

SHIFTING CENTRAL-LOCAL RELATIONS IN POST-REFORM CHINA: CASE STUDY OF A MIGRANT COMMUNITY IN BEIJING*

JEONG JONG-HO
Seoul National University

Previous debates on changing central-local relations in post-reform China imply the presence of diverse patterns of local governmental responses to central policies, demonstrating that post-reform interaction between central power and emerging local forces has not resulted in uniform patterns. Consequently, in order to evaluate the impact of economic reforms upon the reconfigurations of central-local relations in the post-Mao China, greater emphasis must be given to the ethnographic research on the changing patterns of interaction between central power and local forces. In line with this perspective, this paper explores the dynamic interactions between central power and local challenge in the newly created urban space of the "Zhejiangcun" (Zhejiang Village), the largest migrant settlement in Beijing. The emergence of unofficial migrant communities has profoundly altered the central-local dynamics in major urban areas through the formation of alternative sources of income, networks, and authority for the new social forces as well as for local state officials. With both cultural capital based on kinship and native-place ties and economic capital based on increasing market penetration, a significant number of migrant groups have created their own "non-state space" in the post-reform city. Rather than the continuance of the monopolizing central power, this entrenchment of non-state power and space by the migrant population gives birth to multiple local centers of power. Therefore this paper aims to examine how alternative forms of local power and authority have emerged to renegotiate the domination of central power, by exploring a highly contested renegotiation process in the Zhejiangcun where economic power, social space, and political alliance intersect to reconfigure the central-local relationship within the increase of market influences.

INTRODUCTION

This paper explores shifting central-local relations in post reform China, concentrating on the dynamics of the struggle for domination between central power and local challenge in the newly created urban space in Beijing. To this purpose, this paper focuses specifically on the developments of the

*This paper draws on material from the author's doctoral thesis, *Renegotiating with the State: The Challenge of Floating Population and the Emergence of New Urban Space in Contemporary China*, Yale University (2000), which is based on fifteen months of ethnographic fieldwork on the Zhejiangcun, from the summer of 1995 to August 1998. Please address all the correspondence to Jeong Jong-Ho, The School of International and Area Studies, Seoul National University, San 56-1, Shillim-Dong, Kwanak-Gu, Seoul, 151-742, Korea.

“Zhejiangcun” (*Zhejiang Village*), the largest migrant settlement in Beijing. Home to more than 100,000 migrants from the south-eastern Zhejiang province, the Zhejiangcun — officially the Fengtai District of Beijing Municipality — has dominated Beijing’s garment market for over fifteen years. Beyond the control of the Municipal Government, the Zhejiangcun has developed into a self-contained community with its own leaders, schools (taught in Zhejiang dialects), health clinics, child-care centers, restaurants (offering Zhejiang-style dishes), markets trading Zhejiang specialties, and hundreds of garment workshops. The Zhejiangcun has now become an integral part of city life in Beijing.

Much of the debate on changing central-local relations in post-reform China questions whether the post-Mao economic and political reforms are producing a substantial transformation in the relative power of the ‘Center’ (*Zhongyang*) and ‘Local’ (*Difang*) in favor of the latter. From past debates emerged a consensus that the magnification of provincial and subprovincial authority has received prominent attention, highlighting the fiscal and administrative decentralization in the 1980s. This devolution, in turn, gave provincial and subprovincial governments greater decision making authority and power to collect and distribute revenues.¹ Nonetheless major differences of opinion persist regarding the degree of autonomy local authorities possess vis-a-vis their central counterparts.

Some scholars insist on the one hand that the devolution of fiscal control and property rights has slanted the balance of fiscal and administrative power in the direction to enhance the negotiating leverage of local governments. Thus, the center has been forced to relinquish much of its control over the post-reform economic sphere of China.² On the other hand, other scholars argue that decentralization resulting from reforms has not diminished the fiscal and administrative power of the center, as illustrated by Beijing’s continuing control over the ratio of revenues to GNP and its enduring ability to appoint prominent provincial officials.³ As Baum and Shevchenko indicate, “within the new decentralized administrative order, Beijing arguably remains the foremost redistributor, regulator, and policy coordinator, thereby continuing to play a decisive role in the determination of “who gets what, when, and how”” (1999: 337-338).

Regardless of one’s opinion, the above debates imply the presence of

¹See Baum and Shevchenko (1999); Cheung, Chung, and Lin (1998); Goodman (1994); Li (1998).

²See Wang (1995). Also, Jia and Lin (1994) show studies of the rising power of provincial governments versus the central government, in particular during the fiscal crisis era.

³See Solinger (1996) and Yang (1994).

diverse patterns of local governmental responses to central policies, demonstrating that post-reform interaction between central power and emerging local forces has not resulted in uniform patterns. Consequently, in order to evaluate the impact of economic reforms upon the reconfigurations of central-local relations in post-Mao China, greater emphasis must be given to the ethnographic research on the changing patterns of interaction between central power and local forces.

In line with this perspective, this paper explores the dynamic interactions between "Center" and "Local" in the new urban space of the Zhejiangcun by illustrating the ways in which central power and local challenges have interpenetrated each other in the post-Mao era. The emergence of unofficial migrant communities has profoundly altered the central-local dynamics in major urban areas through the formation of alternative sources of income, networks, and authority for the new social forces as well as for local state officials. Subsequently the new social forces and the local state officials have become less dependent on central leadership. With both *cultural capital* based on kinship and native-place ties and *economic capital* based on increasing market penetration, a significant number of migrant groups have created their own "non-state space" with their own leadership, and have also conceived their own deep sense of regional identity in the post-reform cities. Rather than the continuance of the monopolization of central power, this entrenchment of non-state power and space by the migrant population gives birth to multiple local centers of power. Therefore this paper aims to examine the unique process by which alternative forms of local power and authority have emerged to renegotiate the domination of the central power by focusing on the historical development of the Zhejiangcun.

ZHEJIANGCUN: FORMATION OF MIGRANTS' INDEPENDENT KINGDOM

China's current trend of internal migration, as one of the most obvious signs of change from a planned economy to a market system, has important social and historical implications. Introducing the "household registration system" in 1958 effectively confined the Chinese peasants to the land where they were born.⁴ Under this system, every individual was classified officially as one of the two categories of an agricultural or a non-agricultural person, through "*hukou*" (permanent-residence registration book or residence

⁴Regarding the household registration system, see Cheng and Selden (1994) and Christiansen (1990).

registration) acquired at birth from the local authority. Since moving out of the locality where one is registered means not only abandoning the security of family and friends, but also losing the state-provided social benefits such as education, medical care and other subsidies, Chinese citizens were bound to their birthplaces and banned from relocating without official approval.

The aforementioned ties to the birthplace, however, were gradually weakened by economic reforms instituted by Deng Xiaoping. On the one hand, agricultural reforms and redistribution of land since the early 1980s not only abolished the ration system, but also dismantled China's rural communes and generated hundreds of millions of rural surplus laborers. Simultaneously, millions of new employment opportunities were created due to the urban economic restructuring that led to a boom in construction and service industries in cities throughout the country. These two elements coupled together stimulated a vast wave of migration. Chinese peasants, no longer confined to the countryside and hoping to escape poverty and change their fortunes, migrated into major cities, including Beijing. The phenomenon of the "floating population" (*liudong renkou*),⁵ consisting of more than 100 million internal migrants, is a result of the above process, and furthermore these floaters have vastly accelerated the country's shift from central planning toward a market economy by providing cheap labor.⁶

Nevertheless, the post-Mao state machinery is trying to deny the civil, legal, and political status of the floating population. Molded in the Maoist era and still dependent upon Maoist politico-administrative institutions, it is refusing to integrate the floating population into the dominant order. Since the rural migrants are still unable to obtain an official urban residence permit under the existing household registration system, they face a major disadvantage in cities, where housing, education and other social benefits are still mostly controlled by the government (Chan 1994; Solinger 1995, 1999). Due, in part, to such official non-recognition, the rural migrants are alienated from the life of the city.

Part of the floating population's solution to overcome their vulnerable status as 'foreigners' in the capital and to survive in the nascent private sec-

⁵Regarding the various terms used to refer to the rural migrants such as *zhanzhu renkou*, *wailai renkou*, *waidiren*, *mingong*, *nongmingong*, see Appendix in Solinger (1999).

⁶As China's capital, Beijing has also been the target of rapid urbanization through numerous, persistent reforms. Reforms in Beijing have, in turn, acted as a magnet attracting a large proportion of the rural population seeking a better life. According to a survey conducted by the Beijing Municipal Government in November 1994, the capital had a total of 3.295 million migrants (*wailai renkou*) with temporary registration, constituting about one-fourth of Beijing residents (Study Group of the Rural Economy Research Center, Ministry of Agriculture, 1996: 1).

tor involves the tendency to cluster in suburban ghettos with others from the same province and to engage in the same occupation: garments and shoemaking by those from Zhejiang province, housekeeping and child care by those from Anhui province, and kebab stalls and other restaurants by those from Xinjiang.⁷ Through these associations and groupings based on native-place ties, the migrants have created their own “village” with their own schools, medical services and even a kind of protective force. Among these enclaves that migrants have set up in Beijing and its suburbs, the most famous and the largest migrant settlement is the Zhejiangcun.

Emergence

Zhejiangcun was formed by the migrants from south-eastern Zhejiang province who began arriving in the early 1980s. Official statistics state that thousands of Zhejiang migrant families were producing 200,000 heavy wool overcoats and leather jackets and 100,000 cotton-padded clothing items in a single day in crowded back-yard mini-apartments and tailor shops that were once-abandoned shacks and warehouses, until before the Municipal Government’s demolition campaign in 1995.⁸ The same year, the yearly turnover of the Zhejiangcun reached 1,500 million yuan⁹ (Xiang, 1996: 3). The “village” also had close to twenty wholesale markets, selling inexpensive garments to both the Beijing public and traders from all over north and northeast China. Hence the Zhejiangcun has dramatically reconfigured the landscape of southern Beijing by transforming what were farmlands and slaughterhouses into the capital’s biggest garment-making district. What exactly then is the Zhejiangcun?

“Zhejiangcun” (meaning Zhejiang Village) is located in the Dahongmen area which belongs to the Nanyuan Township of the Fengtai District in the southern suburb of Beijing. The Dahongmen area, located less than 6 kilometers south of Tiananmen Square with convenient transportation to central Beijing, constitutes an area of 16.8 square kilometers. In 1995, the permanent population of Beijing residents in the area consisted of 10,018 households and 25,835 persons. Since 1983, the number of “permanent” (*changzhu*) migrants in the area has increased annually, reaching 96,000 persons by 1995, with the migrant to permanent resident ratio reaching as high as 8 to 1 in some areas.¹⁰ As the migrants progressively increased in numbers, even-

⁷Regarding the emergence of other migrant settlements in Beijing, see Ma and Xiang (1998).

⁸International Herald Tribune, November 28, 1995.

⁹The exchange rate of the Chinese yuan to USD is approximately 1:8 since 1992.

¹⁰This figure is provided by Xiang (1996: 3; 1999: 218). The actual number of the migrants in

tually becoming the majority of the population in the area, the area became subsequently known as “Zhejiangcun” (named after the migrants’ provincial origin) by Beijing residents.¹¹

Most of the migrants in the Zhejiangcun are self-employed entrepreneurs, from Yueqing and Yongjia, under the jurisdiction of the Wenzhou municipal government of Zhejiang province, and are mostly engaged in family-based clothing manufacturing and wholesale or retail businesses.¹² Designated as one of the fourteen open coastal cities in 1984 by the central government, Wenzhou has acquired distinction because of its remarkable economic performance since post-Mao economic reforms. Currently the city prides itself in being one of the richest areas in China.¹³

The rapid growth of industry and commerce in Wenzhou since 1978 has heavily depended on the non-state private economic sectors. Wenzhou enjoys one of the highest proportions of privately owned businesses in the country. For example, the production value of the household industry accounted for about 60% of the total industrial output in Wenzhou since 1984, predominating over the state and collective sectors (Liu, 1992: 295).¹⁴ Based on both the household and private factory industries, rural Wenzhou’s growing commercialization and industrialization has transformed Wenzhou peasants from self-employed petty bourgeois to capitalist

the Zhejiangcun, however, is still in dispute. A government survey indicates a population of 53,000 just before the demolition campaign in September 1995 (Beijing City Office of the Leadership Group for the Management of the Migrant Population, 1996: 2), which is a huge discrepancy.

¹¹Although the Wenzhou migrants identify themselves as “Wenzhou people” (*Wenzhou ren*), they are generally regarded by Beijing residents and the Beijing Government as “Zhejiang people” (*Zhejiang ren*) after their provincial origin.

¹²According to Xiang, over 50,000 (of 96,000) migrants in the Zhejiangcun are businessmen and their family members. Of the 50,000, about 75% of them are from the Yueqing and about 20% are from the Yongjia County of Wenzhou Prefecture, while the remaining 5% are from the other prefectures of Zhejiang Province. The other 40,000 wage-earning migrants are from Hubei, Anhui and Hebei provinces (Xiang, 1996: 3; 1999: 218).

¹³Official statistics show that Wenzhou’s GDP grew 9.5 times at an annual rate of 16% during the period of 1978-1994 (Wenzhou Statistical Yearbook, 1995).

¹⁴The predominance of the private economy in Wenzhou made the city the most controversial place over the course of China’s economic reforms because the privatization and marketization of the local economy in Wenzhou was taken to be against the very principal of socialism. While the “Wenzhou Economic Model” (*Wenzhou jingji moshi*) — which symbolizes the development of township enterprises through private household production and trade, private wage labor, and commodity markets — has been appraised by many scholars and officials as a pioneer of the socialist economic revolution and open door policy, others have labeled the city a capitalist enclave in socialist China. For more detailed discussion of the debates on Wenzhou’s economic development since economic reforms, see Lin (1987), Liu (1992), Nolan and Fureng (1990), Parris (1993), and Yuan (1987).

entrepreneurs, triggering labor mobility and capital flow.¹⁵ Characterized as peasant household production and trade, commercial business, and long distance transport, this unique development of rural Wenzhou's economy resulted in a different migration pattern from that of the remaining migrant workers.¹⁶

Older Wenzhou migrants in Zhejiangcun, generally speaking, migrated initially to other provinces before coming to Beijing, going to northwestern China to make furniture or to Hubei and some other provinces to build houses. Albeit Wenzhou's massive migration into Beijing did not coincide with the advent of the economic reforms, upon discovering the potential of the huge market in the capital, the migratory behavior of the Wenzhou migrants started focusing immediately upon relocation to Beijing.

Such migratory behavior is clearly exemplified by the case of Wang Jianguo, who is regarded as the first Wenzhou migrant to settle in Nanyuan Township, the situs of the Zhejiangcun.¹⁷ Wang Jianguo, a native of the Shanggutou village of Yueqing city where most residents earned their living by making clothes, first went to Wuhai city of Ningxia Province in 1980 with ten other Wenzhou families. Later, discovering the market potential of Baotou in Inner Mongolia, Wang Jianguo and his family relocated to Baotou in 1982.

In the summer of 1983, Wang Jianguo went to Beijing to buy clothing materials and quickly realized its huge market potential. Almost immediately, he decided to move to Beijing. When Wang Jianguo and his family first went to Beijing's Xuanwu District, however, they were arrested by the local police for illegal migration. After paying the fine, they moved to Muxiyuan in the Dahongmen area in Fengtai District. Wang Lian, the third son of Wang Jianguo, who also moved to Beijing with his father in 1983 when he was a first year middle school student, said:

The main reason why we went to Muxiyuan is that there was no government administration. Since Muxiyuan is located on the border among three districts [Fengtai, Chongwen, and Xuanwu], none of these three district governments had any interest in the area at that time, although the

¹⁵For example, 90% of the peasant households in Liushi township in Yueqing County were involved in household production of low-voltage switches (Liu, 1992: 303).

¹⁶Contrary to other migrants who are mainly engaged in inexperienced and unskilled jobs such as construction workers, domestic servants, car washers, and road sweepers, the Wenzhou migrant entrepreneurs, based on their economic power and their status as self-employed owners of small family businesses, formed a separate migrant community that now is a recognized productive force in garment industry within Beijing (Zhang 2001: 30-31).

¹⁷Most informants' names are pseudonyms in order to protect their identities.

Fengtai District Government was nominally responsible for the area. In other words, the [Dahongmen] area was 'in a chaos' (*luanqi bazao*). This lack of order actually provided us with a great opportunity to stay.¹⁸

As soon as they found a place to stay in the Dahongmen area, Wang and his family started making garments. They first made trousers (*kuzi*) and sold them in the streets (*baiditan*). As Beijing had shortages of food, clothes, and housing at the time, Wang Jianguo and his family reaped large profits without much competition. Wang Jianguo family's success in Beijing became the harbinger for the migration of more than twenty Wenzhou families to the Dahongmen area.

Beijing's SOE (state-owned enterprises) reform bore much impact on the life of Wenzhou migrants. In 1985, following the lead of The Third Plenum of the Twelfth Central Committee of the Chinese Communist Party's "Decision on the Reform of the Economic System" in October 1984, the Beijing Municipal Party Committee decided to allow state-owned enterprises to lease their store counters to individuals. The particular impact of the accelerated urban economic reforms by the Beijing Municipal Government was substantial upon the development of the Wenzhou migrants' garment industry in Beijing, permitting the Wenzhou migrants to enter into the heart of the Beijing market.

With native-place networks in place as a contrivance for migration and labor supply, the massive influx of Wenzhou migrants into the Zhejiangcun began. As the Wenzhou migrants dominated Beijing's garment market by the introduction of the Zhejiangcun's most competitive product, the leather jacket, in 1987, the Wenzhou migrant businessmen needed an ever increasing supply of labor. Consequently the Wenzhou migrant businessmen turned to their relatives and friends in Wenzhou to come to Beijing to provide them with assistance, thereby demonstrating their preference for their fellow-provincials. From 1988 to 1992, the number of migrants to the Zhejiangcun increased by 50% annually, reaching 30,000 in 1992.¹⁹ In tandem with the rapid population growth came the demand for various public and private services and the subsequent emergence of local businesses — such as clinics, kindergartens, and spontaneous markets selling Wenzhou foods and vegetables — that sometimes substituted the government's role in their provision. Intentionally or unintentionally, the Zhejiangcun became a separate economic and social community for the Wenzhou migrants.

¹⁸Interview on November 28, 1995.

¹⁹Beijing Evening News (*Beijing Wanbao*), 1992. 9. 14.

From Beijing's Farmland to Wenzhou's Independent Kingdom

Shortly after Deng's landmark tour and speeches emphasizing the continuous opening-up and reform policy (*nanxunjianghua*), the entire nation was gripped again by reform fever, with the modernization drive that had started in 1992 entering a new phase. The Zhejiangcun appeared for the first time in the Beijing media, thus indicating an official acknowledgment of the Zhejiangcun by the Municipal Government.²⁰ Mass migration based on native-place ties also tripled the number of migrants in the Zhejiangcun in less than two years from 1992 to 1993 (Xiang, 1998). A sea of change in both cultural and political-economic practices of the Zhejiangcun had occurred.

Such dramatic events not only emboldened the economic development of the Zhejiangcun, but also had a great impact on the emergence of new ways in which the Wenzhou migrants recognized their socio-economic space in the Zhejiangcun. As Zhang Haiqing, a Beijing Municipal Government official in charge of migrant population management, noted, the Zhejiangcun became an "independent kingdom" (*duli wangguo*). With the dramatic change in the Fengtai District Government's involvement with the Zhejiangcun, Zhejiangcun migrants were able to create their own space called "*dayuan*" (big yard), later to become independent of the state space.

Emerged as a solution to the most continuous and serious problem for migrants in the Zhejiangcun (that is, the housing shortage), migrants' own housing compounds in the Zhejiangcun, big yard, were developed mainly by the Wenzhou migrants who aimed for more capital accumulation. Since the migrants were illegal residents in Beijing, they were legally barred from undertaking any housing constructions. Yet empowered with their newly endowed economic wealth and subsequent personal connections with Beijing officials, a few wealthy Wenzhou migrants in the Zhejiangcun defied this rule and were able to take advantage of their assets to construct large resident compounds. The government officials, pampered by the visionary, wealthy migrants, tacitly condoned the presence of the migrant housing compounds and provided them with invaluable public resources such as water, gas, and electricity. This unholy alliance between migrant leaders and the local Beijing officials engendered the opportunity for the creation of the

²⁰The Zhejiangcun first appeared in Beijing Legal Daily (*Beijing Fazhi Bao*) on February 9, 1992, which preceded at least three more reports in other various media in the same year: Zhejiang Daily (*Zhejiang Ribao*) reported on July 29; Beijing Evening News (*Beijing Wanbao*) on September 14; Beijing Daily (*Beijing Ribao*) on November 28. Unlike the Beijing media, the Zhejiang Daily called the area, not the "Zhejiangcun," but the "Wenzhoucun" (meaning Wenzhou village).

migrants' independent space.

The first Wenzhou migrant who built a big yard in the Zhejiangcun was Wan Xianjie. He built two rows of housing complexes on the land rented from the Haihuisi village (Xaing, 1995). After Wan's investment in the real estate business turned out to be very successful, other more cautious Wenzhou businessmen began to invest their money in real estate ventures, producing a "real estate fever" (*fangdichan re*) in the Zhejiangcun. In the following three years from 1992 to 1995, after negotiating land use with local rural production teams, more than 50 big yards were established in the Zhejiangcun, while close to half of the Wenzhou migrant households settled in such compounds. It is estimated that there were over 56 big yards in the Zhejiangcun when the real estate fever had reached its peak, just before the demolition by the Beijing Municipal Government in the winter of 1995. Among them, over 48 big yards were built and managed by Wenzhou migrant developers (*kaifashang*), who rented the land for their compounds from Beijing residents' or villagers' committees. Others were built and managed directly by the Beijing residents' and villagers' committees.²¹

The changes kindled by the big yard not only contributed to resolving some of the basic problems of the Zhejiangcun, such as sanitation, environment, and security, but also brought economic advantages to the parties involved. For the migrant elite who desired even larger financial gains, the big yard aptly provided them with an economy of scale in dealing with larger sums of capital. For the migrant garment-manufacturers, the big yard was a convenient and safe space for both production and living, especially by combining both living and working spaces that had previously existed separately.

The big yard also provided an important source of income for the local Beijing residents and the government, and assisted the Fengtai District Government in executing more systematic and consistent administration of the migrants by concentrating on the pockets of migrant settlements. In summary, with newly created market places such as the Jingwen department store, the introduction of the big yard reshaped the urban landscapes of the Zhejiangcun by replacing the state-run land planning and allocation system with a more private one based primarily on economic considerations.

Indeed the reach of the big yard's influence on the Zhejiangcun was deep. According to Harvey, "the persistent appropriation of a space by a particular group amounts to a *de facto* domination of that space" (1990: 222). This is

²¹For a list of holdings of the big yard owners as of October 31, 1995, see Jeong (2000: 69).

illustrated by the Wenzhou migrants' appropriation of Beijing lands for their own purposes and on their own terms through the big yard. In other words, the introduction of the big yard enabled the Wenzhou migrants to transform Beijing's space into Wenzhou's space by juxtaposing Beijing lands with Wenzhou culture. Beijing's material domination was creatively reworked with Wenzhou meaning.

First, the big yard provided the migrants with physical exclusiveness that put them into enclosed and protected quarters. Such physical exclusiveness was accomplished in early 1993 when Shao Xiaobo from Hongqiao Township of the Yueqing City, Wenzhou, built The Second Macun big yard, the first big yard surrounded by walls. Most of the big yards in the Zhejiangcun followed suit. Even though land itself was rented from the Beijing Government, the big yard, symbolized by its walls and guards, cultivated a garden atmosphere within a secured space sealed off from the dangerous and polluted city outside and enabled migrants to enjoy freedom and privacy under its protection. After circumscribing their space via these walls, most migrant residents in the big yard, who used to make garments outside such a secured place, began to use their walled-off space in the big yard as a combination of both living and working spaces. These efforts in their totality reinforced their sense of exclusiveness.

Second, the migrants created their own self-sufficient social welfare system in the big yard. In face of the Beijing Municipal Government's unwillingness to provide Beijing-*hukou*, the Wenzhou migrants had no choice but to create their own social welfare system. Since migrants were not entitled to free public education, some big yards even established educational facilities. Moreover, the very nature of the big yard fostered a sense of social independence. In the construction of the big yard, a separate system of water, electricity, public bathrooms, and sewerage were established. Many big yards even had recreation facilities, restaurants, barber and beauty shops, clinics, and Wenzhou food and vegetables markets.

Third, most big yards had developed a quasi-governmental management system. For example, twenty-five shareholders of the Jinou big yard²² organized an "administrative committee" (*guanli weiyuanhui*), subdivided into seven groups, that included public security, finance, sanitation, family planning, thought education, entertainment, and public relations. Any migrant who wanted to rent a unit in the Jinou big yard had to agree to a set of ten-

²²Constructed under the leadership of a typical member of the Zhejiangcun migrant elite, Li Feiyang, the Jinou big yard (*Jinou dayuan*) was the largest and the most modern big yard in the Zhejiangcun before the demolition campaign in the winter of 1995.

ant regulations before the administration committee. Some big yards also sought to democratize and disperse political power through organizing their internal quarters into separate administrative segments. One of the first initiatives of the Jinou big yard was to devise a rationing system of administration through a highly egalitarian division of the entire big yard space into six areas (*qu*), with one person in charge of each area. Each area was divided into six sub-areas. Such measures redefined their concept of space. At the same time, most of the big yards hired security guards (*baoran*) to ensure resident security and maintain law and order within their newly created space.

In sum, with physical exclusiveness, their own self-sufficient social welfare system, and a quasi-governmental management system, the big yard enabled the Wenzhou migrants to efficiently manage their own economic and social space. At a time when the migrants were stigmatized negatively as illegal, dirty, and floating, the creation of a well-managed and efficiently run big yard heightened their sense of communal identity.

Before the introduction of the big yard, the migrants were mostly living as tenants of Beijing residents at different locations scattered around the Zhejiangcun. This dispersion made it difficult to create a strong sense of migrant community. In this self-ordained space of the big yard, however, a sense of “community-building” blossomed. Since systematized and institutionalized appropriation of space may entail the production of territorially bounded forms of social solidarity (Harvey, 1990: 222), close intimacy was maintained among the residents in the same big yard. In fact, because the usual preference of the big yard owners who exercised the power of selecting future tenants was migrants introduced or recommended by their friends, relatives, or present tenants, the new tenants were usually their acquaintances, acting exponentially to increase the sense of community and exclusiveness.

Other measures were also instituted by the big yard owners to nurture, promote and reinforce their sense of community. One of the most prominent methods was their own “public notice board” (*xuanchuanlan*). This board allowed the big yard-community members to freely and publicly exchange information without fear of outside repercussions, and were established in most of the big yards to be primarily used by the administration committees of the big yards to inform their residents of “official notices” (*gaoshi*). With the progress of time, residents also extensively used the board to exchange information with each other. In a revealing demonstration of public notice board’s powerful attractiveness and usefulness, the Beijing Municipal Government also employed this medium during the demolition campaign

in 1995. Ironically, the use of this device unintentionally revealed the Beijing Municipal Government's "acceptance" of this non-state medium, even as they sought to demolish it.

At the center of this growing sense of "community-building" was native-place sentiments. Since everyone in the same big yard engaged in identical cultural practices, like speaking the same language (Wenzhou dialect), eating the same food (Wenzhou food), and engaging in the same profession (making garments), and since the big yard was owned not by the Beijing residents but by the Wenzhou migrants, a more positive native-place identity replaced the negative illegal-migrant identity. Moreover, since some big yards appropriated names from their hometowns, such as Jingwen (meaning Beijing and Wenzhou) and Jinou (the name of the mountain in Wenzhou), migrants positively identified themselves with the big yard, a practice that contributed to the inculcation of the values and meanings of their native place.

The introduction of the big yard in the Zhejiangcun provided the migrants with a golden opportunity to build a cultural "community" of their own. Cleverly paraphrasing Deng's dictum of "building socialism with Chinese characteristics," Li Feiyang, owner of the Jinou big yard, noted that the big yard was equivalent to "building community (*shequ*) with Wenzhounese characteristics." Nonetheless this development was not without an external backlash. The Wenzhou migrants' appropriation and use of urban space for their own economic and social ends constituted a new source of local power challenging the central state's domination of the Chinese society. In the winter of 1995, these sentiments transformed itself into a demolition campaign against the migrant settlements.

CENTRAL POWER AND LOCAL CHALLENGES

In 1995, in a dramatic about-face, the Beijing Municipal Government, which had previously condoned the Fengtai District Government's accommodation policy, launched a campaign to demolish all migrant settlements. From the beginning, it was clear that the main objective of the campaign was the destruction of the Zhejiangcun, especially the big yards that were regarded as illegal space by the Beijing government. As a result of this "Cleaning-Up and Reorganizing" (*Qingli Zhengdun*, the official name for the demolition campaign), the migrant population of the area clearly dropped. 18,621 migrants were mobilized to move out of the Dahongmen area, and the area's migrant population had dropped from 96,000 to 34,420 by the end of December 1995.

Furthermore, during the campaign, the Beijing Municipal Government closed two illegal markets, 53 illegal medical practices, 215 places that illegally processed foods of fake brands and poor quality, 210 illegally operating small restaurants and hair salons, and cleared up 1,645 license-less peddlers.²³ Most importantly, as the main target of the campaign, forty-eight big yards, built on the rented lots of 140,000 square meters by the Wenzhou migrants, were demolished. To symbolize the restoration of state space once occupied by the Wenzhou migrants, the Beijing Municipal Government redesignated the Shi village in the Dahongmen area as a “civilized village” (*wenmingcun*) in January 1996.²⁴

Thus it is apparent that the Central and Beijing Municipal Governments accomplished most of their targeted objectives for restoring the space of the state, and recovering their administrative power and authority.²⁵ However, even during the demolition campaign, which seemed to give the central government an unprecedented opportunity to harness and marginalize local forces, the migrants were able to maneuver to form power alliances with alternative state components. This opportunity came from two main sources.

Power Alliance With Home Governments

First of all, the Zhejiangcun migrants were able to form power alliances with their home governments that had sought support from the migrants in order to achieve rapid economic development. During the demolition campaign, the Beijing Municipal Government encountered resistance from the migrants’ home governments. This resistance from the migrants’ home governments resulted in the power alliances between migrants’ home government officials and the big yard owners. The big yard owners sought political support from the liaison offices in Beijing that represented three different levels of their native governments: the Zhejiang, the Wenzhou, and the Yueqing. The alliances strengthened the discords within the Chinese bureaucracy, and the migrant leaders adroitly took advantage of such internal gaps by empowering themselves.

²³Beijing City Office of the Leadership Group for the Management of the Migrant Population, 1996.

²⁴The Shi village was once designated as a “civilized village” by the Fengtai District Government in 1980 when the Wenzhou migrants had not yet settled in the area.

²⁵Zhang Haiqing, a Beijing Municipal Government official in charge of migrant population management, concluded: “this area was full of chaotic public security and high levels of criminal and public security cases. We have begun to turn around the situation in the area through the demolition campaign” (Interview on May 16, 1996).

The views of the migrants' home governments (the Zhejiang, the Wenzhou, and the Yueqing) stood in contrast to the views of the Beijing Government. While the Beijing Government was laying the legal and political foundation for the demolition campaign, the home governments (especially the Yueqing Government) played up the contribution of the Zhejiangcun to the economic development and became more involved in the management of the Zhejiangcun. As a result, from the very beginning, a latent tension existed between the interests of the migrants' home governments and those of the Beijing government.²⁶

Following approval by Premier Li Peng in September of 1995, the Zhejiang Provincial Government received the official order regarding the imminent campaign on the Zhejiangcun.²⁷ The Provincial Government then forwarded the document to the Wenzhou Municipal Government. After receiving the document and realizing the inevitability of the impending large-scale campaign against the Zhejiangcun, the leaders of the Wenzhou government began to call a series of meetings to discuss the measures for the campaign against the Zhejiangcun.

The Yueqing Government of the Wenzhou Municipality, from where most Zhejiangcun migrants originated, had the most direct interest in the Zhejiangcun and the imminent demolition campaign. During a meeting on October 6, 1995 in which the issue of the imminent demolition campaign on the Zhejiangcun was extensively discussed among leaders in the Yueqing

²⁶This internal conflict within the bureaucracy about the demolition campaign against the Zhejiangcun was revealed as early as August 1995, when the Beijing Government prepared the demolition campaign. After the symposium on the campaign of the clean-up of migrant settlements, the Beijing Government delivered the Fengtai District's investigation of the Shi village in the Dahongmen area to the Zhejiang Provincial government through the Zhejiang provincial office in Beijing. In response to this very hostile Public Security Bureau's report which described the Zhejiangcun as the place where the Fengtai District Government lost control and failed to maintain social stability (Fengtai District Office of the Leadership Group for the Management of the Migrant Population, 1996), the Zhejiang Party Committee and the provincial government instructed their Beijing offices to submit a separate report on the Zhejiangcun. This report stressed the Zhejiangcun's substantial contribution to the local economy and the necessity to manage the Zhejiangcun through self-governance (Interview with Zhang Hui, an official of the Wenzhou Industry and Commerce Bureau, on March 1, 1996). The crisis of the summer passed without an action, if only temporarily.

²⁷After summarizing the problems of the Zhejiangcun and the result of the Fengtai District's recent campaign on the Zhejiangcun during the month of September, the Beijing document proposed to demolish the migrants' temporary constructions in the capital, to restore order among the capital's migrants, and to restrict the ratio between migrants and Beijing residents in points of migrant settlement to 1:1 (from the current 8:1 ratio in the Zhejiangcun) (Interview with Zheng Hangeng, an official of the External Liaison Office of the Yueqing Government, on March 4, 1996. Also see Chen, 1995).

city's party committee and government, the Yueqing Government decided to send a delegation to Beijing "to establish an effective and complete network of information [for the imminent clean-up campaign] in order to appeal to the Beijing government for a peaceful solution to the Zhejiangcun." (Chen, 1995). Zheng Hangeng, an official of the External Liaison Office of the Yueqing Government, added:

Our leaders were greatly concerned [about the Zhejiangcun]. So, they required the external liaison work leader's small group to lead cadres from the Public Security, Industrial and Commercial Affairs, and Labor Bureaus to go to Beijing to investigate the situation in order to prevent significant economic loss among the [Yueqing migrant] commercial and industrial personnel in the Zhejiangcun.²⁸

In response to this decision, a Yueqing delegation, led by Zhou Zhaoshe (member of the Yueqing Communist Party Standing Committee, Vice-director of the Yueqing External Liaison Leadership Group and director of the Yueqing Public Security Bureau) with five other officials, visited the Zhejiangcun from October 19 to 26. During their visit, they met with the leaders of the Fengtai District Government and Fengtai Public Security Bureau. Zheng continued:

Of course, the local [Fengtai district] government officials pointed out those problems such as the security, sanitary, and family planning in the Zhejiangcun. However, owing to the delegates' efforts, the Fengtai district officials agreed with the contribution made by the Zhejiangcun migrants to its economy. So, they agreed that those law-abiding and economy-oriented migrants and big yards could stay in Beijing and would not be expelled or demolished by the demolition campaign. Also, the two sides agreed to establish a sister relationship between Yueqing and Fengtai Public Security Bureaus. The two sides further discussed such issues as how to improve the management of the Zhejiangcun and to guarantee the legitimate rights and interests of the Yueqing migrants.²⁹

The delegation's work, however, was not limited to the meeting with the Fengtai District Government officials. According to Zheng:

Even though we had a very successful meeting with the Fengtai District Government's officials, we felt that this was not enough for the imminent clean-up campaign. Because the campaign was organized by

²⁸Interview on March 4, 1996.

²⁹Interview on March 4, 1996.

the Beijing Government, the agreement with the District government was insufficient. However, since our government [the Yueqing government] was unable to access to meet with the Beijing Government's officials [because of the differences in the bureaucratic hierarchy], we had no choice but to prepare every other measure for the demolition campaign.³⁰

The work of the Yueqing delegation involved two main tasks. First, the Yueqing delegation asked Beijing resident officials and celebrities with Yueqing origins in such fields as academia and the press to contribute their ideas and advice on measures to protect the legitimate rights and interests of the Yueqing migrants in Beijing from the demolition campaign. Jin Baisheng, member of the "Chinese Academy of Science" (*Zhongkeyuan*), was one of those Yueqing natives holding Beijing household registration that the delegation contacted.

I met Director [of the Yueqing Public Security Bureau] Zhou on October 23, 1995. He mainly asked about what was best for the [Yueqing] migrants if they should leave the Zhejiangcun. I strongly suggested relocation because of the inside information I collected from the Central Government. The information showed the resolute determination of the government.³¹

While soliciting and seeking advice and help from Yueqing-origin Beijing residents, the delegation performed its second task by meeting Lu Dagan, official in the Yueqing government Resident Liaison Office in the Zhejiangcun, and discussing how the liaison office could help the Zhejiangcun migrants during the demolition campaign. They agreed to maintain the close information network with migrant leaders in the Zhejiangcun, especially with the big yard owners. Thus, the delegation, through the help of the liaison office, met prominent big yard owners on October 25 and informed them of the official plan of the Beijing government's imminent campaign to demolish the illegal migrant housings, including the big yards.

After the delegation left the Zhejiangcun, the big yard owners and the officials of the Wenzhou and the Yueqing governments' liaison offices in Beijing held a meeting on October 31, to discuss their collective actions

³⁰Interview on March 4, 1996.

³¹Interview on November 23, 1995. Later, when the alternative relocation plan appeared to be the final solution, the Yueqing government and the Wenzhou government [through their Liaison Offices] asked Jin to participate in the relocation committee. The result was the Yanjiao plan. For more information on this relocation plan, see chapter Five of Jeong (2000).

against the imminent campaign. The participants agreed that the owners of forty-eight big yards should set up a fund to compensate those whose big yards would be destroyed by the government, and that the Wenzhou liaison office in Beijing should establish and manage this fund on their behalf. Since there was disagreement regarding the proportion that each big yard owner should donate, they only decided that they would donate money in several days. At the end of the meeting, a list of the holdings of big yard owners was compiled for networking and funding purposes.³²

After this first formal meeting, the big yard owners had a series of other meetings as the campaign progressed. On November 2, Lu Dagan called another meeting of the big yard owners.³³ At this meeting, the big yard owners suggested two proposals. First, they proposed “dismantling by stages” to the Fengtai District Government and its Public Security Bureau. Since it was very critical to big yard owners to extend their limited time as much as possible due to the fact that the turn-around time for reaping investment in the big yard was very short, they proposed that the government should demolish the big yards stage by stage, instead of demolishing them all at once. In this way, they expected that the recently-built big yards such as the Jinou could get some extra time to reap the original investments. Second, they insisted on the official involvement of the Wenzhou Government in the campaign.³⁴ After realizing that their connection with the Fengtai District Government was helpless in improving the situation (as the campaign was supported by upper level government), big yard owners desperately sought help from their home governments because they thought that their home governments could make some room for them to maneuver.

Another big yard owners’ meeting was held on November 15 when the mayors of Wenzhou and Yueqing cities came to Beijing to attend a political conference. At this meeting, big yard owners asked high officials from their

³²For a list of holdings of the big yard owners, that was compiled by the very owners for networking purposes in dealing with the Beijing Municipal Government’s efforts to dismantle migrants’ housings in the Zhejiangcun in 1995, see Jeong (2000: 69).

³³Because many of the liaison officials were business partners with the migrants, they had strong self-interest to preserve the big yards and negotiated with the Beijing officials on the migrants’ behalf. Lu Dagan was the best example. Because of Lu’s substantial investment in the Jinou big yard, he was more than happy to play a negotiating role for the big yard owners during the demolition campaign.

³⁴Since the Fengtai District Government is equivalent to the Wenzhou Municipal Government in the bureaucratic hierarchy, big yard owners insisted on the Wenzhou government’s involvement, even though the meeting was held by the Yueqing liaison office in Beijing.

native-place governments to negotiate with the Beijing government to postpone the deadline of the demolition until the Spring Festival (*chunjie*). They even suggested that they would donate their big yards to the Beijing Municipal Government after a year. In response to the migrants' request, the Zhejiang government's Beijing Office made a formal plea to the Beijing officials on behalf of the migrants on November 17. The officials of the Zhejiang government's Beijing Office toured the Jinou big yard the next morning with a solid promise of help.

On November 20, the Zhejiang government submitted a "three-stage" clean-up plan: 1) demolition of thirty-three big yards in the Ma village, the Deng village, the Shi Village, the Dongluoyuan, and the Haihuisi, which had been considered most problematic, before New Year's Day; 2) clean-up of ten big yards in the Gao Village, the Guoyuan village and the Fourth City Highway before the Spring Festival; and 3) demolishing the remaining five big yards, including the Jinou and Jingwen.³⁵ Through these stages, big yard owners were able to minimize possible losses during the peak business season (*wangji*) which included the last two months of the year. They also requested that the Beijing officials distinguish "legal" (*hefa*) big yards from "illegal" (*feifa*) ones, and allow the legal yards to remain.³⁶

Such repeated, heart-felt requests notwithstanding, the campaign proceeded. For the Beijing authorities, there was no room for dissension or nascent forms of resistance within a central system of socialist government. To be sure, the risk of popular hostility and social instability existed in any demolition campaign. Regardless of this fact, the implications of any challenge to the central state's power was simply unacceptable to the Beijing Government officials, no matter how well intentioned, benign, or innocuous that challenge might be. The temporary instability such a campaign might incur was risk well worthwhile to the Beijing authorities if taken in order to preserve the long-term stability of centralized socialist state control.

Nonetheless, the internal conflicts within the bureaucracy, which had come to the fore during the demolition campaign, provided an invaluable opportunity for the Wenzhou migrants to obtain more informal power and negotiating leverage. The native-place identity played a crucial role in forming a strong alliance with the home government officials, whose official stance for the migrants in possible hostility against the central state could only come as a surprise to the Beijing officials.

³⁵Interview with Xiang Biao on May 16, 1996, see also Xiang (1998).

³⁶Interview with Lu Dagan on July 20, 1996.

Power Alliance With Yanjiao Government

Alternative power alliances existed for the Zhejiangcun migrants as well. In particular, the migrants were able to form additional power alliances with alternate provincial governments that were actively seeking for new investments in their locality to cope with their fiscal crises. The Zhejiangcun migrants' relocation to Yanjiao, Hebei province, during the demolition campaign illustrates these alliances.

Upon receiving the news of the demolition campaign through governmental channels, the Wenzhou government organized a series of meetings of the big yard owners through the Wenzhou and Yueqing government liaison offices in Beijing (as early as late October), to discuss future plans for the Zhejiangcun. Participants included officials from the Wenzhou and the Yueqing governments, big yard owners in the Zhejiangcun, and officials and scholars of Wenzhou-origin holding Beijing household registrations. These participants were attempting to find an alternative place of settlement and negotiating with the Beijing Government.

Meanwhile, the Zhejiangcun migrants faced an unexpected situation. On November 8, they were publicly invited for relocation by other major cities such as Changchun of Jilin Province, Jinan of Shandong Province, Zhuzhou and Yanjiao of Hebei Province, Xian of Shanxi Province, and Tianjin Municipality. Leaders of these cities visited the Zhejiangcun to persuade the leaders of the migrants to move to their places, or asked the leaders of the Wenzhou Municipal and Zhejiang Provincial Governments to help them succeed in soliciting the migrants to their cities or provinces. The mayor of Yanjiao city even promised the migrants to name a street after them, "Wenzhou Broadway" (*Wenzhou Dajie*), if the migrants would relocate to his city. When a large number of migrants were forced to leave the Zhejiangcun after November 30, the secretary of Zhuzhou city of Hebei province made urgent phone calls to the secretary of the Zhejiang province Communist party, asking the latter to encourage the migrants to move to Zhuzhou.³⁷

Two factors account for the flood of invitations. First, the national recognition of the Zhejiangcun's garment industry tempted other cities in trying to harness the Zhejiangcun garment industry's economic power to assist in the development of their own garment industries. Cities such as Xian, Yanjiao, Changchun, and Shijiazhuang, competed for the Wenzhou migrants to develop their lagging garment industries by utilizing the migrants' skills,

³⁷Interview with Li Feiyang on December 10, 1995.

experience, and capital.

However, the “development zone fever” (*kaifaqu re*), which appeared after Deng’s southern tour in 1992, was the more prominent rationale behind the phenomenon.³⁸ From 1992 to 1993, provincial governments were allowed to open their own development zones (*kaifaqu*) without the State Council’s authorization. Benefits from the Central Government (e.g. free or discounted taxes, free water and electricity services), however, were extended only to those development zones with the State Council’s authorization.³⁹ Partly due to the denial of such benefits and the sheer numerousness of the development zones, those without the State Council’s authorization faced a lack of investment and lukewarm reception from the business community, leading them to actively seek new investment in their zones to cope with their fiscal crises.

Faced with animosity from the Beijing Government on one hand and amicable invitations from other cities on the other, the migrant leaders of the Zhejiangcun considered resettlement in another city. From November 10, 1995, with help from home government representatives and Beijing residents of Wenzhou origin, the Wenzhou migrants started searching for a new relocation area. While examining several places (including Langfang, Guan, Tianjin, and Shijiazhuang), Lu Dagan and Li Feiyang endorsed “Yanjiao Economic and Technological Development Zone” in Sanhe city of Hebei Province as the future site of relocation.

Yanjiao development zone typifies the difficulties of survival for those without authorization and benefits from the Central government. According to Song Dahe, a member of the Management Committee of Yanjiao Economic and Technological Development Zone: “[Yanjiao development zone] is not a state-level zone approved by the State Council, but a provincial-level zone with the approval of the Hebei Provincial Government.” Though he emphasized that there were enterprises from Austria, Japan, and the U.S., Song acknowledged that “[Yanjiao development zone] was a mistake (*cuowu*) made by the leaders.”⁴⁰ Most of the building structures and market places built by the Yanjiao government to entice businessmen remained vacant, and the local government looked for new entrepreneurs to occupy the development zone.⁴¹

³⁸For more information about the background of this phenomenon, see Naughton (1995).

³⁹Since development zones without the State Council’s authorization contributed to the bubble economy, the Central Government decided to clean them up (starting July 1993).

⁴⁰Interview on January 30, 1996.

⁴¹The failure of the Yanjiao development zone is quite visible. When I visited Yanjiao on January 30, 1996, among more than 200 rooms of Xingong Hotel (the main hotel in the devel-

Once informed of the plight of the migrants in the Zhejiangcun, the leaders of the Sanhe Government and the Yanjiao development zone immediately convened to discuss the possibility of permanently hosting the migrants. After the Sanhe government and the Yanjiao development zone decided to invite the Wenzhou migrants, the Standing Vice-Mayor of the Sanhe city responsible for the Yanjiao development zone came to the Zhejiangcun on November 14 to meet with the Wenzhou migrants. The next day the leaders of the Wenzhou migrants' "New Zhejiangcun Search Committee" made an exploratory visit to Yanjiao and found themselves much welcomed by the Sanhe government. Banners such as "The police of Yanjiao City welcome Wenzhou businessmen!" and "We welcome friends from Wenzhou" greeted the visitors when they entered the city. The Wenzhou migrants' delegation was told that the Sanhe government was willing to provide the Wenzhou migrants with numerous benefits such as Yanjiao household registration, educational facilities for the migrant children, medical facilities, and above all, very low rental prices for land. Very impressed, the migrant leaders selected Yanjiao as the future site of new settlement.

As Li Feiyang explained: "there are two reasons for choosing Yanjiao, location and benefits."⁴² From the migrants' point of view, a tremendous advantage of the Yanjiao development zone was its proximity to the east gate of Beijing. It is 30 km from Tiananmen Square, 25 km from the Capital Airport, and 128 km from Tianjin city. Beijing-Qinhuangdao electric railway and Beijing-Haerbin state highway-102 run through the town. It usually takes one and a half hours from Beijing to Yanjiao by car. The highway (*gao-sugonglu*), which was under construction at that time and opened later on December 25, 1995 would further reduce the time down to only half an hour from Tiananmen to Yanjiao, enabling the migrants to maintain their Beijing markets.

The Sanhe Municipal Government also offered unexpected benefits to the migrants in order to bring the Zhejiangcun migrants into the city, some of which included the following: the mayor promised five years of exemption from Industry and Commerce tax (*gongshangshui*) and told the migrants that they could purchase the Hebei household registration for 3,000 yuan. The migrants could also purchase or rent for 70 years a piece of land of 2,000 *mu*,⁴³ with its market price of 45,000 yuan per *mu*, at the discounted price of

opment zone where the leaders of Yanjiao development zone, the Wenzhou government, and Wenzhou migrants had a series of negotiations), only three rooms had been occupied that night.

⁴²Interview on December 5, 1995.

⁴³unit of area, 1 mu=1/15 hectare=1/6 acres.

30,000 yuan. Above all, the Sanhe authorities promised that the Zhejiangcun migrants would receive treatment on par with the Hebei residents.

Failure to reach an agreement in negotiations between the Zhejiang Government's Beijing Offices and Beijing officials in charge of the campaign provided further impetus for the development of the relocation plan. The relocation plan was further developed on November 17 and November 20. First, a written plan for relocation, "Northern Zhejiang Commercial City" (*Beifang Zhejiang Shangyecheng*), was put forward by an *ad hoc* organization, called the "Preparatory Committee for Northern Zhejiang Commercial City" (*Beifang Zhejiang Shangyecheng Choubi Weiyuanhui*). This Committee was composed of representatives from the Wenzhou and Yueqing governments (including Li Xiulin, an official from the Residence Office of the Wenzhou government in Beijing, Lu Dagan, an official from the Resident Liaison Office of the Yueqing Government), big yard owners (including Li Feiyang), and Tao Xiao, the president of a real estate company ("New City Company" (*xincheng jianshe kaifa gufen gongsi*))⁴⁴ from Wenzhou.

Pamphlets explaining the details of the plan were distributed among the Zhejiangcun migrants, along with advertisement pamphlets published by the Sanhe government to introduce the Yanjiao development zone. According to the main pamphlet, titled "Report on the Feasibility of Building Northern Zhejiang Commercial City in Hebei" written by the Preparatory Committee, the Wenzhou migrants were planning to build their own educational, medical, and transportation facilities in Yanjiao. Moreover, plans to establish organizations based on native-place ties such as the "Branch of the Zhejiang Chamber of Commerce," the "Zhejiang Businessmen's Trade Association," and the "Association of Zhejiang Fellow-Provincials" was drummed up.⁴⁵

While the plan was being finalized, Tao Xiao (representing the real estate company) and Li Feiyang (representing the migrants) engaged in a series of detailed talks about the relocation plan. Talks were mediated by the representative of the Wenzhou government in Beijing. As Tao and Li found it preferable to have their home governments mediate the contract, Tao asked the mayor of the Wenzhou city to come to Yanjiao to hold negotiations with the mayor of Sanhe city. Thus, a delegation, including the members of the Preparatory Committee and the mayor of the Wenzhou city, was organized

⁴⁴This company invited by the Wenzhou government for the construction of facilities for the migrants in Yanjiao decided to withdraw from the relocation plan in early December. According to Tao Xiao, the company felt that the management costs would be prohibitive because Yanjiao was too far away from Wenzhou where the company was located.

⁴⁵Preparatory Committee for Northern Zhejiang Commercial City, 1995.

to visit the Yanjiao development zone for negotiation with the Sanhe government.

The first negotiation (*tanpan*) was held on November 25. During the negotiation, the leaders of both Wenzhou and Sanhe cities extensively discussed the terms of rent, social welfare for the migrants, and household registration. After another negotiation held at Xinggong Hotel in Yanjiao development zone on November 28 in the presence of the mayor of Wenzhou city, the president of the real estate company (Tao Xiao), big yard owners including Li Feiyang, and leaders of the Sanhe city,⁴⁶ they finally agreed that the land of 1,000 *mu* would be rented out to the migrants for fifty years. The exact price and duration of the rent would be decided after the migrants moved into Yanjiao. Since they thought that the actual moving would begin only after the deadline for leaving the Zhejiangcun set by the Beijing Government (November 30), they agreed that a formal contract would be signed in December 1995.

As broad negotiations concluded, active participants in the plan began to persuade migrant businessmen to move to Yanjiao. On November 25, when I was interviewing Shen Wannian and Jin Nanshan in Jin's shop, a mutual friend, Jin Baisheng came to visit them. Jin Baisheng was a middle school classmate of Shen Wannian and Jin Nanshan in Wenzhou city. Even though Jin Baisheng held a Beijing household registration and worked at the "Chinese Academy of Science" (*Zhongkeyuan*), he, as a Wenzhou native, was deeply involved in the Zhejiangcun matters. Jin Baisheng showed pamphlets, introducing Yanjiao and explaining the plan of Northern Zhejiang Commercial City, and recommended a visit to Yanjiao to Shen Wannian and Jin Nanshan to see whether the place was worth moving to. Persuaded by Jin Baisheng, Shen Wannian and Jin Nanshan participated in the negotiation held in Yanjiao on November 28.

As the demolition deadline of November 30 approached, the Wenzhou migrants started moving to Yanjiao. According to Bai Ying, who had lived in the "Fifth Macun big yard" (*Macun diwu dayuan*) of the Zhejiangcun since 1992, the first group of the Wenzhou migrants including himself came to Yanjiao on November 25. As Wenzhou migrants from the Zhejiangcun arrived in late November, there were signs of the emergence of a new "Zhejiangcun" in Yanjiao. A billboard with big characters, "New Zhejiangcun" was set up on the road near a liquor factory rented from the Sanhe government to be subleased to migrants who had no choice but to

⁴⁶The mayor, secretary of the Standing Committee of the City People's Congress, and chairman of City People's Political Consultative Conference represented the Sanhe city.

leave the Zhejiangcun. A small vegetable market also opened at the gate of the liquor factory, where Hebei peddlers sold rice and vegetables while the Wenzhou vendors sold seafood and Wenzhou products. After the Wenzhou migrants settled down in the new Jinou big yard, the mayor of the Sanhe city came to examine the situation of the migrants on December 27.

Although maintained by a substantial amount of organizational support from the leaders of the migrants and the Yanjiao government, the Yanjiao plan, which was pursued as a relocation plan for the Wenzhou migrants, was completed with the migrants' return to the original Zhejiangcun in Beijing.⁴⁷ The Yanjiao plan, however, provided the Zhejiangcun migrants with an opportunity to learn that they were always capable of forming power alliances with alternative state components given the experiences with internal differentiation and contradiction within the post-Mao state system. Moreover, the power alliance with Yanjiao government allowed the Zhejiangcun migrants to experience the transition of their identity from illegal migrants to legitimate businessmen. While the Beijing government treated them as illegal migrants and tried to expel them from its space, the Yanjiao government treated them as legitimate businessmen and tried to invite them into its space. These two experiences resulted in the increase in their negotiation power. As a result, even though both the Central and Beijing governments pretended that they succeeded in destroying any alternative local power sources in the Zhejiangcun, they involuntarily underlined their inability to impose their will.

THE SHIFTING CENTRAL-LOCAL RELATIONS

In this paper, I have explored shifting central-local relations in post-reform China, focusing on the emergent conditions and patterns of interaction between the Center and the Local in an unofficial migrant community, namely the Zhejiangcun. By examining the rise and fall of this migrant community, this paper highlights the post-reform central-local relations that are experiencing penetrating transformations conditioned by two distinct socioeconomic factors: accelerating marketization and privatization on the one hand, and lingering Maoist institutions and practices on the other. In

⁴⁷Ironically, the opportunity to return to Beijing was provided by a sudden policy reversal by the same Beijing government who initially expelled the migrants from the Zhejiangcun. For the reasons why the Beijing government suddenly shifted its policy toward the Zhejiangcun from expulsion to accommodation, and for the process of rebuilding the Zhejiangcun after the 1995 demolition campaign (especially the recreation of the big yard in the new name of "gongsi"), see Jeong (2000).

doing so, this paper aims to locate a specifically founded ethnographic analysis within the general debate on the central-local relations in post-reform China.

Exploring a highly contested renegotiation process in the Zhejiangcun where economic power, social space, and political alliance intersect to reconfigure the central-local relationship within the increase of market influences, this paper also argues that in order to properly elucidate the influence economic reforms exercise upon the transformation of central-local relations, the past perspectives of the zero-sum dichotomy of central versus local should be replaced with a new emphasis on the mutually transforming nature of central-local relations. Under this vantage, the central power shapes, but simultaneously is shaped by, the local forces.

More specifically, in order to understand the reconfiguration of central-local relations in the Zhejiangcun, this paper illuminates the following two points. First, the ethnographic account of the Zhejiangcun demonstrates that different government entities in the Zhejiangcun vary greatly in their views regarding the Zhejiangcun migrants, in their relative power to other state components, and in their interests in the Zhejiangcun. This results in a continuous renegotiation between central power and local forces.

In the case of the Zhejiangcun, while both the Central Government and the Beijing Municipal Government that viewed the Zhejiangcun migrants as detrimental to social order and stability had a decidedly hostile view toward the migrants, the Wenzhou government (the migrants' home government) which regarded migrants as a source of economic growth had a more sympathetic understanding of the migrants' plight. By showing how the introduction of the market has further accelerated differentiation within the bureaucracy in China, this paper emphasizes that the concept of the monolithic state should be modified to show sensitivity both to the structural divisions within the Chinese state apparatus and to conflicts and negotiations between central power and local forces.

Second, the Zhejiangcun case also shows that the domination of central power in the Zhejiangcun is recreated and transformed by the innovative actions of the migrants, who are powerful enough to establish power alliances with local government entities. This paper specifically outlines the ways in which migrants in the Zhejiangcun played a role as agents in the historical process of renegotiating new urban space, exploiting conflicts and contradictions between central power and local forces as a way of remaining — and flourishing once again — in the capital.

In order to increase additional sources of income, many government agencies have begun engaging since the early 1980s in economic projects. As

local governments turn into profit-oriented economic actors, their chief area of concern has switched from maintaining social stability to promoting economic growth. In the Zhejiangcun, local government agencies also shifted their area of interest by engaging in commercial alliances with economically successful Wenzhou migrants. This alliance between Wenzhou migrants and their home government officials was further deepened by their common native-place ties. As a result of these informal alliances between local state officials and local social elements, the central-local relations in the post reform era have diversified greatly. By showing how these alliances that developed between migrants and local government agents necessarily entailed crucially different patterns of central-local relations in the Zhejiangcun, this paper emphasizes that grasping the distinct structural environments of various power alliances between local officials and social forces is central to the understanding of the formation and reformulation of the central-local relations in post-reform China.

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JEONG JONG-HO received his Ph. D. from Yale University in 2000. He teaches Chinese studies at Seoul National University and has published works on China's post-reform floating population.