

## Inner City Revitalization in Beijing

Shrawan Kumar Acharya

### Introduction

Under the neo liberal market philosophy of the 1990s, the city is considered a growth engine. City planning and development emphasizes on making the cities productive and as a result, market based revitalization initiatives including real estate, retail and entertainment has become important. Unlike in the past, city revitalization is not limited to the development of the blighted or declining areas, instead it is being promoted as a citywide strategy to enhance the city's competitiveness and attract investment. Cities are competing with each other to attract investment not only within the nation space but also at the global scale. This competition has broken the traditional market barriers imposed by socialist blocks like China. Cities in these countries are gradually becoming part of the competitive market economy with the active support of the local state (Wei and Jia, 2003).

Large scale revitalization implies major physical, social and economic changes often at the cost of the poor and the marginal. As a result, the protection of human rights and rights to live, livelihood and heritage have become an important developmental concern. Though there are conflicts between planners and conservationists, there is increasing attempt to reconcile their differences and make historic preservation part of the urban planning process. Revitalization is being defined widely to include economic, social and community development and aims to promote cultural aspects and historic preservation (Frank and Petersen, 1999). The speculative property investment and its detrimental impact on historic city centers have been recognized and are being addressed. A number of charters like the European Charter of the Architectural Heritage 1975, UNESCO Charter 1976, and ICOMOS Washington Charter 1987 specifically highlight the need to protect and conserve the built and social composition in urban areas against threat posed by neglect, deliberate demolition and incongruous new construction (Pickard, 2001) which are inherent in the revitalization strategies. The emphasis is not only on visual management (Pendelbury, 1999) but on the need for coherent economic and social development policies at the urban and regional levels through partnership initiatives (Foresberg et al, 1999), good governance and the proactive role of the state (Schuster et al, 1997) and the community (Davidoff, 1973). Heritage and culture has also become an important economic good especially as a place promoting strategy in globally competing city economies (Wu, 2004). Therefore, heritage and culture assumes importance in the city development strategy. As China's cities grow, modernize and globalize, the emerging contradictions between revitalization and conservation assumes significance. A number of scholars (Abramson, 1997; Wu, 1999; Zhang and Fang, 2003) have voiced their concern over indiscriminate redevelopment (*Gaizo*) and the urgent need to conserve (*Baohu*) the heritage (*Yichen*) that characterizes Chinese cities.

The present study is an attempt to investigate urban revitalization initiatives in Beijing. The objectives are to understand the following:

- a) Urban revitalization in the context of overall urban development and planning in post reform China.
- b) Impact of urban revitalization on the *hutongs* and *siheyuan*.
- c) Social and economic issues related to the redevelopment of *hutongs* and *siheyuan*.
- d) Institutional issues especially legality, property rights, the role of government and other civil society institutions in the revitalization of inner city areas in Beijing.
- e) The conservation and protection initiatives in Beijing with reference to the *hutongs* and *siheyuan*.

Urban revitalization here basically refers to the large scale redevelopment of the *hutongs* and *siheyuan*<sup>1</sup> in the four inner city districts of Dongcheng, Xicheng, Chongwen and Xuanwu of Beijing. The study attempts to contextualize revitalization initiatives within the urban reforms taking place in China after 1978. The first part of the paper deals with the urban reforms in China and the second part deals with the inner city revitalization in Beijing. The study is primarily based on secondary sources, discussions with experts, field visits and discussions with people in various *hutongs* and *siheyuan* in Beijing. Media, especially print media, has been a major source of information for the present study. Language was the major limitation in conducting this study, which forced the author to rely mostly on English sources. This was further constrained by the fact that there has been very poor documentation of information on redevelopment (Tung, 2003). And given the sensitive nature of the study, access to government statistics and records is difficult for foreigners (Zhang and Fang, 2004). The original intention of conducting participatory appraisal in some of the localities became difficult for the same reason. Being aware of these limitations, an attempt was made to optimize all sources and mediums of information using both formal and informal channels.

## Reforms and Urban Development

After the initiation of reforms in 1978, the urbanization rate of China increased by 12.5 percent from 1978 to 1998 as compared to only 5.5 percent from 1952 to 1978. The urban population in China increased from 170 million in 1978 to 456 million in 2000 and its share of the total population increased from 18 percent to 36 percent (Lin, 2004). It is expected to reach 60 percent by 2020 with the migration of potential urban<sup>2</sup> population to the cities.

Substantial autonomy has been devolved at the urban local level making local bodies powerful with respect to economic decisions (Wong et al, 1995). These bodies are now considered an economic interest group (*liyi jituan*) and are the managers of the local economy, e.g. in allocating land resources, running enterprises and planning for the social and economic well being of the population. In the reform era, efficiency is increasingly given importance over equity. This strategy has helped increase the per capita annual income of the urban residents by 9 percent to reach 8,472 Yuan in 2003 (Ma, 2004). The urban functions, especially in large cities like Beijing, have become tertiary oriented.

Infrastructure development has been identified as the key sector in enhancing urban efficiency. During the 1990-1998 period, investment in urban infrastructure projects increased by 28 percent annually (Asian Development Bank, 1999). Along with infrastructure development, real estate and housing has been the growth generating sector in China after the land and national housing reforms in the mid 1980s (Wang and Murie, 1996). By 2003, investment in the real estate industry accounted for 18.3 percent of annual fixed asset investments totaling US\$ 122.05 billion (Lan, 2004). Increasing public responsibility and declining budgetary resources have also led local authorities to develop land to boost their income and the local economy (Zhu, 1999). It is estimated that in some cities, 25 to 50 percent of the local income is land based (Zou, 1998). Such strategy based on infrastructure and real estate has led to large scale redevelopment and the disappearance old urban heritage and culture. The rapid development of land to finance urban growth in absence of experienced building and real estate professionals and ignorance of economic principles have resulted in a lack of government control over land supply and urban planning (Tse, 2000), often leading to irregularities. Competition between urban areas has increased after the 1990s which has led to *panbi* or competitive spirals among cities all over China, leading to the growth of “copycat” cosmopolis. 182 of the country’s 667 cities had vowed to transform themselves into “international metropolis” or “cosmopolis” without realizing their other potentials (Wu, 2004). Many a times, the over ambitious plans referred to as “face projects” are due to local government officials who want to invest in real estate because it stimulates GDP growth in a short time and enhances the officials’ performance record considered important in appointments and promotions. As a result of these developments, the post reform era in China is witnessing contradictions in development, heritage conservation, people’s rights and livelihood options especially in the inner city areas.

### *Urban Planning in Post Reform China*

The change in the character and role of the city in the post reform period is also altering the basic style and purpose of planning. The centralized formal Soviet planning process is getting deregulated and the role of the local bodies increased. Before the reforms, the state authorities were the sole owner, client and user of the land and the building. This has changed with the appearance of new actors like the private sector which includes the foreign design firms. According to the Beijing Architecture Journal, China has more than 120 foreign and joint architecture firms and over 140 of the 200 top world engineering companies and design consortiums. Many were attracted by the emergence of China as “the largest construction site in the world” (Liang, 2004). Architectural style reflects the nouveau rich imitation of western buildings, especially what is referred to as “little hats” roof extension, often resulting in a confused cityscape.

Planning in the reform period is still land use techno centric and it is mainly concerned with optimizing the returns from the land and enhancing economic efficiency (Leaf 1998). Emphasis on efficiency has made economics the primary concern of the planners at the cost of social and cultural development. In the absence of commensurate political decentralization, an effective planning and governance system has not been developed (Zhang, 2002). Very often, large scale capital intensive redevelopment projects

are supported by interest groups ranging from government officials, business and corporate groups, developers and the foreign investors (Zhang and Fang, 2004). The influence of party further accentuates the problem in cities like Beijing.

These interest groups have emerged as important stakeholders in the governance of the cities. In most of the cases, planners either become part of the group or are unable to influence the decision making process. Competition between the ministries and also between administrative hierarchies like the bureaus, districts, counties, provinces and municipalities makes co-ordination and integration difficult resulting in poor plan preparation and implementation. Very often, the directives and policies from the higher authorities do not reach the bottom, even if they do, they are not implemented in totality. The widespread mentality that “for every policy from the top, the bottom could figure out counter mechanism” (Hoong, 2001; 36) is prevalent. To a large extent, many of the problems of urban governance is also the reflection of weaknesses in the reforms characterized by underdeveloped institutions and legal system, the overwhelming role of the state and the party, inner party conflicts, interdependence of public and private interest and lack of clear cut strategy for change from a socialist to a market economy (Harding, 1987; Shue, 1995; Smart 2000; Zhang, 2001; Webber et al, 2002). It is in this context that the urban revitalization initiative in Beijing needs to be understood.

### *Modernization of Beijing*

Beijing, the cultural capital with a population of 14.23 million in 2002, is going through massive transformation (Lin, 2004). The massive modernization initiative under implementation and as highlighted in the revised general development plan ([www.ebeijing.gov.cn](http://www.ebeijing.gov.cn)) is the reflection of the global aspirations of the country and the municipal leaders. The objective is to transform Beijing into a “center of international exchange,” “a service centre at the international level and a core world level metropolis” and also a “world renowned historical and cultural city.” In order to achieve this, the city authorities are laying down infrastructure to meet international standards. They are constructing new roads and widening old ones, decongesting overcrowded city centres, pulling down dangerous and environmentally unsound housing colonies, building high rise apartments both in the city and the periphery to house more than 12 million residents. The total investment in infrastructure from central and local governments to date is estimated to be around 1.2 trillion Yuan (US\$ 145.10 billion) and the investment has increased from an average of 4 percent of annual revenue in the 1980s to 13 percent at present (Ba, 2004). It is estimated that Beijing will invest 280 billion Yuan (US \$ 33.82 billion) for the 2008 Olympics of which 180 billion Yuan (US \$ 21.74 billion) will be put into infrastructure and 17 billion Yuan (US \$ 2.05 billion) into sports facilities. In urban areas, 3 million square meters of old or unstable houses will be reconstructed and 60 million square meters of residential buildings will be completed during 2002-2007. The number of hotels will increase from 300 to 800 by 2008 and an Olympic park with an area of 1,215 hectares will be built (Lan, 2004).

With modernization, land has become a major source of revenue and the local authorities try to optimize returns from land development. Nearly 20 percent of the Beijing city's revenue was mobilized through land leasing in late 1990s (Bourassa and Hong, 2003). Therefore, land based development is emphasized even though the cost of relocation and redevelopment may be high. This is also reflected in the growth of the real estate companies in Beijing which has increased from a mere twenty to over seven hundred between 1990 and 1995 (Zhang and Fang, 2004), and now it is estimated to be over 3000 (Ho, 2004).

## Impact of Modernization

A result of the modernization drive, the existence of the historic inner city area covering nearly 87<sup>3</sup> square kilometers with its traditional lanes called the *hutongs* and *siheyuan* is being threatened, raising intense debates regarding the centuries old question of “how China can move forward and still preserve its cultural identities” (Jakes, 2002). But besides the recent initiative, the redevelopment of the old neighborhoods is also the result of past decisions like the adoption of the new capital plan centering on the old city in the 1950s and the Old and Dilapidated Housing Redevelopment (ODHR) program launched in the 1990s. The adoption of the old centre plan led to redevelopment of the old city area in order to accommodate the new administrative and economic functions. A renewal plan was proposed in the 50s to “redevelop the entire old city within ten years, at a rate of 1 million square meters of demolition and 20 million square meters, of construction each year” (Wu, 1999:22). Emphasis on redevelopment led to neglect of conservation. In fact, the Draft on Reconstructing and Expanding Beijing Municipality warned, “the foremost danger is an extreme respect for old architecture, such that it constricts our perspective of development” (Tung, 2003:43). The ODHR started with the improvements in the residential living environment but with the growth of the real estate market, the public welfare concern has been replaced by profit accumulation leading to large scale demolition and displacement of the old neighborhoods.

As a result, the 7000 *hutongs* in 1949 were reduced to 3900 in the 1980s (Wang, 2003) and now there are only around 2000. In the imperial city there are 3,264 *siheyuan* (Beijing Municipal City Planning Commission, 2003). It is estimated that about 40 percent of the old city area had undergone wholesale destruction by 2002 (Li, 2004). Thousands of people have lost their homes and many have been relocated to various parts of the city. Difficulty in accessing government information and the absence of alternative civil society make it hard to get the correct picture. As a result, the estimates regarding the number of people affected vary between “760,000 people in the last 12 years” (Langfill, 2002) to “572,000 in the past three years” (Jakes, 2002). A more reliable estimate based on research by Fang (2000) indicates that by 1993, 221 ODHR projects involving one million residents were approved in Beijing and between 1990 and 1998, 4.2 million square meters of housing in the old city was demolished. Nearly 32,000 families, comprising about 100,000 people, were not resettled.

## Revitalization Approach

The redevelopment of the inner city has generated intense debate regarding the conservation and protection of old neighborhood. Four major approaches, determined by particular development perspectives, can be identified. They include the market, organic, participatory and regional approaches. The proponents of the market approach, mainly government officials and developers, believe that the old city has outlived its utility and therefore needs to be completely rebuilt to meet the global role, following the housing estate (*xiao qu*) model. The Tsinghua School of Architecture led by scholars like Wu Liangyong, Lu Junhua and their students have been proposing the “organic renewal concept” (Abramson, 1997; Wu, 1999; Fang, 2000) based on the principle of adaptation and a gradualist approach as a solution to the redevelopment problem in the old city of Beijing. The organic approach has been successfully implemented in a few experimental projects like the Ju'er *hutong*<sup>4</sup>, Dongnanyuan and Xiaohoucong. The advocates of the participatory approach, mostly individual scholars, artists, writers, local residents and many foreigners, suggest that conserving a “few classi” *hutongs* and *siheyuan* will fossilize them. Heritage and culture should be community centric, therefore the whole old city constituting .52 percent of the Beijing Municipality should be declared as a preservation zone. The government needs to restore property rights and facilitate incremental development by the community. The proponents of the regional approach, who are usually government officials and scholars, believe that inner city redevelopment is the result of economic pressure, therefore, decentralizing core city functions in the secondary cities of the Beijing-Tianjin region is important.

So far, the market-based approach has been the most influential in determining the redevelopment strategies. However, it has raised a number of important issues, which will be discussed in the following section.

## Economic and Social Problems

Large scale redevelopment has lead to the relocation of a large number of people most of whom are from the low socio economic groups. They consist of elderly people as well as low income, low skill and less educated families working in small enterprises of local governments (Tan, 2004). The problem is aggravated by the fact that the resettlement policy does not provide temporary accommodation during the construction of new houses. Relocation has been easy in Beijing because land belongs to the state. Of the total assets, including the houses, the government owns nearly 60 percent of the old siheyuan. As per the redevelopment policy, 30 percent original residents should move back to the original sites. Affected families can buy the new apartment at a preferential price, which is one tenth of the market price. However they have to pay the market price for any extra space higher than their original living space. Since most new redeveloped houses have a larger area than the old, market pricing of the additional space makes it unaffordable for the original residents. In the early phase of redevelopment (1980-1992), government paid greater attention to relocation issues and an attempt was made to relocate families on site or nearby areas. But increasing real estate prices have forced people towards the suburbs. A 60 square meter apartment unit

is worth an average of 360,000 Yuan (US \$ 43,373) in Beijing, which is more than ten times the average income of an ordinary family (Xu, 2004). Relocation sites often lack infrastructure and other amenities like schools and hospitals and are devoid of community living unlike the old city neighborhood. The clustering of relocated families in some areas with low housing and infrastructural standards has segregated them from the well-off high standard housing estates in the suburbs and the city center. Relocation is splitting families and communities due to lack of space and sometimes over compensation. Conflicts between the old and the young have increased. Often, jobs are not available and commuting to a city centre job has increased the expenditure of the households (Jakes, 2002).

### *Compensation*

The Chinese policy on resettlement is set out in national, provincial and municipal laws and the government has evolved a system to pay compensation to the families. The government claims it pays according to the rule. However, this may not be true in all cases. Compensation varies, “ranging from more than 6 million Yuan (\$75,000) for a high ranking official’s home, to \$ 10,000 to \$ 50,000 for some affected families, to \$ 0 if the residents do not cooperate with the developer in the relocation process” (Zhang and Fang, 2004: 289). In many cases, the compensation is low because of undervaluation by the developer and the dilapidated condition of the property. The role of negotiation is still important because the government regulation exempts the land related to reconstruction to be transacted in the open market. This has led to arbitrariness in implementing the compensation rules. Moreover, in case of the ODHR projects, the principle of “allocation first bidding later” has further disadvantaged the affected families. Very often, people cannot clearly follow compensation practices. Short eviction notices to the families sometimes aggravate the problem.

### *Property Rights*

Many of these problems are directly related to the question of property rights. In the past, land ownership in the cities was dependent on the government which forbade land rental, sale and transfer so the market value of land was underestimated. In the 1990s, land ownership is still not allowed but the concept of land use rights as something to be traded, bought, sold and leased has been recognized. But during renovation of old neighborhoods, the land use rights of many private proprietors has not been recognized and duly compensated. This has led to a gap between the actual market value of the houses to be dismantled and the compensation to their owners. In many instances, real estate developers cheat the people by following the old rule which does not compensate for the land use right of private houses but when selling, they follow the new rule of market value by including the land use right. Compensation is very often for the built up area and not the plot area, which considerably undervalues the property (Li, 2004). The problem gets worse because the current property evaluating institutes are part of the government departments closely related to government and real estate developers. The number of such institutes is also limited, leaving people with few alternative property evaluation opportunities.

## *Land Speculation*

As the real estate market becomes lucrative, land speculation has also become important in Beijing, adversely affecting the welfare of the people disadvantaged by redevelopment. Speculation has increased because complete marketization of land transaction has not taken place, especially in the absence of open market transactions involving the land under redevelopment. The primary market is still characterized by administrative allocation of land to work units and subsidiaries of State Owned Enterprises (SOE) at a subsidized rate. In many cases, the land thus acquired, including those under ODHR, is sold to other developers at a higher price in the secondary market. Sometimes, developers after acquiring land under a redevelopment project would defer developing the land under various pretexts such as the low market value of the site, high compensation cost or over all depressed real estate prices. The local government has also fuelled the speculation by prioritizing redevelopment in prime inner city areas than in the peripheries of the old city core as planned in the ODHR.

## *Grievance Redressal*

People have protested through petitions and lawsuits. In 2002, 10,356 courtyard residents filed a lawsuit against the Beijing government for violating resettlement laws (Zhang and Fang, 2004). In the first six months of 2003, the number of complaints related to demolished homes filed at the Ministry of Construction was 18,071 (Li, 2004). The Ministry of Construction's regulation on the Administration Ruling of Urban Resettlement intends to check abuses of administrative ruling including the execution of forced evictions. It has legal force and provides operational rules. However, the real estate developers, mainly the restructured State Owned Enterprises, influence the hearing system because they are effectively an extension of the government. In most cases, people lose their cases and due to limited involvement of civil society institutions like NGOs, resident associations and the media, such cases get limited publicity and only a few cases are debated in public forums.

These problems, to a large extent, are the result of existing social political structures, which prevent an outright separation of the legislative, executive and judiciary bodies. The Chinese system of governance, including the local, is based on strong executive and weak legislative and judicial systems (Lewis, 2001). The legal system is subordinate to the administrative system and courts are not able to interpret rules and regulations properly. Departments are strong. On top of that, there are many arbitration bodies which bypass the courts and the legal system, and this creates its own set of problems. The independence of the judiciary is also limited by its dependence on the local government for finance, including salaries, infrastructure etc. As a result, the executive can and does influence the decision of the court especially where, like real estate, the stake involved is high. It is because of these weaknesses that people have little confidence in the judicial system (Hoong, 2001).

Legal problems have been caused by the absence of clarity regarding property rights and basic human rights in the constitution. The current constitution, which took effect in December 1982, clarifies the basic rights of Chinese citizens without mentioning the phrase



“human rights.” The 10<sup>th</sup> National People’s Congress, March 2004, proposed and passed amendments to the constitution which intend to address both these issues. The amendments provide that private property can be acquired for public interest after paying due compensation in accordance with the provision of the law. But there is lack of clarity regarding what is “public” mainly because of the fact that there is no constitutional and legal definition of “public interest” (Jia, 2004). In the absence of such clarity, private property has been usurped and public interest violated. Often, the property for commercial development is acquired by the developers, which includes the government, in the name of public interest. They pay low compensation to the people, thereby infringing on their property rights. The government’s role as a defender of public good is often misused due to loopholes in the constitution.

## Institutions

The principal actors involved in redevelopment are the following: a) government departments at different levels; b) property owners; c) renters; and d) the developers. Municipal and District governments are important actors. For overall comprehensive city plan preparation, the Construction Bureaus under the Ministry of Construction is important. For housing redevelopment projects, the Housing Reforms office at the Municipal level is responsible for general policy preparation and has delegated responsibilities at the district level to the District Property Management Office. The District Development Company, which is a subsidiary real estate development agency of the district government, does the implementation at the district level. They are basically SOEs restructured as real estate companies.<sup>5</sup> The SOEs are an important player in the four inner city districts and have major control over the land under the ODHR projects. Most of the SOEs are government controlled but they also function as profit companies, leading to major contradictions between the welfare functions of the government and its market role. In addition, if the buildings are of historical and cultural importance, the Cultural Relics Bureau and the Tourism Bureau will also be involved. The role of 320 plus demolition firms cannot be underestimated (Li, 2004). The people, including the owners and the renters, may be represented by the street committee, the neighborhood committees or sometimes the housing cooperatives. Therefore, the problem of coordination becomes important. In the case of Beijing, a powerful body, the National Capital Planning Commission under the State council led by the Vice Premier, has been formed to coordinate all urban planning and development but the problem persists. Besides the co-ordination problem, various vested interests have colluded to exploit these institutional complexities.

## *Civil Society Institution*

Despite large scale demolition and relocation, the involvement of the civil society institution is very marginal. “China has no organization listening to those grassroots level getting caught in between pursuits of local government and developers in the current drive to modernize Chinese cities in general and Beijing in particular” (Nilsson,2000:4). Even the housing co-operatives established by the government in some of the initial ODHR projects

have become dysfunctional and irrelevant with the onslaught of the market economy. There are organizations and individuals working for the cause of the people but their efforts are isolated and they stay away from issues which have political ramifications. The incipient civil society is diverse, fragmented and fluid (Goldman and Macfarquhar, 1999) and such institutions have control delegated to them by the state and in a way are instruments of state control (Ogden, 2000) and state interest therefore they are discouraged from raising issues which may confront the state and its institutions.

In China, community participation and resistance to redevelopment is high in places like Quanzhou where a large number of properties are privately owned, expensive to demolish and compensate, and where the citizens and officials proactively participate in protecting the heritage (Abramson, 2000). In the case of Beijing, this is not applicable since a large number of properties are state owned; the citizens are mostly renters and highly fragmented in terms of their origin and occupation. Moreover, the officials are interested in redeveloping the old neighborhood, as there are huge monetary benefits for the local government and other private interest groups. Those who are affected are mostly poor and do not have the reach and connections to influence the decisions at the city level. As a result, though there are a number of concerned individuals including artists, researchers, lawyers working to protect the *hutongs* and *siheyuan*, they have not emerged as a strong force to influence the decision of the government and stop large scale demolition.

### Conservation Initiatives

Article 22 of the constitution of the People's Republic of China adopted in 1982 specifically mentions that "it is the nation's policy to protect its historical monuments, its valuable artifacts, and all other objects connected with its cultural and historical heritage". The State Council designated 24 cities as "cities of historical and cultural renown" in 1982, which have now increased to 101. Based on the constitutional mandate, a number of codes and plans have been stipulated to deal with conservation related issues at the national level. Some of these enactments and plans include the Urban Planning Code of the People's Republic of China, 1989, Conservation Code of Historical Relics of the People's Republic of China, 1982, Rules and Regulations for Implementation of the Conservation Code of Historical Relics of the People's Republic of China, 1992.

The new role of Beijing as a modern and global city in the reform period has also increased the concern for preservation and conservation of historical and cultural heritage in the city. Such concern is appropriate in Beijing because it has a maximum concentration of heritage sites including five world heritages. The concern is also the result of its emergence as a globalizing city and heritage as a place promoting strategy. As a result, Beijing has seen a number of conservation initiatives and enactments like the Ordinance of Historical Relics Conservation in Beijing, 1987, Scope and Construction Control Regulations for Cultural Relics Entities of Preservation in Beijing, 1994, Master Plan of Beijing, 1993, Conservation and Control Scope Plan for the Conservation Districts of Historic Sites of Old Beijing, 1999, Detailed Guiding Plan of Central Beijing, 1999 and the Conservation Plan for the 25 Conservation Districts of Historic Sites in Beijing, 2000 (Beijing Municipal City Planning

Commission, 2003). Poor implementation at the local level due to various reasons including finances have recently compelled the municipal legislators to initiate discussion on two important regulations, namely, the Beijing Regulation for Historic City Protection and the Beijing Implementation Method of the Law for the Preservation of Cultural Relics. This discussion emphasizes the establishment of special funds and investment by both the Beijing Municipal Government and the lower governments.

In this regard, the Conservation Plan of the 25 Historic Districts covering 957 hectares is an important initiative because of its emphasis on the traditional neighborhoods like the *hutongs* and *siheyuan*. It stresses that the conservation and renovation must be done with “courtyard” as a basic module in order to maintain the *gudu fengmao* or the “characteristic features of an ancient capital.” It also stipulates that renovation and repair of unsafe buildings cannot be undertaken if the original layout of courtyards and the urban fabrics of *hutongs* will be damaged. The problem however is that the conservation district occupies only 17 percent of the total area of the old city leaving a large area vulnerable to en block demolition and redevelopment.

Despite the plethora of official pronouncements regarding conservation, there is no guarantee that listed *hutongs* and *siheyuan* will be saved. The Beijing government listed 200 ancient courtyards as valuable relics for protection but despite that, some like the Temple of Yu Qian was destroyed ([www.china.org.cn](http://www.china.org.cn)). These loopholes exist because many relics, especially the *siheyuan*, are “listed” but not “listed among the registered cultural relics” under either the state, municipal or district level. Such vague categories make relics vulnerable to profit interests. Moreover, the government approach gives more attention to the conservation of historic and important buildings and ignores the residential community. The conservation and planning issues in Beijing are also complicated by the levels and hierarchy among conservation sites and its planning and management responsibilities. Therefore effective translation and implementation of these pronouncements is an important issue in the protection and conservation of sites. The increasing concern of the government in recent days appears to be the result of increasing criticism against the revitalization strategy, especially by the western media and the negative publicity will affect its place promoting strategy in view of the 2008 Olympics.

## Conclusion

With the reforms in 1978, the cities in China are replacing the socialist planning and governance system with market based institutions. Cities have become more open to global processes and are competing for resources, investment and prominence both within and outside the country. As a result, the growth and development of the urban areas have been unprecedented with drastic changes in their morphology, economy, society and governance mechanisms. One of the major concerns of such development is the adverse effect of development on the historical and cultural heritage, like the *hutongs* and the *siheyuan*, of Beijing. These traditional neighborhoods have been fighting a losing battle against the forces of city development beginning since the 1950s. Besides the physical damage, the social cost

of redevelopment has also emerged as a major issue. Forceful evictions, low compensation, inability to buy new houses, loss of jobs, increasing transportation costs, community and family breakup, alienation of the old and child care problems are equally important and need serious consideration.

Historically, the adoption of the first plan of the capital based on the old city instead of the west suburban plan contains the genesis of the current problem of inner city redevelopment. The vision of making Beijing a global city with world class infrastructure, cosmopolitan and high tech community and with the ability to host global events like the Olympics have put further pressure on old city spaces. Since the traditional alleys and courtyard houses are located in the central area, which are also the lucrative investment locations for real estate and other commercial development, they become the prime targets of revitalization strategy. Very often, the deteriorating environmental condition of the traditional neighborhood is cited as the reason for large scale redevelopment despite the fact that there has been no effort to improve the environment or for that matter to ascertain the cause of deterioration. The cause points to the economics of redevelopment, which tends to benefit the local government and the developers. This is why the local authorities have not given much attention to alternative proposals suggested by prominent planners and academics in the city. These proposals include small scale organic renewal or in situ up gradation projects, which means less cost to the overall heritage of the city and also less relocation costs.

Of late, the municipal authorities and district authorities have shown increasing concern for the historical and cultural heritage of the city but this concern lacks a holistic approach partly due to the existing planning practice. The city authorities have come out with a conservation plan which is concerned only with 17 percent of the inner city area, most of which are either commercial areas or areas associated with some famous people or relics. It hardly concerns the large number of people who are actually affected by large scale redevelopment projects. Planning has been very techno centric with very little concern for society and community. Multidisciplinary approaches to planning, which should integrate the physical, social, economic and cultural aspects, are weak and just starting to emerge. Problems also occurred because the planning and governance system is yet to stabilize. Urban institutions are still evolving. They still have the vestiges of the old system and the new system is yet to replace the old. This is reflected in the weak legal and judiciary system. Administrative orders often take precedence over acts and legal provisions. Hearing and redress systems still have to be trusted by the people. A weak judiciary vis a vis the executive and the absence of property rights are all important issues in governance. The absence of a clear responsibility system stipulating whether the state or the departments are responsible for citizens' rights violation and an independent judicial commission is also a major weakness in the system. As a result, urban planning which should have the effect of the law to make it effective is absent.

Decentralization and delegation of authority from the municipalities to districts along with the existence of numerous hierarchical institutions have made coordination difficult. With decentralization, the districts compete with each other for real estate development and attracting investment, ignoring the over all policy of the central authorities. This is one major

reason why large scale redevelopment projects have adverse consequences on the community and its heritage. Because everything is in a transitory stage, state control has loosened and consequently this has increased corruption. Moreover in absence of strong civil society institutions that can play the role of a watchdog, the problems have become more acute.

But these problems are to be expected in a fast growing economy like China, which is transforming from a radically different ideological system to another. There are very few examples in history that is comparable to the ongoing changes in China. The magnitude of such a change in a short period of time is bound to cause aberrations. What is commendable is that unlike the former socialist states in Europe, the change has been managed much better without causing society to fall apart. The challenge lies in further improving planning, management and conservation practices, making them more people centric, and reducing existing and future aberrations.

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<sup>1</sup> *Hutongs* and *Siheyuan* are the architectural heritage of Beijing. A *hutong*, originally a Mongol word meaning water well, is an ancient alley or lane. *Siheyuan* is a quadrangular courtyard house. The two together form the traditional neighborhood complex. They were built between the 13<sup>th</sup> to 19<sup>th</sup> centuries, during the Yuan, Ming and Qing dynasties.

<sup>2</sup> A new concept put forward by the Chinese scholars which refers to population group in the process of transformation from being a primary (agriculture) to non primary ( non agriculture) sector but cannot move to urban areas because of the restriction on rural-urban migration through a residence permit system called *hukou*.

<sup>3</sup> Actual area as recorded in many reports is 62 square kilometers, 87 square kilometers is the figure according to the Beijing Statistical Year Book 2004.

<sup>4</sup> Experimental project in redevelopment of inner city area started in 1987 in Beijing. The project received the ARCASIA 1992 Gold medal Award for Architectural Excellence and 1992 World Habitat Award.

<sup>5</sup> Some municipal subsidiaries like the Beijing Capital Land Ltd. are large and powerful with their interest mostly in finance, utilities and large scale commercial projects both within and outside Beijing.