or academic researchers' points of view, posed a great challenge. Most available publications and materials focused on housing policies and spatial changes only, and were produced by urban planners and architects. Theoretical analysis about the neighbourhood renewal process and practice was very limited. Thus in this research the British-style analytical framework was 'borrowed'. This is the first attempt to analyse Chinese neighbourhood renewal development in a systematic, comparative and integrated way. As a one-person-based study, it does have some limitations; e.g. it focused on only one case study city and two case study areas. The data collection in the field has been limited by time and resources. Nevertheless, through this comprehensive cross-national comparison, this research has provided an overall picture of the neighbourhood renewal process and practice in Chinese cities; it has highlighted some of the major problems and made some important recommendations. The study and the analytical framework followed by this research will pave the way for future research in China on this very important topic.

Appendix A: The Interview Structure in Shichahai

北京市居住社区居民生活状况调查（什刹海）

一. 家庭和被访者信息

1-01 您家现在共有几个人长期居住在这里？
(不包括长期在外地的学生和有自己住所的亲人)

_____人

1-02 家庭成员应包括 (请填写人数, 如无填 0, 下同)

被访者自己	
被访者的配偶	
被访者的父亲	
被访者的母亲	
被访者的岳父	
被访者的岳母	
被访者的爷爷奶奶	
被访者的外公外婆	
被访者的儿子或女儿	
被访者的儿媳或女婿	
被访者的孙子或孙女	
其他人	

1-03 家庭人口的年龄结构 (请填写人数)

0—18	
18—25	
25—40	
40—60	
60 以上	

1-04 住这里的家庭成员中: (请填写人数)

有几个人有固定的正式工作?	
有几个人从事短期、临时工作?	
有几个人现在无业或下岗赋闲在家?	
有几个人已经退休或者离休?	
有几个学龄前儿童?	
有几个正在上学?	
有几个有残疾或长期患病需要照顾?	
有几个人没有本地户口?	

1-05 有没有长期居住在其它地方, 但主要依靠你们资助而生活的人? (比如在外边上学的子女, 另有住处的父母、岳父母等)

有 ☐ 无 ☐
如果有, 有几个? 个

1-06 您家是否有外来资助用以支持家庭开销?
(比如在外工作的子女等)

有 ☐ 无 ☐

1-07 家庭成员 (25 岁以上的) 教育程度: (请填写人数)

初中以下	
初中毕业	
中专/技校/职高	
高中毕业	
大专、高职自考等	
大学本科及以上	

1-08 被访者的性别

男性 ☐ 女性 ☐

1-09 被访者的年龄 _____ 周岁

1-10 被访者的工作单位 (已退休的按照退休前最后职务)

临时工作/打工	<input type="checkbox"/>	城镇集体企业	<input type="checkbox"/>
个体户/自由职业	<input type="checkbox"/>	国营工厂企业	<input type="checkbox"/>
私营企业	<input type="checkbox"/>	合资企业	<input type="checkbox"/>
党政机关/社会团体	<input type="checkbox"/>	医院/科研/教学单位	<input type="checkbox"/>
外资企业	<input type="checkbox"/>	军队及所属单位	<input type="checkbox"/>
无业	<input type="checkbox"/>	其他单位	<input type="checkbox"/>

1-11 被访者的工作性质 (已退休的按照退休前最后职务)

高层管理人员/老 板/单位领导干部		临时工	
中低层管理人员/ 干部		家庭妇女	
高级技术人员		自由职业者	
普通技术人员		军人	
普通工人		其他	

二. 现在的住房

2-01 您家从_____年开始在什刹海附近居住?

2-02 您家从_____年开始在这套 (间) 房居住?

2-03 您家现在的住房类型为

- 较完整的院落 ☐ 多层单元住宅 ☐
院落里的一间或几间 ☐ 简易楼房 ☐
搭建房为主 ☐ 现代低层住宅 ☐
其他 ☐

2-04 您现在住房的面积大约是 ____ 平米?

2-05 您的现在的住房有 ____ 个卧室?

2-06 现在住房拥有的设施有 (多选):

- 自用厨房 ☐ 自用厕所 ☐
自用浴缸或淋浴 ☐ 自来水 ☐
集中供暖 ☐ 自备供暖 ☐
管道燃气/煤气 ☐ 罐装燃气/煤气 ☐
垃圾收集回收 ☐ 闭路电视 ☐
电话 ☐ 网络连接 ☐
自用停车位 ☐ 公用停车位 ☐

2-07 房屋的结构、保温、防水以及上述设施损坏和出现故障的频率为

- 非常高,完全难以忍受 ☐ 比较高,不能令人满意 ☐
一般,还可以接受 ☐ 比较低,基本满意 ☐
很低,很满意 ☐

2-08 如果上述设施损坏或出现故障,能否及时得到修缮或改善?

- 非常少,几乎从未及时修缮 ☐ 比较少,经常不能及时修缮 ☐
一般,有时能及时修缮 ☐ 比较多,多数可以及时修缮 ☐
很高,一般都能及时修缮 ☐

2-09 您家是否还拥有下列设施?

- 家用电脑 ☐ 私人汽车 ☐
空调 ☐ 燃气/太阳能热水器 ☐

2-10 现在您这套住房属于哪种产权性质?

- 自家拥有全部产权 ☐ 优惠购买的回迁房/拥有部分产权 ☐
租住的公房 ☐ 租住的私房 ☐
其他 ☐ 请注明:

2-11 您家现在是否还有其他住房?

- 有 ☐ 无 ☐

2-12 您家在这套住房上平均每个月的支出大约是多少?

如果是买的房: 首付 ____ 元? 贷款还本 ____ 元?

如果是租的房: 月租金 ____ 元?

物业管理费 ____ 元? 其他如采暖、租用车位等约 ____ 元/年?

2-13 如果您家还有别的住房,则在其他住房上的支出大约为每月 ____ 元?

2-14 所有住房消费 (上述总和) 约为 ____ 元/年?

这部分消费占家庭总收入的百分比 (大约) ____ %?

2-15 如果您已购买了这里的住房,现在感觉

- 很划算 ☐ 较为划算 ☐
一般 ☐ 不大划算 ☐
很不划算 ☐ 说不清 ☐

2-16 如果您没有购买这里的住房,是因为

- 单位/政府/房主不卖 ☐ 不打算长住,以后再考虑 ☐
没有钱,想买买不起 ☐ 房子不够好,不值得买 ☐
另外有房,不用买 ☐ 其他原因 ☐

如果是其他原因,请详细说明:

2-17 如果您还有其他住房,用途是

- 自己住 ☐ 租给别人居住或用于经商等 ☐
亲戚朋友住 ☐ 闲置 ☐

三. 工作就业

3-01 家庭成员中,有多少在以下单位工作? (已退休的按照退休前最后职务,请填写人数)

临时工作/打工	<input type="text"/>
城镇集体企业	<input type="text"/>
国有企业	<input type="text"/>
私营企业	<input type="text"/>
合资外资企业	<input type="text"/>
个体经营/自由职业	<input type="text"/>
党政部门/社会团体	<input type="text"/>
医院/科研/教学等事业单位	<input type="text"/>
军队及所属单位	<input type="text"/>
其他单位	<input type="text"/>

3-02 家庭成员中,从事以下工作性质的有: (已退休的按照退休前最后职务,请填写人数)

领导/高中层管理	<input type="text"/>
基层管理	<input type="text"/>
高中级技术/研发	<input type="text"/>

基层技术人员 ☐
非技术性工作 ☐

较差的学校 ☐
非正规或其他 ☐
辍学 ☐

3-03 现失业/下岗的家庭成员中,有多少人(请填写人数)

失去工作已经6个月以上 ☐
从未有过正式全职工作 ☐
享有失业/下岗补助、部分工资或保险 ☐
曾经或正在接受各种形式的再就业技能培训、介绍、安置等 ☐
曾经在上述培训、介绍和安置的帮助下找到过正式全职工作 ☐
曾经在上述培训、介绍和安置的帮助下找到过兼职、临时工作 ☐
正通过兼职、打工等获取基本相当于较低水平全职工作的收入 ☐
正通过兼职、打工等获取不足较低水平全职工作的收入 ☐

3-04 您家是否还有其他较为稳定的收入的机会(可多选)

房屋出租 ☐ 自己摆摊或做小生意 ☐
兼职打工 ☐ 无 ☐
其他 ☐

其他请注明

3-05 如果有,这部分收入占家庭收入比例为

低于5% ☐ 5%—10% ☐
10%—20% ☐ 20%—50% ☐
50%以上 ☐

四. 教育托幼

4-01 您家的孩子有几个正在接受以下教育(请填写人数)

托幼 ☐
小学 ☐
初中 ☐
高中 ☐
职高/中专/技校 ☐
大专/高职/自考 ☐
大学本科或研究生以上 ☐

4-02 您家的孩子有几人正在接受下列水平的教育

重点学校 ☐
较好的一般学校 ☐
普通的学校 ☐

4-03 您家有没有因为经济困难的原因而让孩子被迫放弃升入高一级学校或放弃就读较高质量的学校?

有 ☐ 无 ☐

五. 医疗卫生保健

5-01 家庭成员中,有多少人(包括老人和孩子)享有下列医疗保障形式?

公费医疗 ☐
城镇基本医疗保险 ☐
商业医疗保险 ☐
医疗扶助或救助 ☐
完全自费 ☐

5-02 家庭成员中享有的各类医疗保障能够覆盖的疾病范围(请填写人数)

基本上所有疾病 ☐
仅覆盖或主要覆盖大病(住院) ☐
仅覆盖或主要覆盖日常小病 ☐
基本上都不覆盖 ☐

5-03 家庭成员是否存在“看病难”或“有病看不下”的情况?

非常严重 ☐ 较为严重 ☐
一般严重 ☐ 不大严重 ☐
基本不存在 ☐

5-04 如果存在,主要是因为

没有各类医疗保险/保障,经济负担太重 ☐ 各类医疗保险/保障覆盖程度不够,家庭经济依然负担不起 ☐
去往(指定/合同)医院太远,不方便 ☐ 医院拥挤、排队看不上 ☐
对医院医疗水平不满意 ☐ 不熟悉医疗信息不知道去哪里 ☐
工作或其他事情忙,没有时间去 ☐ 其他原因 ☐

如果是其他原因,请详细说明:

六. 社会治安

6-01 现在这个社区的治疗水平总体上感觉

很安全,从不担心 ☐ 较为安全,不大担心 ☐

一般, 有时担心 ☐ 较差, 时常担心 ☐
很差, 几乎总是担心 ☐

6-02 您感觉整个社区的治安状况对您和家人的生活

影响很大 ☐ 影响较大 ☐
影响一般 ☐ 影响不大 ☐
几乎没影响 ☐

6-03 您觉得导致社区治安问题的主要原因是

住户整体素质较差 ☐ 部分住户素质较差 ☐
外来人员进出太多太杂 ☐ 警察治安联防等执勤管理不力 ☐
治安管理相关硬件(摄像头防盗门等)不理想 ☐ 居民的邻里相互监视和照应不够 ☐
安全教育不足, 住户防范意识不够 ☐ 其他 ☐

如选择其他, 请详细说明

七. 商业、文体娱乐设施

7-01 您对您和家人常去的日常商业零售场所的便利和满意度(包括菜市场、杂货店、小餐馆等)

很便利, 很满意 ☐ 较便利, 较满意 ☐
一般, 还凑合 ☐ 不好, 不大满意 ☐
很差, 很不满意 ☐

7-02 您对您和家人常去的日常服务设施便利和满意度(比如邮局、银行、自行车修理、电器维修、废品回收等)

很便利, 很满意 ☐ 较便利, 较满意 ☐
一般, 还凑合 ☐ 不好, 不大满意 ☐
很差, 很不满意 ☐

7-03 您对您和家人常去的文化娱乐体育设施的便利和满意度(比如棋牌活动、儿童游戏场、健身场所、公园等)

很便利, 很满意 ☐ 较便利, 较满意 ☐
一般, 还凑合 ☐ 不好, 不大满意 ☐
很差, 很不满意 ☐

八. 邻里关系与社区组织

8-01 您和现在社区内邻里的交往和共同生活

非常愉快、融洽 ☐ 多数较为愉快 ☐
感觉一般, 时好时坏 ☐ 不大愉快, 常有些问题 ☐

很不舒服, 问题很多 ☐

8-02 您觉得街坊邻居的交往、互助、协作、信息沟通等对您家的生活影响

总体帮助很大 ☐ 总体帮助较大 ☐
总体帮助不明显 ☐ 有些负面影响 ☐
负面影响较大 ☐

8-03 您觉得现在居委会和其他社区组织的工作对您家生活水准的提高

帮助很大 ☐ 帮助较大 ☐
帮助和影响一般 ☐ 很少有帮助 ☐
毫无帮助 ☐

8-04 您对现在居委会和其他社区组织

非常信任和满意 ☐ 比较信任和满意 ☐
评价一般 ☐ 不大信任和满意 ☐
很不信任很不满意 ☐

九. 总体评价和未来意向

9-1 综合考虑, 对现在的居住状况最满意的三项是(请标出 1, 2, 3)

房屋面积	<input type="checkbox"/>
房屋质量和设施水平	<input type="checkbox"/>
周边环境卫生等	<input type="checkbox"/>
就业的机会或便利程度	<input type="checkbox"/>
教育托幼设施的便利程度	<input type="checkbox"/>
医疗服务设施的便利程度	<input type="checkbox"/>
文化体育娱乐设施的便利程度	<input type="checkbox"/>
社会治安状况	<input type="checkbox"/>
邻里关系和社区组织	<input type="checkbox"/>

9-2 对现在居住状况最不满意的三项是(请标出 1, 2, 3)

房屋面积	<input type="checkbox"/>
房屋质量和设施水平	<input type="checkbox"/>
周边环境卫生等	<input type="checkbox"/>
就业的机会或便利程度	<input type="checkbox"/>
教育托幼设施的便利程度	<input type="checkbox"/>
医疗服务设施的便利程度	<input type="checkbox"/>
文化体育娱乐设施的便利程度	<input type="checkbox"/>
社会治安状况	<input type="checkbox"/>
邻里关系和社区组织	<input type="checkbox"/>

9-3 如果社区各方面情况保持不变, 您是否有在近期(2年内)搬出什刹海地区的意向和计划?

有 ☐ 无 ☐
看情况, 没想好 ☐

如果您要选择离开，则最可能迁入

- | | | |
|----------|---------|--------------------------|
| 生活条件更好，生 | 生活条件更差， | |
| 活成本也更高的 | 生活成本也更 | <input type="checkbox"/> |
| 住所 | 低的住所 | |
| 生活条件和成本 | 不一定，很难说 | <input type="checkbox"/> |
| 相当的住所 | | |

如果不打算搬迁，则是因为

- | | | |
|---------|---------|--------------------------|
| 对现状相对满意 | 对现状不满意， | |
| | 想搬但没有合 | <input type="checkbox"/> |
| | 适的选择 | |

9-4 烟袋斜街地区的改造项目即将完成，如果您居住的社区也将按照同样的方法进行改造，您的意见是

- | | | |
|---------|---------|--------------------------|
| 非常支持和期待 | 比较支持和期待 | <input type="checkbox"/> |
| | | |
| 无所谓 | 不大支持，比较 | <input type="checkbox"/> |
| | 怀疑 | |
| 坚决反对 | | <input type="checkbox"/> |

9-5 对于本社区可能进行的改造改造，您比较倾向于由谁来承担改造任务？

- | | | |
|----------|---------|--------------------------|
| 自己负责自家房 | 由开发商主导， | |
| 子，不做统一规定 | 货币补偿拆迁， | <input type="checkbox"/> |
| | 成规模改造 | |
| 政府、单位、开发 | 目前没有明确 | |
| 商、个人、社区等 | 想法 | <input type="checkbox"/> |
| 合作（比如集资） | | |
| 改造 | | |
| 其他方式 | | <input type="checkbox"/> |

如果选择“其他方式”请加以说明

9-6 您觉得在本社区的改造过程中，您的意见是否曾有机会得到表达并发挥作用？

- | | | | |
|---------|--------------------------|--------|--------------------------|
| 几乎完全没机会 | <input type="checkbox"/> | 偶尔会有机会 | <input type="checkbox"/> |
| 有一些机会 | <input type="checkbox"/> | 有较多机会 | <input type="checkbox"/> |
| 经常有机会 | <input type="checkbox"/> | 不清楚 | <input type="checkbox"/> |

9-7 根据您的经验，您觉得以哪种方式表达您的意见最为理想？

- | | |
|--------------------|--------------------------|
| 用个人自主改造的方式，改造中自己的事 | <input type="checkbox"/> |
| 情自己负责 | |
| 通过居委会等社区组织反映集体意见 | <input type="checkbox"/> |
| 通过居委会等现有社区组织，与政府、开 | <input type="checkbox"/> |
| 发商或其他参与方协商合作 | |
| 召开居民大会或投票决定方案 | <input type="checkbox"/> |
| 成立业主委员会等自发组织，与政府、开 | <input type="checkbox"/> |
| 发商或其他参与方协商合作 | |
| 增加各种向政府和开发商反映个人意见 | <input type="checkbox"/> |
| 的渠道 | |
| 其他方式 | <input type="checkbox"/> |

如果选择“其他方式”请加以说明

A Survey on Life Quality of Beijing Inner-City Communities (Shichahai)

Part I Basic Information of Interviewees

1-01 Who many long-stay residents are in this household? _____

1-02 The residents here includes (please input the number of each):

The interviewee	<input type="text"/>	Mother-in-law of the interviewee	<input type="text"/>
Spouse of the interviewee	<input type="text"/>	Grandparents of the interviewee	<input type="text"/>
Father of the interviewee	<input type="text"/>	Son(s) or daughter(s) of the interviewee	<input type="text"/>
Mother of the interviewee	<input type="text"/>	Son(s) or daughter(s)'s spouse of the interviewee	<input type="text"/>
Father-in-law of the interviewee	<input type="text"/>	Grandson(s) or grand daughter(s) of the interviewee	<input type="text"/>
Others	<input type="text"/>		<input type="text"/>

1-03 The age structure of the residents here (please input the number of each):

0—18	<input type="text"/>	18—25	<input type="text"/>
25—40	<input type="text"/>	40—60	<input type="text"/>
60 +	<input type="text"/>		<input type="text"/>

1-04 The status of the residents here (please input the number of each):

How many have long-term jobs?	<input type="text"/>	How many are retired?	<input type="text"/>
How many have temporary jobs?	<input type="text"/>	How many are studying (before graduation)?	<input type="text"/>
How many are unemployed?	<input type="text"/>	How many are disabled or with long-term disease?	<input type="text"/>

1-05 Do you have extra dependent to support financially?

1-06 Do you have extra support from outsiders financially?

1-07 The gender of the interviewee is: Male/Female

1-08 The age of the interviewee is: _____

Part II Housing Conditions

2-01 In which year did you start to live in this community? _____

2-02 The type of your housing is:

The traditional style (Siheyuan) <input type="checkbox"/>	High or middle-rise flats <input type="checkbox"/>
Separated rooms in one yard <input type="checkbox"/>	Low-rise flats <input type="checkbox"/>
Self-constructed informal rooms <input type="checkbox"/>	Newly-built houses <input type="checkbox"/>
others <input type="checkbox"/>	

2-03 Current floor space of your home is _____?

2-04 How many bedrooms does your home have? _____

2-05 Do you have the following facilities in your home?

Private kitchen <input type="checkbox"/>	Private toilet <input type="checkbox"/>
Private bathroom <input type="checkbox"/>	In-house water connection <input type="checkbox"/>
Central-provided heating <input type="checkbox"/>	Self-provided heating <input type="checkbox"/>
Piped gas <input type="checkbox"/>	Canned gas <input type="checkbox"/>
Rubbish collection <input type="checkbox"/>	Circuit TV <input type="checkbox"/>
Telephone <input type="checkbox"/>	Internet connection <input type="checkbox"/>
Private parking space <input type="checkbox"/>	Shared parking space <input type="checkbox"/>

2-06 What is the frequency of housing damages (including roof leaking, hidden troubles of structure, jam of sewage etc.)?

- | | | | |
|-----------------|--------------------------|--------|--------------------------|
| Very frequently | <input type="checkbox"/> | Often | <input type="checkbox"/> |
| Just so so | <input type="checkbox"/> | Seldom | <input type="checkbox"/> |
| Nearly never | <input type="checkbox"/> | | |

2-07 What is the level of housing maintenance service?

- | | | | |
|-------------------------|--------------------------|------------------|--------------------------|
| Worse, very unsatisfied | <input type="checkbox"/> | Bad, unsatisfied | <input type="checkbox"/> |
| Neutral, just so so | <input type="checkbox"/> | Good, satisfied | <input type="checkbox"/> |
| Perfect, very satisfied | <input type="checkbox"/> | | |

2-08 Do you have the following items?

- | | | | |
|-------------|--------------------------|------------------|--------------------------|
| Computer | <input type="checkbox"/> | Air conditioning | <input type="checkbox"/> |
| Private car | <input type="checkbox"/> | | |

2-09 What is the owner-type of your home?

- | | | | |
|---------------|--------------------------|------------------|--------------------------|
| Private owned | <input type="checkbox"/> | Shared ownership | <input type="checkbox"/> |
| Public owned | <input type="checkbox"/> | Private renting | <input type="checkbox"/> |
| Others | <input type="checkbox"/> | | |

2-10 Do you have other dwelling house(s)? Yes/No

2-11 How much is your average cost for this home? (Including the mortgage or monthly rent, together with others such as fees for heating)

_____ per month or per year

2-12 If you have other house(s), how much is the average cost for it/them?

_____ per month or per year

2-13 The total cost for your housing is_____ per month or per year

It is _____ % of your total family income.

2-14 If you have bought the housing here, now you think it is

- | | | | |
|---------------|--------------------------|----------|--------------------------|
| Very unworthy | <input type="checkbox"/> | Unworthy | <input type="checkbox"/> |
| Just so so | <input type="checkbox"/> | Worthy | <input type="checkbox"/> |
| Very worthy | <input type="checkbox"/> | | |

2-15 If you don't buy the housing here, that is because

- | | | | |
|-------------------------------|--------------------------|-------------------------------|--------------------------|
| It is not for sale | <input type="checkbox"/> | We just live here temporarily | <input type="checkbox"/> |
| Not enough money | <input type="checkbox"/> | Don't like the housing here | <input type="checkbox"/> |
| Having owned other properties | <input type="checkbox"/> | Other reasons | <input type="checkbox"/> |

2-16 If you have other housing, it is now

- | | | | |
|------------------------------|--------------------------|--------|--------------------------|
| Self used | <input type="checkbox"/> | To let | <input type="checkbox"/> |
| Used by relatives or friends | <input type="checkbox"/> | Empty | <input type="checkbox"/> |

Part III Employments

3-01 How many of your family members working in the following sectors (please input the number of each)?

- | | | | |
|---|----------------------|--------------------------------|----------------------|
| Collective enterprise(s) | <input type="text"/> | State-owned enterprise(s) | <input type="text"/> |
| Private-owned enterprise(s) | <input type="text"/> | Foreign-capital enterprise (s) | <input type="text"/> |
| Self-employed | <input type="text"/> | Governmental institution(s) | <input type="text"/> |
| Other public institution(s) (such as hospitals, schools etc.) | <input type="text"/> | Others | <input type="text"/> |
| Military and the affiliated institution(s) | <input type="text"/> | | <input type="text"/> |

3-02 How many of your family members working in following category:

Higher/middle-level management	<input type="text"/>	Lower-level skilled	<input type="text"/>
Higher/middle-level skilled	<input type="text"/>	Unskilled	<input type="text"/>
Lower-level management	<input type="text"/>		<input type="text"/>

3-03 How many of your family members are

Unemployed for more than 6 months	<input type="text"/>
Never have long-term jobs	<input type="text"/>
Ever get helps such training of professional skills or job information delivery or others	<input type="text"/>
Ever find jobs through the help of governments or other public organisations	<input type="text"/>

3-04 Are there any other stable income of your family besides salaries? Yes/No

If Yes, is it from the following ways?

Housing to let	<input type="checkbox"/>	Part-time jobs	<input type="checkbox"/>
Street shops	<input type="checkbox"/>	Others	<input type="checkbox"/>

And if Yes, it is approximately _____ % of the total income?

Part IV Education

4-01 How many of your children are studying at

Nursery or kindergarten(s)	<input type="text"/>
Primary school	<input type="text"/>
Junior middle school	<input type="text"/>
High school	<input type="text"/>
Secondary specialized or technical school (中专、职高、技校)	<input type="text"/>
College(s) or university and higher	<input type="text"/>

4-02 How many of your children are studying in

“Key” schools (重点学校)	<input type="text"/>
Ordinary schools	<input type="text"/>
Informal schools	<input type="text"/>
Out of schools	<input type="text"/>

4-03 Are there child(ren) of your family ever forced to give up the opportunities for further education due to financial difficulties? Yes/No

Part V Medical and Health Care

5-01 For medical and health care, how many of your family members are

Covered by national health insurance	<input type="text"/>
Covered by commercial health insurance	<input type="text"/>
Medical aids	<input type="text"/>
Totally self-paid	<input type="text"/>

5-02 Are there frequently difficulties for family members to access public health service?

Almost always	<input type="checkbox"/>	Usually	<input type="checkbox"/>
Sometimes	<input type="checkbox"/>	Few	<input type="checkbox"/>
Nearly no	<input type="checkbox"/>		

5-03 If there are difficulties, they are:

- | | | | |
|---|--------------------------|--|--------------------------|
| Not covered by health insurance | <input type="checkbox"/> | Lack of information of health service | <input type="checkbox"/> |
| Hospitals are too far | <input type="checkbox"/> | Hospitals are too crowded and the waiting lists are too long | <input type="checkbox"/> |
| Some cost not covered by health insurance | <input type="checkbox"/> | Others | <input type="checkbox"/> |

Part VI Public Security and Social Orders

6-01 Do you feel satisfied to public security and social orders of this community?

- | | | | |
|------------------|--------------------------|-------------|--------------------------|
| Very unsatisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> |
| Very satisfied | <input type="checkbox"/> | | |

6-02 What are the major causes to threat public security and social orders?

- | | | | |
|------------------------------------|--------------------------|---------------------------------|--------------------------|
| Most residents are low-educated | <input type="checkbox"/> | Some residents are low-educated | <input type="checkbox"/> |
| Too many outsiders (sightseers) | <input type="checkbox"/> | Not enough police care | <input type="checkbox"/> |
| Not enough facilities (e.g. CCTV) | <input type="checkbox"/> | Not enough neighbourhood watch | <input type="checkbox"/> |
| Not enough training and management | <input type="checkbox"/> | Others | <input type="checkbox"/> |

Part VII Retailing and Social Facilities

7-01 Are you satisfied to retailing service nearby (including food shops, grocery, restaurant etc.)?

- | | | | |
|------------------|--------------------------|-------------|--------------------------|
| Very unsatisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> |
| Very satisfied | <input type="checkbox"/> | | |

7-02 Are you satisfied to civic service facilities nearby (including post office, banks etc.) ?

- | | | | |
|------------------|--------------------------|-------------|--------------------------|
| Very unsatisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> |
| Very satisfied | <input type="checkbox"/> | | |

7-03 Are you satisfied to entertainment facilities nearby (including sports facilities, cinemas and cultural etc.)?

- | | | | |
|------------------|--------------------------|-------------|--------------------------|
| Very unsatisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> |
| Very satisfied | <input type="checkbox"/> | | |

Part VIII Community Cohesion

8-01 How do you feel the communication with neighbours?

- | | | | |
|----------------------------------|--------------------------|----------------------------------|--------------------------|
| Very unhappy, with many problems | <input type="checkbox"/> | Unhappy, sometimes with problems | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Joyful and harmonious | <input type="checkbox"/> |
| Very joyful and harmonious | <input type="checkbox"/> | | |

8-02 How do you think the effects of the communications with neighbours?

- | | | | |
|---------------------------------------|--------------------------|---------------------------------|--------------------------|
| Almost always negative | <input type="checkbox"/> | Usually negative | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Usually positive and beneficial | <input type="checkbox"/> |
| Almost always positive and beneficial | <input type="checkbox"/> | | |

8-03 How do you think the work done by current community committee?

- | | | | |
|----------------------------------|--------------------------|---------------------------------|--------------------------|
| Totally non-helpful to my family | <input type="checkbox"/> | Seldom helpful to my family | <input type="checkbox"/> |
| Sometimes helpful to my family | <input type="checkbox"/> | Frequently helpful to my family | <input type="checkbox"/> |
| Always very helpful to my family | <input type="checkbox"/> | | |

8-04 Do you trust current community committee?

- | | | | |
|----------------|--------------------------|--------------|--------------------------|
| No, not at all | <input type="checkbox"/> | Usually not | <input type="checkbox"/> |
| Just so so | <input type="checkbox"/> | Normally yes | <input type="checkbox"/> |
| Yes, very much | <input type="checkbox"/> | | |

Part IX General Evaluations

9-01 Generally speaking, you think which of the following items are the major ADVANTAGES of living here? (multiple selection)

- | | |
|--|--------------------------|
| Housing floor space | <input type="checkbox"/> |
| Housing quality | <input type="checkbox"/> |
| Housing maintenance service | <input type="checkbox"/> |
| (Physical) environment surrounded | <input type="checkbox"/> |
| Accessibility to jobs | <input type="checkbox"/> |
| Accessibility to education | <input type="checkbox"/> |
| Accessibility to public healthcare service | <input type="checkbox"/> |
| Accessibility to retailing and social facilities | <input type="checkbox"/> |
| Public security and social orders | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> |

9-02 Generally speaking, which of the following items you think are the major DISADVANTAGES of living here? (multiple selection)

- | | |
|--|--------------------------|
| Housing floor space | <input type="checkbox"/> |
| Housing quality | <input type="checkbox"/> |
| Housing maintenance service | <input type="checkbox"/> |
| (Physical) environment surrounded | <input type="checkbox"/> |
| Accessibility to jobs | <input type="checkbox"/> |
| Accessibility to education | <input type="checkbox"/> |
| Accessibility to public healthcare service | <input type="checkbox"/> |
| Accessibility to retailing and social facilities | <input type="checkbox"/> |
| Public security and social orders | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> |

Appendix B: The Interview Structure in Jinyuchi

北京市居住社区居民生活状况调查（金鱼池）

一. 家庭和受访者信息

1-01 您家现在共有几个人长期居住在这里？（不包括长期在外地的学生和有自己住所的亲人） _____人

1-02 家庭成员应包括（请填写人数，如无填0，下同）

被访者自己	<input type="text"/>	被访者的爷爷奶	<input type="text"/>
		奶	
被访者的配偶	<input type="text"/>	被访者的外公外婆	<input type="text"/>
被访者的父亲	<input type="text"/>	被访者的儿子或	<input type="text"/>
		女儿	
被访者的母亲	<input type="text"/>	被访者的儿媳或	<input type="text"/>
		女婿	
被访者的岳父	<input type="text"/>	被访者的孙子或	<input type="text"/>
		孙女	
被访者的岳母	<input type="text"/>	其他人	<input type="text"/>

1-03 家庭人口的年龄结构（请填写人数）

0—18	<input type="text"/>
18—25	<input type="text"/>
25—40	<input type="text"/>
40—60	<input type="text"/>
60 以上	<input type="text"/>

1-04 住这里的家庭成员中：（请填写人数）

有几个人有固定的正式工作？	<input type="text"/>
有几个人从事短期、临时工作？	<input type="text"/>
有几个人现在无业或下岗赋闲在家？	<input type="text"/>
有几个人已经退休或者离休？	<input type="text"/>
有几个学龄前儿童？	<input type="text"/>
有几个正在上学？	<input type="text"/>
有几个有残疾或长期患病需要照顾？	<input type="text"/>
有几个人没有本地户口？	<input type="text"/>

1-05 有没有长期居住在其它地方，但主要依靠你们资助而生活的人？（比如在外边上学的子女，另有住处的父母、岳父母等）

有 ☐ 无 ☐
如果有，有几个？ _____ 个

1-06 家庭成员（25 岁以上的）教育程度：（请填写人数）

初中以下	<input type="text"/>
初中毕业	<input type="text"/>
中专/技校/职高	<input type="text"/>
高中毕业	<input type="text"/>
大专、高职自考等	<input type="text"/>
大学本科及以上	<input type="text"/>

1-09 被访者的性别

男性 ☐ 女性 ☐

1-10 被访者的年龄 _____ 周岁

1-11 被访者的工作单位（已退休的按照退休前最后职务）

临时工作/打工	<input type="checkbox"/>	城镇集体企业	<input type="checkbox"/>
个体户/自由职业	<input type="checkbox"/>	国营工厂企业	<input type="checkbox"/>
私营企业	<input type="checkbox"/>	合资企业	<input type="checkbox"/>
党政机关/社会团体	<input type="checkbox"/>	医院/科研/教学单位	<input type="checkbox"/>
外资企业	<input type="checkbox"/>	军队及所属单位	<input type="checkbox"/>
无业	<input type="checkbox"/>	其他单位	<input type="checkbox"/>

1-12 被访者的工作性质（已退休的按照退休前最后职务）

高层管理人员/老板/单位领导干部	<input type="text"/>	临时工	<input type="text"/>
中低层管理人员/干部	<input type="text"/>	家庭妇女	<input type="text"/>
高级技术人员	<input type="text"/>	自由职业者	<input type="text"/>
普通技术人员	<input type="text"/>	军人	<input type="text"/>
普通工人	<input type="text"/>	其他	<input type="text"/>

二. 现在的住房

2-01 您家从_____年开始在这个社区(不是指这套房)居住?

2-02 请问您现在属于下列哪一类型的住户?

- 原住户按优惠政策购买的回迁房 ☐ 其他地方拆迁按优惠政策在此地购买的回迁房 ☐
- 市场价购买的商品房 ☐ 租住的私房 ☐
- 其他 ☐

2-04 您现在住房的面积大约是 _____ 平米(不包含公摊面积)?

2-05 您的现在的住房是_____ 居室?

2-07 房屋的结构、保温、防水以及上述设施损坏和出现故障的频率为

- 非常高,完全难以忍受 ☐ 比较高,不能令人满意 ☐
- 一般,还可以接受 ☐ 比较低,基本满意 ☐
- 很低,很满意 ☐

2-08 如果上述设施损坏或出现故障,能否及时得到修缮或改善?

- 非常少,几乎从未及时修缮 ☐ 比较少,经常不能及时修缮 ☐
- 一般,有时能及时修缮 ☐ 比较多,多数可以及时修缮 ☐
- 很高,一般都能及时修缮 ☐

2-09 您家是否还拥有下列设施?

- 家用电脑 ☐ 私人汽车 ☐
- 空调 ☐

2-11 您家现在是否还有其他住房?

- 有 ☐ 无 ☐

2-12 您家在这套住房上平均每个月的支出大约是多少?

如果是买的房: 首付_____元? 贷款还本_____元/月?

如果是租的房: 月租金_____元?

物业管理费_____元/月? 水电_____元/月? 采暖约_____?

2-13 如果您家还有别的住房,则在其他住房上的支出大约为每月_____元?

2-14 所有住房消费(上述总和)约为_____元/年?

这部分消费占家庭总收入的百分比(大约) _____%?

2-16 如果您没有购买这里的住房,是因为

- 单位/政府/房主不卖 ☐ 不打算长住,以后再考虑 ☐
- 没有钱,想买买不起 ☐ 房子不够好,不值得买 ☐
- 另外有房,不用买 ☐ 其他原因 ☐

如果是其他原因,请详细说明:

2-17 如果您还有其他住房,用途是

- 自己住 ☐ 租给别人居住或用于经商等 ☐
- 亲戚朋友住 ☐ 闲置 ☐

三. 过去的住房

3-01 迁入前您家的住房类型为

- 平房、搭建房 ☐ 多层单元住宅 ☐
- 较完整的院落 ☐ 高层带电梯住宅 ☐
- 简易楼房 ☐ 现代低层住宅 ☐
- 宿舍或与人合住 ☐ 其他 ☐

3-02 迁入前您家原来的住房(不是指过渡房)为_____ 居室?

3-03 原来住房的面积是_____ 平方米?

3-04 迁入前您家的住房设施有(多选)

- 自用厨房 ☐ 自用厕所 ☐
- 自用浴缸或淋浴 ☐ 自来水 ☐
- 集中供暖 ☐ 自备供暖 ☐
- 管道燃气/煤气 ☐ 罐装燃气/煤气 ☐
- 垃圾收集回收 ☐ 闭路电视 ☐
- 电话 ☐ 网络连接 ☐
- 自用停车位 ☐ 公用停车位 ☐

3-05 迁入前房屋的结构、保温、防水以及上述设施损坏和出现故障的频率为

- 非常高,完全难以忍受 ☐ 比较高,几乎难以忍受 ☐
- 一般高,还可以接受 ☐ 比较低,基本满意 ☐
- 很低,很满意 ☐

3-06 迁入前如果上述设施损坏或出现故障,能否及时得到修缮或改善?

- 非常少,几乎从未及时修缮 ☐ 比较少,经常不能及时修缮 ☐
- 一般,有时能及时修缮 ☐ 比较多,多数可以及时修缮 ☐
- 很高,一般都能及时修缮 ☐

3-07 迁入前您家是否还拥有下列设施？

家用电器 ☐ 私人汽车 ☐
空调 ☐ 燃气/太阳能热水器 ☐

3-08 迁入前您家的住房属于哪种产权

自家拥有产权 ☐ 拥有部分产权 ☐
租住的公房 ☐ 租住的私房 ☐
其他 ☐

3-09 迁入前您家是否还有其他住房？

有 ☐ 无 ☐

3-10 迁入前您家在该住房上每个月的支出大约是多少？

如果是买的房：首付____元？贷款还本____元/月？

如果是租的房：月租金____元？

物业管理费____元/月？水电____元/月？采暖约____元/月？

3-11 迁入前如果您家还有别的住房，则在其他住房上的支出大约为每月____元？

3-12 迁入前所有住房消费（上述总和）约为____元/年？

这部分消费占家庭总收入的百分比（大约）____%？

3-13 迁入前如果您还有其他住房，用途是

自己住 ☐ 租给别人居住或用于经商等创收 ☐
亲戚朋友住 ☐ 闲置 ☐

四. 工作就业

4-01 家庭成员中，有多少在以下单位工作？（已退休的按照退休前最后职务，请填写人数）

临时工作/打工	城镇集体企业
个体经营/自由职业	国有企业
私营企业	党政部门/社会团体
合资外资企业	医院/科研/教学单位
军队及所属单位	其他
自由职业	其他单位

4-02 家庭成员中，从事以下工作性质的有：（已退休的按照退休前最后职务，请填写人数）

领导/高中层管理 ☐
基层管理 ☐
高中级技术/研发 ☐

基层技术人员 ☐
非技术性工作 ☐

4-03 现失业/下岗的家庭成员中，有多少人（请填写人数）

失去工作已经6个月以上 ☐
从未有过正式全职工作 ☐
享有失业/下岗补助、部分工资或保险 ☐
曾经或正在接受各种形式的再就业技能培训、介绍、安置等 ☐
曾经在上述培训、介绍和安置的帮助下找到过正式全职工作 ☐
曾经在上述培训、介绍和安置的帮助下找到过兼职、临时工作 ☐
正通过兼职、打工等获取基本相当于较低水平全职工作的收入 ☐
正通过兼职、打工等获取不足较低水平全职工作的收入 ☐

4-05 与迁入前相比，尚无工作的家庭成员，获得就业岗位的机会比从前（请填写人数）

比从前明显增加 ☐
比从前略为增加 ☐
和从前基本差不多 ☐
比从前略为减少 ☐
比从前大为减少 ☐

4-06 与迁入前相比，对尚无工作的家庭成员，了解潜在就业渠道和信息（请填写人数）

比从前明显增加 ☐
比从前略为增加 ☐
和从前基本差不多 ☐
比从前略为减少 ☐
比从前大为减少 ☐

4-07 您家是否还有其他较为稳定的收入的机会（可多选）

房屋出租 ☐
自己摆摊或做小生意 ☐
兼职打工 ☐
其他 ☐

其他请注明

4-08 如果有，这部分收入占家庭收入比例为

低于5% ☐ 5%—10% ☐
10%—20% ☐ 20%—50% ☐
50%以上 ☐

4-09 迁入前您家是否还有其他较为稳定的收入？（比如出租房屋、做小生意、兼职打工等等）

是 ☐ 否 ☐

4-10 如果有, 这部分收入约占当时家庭收入的比例为

低于 5% ☐ 5%—10% ☐
10%—20% ☐ 20%—50% ☐
50%以上 ☐

4-11 和迁入前相比, 现在这部分的收入

显著增加 ☐ 略有增加 ☐
基本持平 ☐ 略有减少 ☐
显著减少 ☐

五. 教育托幼

5-01 您家的孩子有几个正在接受以下教育(请填写人数)

托幼
小学
初中
高中
职高/中专/技校
大专/高职/自考
大学本科或研究生以上

5-02 您家的孩子有几人正在接受下列水平的教育

重点学校
较好的一般学校
普通的学校
较差的学校
非正规或其他
辍学

5-03 迁入以后, 您家的孩子是否还在原来的学校就学?

是 ☐ 不是 ☐

5-04 如果还在原来的学校就读, 孩子上学放学的便利程度(请填写人数)

比从前明显更方便
比从前略为方便
基本差不多
比从前略为不便
比从前大为不便

5-05 如果不是, 与迁入前相比, 孩子获得的教育质量(请填写人数)

比从前明显提高
比从前略为提高
基本差不多
比从前略为下降
比从前大为下降

5-06 您家有没有因为经济困难的原因而让孩子被迫放弃升入高一级学校或放弃就读较高质量的学校?

有 ☐ 无 ☐

六. 医疗卫生保健

6-01 家庭成员中, 有多少人(包括老人和孩子)享有下列医疗保障形式?

单位提供的公费医疗
社会基本医疗保险
商业医疗保险
医疗扶助或救助
完全自费

6-02 家庭成员中享有的各类医疗保障能够覆盖的疾病范围(请填写人数)

基本上所有疾病都能报
大病/住院费用基本都能报
大病/住院费用能报一部分
小病/门诊费用能报一部分
基本上都不能报

6-03 有公费医疗/保险的家庭成员中, 去指定/合同医院的便利程度比迁入前(请填写人数)

比从前明显更方便
比从前略为方便
基本差不多
比从前略为不便
比从前大为不便

6-04 家庭成员是否存在“看病难”或“有病看不了”的情况?

非常严重 ☐ 较为严重 ☐
一般严重 ☐ 不大严重 ☐
基本不存在 ☐

6-05 如果存在, 主要是因为

没有各类医疗保险/保障, 经济负担太重 ☐ 各类医疗保险/保障覆盖程度不够, 家庭经济依然负担不起 ☐
去往(指定/合同)医院太远, 不方便 ☐ 医院拥挤、排队看不上 ☐
对医院医疗水平不满意 ☐ 不熟悉医疗信息, 不知道去哪里 ☐
工作或其他事情忙, 没有时间去 ☐ 其他原因 ☐

如果是其他原因, 请详细说明:

七. 社会治安

7-01 现在这个社区的治安水平总体上感觉

- 很安全, 从不担心 ☐ 较为安全, 不大担心 ☐
- 一般, 有时担心 ☐ 较差, 时常担心 ☐
- 很差, 几乎总是担心 ☐

您感觉对您家日常生活存在下列哪些类型的威胁? (可多选)

- 杀人/入室抢劫等恶性事件 ☐ 入室盗窃 ☐
- 偷自行车等 ☐ 破坏公共设施 ☐
- 大吵大闹、乱鸣笛等扰民行为 ☐ 养狗 ☐
- 乱扔杂物等 ☐ 其他 ☐

如选择其他, 请详细说明

7-04 您感觉比您迁入前居住地的治安状况

- 差很多 ☐ 略差一些 ☐
- 基本差不多 ☐ 略好一些 ☐
- 好很多 ☐

7-05 您觉得导致社区治安问题的主要原因是 (可多选)

- 住户整体素质差 ☐ 部分住户素质差 ☐
- 外来人员进出太多太杂 ☐ 警察治安联防等执勤管理不力 ☐
- 治安管理相关硬件(摄像头防盗门等)不理想 ☐ 居民的邻里相互监视和照应不够 ☐
- 安全教育不足, 住户防范意识不够 ☐ 其他 ☐

如选择其他, 请详细说明

八. 商业、文体娱乐设施

8-01 您家人平时去菜市场、日常生活用品零售点

- 很便利, 很满意 ☐ 较便利, 较满意 ☐
- 一般, 还凑合 ☐ 不好, 不大满意 ☐
- 很差, 很不满意 ☐

8-02 对比迁入前, 现在的上述设施便利和满意度

- 明显提高 ☐ 略有提高 ☐
- 相差不多 ☐ 略有下降 ☐
- 明显下降 ☐

8-03 您家人去日常其他服务设施(比如邮局、银行、自行车修理、电器维修、废品回收等)

- 很便利, 很满意 ☐ 较便利, 较满意 ☐
- 一般, 还凑合 ☐ 不好, 不大满意 ☐
- 很差, 很不满意 ☐

8-04 对比迁入前, 上述服务设施的便利和满意度

- 明显提高 ☐ 略有提高 ☐
- 相差不多 ☐ 略有下降 ☐
- 明显下降 ☐

8-05 您对您和家人常去的文化娱乐体育设施的便利和满意度(比如棋牌活动、儿童游戏场、健身场所、公园等)

- 很便利, 很满意 ☐ 较便利, 较满意 ☐
- 一般, 还凑合 ☐ 不好, 不大满意 ☐
- 很差, 很不满意 ☐

8-06 对比迁入前, 上述文体娱乐设施的便利和满意度

- 明显提高 ☐ 略有提高 ☐
- 相差不多 ☐ 略有下降 ☐
- 明显下降 ☐

九. 邻里关系与社区组织

您现在和小区内的邻居等的交往

- 很频繁, 几乎天天都有来往 ☐ 较多, 时常来往 ☐
- 一般, 有时来往 ☐ 较少, 偶尔来往 ☐
- 几乎从不来往 ☐

9-01 与迁入前相比, 您在社区里认识的人和经常来往的人(比如串门、聊天、一起购物等)

- 明显增加 ☐ 略有增加 ☐
- 相差不多 ☐ 略有减少 ☐
- 明显减少 ☐

9-04 您觉得街坊邻居的交往、互助、协作、信息沟通等对您家的生活影响

- 总体帮助很大 ☐ 总体帮助较大 ☐
- 总体帮助不明显 ☐ 有些负面影响 ☐
- 负面影响较大 ☐

9-05 和迁入前相比, 这种影响

- 正面影响明显提升 ☐ 正面影响略有提升 ☐
- 正负影响基本持平 ☐ 负面影响较大 ☐
- 负面影响明显提升 ☐

9-06 您觉得现在居委会和其他社区组织的工作对您家生活水准的提高

- 帮助很大 ☐ 帮助较大 ☐
 帮助和影响一般 ☐ 很少有帮助 ☐
 毫无帮助 ☐

9-07 和迁入前相比，这样的帮助和影响力

- 明显增加 ☐ 略有增加 ☐
 相差不多 ☐ 略有减少 ☐
 明显减少 ☐

10-5 如果您要选择离开，则最可能迁入

- 生活条件更好，生活成本也更高的住所 ☐ 生活条件更差，生活成本也更低 ☐
 生活条件和成本相当的住所 ☐ 不一定，很难说 ☐

十. 总体评价和未来意向

10-1 总体而言和迁入前相比，您觉得您在各方面收获的与失去的

- 所得远大于所失，非常满意 ☐ 所得略大于所失，相对满意 ☐
 得失基本相当 ☐ 所失略大于所得，不大满意 ☐
 所失远大于所得，很不满意 ☐

10-2 综合考虑，对现在的居住状况最满意的三项是（请标出 1，2，3）

- | | |
|-----------------|--|
| 房屋面积 | |
| 房屋质量和设施水平（水电气等） | |
| 小区的环境卫生等 | |
| 就业的机会或便利程度 | |
| 教育托幼设施的便利程度 | |
| 医疗服务设施的便利程度 | |
| 文化体育娱乐设施的便利程度 | |
| 社会治安状况 | |
| 邻里关系和社区组织 | |

10-3 对现在居住状况最不满意的三项是（请标出 1，2，3）

- | | |
|-----------------|--|
| 房屋面积 | |
| 房屋质量和设施水平（水电气等） | |
| 小区的环境卫生等 | |
| 就业的机会或便利程度 | |
| 教育托幼设施的便利程度 | |
| 医疗服务设施的便利程度 | |
| 文化体育娱乐设施的便利程度 | |
| 社会治安状况 | |
| 邻里关系和社区组织 | |

10-4 如果社区各方面情况保持不变，您是否有在近期（2 年内）搬出这个社区的意向和计划？

- 有 ☐ 无 ☐
 看情况，没想好 ☐

A Survey on Life Quality of Beijing Inner-City Communities (Jinyuchi)

Part I Basic Information of Interviewees

1-01 Who many long-stay residents are in this household? _____

1-02 The residents here includes (please input the number of each):

The interviewee	<input type="text"/>	Mother-in-law of the interviewee	<input type="text"/>
Spouse of the interviewee	<input type="text"/>	Grandparents of the interviewee	<input type="text"/>
Father of the interviewee	<input type="text"/>	Son(s) or daughter(s) of the interviewee	<input type="text"/>
Mother of the interviewee	<input type="text"/>	Son(s) or daughter(s)'s spouse of the interviewee	<input type="text"/>
Father-in-law of the interviewee	<input type="text"/>	Grandson(s) or grand daughter(s) of the interviewee	<input type="text"/>
Others	<input type="text"/>		<input type="text"/>

1-03 The age structure of the residents here (please input the number of each):

0—18	<input type="text"/>	18—25	<input type="text"/>
25—40	<input type="text"/>	40—60	<input type="text"/>
60 +	<input type="text"/>		<input type="text"/>

1-04 The status of the residents here (please input the number of each):

How many have long-term jobs?	<input type="text"/>	How many are retired?	<input type="text"/>
How many have temporary jobs?	<input type="text"/>	How many are studying (before graduation)?	<input type="text"/>
How many are unemployed?	<input type="text"/>	How many are disabled or with long-term disease?	<input type="text"/>

1-05 Do you have extra dependent to support financially?

1-05 Do you have extra support from outsiders financially?

1-061-07 The gender of the interviewee is: Male/Female

1-08 The age of the interviewee is: _____

Part II Housing Conditions (Current and Past)

2-01 In which year did you start to live in this community? _____

2-01a Did you live in this community before the redevelopment project? Yes/No

2-02 The type of your housing is:

The traditional style (Siheyuan)	<input type="checkbox"/>	High or middle-rise flats	<input type="checkbox"/>
Separated rooms in one yard	<input type="checkbox"/>	Low-rise flats	<input type="checkbox"/>
Self-constructed informal rooms	<input type="checkbox"/>	Newly-built houses	<input type="checkbox"/>
others	<input type="checkbox"/>		

2-02a The type of your last housing was:

The traditional style (Siheyuan)	<input type="checkbox"/>	High or middle-rise flats	<input type="checkbox"/>
Separated rooms in one yard	<input type="checkbox"/>	Low-rise flats	<input type="checkbox"/>
Self-constructed informal rooms	<input type="checkbox"/>	Newly-built houses	<input type="checkbox"/>
others	<input type="checkbox"/>		

2-03 Current floor space of your home is _____?

2-03a The floor space of your last home was _____? 2-04 How many bedrooms does your home have? _____

2-04a How many bedrooms did your last home have? _____

2-05 Do you have the following facilities in your home?

- | | | | |
|--------------------------|--------------------------|---------------------------|--------------------------|
| Private kitchen | <input type="checkbox"/> | Private toilet | <input type="checkbox"/> |
| Private bathroom | <input type="checkbox"/> | In-house water connection | <input type="checkbox"/> |
| Central-provided heating | <input type="checkbox"/> | Self-provided heating | <input type="checkbox"/> |
| Piped gas | <input type="checkbox"/> | Canned gas | <input type="checkbox"/> |
| Rubbish collection | <input type="checkbox"/> | Circuit TV | <input type="checkbox"/> |
| Telephone | <input type="checkbox"/> | Internet connection | <input type="checkbox"/> |
| Private parking space | <input type="checkbox"/> | Shared parking space | <input type="checkbox"/> |

2-05a Did you have the following facilities in your last home?

- | | | | |
|--------------------------|--------------------------|---------------------------|--------------------------|
| Private kitchen | <input type="checkbox"/> | Private toilet | <input type="checkbox"/> |
| Private bathroom | <input type="checkbox"/> | In-house water connection | <input type="checkbox"/> |
| Central-provided heating | <input type="checkbox"/> | Self-provided heating | <input type="checkbox"/> |
| Piped gas | <input type="checkbox"/> | Canned gas | <input type="checkbox"/> |
| Rubbish collection | <input type="checkbox"/> | Circuit TV | <input type="checkbox"/> |
| Telephone | <input type="checkbox"/> | Internet connection | <input type="checkbox"/> |
| Private parking space | <input type="checkbox"/> | Shared parking space | <input type="checkbox"/> |

2-06 What is the frequency of housing damages (including roof leaking, hidden troubles of structure, jam of sewage etc.)?

- | | | | |
|-----------------|--------------------------|--------|--------------------------|
| Very frequently | <input type="checkbox"/> | Often | <input type="checkbox"/> |
| Just so so | <input type="checkbox"/> | Seldom | <input type="checkbox"/> |
| Nearly never | <input type="checkbox"/> | | |

2-06a What was the frequency of last housing's damages?

- | | | | |
|-----------------|--------------------------|--------|--------------------------|
| Very frequently | <input type="checkbox"/> | Often | <input type="checkbox"/> |
| Just so so | <input type="checkbox"/> | Seldom | <input type="checkbox"/> |
| Nearly never | <input type="checkbox"/> | | |

2-07 What is the level of housing maintenance service?

- | | | | |
|-------------------------|--------------------------|------------------|--------------------------|
| Worse, very unsatisfied | <input type="checkbox"/> | Bad, unsatisfied | <input type="checkbox"/> |
| Neutral, just so so | <input type="checkbox"/> | Good, satisfied | <input type="checkbox"/> |
| Perfect, very satisfied | <input type="checkbox"/> | | |

2-07a What was the level of last housing's maintenance service?

- | | | | |
|-------------------------|--------------------------|------------------|--------------------------|
| Worse, very unsatisfied | <input type="checkbox"/> | Bad, unsatisfied | <input type="checkbox"/> |
| Neutral, just so so | <input type="checkbox"/> | Good, satisfied | <input type="checkbox"/> |
| Perfect, very satisfied | <input type="checkbox"/> | | |

2-08 Do you have the following items now?

- | | | | |
|-------------|--------------------------|------------------|--------------------------|
| Computer | <input type="checkbox"/> | Air conditioning | <input type="checkbox"/> |
| Private car | <input type="checkbox"/> | | |

2-08a Did you have the following items when living at the last home?

- | | | | |
|-------------|--------------------------|------------------|--------------------------|
| Computer | <input type="checkbox"/> | Air conditioning | <input type="checkbox"/> |
| Private car | <input type="checkbox"/> | | |

2-09 What is the owner-type of your home?

- | | | | |
|---------------|--------------------------|------------------|--------------------------|
| Private owned | <input type="checkbox"/> | Shared ownership | <input type="checkbox"/> |
| Public owned | <input type="checkbox"/> | Private renting | <input type="checkbox"/> |
| Others | <input type="checkbox"/> | | |

2-09a What was the owner-type of your last home?

- | | | | |
|---------------|--------------------------|------------------|--------------------------|
| Private owned | <input type="checkbox"/> | Shared ownership | <input type="checkbox"/> |
| Public owned | <input type="checkbox"/> | Private renting | <input type="checkbox"/> |
| Others | <input type="checkbox"/> | | |

2-10 Do you have other dwelling house(s)? Yes/No

2-10a Did you have other dwelling house(s) when living at last home? Yes/No

2-11 How much is your average cost for this home? (including the mortgage or monthly rent, together with others such as fees for heating)

_____ per month or per year

2-11a How much was your average cost for last home? (including the mortgage or monthly rent, together with others such as fees for heating)

_____ per month or per year

2-12 If you have other house(s), how much is the average cost for it/them?

_____ per month or per year

2-12a If you had other house(s), how much was the average cost for it/them?

_____ per month or per year

2-13 The total cost for your housing is _____ per month or per year

It is _____ % of your total family income.

2-13a The total cost for your housing was _____ per month or per year

It is _____ % of your total family income.

2-14 If you have bought the housing here, now you think it is

Very unworthy ☐

Unworthy ☐

Just so so ☐

Worthy ☐

Very worthy ☐

2-15 If you don't buy the housing here, that is because

It is not for sale ☐

We just live here temporarily ☐

Not enough money ☐

Don't like the housing here ☐

Having owned other properties ☐

Other reasons ☐

2-16 If you have other housing, it is now

Self used ☐

To let ☐

Used by relatives or friends ☐

Empty ☐

2-16a If you had other housing before living at this home, it was then

Self used ☐

To let ☐

Used by relatives or friends ☐

Empty ☐

Part III Employment

3-01 How many of your family members working in following sectors (please input the number of each)?

Collective enterprise(s)	<input type="text"/>	Self-employed	<input type="text"/>
State-owned enterprise(s)	<input type="text"/>	Governmental institution(s)	<input type="text"/>
Private-owned enterprise(s)	<input type="text"/>	Military and the affiliated institution(s)	<input type="text"/>
Foreign-capital enterprise (s)	<input type="text"/>	Others	<input type="text"/>
Other public institution(s) (such as hospitals, schools etc.)	<input type="text"/>		

3-02 How many of your family members working in following category:

Higher/middle-level management

Higher/middle-level skilled

Lower-level management ☐
 Lower-level skilled ☐
 Unskilled ☐

3-03 How many of your family members are

Unemployed for more than 6 months ☐
 Never have long-term jobs ☐
 Ever get helps such training of professional skills or job information delivery or others ☐
 Ever find jobs through the help of governments or other public organisations ☐

3-03a Compared to before the project, current local job opportunities are

Much fewer than before ☐ Slightly fewer than before ☐
 Almost as same as before ☐ Slightly more than before ☐
 Much more than before ☐

3-04 Are there any other stable income of your family besides salaries? Yes/No

If Yes, is it from the following ways?

Housing to let ☐ Part-time jobs ☐
 Street shops ☐ Others ☐

And if Yes, it is approximately _____ % of the total income?

3-04a Were there any other stable income of your family besides salaries before redevelopment? Yes/No

If Yes, was it from the following ways?

Housing to let ☐ Part-time jobs ☐
 Street shops ☐ Others ☐

And if Yes, it was approximately _____ % of the total income then?

3-04b After the project, the income besides salaries is now

Much fewer than before ☐ Slightly fewer than before ☐
 Almost as same as before ☐ Slightly more than before ☐
 Much more than before ☐

Part IV Education

4-01 How many of your children are studying at

Nursery or kindergarten(s) ☐
 Primary school ☐
 Junior middle school ☐
 High school ☐
 Secondary specialized or technical school (中专、职高、技校) ☐
 College(s) or university and higher ☐

4-02 How many of your children are studying in

“Key” schools (重点学校) ☐ Informal schools ☐
 Ordinary schools ☐ Out of schools ☐

4-03 Are there child(ren) of your family ever forced to give up the opportunities for further education due to financial difficulties? Yes/No

4-03a After the project, do your children still study at the same school(s)? Yes/No

4-03b If no, do they go to study at:

- | | |
|--|--|
| Much worse school(s) <input type="checkbox"/> | Slightly worse school(s) <input type="checkbox"/> |
| Almost same level school(s) <input type="checkbox"/> | Slightly better school(s) <input type="checkbox"/> |
| Much better school(s) <input type="checkbox"/> | |

Part V Medical and Health Care

5-01 For medical and health care, how many of your family members are

- | | |
|---|--|
| Covered by national health insurance <input type="checkbox"/> | Medical aids <input type="checkbox"/> |
| Covered by commercial health insurance <input type="checkbox"/> | Totally self-paid <input type="checkbox"/> |

5-02 Are there frequently difficulties for family members to access public health service?

- | | |
|--|----------------------------------|
| Almost always <input type="checkbox"/> | Usually <input type="checkbox"/> |
| Sometimes <input type="checkbox"/> | Few <input type="checkbox"/> |
| Nearly no <input type="checkbox"/> | |

5-02a Compared to before the project, the difficulties become

- | | |
|--|--|
| Much more <input type="checkbox"/> | Slightly more <input type="checkbox"/> |
| Almost same to the past <input type="checkbox"/> | Slightly less <input type="checkbox"/> |
| Much less <input type="checkbox"/> | |

5-03 If there are difficulties, they are:

- | | |
|--|--|
| Not covered by health insurance <input type="checkbox"/> | Some cost not covered by health insurance <input type="checkbox"/> |
| Hospitals are too far <input type="checkbox"/> | Crowded hospitals and long waiting lists <input type="checkbox"/> |
| Lack of information of health service <input type="checkbox"/> | Others <input type="checkbox"/> |

Part VI Public Security and Social Orders

6-01 Do you feel satisfied to public security and social orders of this community?

- | | |
|---|--------------------------------------|
| Very unsatisfied <input type="checkbox"/> | Unsatisfied <input type="checkbox"/> |
| Neutral <input type="checkbox"/> | Satisfied <input type="checkbox"/> |
| Very satisfied <input type="checkbox"/> | |

6-01a Compared to before the projects, the public security and social orders of this community become

- | | |
|--|--|
| Much worse <input type="checkbox"/> | Slightly worse <input type="checkbox"/> |
| Almost same to the past <input type="checkbox"/> | Slightly better <input type="checkbox"/> |
| Much better <input type="checkbox"/> | |

6-02 What are the major causes to threat public security and social orders?

- | | |
|---|--|
| Most residents are low-educated <input type="checkbox"/> | Some residents are low-educated <input type="checkbox"/> |
| Too many outsiders (sightseers) <input type="checkbox"/> | Not enough police care <input type="checkbox"/> |
| Not enough facilities (e.g. CCTV) <input type="checkbox"/> | Not enough neighbourhood watch <input type="checkbox"/> |
| Not enough training and management <input type="checkbox"/> | Others <input type="checkbox"/> |

Part VII Retailing and Social Facilities

7-01 Are you satisfied to retailing service nearby (including food shops, grocery, restaurant etc.)?

- | | |
|---|--------------------------------------|
| Very unsatisfied <input type="checkbox"/> | Unsatisfied <input type="checkbox"/> |
| Neutral <input type="checkbox"/> | Satisfied <input type="checkbox"/> |
| Very satisfied <input type="checkbox"/> | |

7-01a Compared to before the projects, the retailing service nearby become

- | | | | |
|-------------------------|--------------------------|-----------------|--------------------------|
| Much worse | <input type="checkbox"/> | Slightly worse | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly better | <input type="checkbox"/> |
| Much better | <input type="checkbox"/> | | |

7-02 Are you satisfied to civic service facilities nearby (including post office, banks etc.) ?

- | | | | |
|------------------|--------------------------|-------------|--------------------------|
| Very unsatisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> |
| Very satisfied | <input type="checkbox"/> | | |

7-02a Compared to before the projects, the civic service facilities nearby become

- | | | | |
|-------------------------|--------------------------|-----------------|--------------------------|
| Much worse | <input type="checkbox"/> | Slightly worse | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly better | <input type="checkbox"/> |
| Much better | <input type="checkbox"/> | | |

7-03 Are you satisfied to entertainment facilities nearby (including sports facilities, cinemas and cultural etc.)?

- | | | | |
|------------------|--------------------------|-------------|--------------------------|
| Very unsatisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> |
| Very satisfied | <input type="checkbox"/> | | |

7-03a Compared to before the projects, the entertainment facilities nearby become

- | | | | |
|-------------------------|--------------------------|-----------------|--------------------------|
| Much worse | <input type="checkbox"/> | Slightly worse | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly better | <input type="checkbox"/> |
| Much better | <input type="checkbox"/> | | |

Part VIII Community Cohesion

8-01 How do you feel the communication with neighbours?

- | | | | |
|----------------------------------|--------------------------|----------------------------------|--------------------------|
| Very unhappy, with many problems | <input type="checkbox"/> | Unhappy, sometimes with problems | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Joyful and harmonious | <input type="checkbox"/> |
| Very joyful and harmonious | <input type="checkbox"/> | | |

8-01a Compared to before the project, the communication opportunities become

- | | | | |
|-------------------------|--------------------------|---------------|--------------------------|
| Much less | <input type="checkbox"/> | Slightly less | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly more | <input type="checkbox"/> |
| Much more | <input type="checkbox"/> | | |

8-02 How do you think the effects of the communications with neighbours?

- | | | | |
|---------------------------------------|--------------------------|---------------------------------|--------------------------|
| Almost always negative | <input type="checkbox"/> | Usually negative | <input type="checkbox"/> |
| Neutral | <input type="checkbox"/> | Usually positive and beneficial | <input type="checkbox"/> |
| Almost always positive and beneficial | <input type="checkbox"/> | | |

8-02a Compared to before the project, the effects of the communications with neighbours become

- | | | | |
|-------------------------|--------------------------|------------------------|--------------------------|
| Much more negative | <input type="checkbox"/> | Slightly more negative | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly more positive | <input type="checkbox"/> |
| Much more positive | <input type="checkbox"/> | | |

8-03 How do you think the work done by current community committee?

- | | | | |
|----------------------------------|--------------------------|---------------------------------|--------------------------|
| Totally non-helpful to my family | <input type="checkbox"/> | Seldom helpful to my family | <input type="checkbox"/> |
| Sometimes helpful to my family | <input type="checkbox"/> | Frequently helpful to my family | <input type="checkbox"/> |
| Always very helpful to my family | <input type="checkbox"/> | | |

8-03a Compared to before the project, the help from community committee become

- | | | | |
|-------------------------|--------------------------|---------------|--------------------------|
| Much less | <input type="checkbox"/> | Slightly less | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly more | <input type="checkbox"/> |
| Much more | <input type="checkbox"/> | | |

8-04 Do you trust current community committee?

- | | | | |
|----------------|--------------------------|--------------|--------------------------|
| No, not at all | <input type="checkbox"/> | Usually not | <input type="checkbox"/> |
| Just so so | <input type="checkbox"/> | Normally yes | <input type="checkbox"/> |
| Yes, very much | <input type="checkbox"/> | | |

8-04a Compared to before the project, your trust to community committee become

- | | | | |
|-------------------------|--------------------------|---------------|--------------------------|
| Much less | <input type="checkbox"/> | Slightly less | <input type="checkbox"/> |
| Almost same to the past | <input type="checkbox"/> | Slightly more | <input type="checkbox"/> |
| Much more | <input type="checkbox"/> | | |

Part IX General Evaluation

9-01 Generally speaking, you think which of the following items are the major ADVANTAGES of living here? (multiple selection)

- | | |
|--|--------------------------|
| Housing floor space | <input type="checkbox"/> |
| Housing quality | <input type="checkbox"/> |
| Housing maintenance service | <input type="checkbox"/> |
| (Physical) environment surrounded | <input type="checkbox"/> |
| Accessibility to jobs | <input type="checkbox"/> |
| Accessibility to education | <input type="checkbox"/> |
| Accessibility to public healthcare service | <input type="checkbox"/> |
| Accessibility to retailing and social facilities | <input type="checkbox"/> |
| Public security and social orders | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> |

9-02 Generally speaking, you think which of the following items are the major DISADVANTAGES of living here? (multiple selection)

- | | |
|--|--------------------------|
| Housing floor space | <input type="checkbox"/> |
| Housing quality | <input type="checkbox"/> |
| Housing maintenance service | <input type="checkbox"/> |
| (Physical) environment surrounded | <input type="checkbox"/> |
| Accessibility to jobs | <input type="checkbox"/> |
| Accessibility to education | <input type="checkbox"/> |
| Accessibility to public healthcare service | <input type="checkbox"/> |
| Accessibility to retailing and social facilities | <input type="checkbox"/> |
| Public security and social orders | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> |

Appendix C: Questions for the In-Depth Individual Interviews

I. 政府官员和职员 (Staff of local government)

1. 请问北京市目前旧城改造的主要对象、方式和目标是什么?
What are the main targets and objectives of current neighbourhood renewal in Beijing?
2. 这些方式和目标是如何确定的?
How did the targets and ways to be decided?
3. 以金鱼池为代表的新一批危改项目的选点有哪些依据?
How did we choose the target neighbourhoods like Jinyuchi to be renewal in the new round of projects?
4. 这批项目从开始论证、动工到完成的时间?
When did the projects to be prepared, start and complete?
5. 项目论证决策和规划设计方案是如何出台的? 哪些方面的意见发挥了重要作用?
From which way the renewal proposals and plans were decided? Whose ideas were more decisive?
6. 改造项目具体涉及了哪些目标, 取得了哪些成果?
What are the main targets of the renewal projects? What are the outputs?
7. 项目参与的建设方(甲方)、投资方和其他参与方分别是什么单位?
Who is the main investor of the projects? Who are the other participants of the process?
8. 项目拆迁的规模是多大? 共涉及了多少住户和多少单位?
How large were the scales of the projects? How many households and work units were involved?
9. 拆迁时(补偿、回迁和回购)主要依据的政策条例是?
What is the key policy to decide the demolition compensation for every one?
10. 其中回迁居民户数是多少?
How many local households returned to the renewed neighbourhood after the process?

II. 开发商 (Developers)

1. 请问贵公司从何时开始参与旧城改造项目的, 主要参与过哪些项目?
When did your company start to undertake redevelopment projects in old neighbourhoods? What were the projects completed by your company?
2. 为什么要参与旧城改造项目呢?
Why do you want to take part in the renewal/redevelopment projects?

3. 在参与过的旧城改造项目中，贵公司的主要角色和职能是什么？
During the process, what was the role and duties of your company?
4. 跟政府、当地居民是否经常交流合作？采取什么方式？
Did you communicate or cooperate frequently with local government and communities?
In what way did you do that?
5. 现在的改造模式和过去有何不同？对贵公司有何影响？
What are the main differences of the renewal policy and practice between current and previous projects? What was the impact to your company?
6. 您认为现行改造政策和实践哪些方面应进一步改进？
What is your suggestion to improve the renewal policy and practice in future?

III. 规划师和研究人员（Planners and local researchers）

1. 中国旧城更新改造的研究目前主要集中在哪些方面？
What are the main areas that the existing research findings on Chinese neighbourhood renewal concentrate in?
2. 中国旧城更新改造的政策与实践发展经历了怎样的历史进程？
What is the main developing trend of Chinese neighbourhood renewal policy and practice?
3. 中国旧城更新改造的研究目前主要有哪些缺陷？
What is the main academic gap in associated with the research on Chinese neighbourhood renewal?
4. 您认为中国旧城改造政策与实践发展的主要驱动力是什么？
What do you think the main driven force of the development of neighbourhood renewal policy and practice?
5. 您认为最新的变化是对过去的反思吗？
Do you think the newest changes are the response of previous lessons?
6. 您认为这些发展变化受西方理论和经验影响大吗？从多大程度上是在复制西方发达国家走过的道路呢？
Do you think the development of Chinese neighbourhood renewal policy and practice influenced by Western theories and experiences? Do you think the changes are repeating the developing way of Western countries?
7. 您认为现行政策与实践的主要成就和不足在哪些方面？
What do you think are the main achievements and shortcomings of current renewal policy and its implementation?
8. 您对这些政策和项目实践未来发展有什么建议和推荐？
What are your suggestions and recommendations for the future development of Chinese neighbourhood renewal policy, practice or mechanism?

Appendix D: List of Interviewees of the In-Depth Individual Interviews

Name	Title	Institute	Time of interview
Government Officials (10)			
Dr. Cheng	Vice Director	Beijing Municipal Construction Committee	Oct. 2007
Mr. Wang	Secretary	Beijing Municipal Construction Committee	Nov. 2007
Ms He	Director	Office of Neighbourhood Renewal, Chongwen District	Dec. 2007
Mr. Yan	Staff	Beijing Municipal Commission of Urban Planning	Nov. 2007
Ms. Xu	Staff	Beijing Municipal Commission of Urban Planning	Nov. 2007
Ms. Jin	Staff	Beijing Municipal Commission of Urban Planning, Chongwen Division	Dec. 2007
Mr. Jing	Secretary	Beijing Municipal Commission of Urban Planning, Chaoyang Division	Oct. 2007
Ms. Wang	Vice Director	Beijing Municipal Construction Committee, Xicheng Division	Dec. 2007
Ms.Zhang	Staff	Neighbourhood Committee of Shichahai	Nov. 2007
Ms. Gao	Staff	Neighbourhood Committee of Shichahai	Nov. 2007
Developers (5)			
Mr. Cao	Project Manager	Vanke Co. Ltd	Aug. 2006
Mr. Zhang	Senior Project Manager	Vanke Co. Ltd	Aug. 2006
Mr. Wang	Staff	Office of Research and Design, Vanke Co. Ltd	Aug. 2006
Mr. Wu	Staff	R & F Properties	Aug. 2006
Mr. Wang	Assistant Manager	Wantong Real Estate Development Company	Aug. 2006; Dec. 2007

Planners and local researchers (13)

Dr. Chai	Associate Professor (Human Geography)	School of Urban and Environment, Peking University	Nov. 2007
Prof. Bian	Professor (Urban Planning)	School of Architecture, Tsinghua University	Nov. 2007 Dec. 2007
Dr. Shao	Associate Professor (Housing Studies)	School of Architecture, Tsinghua University	Nov. 2007 Dec. 2007
Prof. Jin	Director	Institute of Housing Studies, Urban Planning and Design Institute of Tsinghua University (THUPDI)	Jul. 2006 Nov. 2007
Mr. Wang	Senior Planner	Urban Planning and Design Institute of Tsinghua University (THUPDI)	Nov. 2007
Mr. Quan	Planner	Urban Planning and Design Institute of Tsinghua University (THUPDI)	Dec. 2007
Prof. Zhang	Professor (Housing studies)	School of Architecture, Tsinghua University	Jul. 2006 Dec. 2007
Dr. Wang	Research Associate (Housing studies)	School of Architecture, Tsinghua University	Jul. 2006
Dr. Liu	Research Associate (Sociology)	Department of Sociology, Tsinghua University	Jul. 2006 Dec. 2007
Mr. Sheng	Planner	China Academy of Urban Planning and Design (CAUPD)	Dec. 2007
Mr. Yang	Planner	Beijing Municipal Institute of City Planning and Design (BMICPD)	Aug. 2006
Mr. Zhang	Planner	Beijing Municipal Institute of City Planning and Design (BMICPD)	Dec. 2007
Prof. Gao	Professor	Institute of Geographic Science and Natural Resources Research, China Academy of Science	Dec. 2007

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