CADRES, TEMPLE AND LINEAGE INSTITUTIONS, AND GOVERNANCE IN RURAL CHINA*

Lily Lee Tsai

In a significant number of Chinese villages, officials rely on community institutions such as temple and lineage groups to fund and manage public services. This phenomenon is fairly widespread, as I discovered during six months of fieldwork in Fujian, Jiangxi, Hunan and Zhejiang provinces between 1999 and 2001, yet it has rarely been described or analysed. Preliminary results from a separate survey of 316 villages that I conducted in 2001 in Shanxi, Hebei, Jiangxi and Fujian indicated that lineage or religious organizations in 54 of these villages—that is, in 17 per cent of the villages—have organized public projects. Sixty-two villages reported that at least one public project in the past five years had not been organized by village officials. This paper will examine why certain villages have adopted this arrangement and others have not, and which factors village officials take into account when deciding whether to use public funding or, alternatively, to leave it up to community institutions to raise funds for public services. Four case studies of villages in Fujian and Jiangxi are used to illustrate the various strategies that officials adopt.

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1 This paper draws on case studies from six months of pre-dissertation and dissertation research, conducted in the summer of 1999 and between October 2000 and March 2001. Fieldwork sites in wealthier districts included suburban Xiamen, in Fujian province, and Wenzhou and Tongxiang in Zhejiang. Fieldwork sites in districts with average or below average income per capita included Longyan, Fujian; Ganzhou, Jiangxi; and Yueyang and Linxiang, Hunan.
Public Funding in Chinese Villages

The higher levels of rural government typically devote few resources to the provision of services within villages. As I discovered during my fieldwork, when townships and counties collect taxes for development projects, these funds are invested only in township and county projects such as paving roads between county and township seats or financing the construction of power plants. Public money does not often flow down to the villages.

Village governments take responsibility for the construction and maintenance of roads within the village, drainage systems, irrigation works, sanitation and trash disposal services, primary school facilities and community recreational facilities. Township and county governments generally pay little attention to such services, in part because these have little measurable impact on the grander and more visible goals of industrialization and economic development, and in part because township and county cadres have institutional incentives to prioritize specified quantifiable targets. Tasks such as promoting village welfare fall into the category Kevin O'Brien and Lianjiang Li call "soft, non-binding" targets.

A village official in mountainous western Fujian commented: "We want to broaden and pave village roads so that villagers can transport materials for building new houses and so that motorcycles don’t run into children coming home from school. There’s no way to calculate these benefits, so fixing village roads is not worthwhile for the township authorities".

While township and county governments pay the salaries for state-certified (gongban) teachers in village primary schools, an easily calculated measure of educational quality, all other school expenses, such as school supplies, equipment and maintenance, are financed by tuition fees and funds from the village

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3 Yongshun Cai similarly notes that township taxes go toward meeting targets set by the county levels of government and higher. See “Between State and Peasant: Local Cadres and Statistical Reporting in Rural China”, *The China Quarterly*, No. 162 (June 2000), pp. 801–2.


Similarly, village governments are responsible for providing welfare assistance to impoverished households and the elderly as well as village health insurance programs. If the funds raised within a village are insufficient, these services fall by the wayside.

Village officials rarely have the resources to supply all the public services they are responsible for providing. Some funding may come from the township government in the form of revenues that the township has collected from village residents on the village government’s behalf. There is no guarantee, however, that village officials will see any of these funds. Applying to the township or county government for subsidies is an even shakier proposition. There is no institutionalized process for securing higher-level funds. A village head in western Fujian put it bluntly: “Whether or not you get money from the township after you write up a report for a public project depends on whether there are good connections (guanxi hao) and good feelings (gangqing hao) between you and the township Party secretary. If you simply wait for the township to give you money, you might have to wait until the next century, and if you depend on the government levels above that, you’ll starve”. Even when village officials do receive some funds from above, these are almost always less than half of what is needed.

Only occasionally do township or county governments require village officials to carry out specific public projects, such as rebuilding the village school as part of a drive to eliminate dilapidated school facilities, or re-wiring the village’s electrical system. In these cases, upper levels of government are more likely, but still not certain, to provide financial assistance. The rest of the time village officials are on their own. This means villagers are at the mercy of

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6 Lorraine West, “Provision of Public Services in Rural PRC”, in Christine Wong (ed.), Financing Local Government in the People’s Republic of China (Hong Kong: Oxford University Press, 1997), p. 240. See also Lynn Paine, “Making Schools Modern: Paradoxes of Educational Reform”, in Walder, Zouping in Transition, p. 212. The quality of facilities of rural primary schools has an enormous impact on the population as a whole; Paine reports that 91 per cent of primary schools are located in rural areas.

7 According to Lorraine West, only 10 to 15 per cent of villages in the mid-1990s had rural cooperative medical insurance programs, and they were concentrated in coastal areas. West, “Provision of Public Services”, p. 267.

8 A small group (production team) leader in a Xiamen village comments, “If you don’t know whom to talk to and you don’t know the procedures, then you can’t make the deals you need to develop the village”. Hu notes that one’s ability to secure appropriations for public welfare projects is a common theme in campaign speeches during elections in one poor northern Fujian province. Hu Rong, “Village Committees in Rural China: Independent or Dependent Organisations?” Unpublished paper, Xiamen University, 1999, p. 18.

9 Throughout the 1990s, the government carried out campaigns to improve the physical infrastructure of education and eliminate dilapidated (weifang) school facilities. West, “Provision of Public Services”, pp. 240, 245.
whether strong community norms or personal factors orient officials toward community service. If not, often only the minimal level of public services required by the township or necessary to prevent outbreaks of protest by villagers are provided.

The Logic Pursued by Village Cadres

Jean Oi and others have observed that officials in wealthy, industrialized villages use public funds to supply generous levels of village infrastructure and social welfare services as a part of a "redistributive local state corporatism". As village coffers fill up, villagers there may receive free public utilities, housing and recreational facilities, and subsidies for education and medicine. Village officials in poorer areas, on the other hand, are forced to extract taxes (tiliu), fees (fei) and apportionments (tanpai), backed by the coercive resources of the township. The tax burden is highest in the central provinces in areas that are primarily agricultural and have few township and village enterprises to pay for public expenditures.

This dichotomy between rich and poor villages, however, cannot account for the variety of strategies employed by villages of comparable wealth and industrialization. Clearly, wealthier areas tend to supply more and better-quality public services than poorer areas, but in numerous villages with public assets of more than a million yuan, officials allot only a small percentage of the available funds to public welfare. This was observed during my fieldwork in villages in

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11 Ibid.
12 Village taxes (tiliu) are typically collected once a year at the same time as township taxes (tongchou). In some areas the township government decides the amount of tongchou and tiliu that will be collected from each village. In these cases, the amount is generally about the same for each village, with small adjustments made for a village's level of economic development. Village and township officials then collect tongchou and tiliu from residents and bring it to the township finance office, which then returns the tiliu portion to village governments. In other areas township governments allow village governments to decide how much tiliu they want to collect. In these areas, although village officials still collect tongchou and tiliu at the same time, the tiliu goes directly into village coffers and has little to do with township administration. Another type of levy called tanpai may be collected at the same time as tongchou and tiliu or at any other time in the year. Officially illegal but still widespread, this practice involves determining the total expenditure of a public project, such as the building of a school, then dividing by the total village population or the total number of households and requiring each person or household to pay their portion of the expenditure. For a discussion of local levies, assessments and fines, see Thomas B. Bernstein and Xiaobo Lu, "Taxation Without Representation: Peasants, the Central and Local States in Reform China", *The China Quarterly*, No. 163 (September 2000), pp. 743–4.
13 Ibid., pp. 750–2.
Jiangsu, Zhejiang and Fujian. Officials in these villages rely partially on household taxes, voluntary donations and community organizations to finance village projects. Likewise, not all officials in primarily agricultural villages rely on taxes and fees to finance village public projects. My interviews with villagers and local officials in poor areas of Jiangxi, Hunan and Fujian revealed that village officials there also make use of voluntary donations and community institutions.

What, then, makes one strategy to provide public services more appealing to a village official than another? I suggest that they pursue the strategy that is least costly to themselves, which is not necessarily the same as the strategy that is least costly for residents or the strategy that produces the highest level or quality of public services. In some cases, the same institutional arrangements that motivate officials to invest in rural industrialization also encourage them to divert resources away from public welfare projects.

As Oi has argued, village officials try to maximize the revenue flowing into the village coffers they control. When faced with a public project in the village, they weigh the use of public funds against the possible revenue these funds could generate if reinvested. They may look for other strategies to provide public services and may choose to invest village funds in new factory buildings or storefronts to rent out, or simply deposit the money in the bank to use the interest for re-investment and administrative expenses.

Village cadres may conserve public funds in order to build a new village government office building as a conspicuous symbol of their prestige and power," or to expand their payroll or fund official cars and banquets for visiting officials. By pleasing higher officials and business contacts, these latter expenditures may result in greater payoffs for village officials than financing new roads or sanitation services for villagers.

14 Thomas Bernstein and Dorothy Solinger, “The Peasant Question for the Future”, paper prepared for the conference “China and World Affairs in 2010”, Stanford University, 25–26 April 1996, p. 3. See also Jonathan Unger, “Power, Patronage, and Protest in Rural China”, in Tyrene White (ed.), China Briefing 2000: The Continuing Transformation (Armonk: M. E. Sharpe, 2000), p. 77. In one Xiamen village that I visited, the contrast is particularly dramatic. While the village’s dirt roads are deeply rutted with potholes, the village government’s office buildings are in a new three-story building covered in shiny pink tiles with a spacious concrete courtyard, a parking area and an automated safety gate with guard booth and flashing red light.

15 Lu also finds that in many townships, most of the revenues are spent for administrative purposes, such as the payroll. In one Liaoning county, he found that welfare and other public expenditures by local governments were only 5.5 per cent of total expenditures. Xiaobo Lu, “The Politics of Peasant Burdens in Reform China”, The Journal of Peasant Studies, Vol. 25, No. 1 (October 1997), p. 120.
Village officials are concerned not only with the costs of using public funds but also with the burden on their own time.\(^\text{16}\) The demands of village governance vary widely. All village cadres are responsible for implementing state policies, such as family planning and helping to collect state taxes. Officials in a highly industrialized village who manage the collective’s many investments may be much busier than cadres in a primarily agricultural village who mediate occasional disputes over land and irrigation. A village Party secretary at one of my research sites in northern Zhejiang heads what Oi calls a local corporate state and spends the vast majority of his time running the village conglomerate, which produces hundreds of millions of yuan in knitwear every year, while cadres lower down handle the other duties of rural governance. Despite Beijing’s drive to privatize collective enterprises in the mid-1990s, the transformation of formerly collective enterprises into leased companies, shareholding companies and conglomerates (jituan) has not necessarily decreased the involvement of village cadres.\(^\text{17}\)

Aside from tending to village business, more and more village officials have personal business commitments that command their time and attention. The previous image of the politically well-connected village Party secretary is giving way to a new kind of Party secretary or village head with demonstrated business skills and personal networks who runs a private enterprise.\(^\text{18}\) Although township officials in wealthier areas complain of the difficulty in getting entrepreneurs to serve as village officials, the social status conferred by officialdom, the government connections they can make while in office, and the possibility of benefits such as tax breaks for their enterprises induce many businesspeople to take a turn as a village cadre.

The downside is that cadre-entrepreneurs have to balance public service with their own private business commitments.\(^\text{19}\) I observed one Party secretary in rural Wenzhou leading 21 members of the village representative assembly in a two-

\(^{16}\) Scott Rozelle characterizes the village leader as “an income-seeking and effort-minimizing individual” who “has access to privileged income-earning opportunities and other perks in the local community”, owing to his official position, and who “derives welfare from the satisfaction, status, and job security that comes when he/she can effectively address the concerns of villagers”. Cited in Jean C. Oi and Scott Rozelle, “Elections and Power: The Locus of Decision-Making in Chinese Villages”, The China Quarterly, No. 162 (June 2000), p. 524.

\(^{17}\) Oi, Rural China Takes Off, pp. 84–5.

\(^{18}\) Unlike state cadres who are officially prohibited from running their own enterprises, both township and village officials claim that such regulations do not apply to village cadres within the system of village self-governance.

\(^{19}\) The difficulty of balancing private and public commitments may also be salient in the poorest villages where cadres have trouble getting paid for their work. O’Brien reports that cadres’ spouses sometimes beg them to pay less attention to their public responsibilities and more to their families. O’Brien, “Implementing Political Reform”, p. 47.
hour discussion of a village property dispute while chatting with business partners on his cell phone throughout the entire meeting. Assembly members in a neighbouring village reported that they had just fired a village cadre who had been spending too much time out of the village on private business trips. In Longyan district of Fujian, the last two village leaders in one village had resigned in the middle of their terms because holding office was too much of a bother, and they went back to managing their factories producing seat covers full time.

The case studies below suggest that village officials make tradeoffs between the use of their time and the use of public funds. Village officials who have only minimal public responsibilities and no private business of their own are less likely to use village government funds for public projects. Because they have time, they prefer to organize funding from villagers or donors in order to conserve public resources. The more public resources they have under their control, the greater their power and the greater the possibility of future income through reinvesting the revenues. But even village officials who are reluctant to use public funds to fund village services may decide to do so, however, if they have little time to spend visiting each household to collect village taxes.

Variations in Local Political and Social Institutions

Each village’s set of possible strategies is a function not only of its financial resources, but also the coercive, political and social institutional arrangements in the locality. Thus the following three factors need to be taken into account.

Coercive institutions. Village governments differ in their access to the coercive resources of the township government. Village officials who personally collect taxes and fees for the township from individual households are likely to have the backing of the township government and police and thus find it easier to collect village taxes on top of other local taxes. In one Jiangxi township, township officials and a township policeman accompany village cadres when they collect annual township and village taxes. In some areas village cadres also frequently call on the township’s coercive apparatus when enforcing the birth control policy. Village officials are also more likely to have access to the township government’s coercive resources when the township demands that village officials organize a particular public project. In contrast, if village officials lack dependable access to coercive resources, they are unlikely to collect

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20 O’Brien identifies four categories of villages in his study of the implementation of the Organic Elections Law. A central element of the first type of “authoritarian villages” is the continuation of close ties with the township government and “comprehensive township leadership and support”. Ibid, p. 55.

21 Ibid, p. 51.
substantial village levies even when the township encourages them to do so. A village Party secretary in Jiangsu commented: “The biggest headache is having to go to the villagers to collect money. They always complain. We have to expend an enormous effort to collect taxes that the government says are legal to collect”.

** Democratically elected institutions. ** Village representative assemblies that are freely and fairly elected can make it difficult for village officials to impose burdensome levies on villagers. In Fujian, for example, my research indicates that where these democratic institutions are well organized, direct levies on villagers are small or nonexistent. Although such assemblies may be employed by village officials to mobilize public support to finance local services, in reality they sometimes find these institutions cumbersome to use. Free and fair elections can enhance trust between villagers and cadres, with villagers consequently more willing to contribute money to public projects, but whether village officials decide to organize public projects through village representative assemblies and similar institutions is another story. Regulations requiring the approval of village representative assemblies before village taxes and fees can be collected or before large amounts of funds can be used for public projects make such efforts time-consuming. One village head in western Fujian comments: “Do you know how long it would take? Even if you get a majority of the village representatives to agree that a project is good, I don’t know how long it would take to get them to agree on an amount that everyone has to pay”. Village cadres in many areas try to find less time-consuming strategies. The same village head explains, “Instead of getting a thousand villagers to contribute 10 yuan, if I can find one donor with morality (daode) and a conscience (liangxin) to give me 10,000 yuan, that’s a lot better”.

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There are no uniform regulations requiring village officials to convene village representative assemblies on set dates every year, and busy officials choose not to convene them more than necessary. And when they are convened, nothing requires the chair of the assembly (often the village leader or Party secretary) to put the issue of public services on the assembly’s agenda. Villagers themselves may view village representative assemblies with suspicion, seeing them as just another way for officials to justify taking their money. Cadres often find it less time-consuming to pursue their goals through the use of informal networks rather than going through institutionalized channels of governance.

Community social institutions. Villages differ in the strength and structure of their social institutions. Theorists of social capital suggest that strong social norms and dense networks of trust and reciprocity can enhance collective action and improve government performance. My evidence indicates that single-lineage villages that actively practice lineage rituals (as opposed to sub-lineage rituals that may fragment a village) or that contain an active village community council or temple association provide broad community networks that village officials can draw on for public services. This stands in marked contrast to the vertical, patron-client ties emphasized in previous studies of rural China.

Over the past decade and a half, residents in villages in both northern and southern China have been reconstructing village temples and lineage halls, and the committees formed to oversee these have often evolved into permanent temple associations or community councils that organize ongoing religious, social and philanthropic activities. Although most village officials say they do not support temple activities, owing to Party strictures against “superstitious activities”, many admit that members of their family participate. Lineage organizations are more likely to directly attract public support, and officials of villages in Jiangxi, Fujian, Shanxi, Hunan and Hebei reported participating in village-wide and sub-village lineage rituals.

Cadres in such villages are more inclined to be sensitive to social disapproval if they impose unpopular policies. In these cases, when village officials desist,

28 As a particularly striking example, an opening ceremony of a Sun lineage hall in December 2000 drew not only hundreds of participants but numerous village heads and Party secretaries from across the Xiamen and Tongan districts.
29 James Kung describes how the fear of social sanctions has led village Party secretaries in Wuxi, Jiangsu, when deciding among institutional alternatives for enterprise reform, to select privatization instead of the shareholding system. See James Kai-Sing Kung, “The
township officials may take the lead in penalizing violations of the birth control policy. In one township in western Fujian where villages are relatively unified around lineages and a shared Hakka heritage, township cadres (often from outside the area) organize the seasonal examinations of women of childbearing age and collect the fines for noncompliance, while village officials simply quietly transmit information about village residents to the township and disseminate information to villagers about relevant dates and logistics.

Substituting Social Institutions for Formal Governance

Dense community networks may close the door to the imposition of burdensome village taxes, but villagers who participate actively in an annual cycle of lineage or religious activities involving the entire community are far more likely to respond to a call for voluntary contributions to pave a road or build a new village school. They contribute in part because peer pressure frowns on free-riding among neighbours. In most temple reconstruction projects, typically all but one or two households make some sort of donation. In West Gate Village, one of the cases discussed below, one impoverished household with a handicapped wife and two school-age children did not have money to give at the time of construction. But three years later, the head of the household came to the council with the money and insisted that they accept it.

An added incentive for villagers to make donations to community projects is the carving of their name and the amount of their contribution on a prominently displayed memorial tablet. This practice is used to raise funds for temples and ancestral halls as well as roads, bridges, community centres and schools. Making a sizeable donation increases a villager's status and position of leadership in the community. On the flip side, this permanent public record also makes it possible for everyone in the village to judge whether the donation was adequate.

While soliciting voluntary donations for public projects may mean contacting numerous individuals personally or organizing a fundraising activity to drum up support for a proposed project, it is usually much less onerous and time-consuming than collecting village levies. Village officials who take advantage of this strategy say that once a few people (sometimes themselves) set an example with sizeable donations, villagers usually come to them with contributions. In


This finding contrasts with the correlation that Kevin O'Brien finds between lineage or religious identification and paralysed villages, in which villagers refuse to comply with directives from village officials. See O'Brien, "Implementing Political Reform", pp. 52, 57–8.

Even poor households make a tremendous effort. For example, in one western Fujian village, several households with an income per capita of 2,000 yuan still gave 100 yuan per person to a temple reconstruction effort.
contrast, village officials report that sometimes they have to visit each household at least two or three times in order to collect all of an imposed tax or fee.

In some villages, officials ingeniously encourage villagers to set up a temporary committee whenever a public project arises. Villagers informally nominate people for the positions of accountant, cashier, organizer and on-site supervisor. Once these committees are set up, village cadres often refrain from getting too closely involved in the project. Village cadres in northern Fujian explained that people are more willing to entrust their donations to such self-elected committees than to village officials.

In some villages the officials have gone a step further. They simply offload the task of planning and financing public services onto existing village religious or community associations. For instance, a village temple committee at one of my research sites in Fujian has taken over all the road building in the community. The temple committee manages around 400,000 yuan in annual donations from worshippers, which is far more than the village government’s annual revenue of 100,000 yuan. Every year two villagers from each of the village’s 12 small groups (former production teams) are appointed, essentially by drawing lots, to sit on the committee, while the cashier and accountant of the temple committee remain the same every year. In addition to religious and social activities, this temple committee paved four village roads in 2000, each costing between 70,000 and 120,000 yuan, and organized the construction of village basketball courts. In the words of the committee chair, “the village committee doesn’t have enough capacity or power to carry out public projects”.

Strong and active community-wide institutions allow village cadres to minimize the time, funds and organizational resources they have to expend on public services. Not surprisingly, this strategy appeals especially to village officials who are busy or strapped for money or both. But often other factors are also at work. Case studies of four villages, two in Jiangxi and two in Fujian, illustrate how variations in institutional resources lead to different sets of strategies for providing public services.

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32 On the 15th day of the first lunar month, the incumbent council’s members meet to divine who the village god wants to serve on the council by throwing a pair of yin-yang blocks for each married man in their small group. The two men for whom the blocks come up one yin and one yang the highest number of times are appointed to be on the next year’s council.

33 The last road they paved, in December 2000, cost 70,000 yuan. The temple council paid 30,000 yuan, organized households whose homes bordered the road to donate 500 or 1,000 yuan each, and asked the village government to contribute another 20,000 yuan.

34 According to the memorial stele on one of the courts, the temple council paid 20,000 yuan, the village government paid 10,000 yuan, and donations from villagers made up the rest of the 46,000 yuan total cost.
Comparing Four Villages

The four villages were chosen as case studies because they vary along two dimensions that are central to this paper: in the size of their public assets and the strength of village-wide social institutions. Villages that differed in the size of their public assets coincidentally differed in the same way along a third important dimension, in the presence or absence of village-level democratic institutions. The two Fujian villages possess substantial profitable public assets, while the two Jiangxi villages have few. The two rich village governments, however, use very different strategies to provide public services, as do the two poor villages (Figure 1).

Figure 1: Variations in public-sector wealth and in the strength of social institutions

<table>
<thead>
<tr>
<th>Substantial public assets?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Fujian – West Gate Village</td>
<td>Jiangxi – Li Settlement</td>
</tr>
<tr>
<td></td>
<td>Strategy: Reliance on community councils</td>
<td>Strategy: Fundraising through all-lineage meetings</td>
</tr>
<tr>
<td>No</td>
<td>Fujian – River Bridge Village</td>
<td>Jiangxi – High Mountain Village</td>
</tr>
<tr>
<td></td>
<td>Strategy: Use public funds</td>
<td>Strategy: Impose taxes</td>
</tr>
</tbody>
</table>

Figure 2 shows how the four villages vary in the implementation of democratic political institutions and in the active provision of public services by village-wide social institutions. The two Fujian villages have successfully implemented village representative assemblies and elections, while in the two Jiangxi villages these institutions are merely formalities. Yet we can observe that the two villages with well-run democratic institutions (the Fujian villages) choose not to use village representative assemblies or other formal political institutions to organize public projects or to provide public services.
Figure 2: Variations in democratic institutions and in the strength of social institutions

<table>
<thead>
<tr>
<th>Active, village-wide social institutions that provide public services?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elected village representative assemblies and other decision-making institutions incorporating villager participation?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Fujian – West Gate Village</td>
<td>Jiangxi – Li Settlement</td>
<td></td>
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<tr>
<td>Strategy: Reliance on community councils</td>
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As Figures 1 and 2 indicate, in the two villages where active village-wide social institutions exist—West Gate in Fujian and Li Settlement in Jiangxi—village officials make use of these institutions in providing public services. But they do so in different ways. In Li Settlement they pursue fundraising strategies, and in West Gate they allow the social institutions to take over the provision of public services.

The Jiangxi Cases

High Mountain Village and Li Settlement are located seven kilometres apart in a mountainous district about 70 kilometres southwest of Ganzhou, Jiangxi’s only major city in the south. They are located in two townships where relatively high township-mandated taxes are extracted from villagers, 126 yuan per person in High Mountain and 150 yuan per person in Li Settlement. Table 1 compares High Mountain and Li Settlement.

The per capita incomes of these two villages, at 1,100–1,200 yuan, lie well below the national average in 1999 of 2,210 yuan. The residents of both villages rely on income from farming and from remittances from migrant labour. Practically every household has at least one family member working in Guangdong. A well-paved road that leads into Guangdong 50 kilometres away is the economic lifeline for these villages.

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Table 1: Comparison of the Jiangxi villages by key variables

<table>
<thead>
<tr>
<th></th>
<th>High Mountain Village</th>
<th>Li Settlement</th>
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</thead>
<tbody>
<tr>
<td>Income per capita</td>
<td>1,100 yuan (estimated through villager interviews)</td>
<td>1,200 yuan (estimated through villager interviews)</td>
</tr>
<tr>
<td>Public funds</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Demands on cadres' time</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Democratic institutions such as village representative assemblies</td>
<td>Poor</td>
<td>Poor</td>
</tr>
<tr>
<td>Lineage structure</td>
<td>Multiple lineages</td>
<td>Single lineage</td>
</tr>
<tr>
<td>Active village-wide social institutions</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Strategy for public services provision</td>
<td>Illegal fees and taxes</td>
<td>Fundraising by village cadres through all-lineage, all-village meetings</td>
</tr>
</tbody>
</table>

The village governments in both High Mountain and Li Settlement possess few public assets. Neither village has developed any industrial enterprises—collective or private. The only source of annual revenue is a village tax that cadres collect on top of the taxes they collect for the township.36 Like many villages in China that have not industrialized, High Mountain has been selling off village assets in an ad hoc manner to pay for expenditures. Local officials refer to villages that desperately sell off all their marketable assets as “empty shell” (kong ke) villages. In 1998 village cadres sold a few parcels of roadside land to villagers who wanted to build small storefronts. The proceeds did not, however, go toward public services. A total of 80,000 yuan out of the 200,000 yuan from the sale paid for the construction of an office building for the village committee and Party branch. Village cadres claimed that the remainder of the money had to go to pay back taxes and fees that the village owed to the township and county, but villagers believe the cadres pocketed at least some of the money.

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36 According to one villager's receipt for local taxes collected in 1994, township levies totalled 66 yuan while village levies totalled 30 yuan.
The village officials in High Mountain and Li Settlement spend relatively little time on personal business, as none of them owns any enterprises, and neither village has public enterprises to manage. Village officials rely on the help of township officials to make sure all the village women are examined for pregnancy four times a year and to collect state and local taxes, and it is the township officials who penalize villagers for noncompliance.

In both villages the elections to select village officials are poorly implemented, while village representative assemblies exist in name only and meet once a year or not at all. Villagers criticize the elections as "just for show". In both villages, it is not unusual for township officials, together with the candidates they favour, to come to each household with the ballot box. Villagers report that it is very difficult to vote for someone other than the candidate standing right in front of them and that there is no way for the many illiterate villagers to confirm that their vote is being recorded properly.

The key difference between High Mountain and Li Settlement lies in the social organization of the two communities. High Mountain is a multi-surname village, while Li Settlement is a single-surname village. Village officials in Li Settlement actively promote lineage activities and lineage unity, while relations between cadres and residents in High Mountain are characterized by distrust and conflict.

In High Mountain Village, the current Party secretary, Chen, and the village head, Li, were both appointed to their positions in 1998 after visiting the township government on their own initiative and convincing officials that they were willing to use any means necessary to force villagers to comply with family planning and tax collection. Both have a reputation among villagers for fiercely enforcing tasks set by higher levels of government.

Villagers say that "the county, township, and village all band together to dredge up (lao) money from villagers". In a group, sometimes accompanied by police, they visit each household to collect local levies. In 1999 provincial officials visited the village to put up posters saying that local taxes would be limited to 30 yuan per person. The day after they left, township cadres tore down the posters and ignored the directive.

According to villagers, village cadres each "eat up" 8,000–9,000 yuan a year in public funds by reimbursing themselves for expenses ostensibly incurred while carrying out village business but in reality for personal purchases such as sugar and wood. If these rumours are true, 90,000 yuan per year goes to High Mountain's nine cadres in addition to their 18,000 yuan in annual wages.

Villagers are disgusted with the village cadres, and groups of them have repeatedly visited township, county and city governments to protest. In 2000, after a group of more than 50 villagers demonstrated at township and county

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37 Li was easily "elected" in the 1998 elections, the village's most recent round of elections, as township officials carried the ballot box around to each household accompanied by Li, their preferred candidate.
governments, it was agreed that they were to be allowed to audit the village accounts. One farmer noted this concession did not amount to much since the accounts are falsified, "but at least we caused them some trouble".

Relations between local cadres and villagers in Li Settlement contrast dramatically with those in High Mountain. In Li Settlement villagers are grouped into six different sub-lineages (*fang*), but these distinctions are less important than their identification with the Li lineage as a whole. The six sub-lineages shared two village lineage halls that were regularly used over the past century when political conditions permitted. In 1998 village cadres turned the village auditorium into a unified village lineage hall where, instead of individual spirit tablets, they set up a communal tablet to represent the deceased elders of all the villagers, thus emphasizing the common origin and unity of the village's households rather than sub-lineage divisions.

Officials in High Mountain and Li Settlement use very different strategies for financing public projects. When village cadres in High Mountain were compelled to organize a public project, as they were when the county directed the village to rebuild the village primary school a few years ago, they imposed levies of 20 yuan on each individual. As they cannot mobilize voluntary donations from villagers, who do not trust them, and have no public funds at their disposal, they therefore resort to using the coercive resources that the township makes available to them.

In contrast, village cadres in Li Settlement have successfully made use of the community's strong norms of lineage unity. Two years ago cadres decided to pave the main village road that runs from the provincial asphalt road up into the village's forests on the mountains. In order to finance this project, on the first day of the lunar calendar they invited villagers to a simple meal of noodles and a general community meeting to reinforce Li unity. They hung red banners at the front of the auditorium with the messages: "Eat together. Don’t forget your brothers and sisters. Help take care of each other". They succeeded in collecting over 20,000 yuan in voluntary contributions. In donating money, villagers reasoned that they had a responsibility to their lineage and their community and that the road would help improve the life of everyone in the village.

How did villagers know that village cadres would properly use the money they donated? For one thing, Li Settlement’s six village cadres have not used up scarce public funds to build themselves a new office building. They work out of their houses or meet in the lineage hall-cum-auditorium. Second, they employed what Margaret Levi calls a pre-commitment strategy. Before organizing the

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38 On a village in North China where norms of maintaining community-wide relations are stronger than the distinctiveness or separation of lineage and sub-lineage groupings within the village, see Ellen R. Judd, *Gender and Power in Rural North China* (Stanford: Stanford University Press, 1994), pp. 54–5.

fundraising meeting, the village cadres had already secured a bank loan of 90,000 yuan through connections with township and county officials of the same lineage and used the loan to start paving the road. Before villagers had to pay anything, they saw that cadres had invested their own reputations and guanxi and that the road was already on the way to becoming a reality. The cadres used the 20,000 yuan contributed by the villagers to begin paying back the loan. They paid back another 60,000 yuan using donations from nearby township enterprises and profits from the village’s forests. A fundraising banquet on the first day of the lunar calendar in 2000 provided sufficient voluntary contributions to pay back the rest of the loan.

The village cadres in Li Settlement are deeply embedded in the dense social networks of a unified single-lineage community, yet their loyalties to the village do not preclude them from carrying out state tasks such as family planning and state tax collection. There is a prominent chalkboard on the wall of the village general store that lists the three couples who violated the family planning policy, the fines imposed on them, and the amount of fines they had paid so far. Villagers, for their part, are willing to donate money for projects because these benefit the community. They assume the cadres pocket some of the public funds, but they believe that their village’s cadres are not nearly as bad as cadres in nearby villages, and the strong village-wide social networks of Li Settlement provide the cadres with an alternative to compulsory levies for funding public projects.

_Propaganda Cases_

River Bridge and West Gate are two neighbouring villages located on Xiamen Island, on the outskirts of the city of Xiamen. Both are large villages, with some 3,200 residents in River Bridge and about 3,900 in West Gate. Table 2 compares River Bridge and West Gate.

It can be seen that both villages are far wealthier than the two Jiangxi villages. Although neither village was able to develop enterprises during the collective era, both have benefited more recently from the industrialization and foreign investment that Xiamen has attracted. An important difference, though, is that cadres in West Gate are under considerably greater pressure to increase annual public revenues, inasmuch as West Gate has only 16 million yuan in public assets, compared to River Bridge’s 46 million yuan. In 2000 River Bridge’s village government enjoyed an annual revenue of 4.6 million yuan, while West Gate totalled only about 1 million. One of West Gate’s family planning workers called the village “the Special Economic Zone’s poverty zone”. West Gate’s sub-par economic performance has spurred village officials to focus the use of public funds on productive investments rather than on public projects. In 2000 they used most of the village’s funds and borrowed 4 million yuan from the bank in order to build seven new factory buildings at a cost of more than 10 million yuan. They hope these investments will pay off, but it means that they have very little cash on hand for other expenditures.
Table 2:  Comparison of the Fujian villages by key variables

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<thead>
<tr>
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<th>River Bridge Village</th>
<th>West Gate Village</th>
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<tr>
<td>Income per capita</td>
<td>8,600 yuan (official)</td>
<td>6,712 yuan (official)</td>
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<tr>
<td>Public funds</td>
<td>46 million yuan</td>
<td>16 million yuan</td>
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<td>Demands on cadres’ time</td>
<td>High</td>
<td>High</td>
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<td>Implementation of</td>
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<td>as village representative</td>
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<td>assemblies</td>
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<tr>
<td>Lineage structure</td>
<td>Multiple lineages</td>
<td>Multiple lineages</td>
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<tr>
<td>Active village-wide</td>
<td>No</td>
<td>Yes, community</td>
</tr>
<tr>
<td>social institutions</td>
<td></td>
<td>councils organize</td>
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<td></td>
<td></td>
<td>religious and social</td>
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<td>activities and public</td>
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<td>projects</td>
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<td>Strategy for public</td>
<td>Use village revenues</td>
<td>Fundraising by community</td>
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<td>services provision</td>
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<td>councils through all-lineage,</td>
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<td>all-village meetings</td>
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The officials in both villages are far busier tending to the village economy as well as their own personal investments than are officials in High Mountain and Li Settlement. Both River Bridge and West Gate are classic examples of what Jean Oi calls local state corporatism. Their village government offices are a beehive of business activity, bustling with cadres doing paperwork and hosting visitors. In River Bridge, the Party secretary runs the village’s property management company (wuye gongsi) that oversees the village’s various rental properties—35 million yuan in factory buildings, apartment buildings, ongoing construction projects, and land zoned by Xiamen City for industrial use.

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Not surprisingly, village officials in River Bridge have taken advantage of their experience in land development to become real estate moguls themselves. A number of cadres have invested their own money to construct factory buildings. The Party secretary, for example, made an agreement with his small group (former production team) to rent a piece of land for 3,000–4,000 yuan per mu a year, on which he constructed a factory building that he rents to an outside company. Two previous deputy village heads refused to run for re-election in the 2000 elections so as to focus on their own businesses. One has contracted an old brick factory from the village that he is now turning into an industrial complex for rental. Another former village cadre runs the second largest taxicab company serving the Xiamen area.

As in River Bridge, West Gate’s cadres busily manage both the village’s investments and their own. Each of the 12 village cadres earns 9,600 yuan per year in wages, but according to the Party secretary, everyone operates their own businesses as well. The Party secretary and his brothers invest in factory buildings to rent out to enterprises, while the deputy Party secretary draws on his connections in Xiamen City for the exclusive rights to sell coal gas in the village, which villagers use for heating water and gas stoves.

Both River Bridge and West Gate have relatively well institutionalized elections to select village officials, and both contain village representative assemblies and financial transparency regulations. In both villages, I observed the 2000 elections and post-election period for five months. Both villages employ popular nominations of candidates by any villager, primary elections, campaign speeches as well as written copies of speeches at each polling station, secret voting booths, and public vote tabulations immediately after the polls close. Every year in January, each village posts the previous year’s budget accounts on large weatherproof bulletin boards as well as the revised village charter approved by the village representative assembly.

While both communities are multi-lineage villages, West Gate contains religious and social organizations that cut across lineage divisions to incorporate

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41 When I observed the entire 2000 election process in River Bridge and West Gate, both villages implemented elections with unrestricted villager nomination of candidates, primary elections, public debate about procedural ambiguities, campaign speeches, secret and fixed ballot booths, and public vote counting.

42 Financial transparency regulations have been unevenly implemented throughout China, and even where they seem to have been implemented, township and village officials may only be paying lip service to the law. River Bridge probably does not report completely accurate financial statistics, but at least what they publish is internally consistent and regularly publicized. One article points out that posted accounts might report false data, that some posted accounts are not sufficiently detailed or understandable, and that the items in the accounts are not standardized. Additionally, some villages do not publicize accounts in a timely manner, some post accounts written on paper that quickly disintegrates in weather, and some post accounts inside, where it is not as easy for villagers to walk past and read them. See “Dajiaqiao shi kaizhan”, p. 46.
a large number of villagers. All of the natural hamlets in both West Gate and River Bridge have a hamlet temple, and many have ancestral halls as well. River Bridge’s community organizations, however, are primarily small committees of a few elderly villagers who focus on organizing religious activities within their small hamlet or for villagers of the same lineage. West Gate, in contrast, has a number of large hamlets in which community councils play a significant role in providing public goods such as roads and drainage channels for the whole community.

One such community council oversees West Gate’s largest hamlet containing about 30 per cent of the village’s residents. The council has 23 members, mostly in their fifties and sixties. They meet five times a year and in subgroups more frequently. There is a clear division of labour in the organization, with different members taking responsibility for organizing religious rituals, social activities and public projects. The council has both an accountant and a cashier, who make the council’s receipts available to the public. The council oversees about 40,000 yuan of “incense and oil” donations (xiangyou qian) every year to the hamlet’s various temples, and also solicits additional contributions from households when planning large-scale projects.

Typical of the region’s community councils, West Gate’s council became a much more active and prominent institution after organizing the re-building of the hamlet’s Wu ancestral hall (zu miao). (The Wus make up about 80 per cent of the village households.) Council members say that the council had existed in the 1950s, but was banned in 1963. In 1980 it was re-established again informally in and concentrated on organizing religious rituals. In 1985 it renovated a village storehouse to serve as an ancestral hall, and in 1996 a new hall was constructed. Each Wu villager was asked to pay 100 yuan to help support the total cost of 370,000 yuan.

What is remarkable about West Gate is its strong sense of community spirit. In 1996 even the households of other surnames contributed to the rebuilding of the Wu ancestral hall, even though the community council did not solicit donations from them. The council estimates that 99 per cent of all the households ultimately contributed to the construction of the hall. According to a council member, families with other surnames contributed because they feel gratitude to the Wus for allowing them to obtain land and a livelihood when they moved to

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43 Chih-Jou Jay Chen finds that the resurgence of village social institutions, such as lineage organizations and ancestral halls, have shaped property rights arrangements of enterprises in southeast Fujian. See Chih-Jou Jay Chen, “Local Institutions and the Transformation of Property Rights in Southern Fujian”, in Jean C. Oi and Andrew Walder (eds), Property Rights and Economic Reform in China (Stanford: Stanford University Press, 1999), pp. 59, 62–3.
the village generations ago. They have, in a sense, adopted the Wu ancestors as local guardians for the community as a whole.44

The participation of all the villagers, not just those with the surname Wu, has spurred the council to expand their activities beyond lineage-specific ones and rebuild the hamlet’s Guandi temple as well, at a cost of 260,000 yuan. The council asked each villager to contribute 50 yuan, without applying pressure. It simply announced that donations had to be in by a certain date in order for a family’s name to be carved on the temple wall. Eighty per cent of households turned in their donations a month before the deadline. Although the council did not approach households in economic straits, one council member noted, “People from these households come to us with donations anyway, saying, ‘do you look down on me or something?’”.

Both River Bridge and West Gate have substantial public assets compared to the two Jiangxi villages, but West Gate’s village officials offload the responsibility for providing village services onto village social organizations while River Bridge’s officials pay for village services with public funds, albeit in an ad hoc and reactive manner. Cadres follow a “squeaky wheel gets the grease” policy. Funds for repairs or equipment for the village primary school are provided on an as-needed basis. There is no organized plan for road paving or maintenance. Village officials do respond, however, to repeated complaints from villagers. They fear being voted out of office, not simply because it involves a loss of power but also a loss of face.45

With plenty of public funds at their disposal and numerous investments generating millions in annual village government revenues, village officials are willing to finance public services for which villagers express a demand, such as the paving of main village roads and daily trash collection services. By only providing services when a significant number of villagers demand them, the village government keeps the total amount spent on public projects to less than one-quarter of the village’s annual revenue. This amount funds a high level of public services relative to other villages in China, although less industrialized villages often actually spend a higher proportion of their revenue than River Bridge does. Residents of High Bridge, moreover, note that there are always further improvements that can be made to the village’s roads, drainage gutters

44 P. Steven Sangren points out that the distinction between lineage corporations and similar corporations, such as deity cults, open to villagers of more than one surname group is not a clear one. See P. Steven Sangren, “Traditional Chinese Corporations: Beyond Kinship”, *Journal of Asian Studies*, Vol. 43, No. 3 (May 1984), p. 400. Yunxiang Yan discusses numerous studies of interlineage cooperation and villages in which a sense of community supersedes its multiple lineages. See Yan’s *The Flow of Gifts: Reciprocity and Social Networks in a Chinese Village* (Stanford: Stanford University Press, 1996), pp. 114–5.

45 One reason for village cadre resistance to the implementation of village elections was the possible humiliation of losing an election. See also O’Brien, “Implementing Political Reform”, p. 48.
and school. One candidate in the last election noted that under the current Party secretary and village head, the village government has emphasized business investments but has not done enough in the area of social services and welfare. Developing the village’s industries and rental properties takes first priority in the eyes of village officials in River Bridge, especially since the township does not give them any concrete targets for the provision of public services.

Corruption is an issue in the village. Village officials have ample opportunities to pocket money from the village’s business deals. During a power struggle between the top two leaders in the recent village election, for example, the Party secretary told a former village cadre that the village head had taken a 30,000 yuan bribe from the winning bidder in a sale of village collective land.

A contrast to River Bridge is provided by West Gate’s village officials. While they similarly reserve a portion of the village funds for the primary school, for road construction and for trash disposal, West Gate’s officials, in order to conserve public funds, rely on community councils within the village to initiate, organize and finance other public services such as secondary village roads and recreational areas. According to villagers, community councils take the lead in collecting money to repair a local road, build a drainage system or make repairs to the village school. Most of West Gate’s larger hamlets have some form of council that provides community services as well as manages village temples. Village cadres rely on these community organizations as well as efforts within village small groups (cunmin xiaozu). Village officials often wait for representatives from these organizations to ask them to subsidize a project and then claim the credit once the project has been completed.

On religious holidays, the councils supplement religious rituals with opera performances, movie screenings, basketball tournaments and singing performances by the village’s association for the elderly. For the basketball tournaments and activities for the elderly, the village committee contributes a small subsidy. A large basketball tournament, for example, costs about 16,000 yuan, and the village committee generally contributes 800–1,000 yuan. On the basis of this small contribution, village officials report to higher levels that the tournament was organized by the village committee. The chair of the council commented: “When we organize these tournaments, we’re helping the village committee to secure face. When people outside the village talk about the basketball tournament, they don’t say that the West Gate community council is holding a tournament, they say that the West Gate village committee is holding a tournament. The village government gets half of the glory”. It is the same with activities organized by the council for the village’s elderly: “When the elderly singing association goes out to perform in regional singing festivals, the village committee hangs its own sign over the group”.

Similarly, in the words of the council chair:

For the construction and repair of roads, the community council has to lead the way. A few years ago, this village was kind of backward, especially in sanitation. There used to be a lot of flies, and the roads were pitted with potholes. Now things are better due to our own efforts. Since villagers give money to the temples, asking the gods to protect us all, the money should be used for public facilities and welfare,
such as paving roads and constructing drainage gutters. Frankly, these are things that the village committee should be taking care of, tasks within the scope of their responsibilities.

Clearly, the village’s officials are getting a good deal. In order to plan a public project themselves, they would have to call numerous meetings of small group leaders and village representatives who would then canvas their neighbourhoods for input from villagers. They would have to secure formal permission from the village representative assembly and collect either voluntary contributions or levies from each household. Allowing the community council to take over these activities is much easier. The council keeps the village’s officials informed about its activities and asks for subsidies on an as-needed basis. Relying on the council’s organizational resources and its ability to mobilize funding through community social networks means that the village officials can conserve the village’s public funds as well as save themselves time and hassle.

Community institutions vary widely in their level of formality. West Gate’s council is an example of a fairly formal organization. Single-lineage villages may promote organized activities and rituals but lack a formal association. This paper posits, however, that as long as social institutions regularly mobilize the community to participate in activities and emphasize norms of community unity over sub-community groupings, village officials (who themselves are embedded in these institutions through personal or family participation) may draw on them as an alternative strategy for providing public services.46

**Implications for Rural Governance and State–Society Relations in China**

The case studies presented above illustrate how village officials pursue strategies to provide public services that are least costly to themselves given the local configuration of economic, political and social institutional arrangements. Specifically, villages with strong community-wide social institutions expand the village officials’ range of options. The two villages in Jiangxi, similar in their level of economic development, have little in the way of public funds, but they

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46 Notably, none of the villages that I visited had officially registered their religious or lineage institutions with the state. One villager in West Gate observed that the village committee, in its official capacity, looks the other way or “closes one eye” when the hamlets set up temples and temple councils. Tony Saich reports an estimate of one million social organizations in China, a figure given at a meeting on social organizations held in November 1998. Out of these, only 187,000 were officially registered in 1996, according to Zhongguo falü nianjian 1997 (Law Yearbook of China 1997) (Beijing: Zhongguo Falü Nianjianshe Chuban, 1997). In contrast to associations that exist within the confines of an administrative village, the state may be more strict with those whose members come from multiple villages. The Sun Research Society, a Xiamen organization devoted to researching the genealogy and history of the Sun lineage, has members in villages all over the Xiamen and Tongan areas, and its chair reports that they have formally registered with the state.
have access to the coercive institutions of the township government. While High Mountain draws on these coercive resources to impose taxes when the township requires that a public project be organized, Li Settlement opts instead to draw on the village’s community social institutions. Officials in Li Settlement subscribe to and encourage existing norms of community welfare and lineage unity. Using coercion to impose burdensome levies would violate these norms and make officials vulnerable to costly social sanctions.

Unlike in the Jiangxi cases, cadres in the two Fujian villages are busy managing numerous village investments as well as their personal businesses. They have little time to visit each household either to collect levies or to solicit voluntary contributions for public projects. They are also reluctant to spend time convening numerous meetings of the village representative assembly and soliciting villagers’ inputs to secure formal approval for a public project. Officials in River Bridge instead opt to spend a portion of the village’s public funds to provide public services, and fundraising for public projects is decentralized to the village’s small groups and sub-village Party branch organizations.

Given the millions of yuan in revenue pouring in each year, River Bridge could be doing more in the way of providing public services. Village lanes and residential walkways are still unpaved. Where they exist, drainage gutters are shallow dirt ditches, easily clogged with trash and stagnant water. When it comes to public services, village officials have a policy of doing as little as the villagers will accept (keyi jiu tingle).

As Jean Oi points out, rights to retain funds give village officials hard incentives to maximize their revenue streams. But the institutional arrangements that provide them with incentives to pursue rural industrialization can discourage village officials from financing public services. West Gate possesses 16 million yuan in public assets (compared with River Bridge’s 46 million), and officials worry that the village’s annual revenue is declining. In an effort to bolster future earnings, officials divert the vast majority of public funds to productive businesses and real estate investments, and rely on the village’s social institutions to organize and finance public projects.

The use of community social institutions to provide village public services makes coercive strategies unnecessary while empowering citizens to participate in civic life. But I believe this is ultimately a second-best strategy. A long-term reliance on community institutions without developing formal institutions that link grassroots organizations to higher levels of the state not only limits the quantity and quality of public services but may also weaken the capacity of the state to govern rural society.

In many developing countries, communities rich in social institutions have achieved improvements in public services. Examples of self-provision of water and sanitation services, community-based schools and health care, and the
management of common property resources are abundant. Deepa Narayan cites numerous studies of developing countries where corruption marks formal state institutions while "informal systems of coping become the primary sources for safety, insurance, and livelihood for the majority".\footnote{Deepa Narayan, “Complementarity and Substitution: The Role of Social Capital, Civic Engagement, and the State in Poverty Reduction” (Washington DC: World Bank, February 1999), pp. 48, 50.} Utilizing community networks and associations to organize public projects is especially important in rural China, as there are few institutionalized channels or procedures for acquiring higher-level support for village-level public services. Township and county officials who care primarily about promotions pay little attention to small public projects confined to one village. Their infrequent attention to village public services is manifested only in sudden demands on village officials to initiate major projects, such as a new school building or renovation of the entire village’s electrical system. Most of the time these higher levels of rural government “give no guidance, no targets, and no money”.

Institutions encouraging village officials to provide such public services are weak. Village cadres in many areas sign a certificate of achievement (zheng jishu) detailing the tasks they are supposed to complete every year.\footnote{The agreement is also known as a responsibility commission (zeren zhuang). See O’Brien and Li, “Selective Policy Implementation”, p. 172.} In the words of one village cadre, however, this attempt at management through assignment of targets (mubiao guanli) is “a bunch of empty words and not very realistic”. Although their bonuses from the township are linked to how well they complete the targets, the range between the highest and lowest bonuses is small, so “no one does the work to increase their bonus”. The attitude of township cadres, moreover, is “if you don’t do the work, we don’t care”. Another village official stated, “The township just tells you to try to do better next year”.

Central initiatives to reduce peasant tax burdens can further discourage local officials from using formal governmental institutions to provide needed public services. In one district, a “slash-and-burn approach” during a 1993 campaign to lower taxes and fees eliminated funds originally supplied for water conservancy just as the summer flood season was about to start. Collection of fees for rural public security, which villagers wanted to strengthen, was also cancelled.\footnote{Bernstein and Solinger, “The Peasant Question for the Future”.

Where localities have successfully implemented grassroots democratic reforms, elections and assemblies enable villagers to monitor cadre behaviour and to reduce the use of unpopular means of raising revenue. But the implementation of these democratic reforms remains spotty and uneven. In 2000 officials in the Ministry of Civil Affairs estimated that only 30–60 per cent of China’s villages
have introduced them, and they acknowledged that this estimate is an optimistic one.\footnote{Interview with Wang Zhenyao, 28 November 2000; Interview with Department of Basic-Level Governance and Community Development official, Ministry of Civil Affairs, 28 November 2000.}

On one hand, the case studies illuminate positive ways in which local officials have drawn on social networks to mobilize resources for public projects. As these social networks incorporate both village officials and citizens, they restrict predatory behaviour and facilitate public projects that might not otherwise become a reality. In some sense, fundraising efforts by village officials can be construed as a “coproduction” of public services in that village officials often supply organizational skills while villagers complement these inputs with money and labour.\footnote{See Vincent Ostrom and Elinor Ostrom, “Public Goods and Public Choices”, in E. S. Savas (ed.), \textit{Alternatives for Delivering Public Services: Toward Improved Performance} (Boulder: Westview Press, 1977); Elinor Ostrom, “Crossing the Great Divide: Coproduction, Synergy, and Development”, in Peter Evans (ed.), \textit{State-Society Synergy: Government and Social Capital in Development} (Berkeley: University of California Press, 1997), pp. 187–89.} This complementarity of inputs and the embeddedness of local officials in community networks of trust and reciprocity typifies what Peter Evans calls “state-society synergy”.\footnote{Evans, \textit{State-Society Synergy}, pp. 178–206.} This success is sometimes recognized and appreciated by higher-level officials.\footnote{Huang and Odend’hal have observed that an overwhelmingly dominant and well-organized lineage in a Shandong village was able to mobilize the community for concerted actions more easily. The internal cohesion of this village made it more appealing for higher levels of government seeking to identify local models of policy implementation. Village officials, as representatives of the dominant lineage and an internally cohesive village community, were able to broker deals with higher levels of government that exchanged benefits from higher levels for the village’s willingness to be a “model village” in implementing government policies. See Huang Shu-min and Stewart Odend’hal, “Fengjia: A Village in Transition”, in Walder, \textit{Zouping in Transition}, pp. 86–114.}

On the other hand, these community efforts sometimes replace rather than complement formal governance. Fundraising does not produce the same outcomes as governmental responsibility for public welfare. Scholars of public administration note that strictly voluntary efforts often “fail to supply a satisfactory level of public goods”.\footnote{Vincent Ostrom and Elinor Ostrom, “Public Goods and Public Choices”, p. 75.} Cooperative efforts between state agents and societal actors are often heavily lopsided, with the burden of the effort placed on citizens.

Comparative and historical cases are cautionary tales for the contemporary Chinese state. In Kenya the overuse of local self-help groups “has left people exhausted and disinclined to participate in any self-help institutions initiated by
Evidence from Russia shows that distrust of the government has risen while political participation has declined because local social institutions are disconnected from the state. Current reliance in rural China on fundraising and philanthropic donations echo the practices of the era of Kuomintang rule before the revolution. In the current worst-case scenario, officials in some villages use coercion and yet provide few public services. Elsewhere, where village officials rely on funds mobilized through social institutions to provide public services, these strategies may be unsustainable, providing services without the full benefit of resources that citizens would be willing to give under different institutional arrangements.

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55 Narayan, "Complementarity and Substitution", p. 49.
57 Bernstein and Solinger, "The Peasant Question for the Future".
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