
**How the Government Promotes Co-production in City Community
through NGO
----Taking Two Communities in NJ City as the Cases**

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Draft Paper for the Ostrom Workshop Research Series

April 4th, 2018

Abstract

Using coproduction theory to analysis community governance in China is seldom both in China and western countries. Therefore, this paper analyzes the coproduction in two communities, XWJ and JMZY, in NJ City, which embodies two kind initiatives to promote coproduction: one is government initiatives; another is government and company cooperation. Through analyzing the coproduction in these two communities from organizational design, actors, motivation mechanism and forms, we can find that government plays very important role in boosting the development of coproduction. The reasons why government acts like this are based on two considerations: one is for political performance; another is for alleviating the administration burden of subdistrict office and community committee. Of course the administrative push has side effect which will limit the development of coproduction conversely. The sustainable development of coproduction still depends on the leading role of residents and their neighborhood organizations.

1 Introduction

Since 2012, China began to emphasize state governance. Definitely, “governance” in China is different from governance in western countries. The purpose of CPC taking the establishment of state governance system and enhancement of governance capacity as the overall goal of deepening the Reform in an All-round way is to enhance the governance capacity of CPC and government, to complete and develop socialist system with Chinese characteristics. The executors of Chinese state governance are CPC and government that are far from the connotation of governance in western countries which means pluralism, openness, cooperation and equity. Only on the aspect of social governance, it has meaning of pluralistic governance to some extent.

In social governance, Chinese government emphasizes community governance especially. Therefore, the reestablish of community governance system is hotly discussed and experienced theoretically and practically. While the main focuses are on the function transformation of subdistrict office and community committee, introducing NGOs to participate community governance and outsourcing public services to NGOs. Although the reform emphasizes citizen participation, it still plays a secondary role. Citizen’s role in the supply of community public service is not highly valued. Actually, citizen’s participation in public service supply could meet the people’s increasing service demand, increase their satisfaction to service and community, strengthen people’s identification to community and increase social capital. All of these could help to shape new community governance system. Therefore, it could provide a new angle to research Chinese community governance and grassroots public service supply from the angle of citizen’s participation in community public service supply, which means introducing co-production theory to explore currently Chinese community governance and grassroots public service supply reform.

As for coproduction, it could be traced back to Ostroms’ research on local public economy in 1970s. They make a distinction between the supply and production in

local public goods and service. Supply means political decision about providing what kind of public goods and service. Production means how the production of these services were undergone (E. Ostrom, R. B. Parks & G. P. Whitaker 1973; 1978) . Following previous work in this field, particularly in the tradition of Ostrom (1999), co-production can be defined as ‘...the mix of activities that both public service agents and citizens contribute to the provision of public services. The former are involved as professionals, or ‘regular producers’, while ‘citizen production’ is based on voluntary efforts by individuals and groups to enhance the quality and/or quantity of the services they use’ (Parks et al. 1981, 1999). Coproduction is different from volunteer service. The former is in professional service and is relevant with people’s interest, while the latter acts for other people’s interest (John Alford, 2014). Coproduction is not equal to co-governance and co-management. non-governmental actors being involved in making policy decisions (e.g. via referenda, via budgeting, via hearings or via organizational input in drafting legislation like NPO’s advocacy or even representation in parliamentary hearings or committees) or in evaluating policy. This is what Brandsen and Pestoff (2006) have called ‘co-governance’. Government that co-operates with private actors in service delivery is ‘co-management’, meaning that non-governmental actors have a say in the design of the service, or put time or other resources (e.g. money, skills, expertise) in the delivery of public services. In this theme issue, we necessarily had to focus and therefore adopted the narrower, classical interpretation of co-production as the involvement of individual citizens and groups in public service delivery (Bram Verschuere, Taco Brandsen, Victor Pestof, 2012) .coproduction refers to citizens, clients, consumers, volunteers and community organizations participate in public service supply (John Alford, 1998) . It is the process of citizens’ participation as co-designer and co-executor.

In fact, coproduction, as a way that emphasizes the citizens’ role in public service supply has been used in various fields in the western countries. Since 1980s, the welfare countries’ “supply-centered” model was restricted, that result in the reform of public service supply model (P. J. Gunn 1988; Christopher Politt, 1990; Christopher

Hood, 1991; Michael Barzelay, 2001). Until the end of 1990s, the method of empowerment is delegate to private sector and let them participate service supply and service design (Ewa Wikstrom 1996; Rafael Ramirez, 1999). With the rising of communitarianism in America, the cooperation among users and among communities has become the core of communitarian movement (Amitai Etzioni, 1995). Since 2000, coproduction through third sector has become the focus, especially their role in mobilizing citizens to participate in coproduction (Taco Brandsen & Victor Pestoff, 2006; Bram Verschuere, et al, 2012). With the global economy recession in 2008, more and more countries began to reduce expenses in public filed, which resulted in the attention to coproduction as a means to cut service cost even the way to rescue service. All in all, coproduction in public service has following potential to (1) improve the quality and responsiveness of public services (Hilary Cottam & Charles Leadbeater, 2007), (2) increase effectiveness of services and reduce public spending (Peter Gershon, 2004), and (3) strengthen and invigorate citizenship, social capital, and democracy (Johan Vamstad, 2004).

Coproduction is the response to new public governance theoretically. Public governance implies that multiple parties are involved in the delivery of health care, elderly care, education, housing, welfare, safety and other public goods (Victor Pestoff & Taco Brandsen, 2009) . Co-production is, therefore, noted by the mix of activities that both public service agents and citizens contribute to the provision of public services (Victor Pestoff, 2012). No market can survive without extensive public goods provided by governmental agencies, but, on the other hand, that no government can be efficient and equitable without considerable input from citizens. ‘Co-production of many goods and services, normally considered to be public goods by government agencies and [by] citizens organized into polycentric systems, is crucial for achieving higher levels of welfare in developing countries, particularly those that are poor’ (Ostrom, 1999)

From the connotation and essence of coproduction we could see that it provides a beneficial way to meet people’s increasing demand on public services in a

middle-income country like China. Actually, the reform of social governance in China recent years is in coincidence with coproduction to some extent. Then, how the coproduction is developed in China? What are the role of government and the third sector respectively in coproduction? Especially for a country like China that is chiefly led by the state almost in every field, the role of government is the core of discussion. In fact, although coproduction promotes the participation of the third sector, from current literature we could see that many scholars also emphasize the role of government in the process of coproduction. Rosenstone and Hansen (1993) conclude that citizen participation rises and falls with efforts of political leaders to bring people into the political process. Ostrom's (1996) study of the Brazilian government's efforts to actively encourage citizen participation in the coproduction of urban infrastructure supports this contention. Victor (2004,) points that the political process is very important. Without the necessary political support and proper institutional structures little progress will be made. Melissa (2004) finds that communities and governments that take citizen contacts more seriously could stimulate participation in meaningful ways. Specifically, she found that many urban neighborhoods that had never undertaken collective action before being contacted were empowered by the opportunity to participate meaningfully in coproducing an urban service that was highly valued. Susan researches on Canada's childcare and points that Canada's history of looking to the third sector, in the absence of public delivery, has fundamentally failed Canadian children and their parents. Likewise, in their seminal study, Morten (2012) use experiments to get the results that governments, through initiatives providing basic resources, can increase citizen participation, especially among the citizens with the greatest need for the service, in public service production. Denita Cepiku and Filippo Giordano (2014) concludes that the co-production literature has developed around the following assumptions, mostly valid for developed countries (1) Co-production is a voice-enhancing mechanism that results in a greater engagement of citizens/users in the public sector delivery of the service; (2) Regular providers – i.e. public sector organizations – are initiators and enablers of

co-production; (3)The main expected benefits of co-production refer to the efficiency and effectiveness of service delivery, although the literature mentions democracy and social capital-enhancing effects. While she thinks that this assumption does not hold for many developing countries. The antecedent of co-production is often the self-organization of communities to satisfy their basic needs during civil wars or other disruptive events.

From the current literature we find that seldom scholars research on Chinese public service supply from the angle of coproduction. It is interesting to discuss coproduction in China actually. How the societies grow in such a centralization system? How the government, NGOs and citizens interact in this process? The research on coproduction could reflect this. Therefore, this papers plans to discuss the coproduction in the public service supply in the level of community. How the coproduction was introduced and promoted? What are the role of government, community, NGO and residents? How the political culture and government structure influence coproduction?

2 Case analysis

2.1 Case selection and data collection

In this paper, an exploratory case study approach is used, since the coproduction in China is just in early stage that it is necessary to qualitatively appreciate the phenomenon under analysis to identify relevant patterns of behavior and the related influencing factors (Yin RK , 1994).

In order to responding to the above research questions, this paper takes the project of “National Community Governance and Service Innovation Trial District” (hereinafter refer to as “trial district project”) as the background. The purpose of the Ministry of Civil Affairs implements this project is to implement the policy of central party committee in 2012. In order to promote community governance and service innovation actively, each year, the ministry selects different districts as the innovation trial district for three years from 2013 and encourages them to explore community

governance according to their own characteristics. This paper chooses two communities, XWJ and JMJY, in NJ as the example. These two communities are located in XY district and YHT district respectively, which were selected as the trial district in 2014 by the ministry.

The reasons why choose these two communities are: (1) they are selected because they are attuned to theoretical sampling consistent with the aim of theory-building (Eisenhardt KM, 1989); in the process of community construction in these two communities, they embodies the characteristics of coproduction; (2) both of these two communities are demolition and resettlement community and most residents in these two communities are lower-income family. XWJ is located in XU district, which is a demolition and resettlement community for peasants that was built at the end of 1990s. According to demolition and resettlement policy at that time, residents only could get one apartment in return, which was extremely unfair compare to the policy in the next few years. Many residents in this community are lack of stable economic income. These brought many problems for the community management. Currently, there are 2018 household, more than 5000 permanent residents and around 1000 internal immigrants. Among them, there are around 800 seniors are landless people, who do not have pensions. The mainly income for them is the living subsidy from the government, that the amount is just 600 Yuan (around 100 dollars) per month. The incomes of their children are chiefly depending on part time job. Now there are 200 unemployment people in community for the lack of education and skill. Therefore XWJ is a typically community for lower income residents which brought a lot of difficulties to community management. JMJY is the largest and earliest affordable housing community in NJ that consists of 78 buildings and around 20,000 thousand residents. This community is for lower-income family in the city and demolition and resettlement apartment for peasants. Most residents in this community are lower-income, vulnerable, and underprivileged people. Because it is located in the downtown area and the rent is cheaper compare with commercial residential building, there are a lot of renters. So the makeup of residents is complicated. JMJY is a

well-known “trouble community” before introducing community governance.

From March 2017 to July 2017, we went to these two communities for field survey and interviewed with community committee, NGOs, residents, and government officers. In addition, according to official definition of community public services, it includes employment service, social security service, elderly care service, social assistance service, health service, culture, education and sports service, management and service for internal immigrants, as well as community security service.

2.2 Empirical findings

Compare these two communities, we could find two kinds of initiative model, which are government initiative and government-enterprise cooperation. In the process of coproduction, both of these two communities have similarities and differences.

1. Government initiative and government-enterprise cooperation: two ways to promote citizen’s participation in coproduction

After the examination of the launch of coproduction in XWJ, we could find that government plays the role of initiatives. Through the actively application by the civil affairs department of XW district, XW district was selected as trial district by the Ministry of Civil Affairs in January, 2014. The party committee and government of XW district highly valued this trial project and established special working team for this project so as to guarantee the progress of this work in organization and institution. XW district convened “Conference on Promoting the Establishing of ‘National Community Governance and Service Innovation Trial District’ ” in May 2014. The government also issued some documents on this project. The topic of this project was also specified as “plural subjects and community good governance”, that means encouraging multi-actors to participate community governance. At the beginning of 2015, XWJ was selected as the pilot community by XW district and was charged by HY Development and Evaluation Center for NGOs (hereinafter refer to as HY), an

NGO that is dedicated to community development and NGOs.

There are 7 subdistrict, 64 community resident's committees in XU district (2014). Objectively, the reason why district government choose XWJ as the pilot is that, as a typical lower-income community, there are lot of problems in XWJ: (1) the poor residents accounts a great portion in this community that result in great demand on public service. Because most residents are demolition and resettlement peasants who are lack of stable income, their demand on social relief and elderly care are huge. While this is hard for community committee to satisfy these demands, especially those demand that beyond the government policy, which brought residents' dissatisfaction to the community and government in turn; (2) there are lack of public cultural service in the community. Many residents in the community are landless people, the deficiency of pubic culture service make people feel that they are not belong to the community; (3) there are no property management in the community, which deteriorates public faucitis and environment; (4) although people concern the community very much, there don't have approaches and platform for them to participate.

Definitely, the will of the officer in civil affairs department and the leader of HY are also very important for the trial plot selection. On the one hand, government hope to choose a community as the trial plot of community governance so as to get a benchmark for the establishing of trial district; on the other hand, the leader of HY is a professor of an university and has good personal relations with the officer in NJ civil affairs department. He has interest in community construction and wants to choose a community for practical operation. XWJ was chosen because the office site of HY is in the same building with XWJ community committee and the building is spacious for them to organize activities for residents. Given the above reasons, HY suggests that XWJ is a good for community construction trial and the government officer accepted.

After examining the launch process of coproduction in JMJY, we could find that the coproduction is launched by government and the company. The coproduction of JMJY was launched by the project "HSBC Community Partnership Program". The

HSBC Community Partnership Program is China's first large-scale charity program that is initiated by a company to provide systematic support for community development. The purpose of project is to develop community service; to resolve community problems and enhance community social capital through building community foundation invested by company and government; to cooperate with NGOs and grassroots government, subsidize NGOs to mobilize residents to participate community construction. Till the end of 2017, "HSBC Community Partnership Program" has invested 40 million Yuan totally, which covered 231 communities and has benefited 2 million people; supported 840 proposals; levered government fund 16.59 million Yuan. The project involves community education, community environment, community elderly care, community health, community entertainment, community security, community self-governance and so on.

The reason why HSBC(China) invests so many fund and human resources to support community governance is based on its corporate social responsibility (CSC) idea. CSC emphasizes company involves in resolving environmental and societal problems. Actually, most social problems should be resolved at the community level, for example, the elderly care problem, the integration of internal immigrations, and so on. Therefore, community participation and development was defined as one of the seven topics of the CSC international standard (ISO 26000). Secondly, Chinese government encourages and upholds various actors to participate grassroots social governance. Although Chinese community construction is led by CPC committee and presided by government, it also emphasizes other organizations and citizen to join community governance; thirdly, HSBC has such experience in Hongkong. HSBC has begun to launch community development plan in Hongkong from 1992. It subsidizes registered charity organization, volunteer organization and school to develop community program. Therefore, more than 20 years exploration and accumulation has provided basis for HSBC (China) to develop community construction plan in China. For the company, on the one hand, the company's social influence is reflected in community mostly; on the other hand, the best place for the company to contact

customer is in community. The chief inspector of sustainable development of HSBC (China) expressed in the media: “corporate is an indispensable part of community and the sustainable development of corporate could not leave the support of the community.”

HSBC began social construction in Guangzhou in 2012 and has achieved great social influence. From 2013, HSBC began “HSBC Community Construction Plan” in Beijing, Shanghai, Nanjing and Suzhou that involving 40 communities. From 2015, the second program expands the scope to 12 cities and changes the name to “HSBC Community Partnership Program”. HSBC chose NPI as its program executing organization to implement program. NPI was established in 2006, which is a very famous supportive charity organization in China. It dedicates to charity incubation, capacity improvement, community service, outsource evaluation, social enterprise investment and so on. The NPI’s community construction business in East China Region is in charged by its affiliated organization, WLX. Launched by NPI, WLX was registered on December 22, 2008. The organization’s main function is in charge of NPI’s community construction business in East China Region. It dedicates to provide consultation to the development and capacity enhancement of NGOs; to cultivate neighborhood organizations and introduce professional NGOs to provide public service for residents; to motivate residents’ participation. As an external and supportive NGO in community construction, WLX does not provide specified public service. The main obligation is to assist other actors to undertake community governance.

JMJY is one of trial communities of HSBC partnership program in NJ from 2013. The reason why chose MJY is that, as an affordable housing community, the community governance is very difficult because the composition of residents are complex; many residents are lower income people; and residents’ quality are uneven. Residents have a great demand on their own interest. They usually took collection actions, such as blocked the road, to express their interest demand as soon as government officers come to the community for inspection. This brought a great

challenge to community stability and burdened the work of community committee. Actually, community committee is good at improve traffic conditions and other hardware facilities, but it is difficult for them to meet the residents' requirement and improve community social capital. Therefore, YHT district government hopes to better the community governance through community governance and servicer innovation by choosing JMZY as the trial community of HSBC Partnership Program.

2. The process of coproduction in community public service supply

First, we will analysis the government organization design because it is essential for improving coproduction efficiency (John Alford, 2015). The most classical research on enhancing coproduction effectiveness is the principles managing public pool resources, Ostrom (1990), among her well-known design principles, includes the need to adapt the rules to local circumstances. Regarding co-production management, she emphasizes a participatory approach, listing the right of members to influence decisions and the self-government right of the community not to be undermined by external authorities. The internal structure and type of organization also influence coproduction. Effective coproduction need to be in concert with customer's demand, which require the organization to understand customer's demand so as to motive them. Therefore, the decentralized organizational structure and lower-level organization that has more decision-making autonomous benefit coproduction (Mariafrancesca Sicilia, 2016). In order to encourage residents to participate coproduction in the community, the first step is to reform organizational system and function of organization, especially that of the subdistrict office and community committee. Responding to the requirement of subdistrict institution reform in NJ, XW district and YHT district have begun the institution reform that the key elements are establishing subdistrict service center and removing administration function of community committee. The specific reform includes: first, innovate subdistrict and community system. From 2014, in order to enhance service efficiency, these two districts began to establish service center in charge of all administration service in subdistrict level and remove the administration function in community committee. At the same time, through

redefining the function and modifying the performance evaluation indicators of subdistrict office, the economy function is removed from subdistrict office. The purpose is to change the focus of subdistrict office from economic development to social construction; to enhance the social governance ability and service quality of subdistrict office; secondly, reduce the administration function of community committee. The functions of community committee are clarified; for the administration task that ought to be implemented by subdistrict and district office should not be transferred to community committee; for the affairs that need community committee to assist according to the law, the community committee only has the assistance obligation and do not have the liability, which should be strictly examined and approved; public services are outsourced to NGOs and other organization.

The ultimate goal of reform is to reengineer the bureaucratic management in community committee. Through cutting administrative function of community committee, so as to reinforce and strengthen the autonomy and service function of community committee, it allows the committee has more energy to input on helping people participate in community common affairs governance.

Secondly, we will discuss the actors of coproduction in these two communities. As we have defined earlier, coproduction refers to citizens, clients, consumers, volunteers and community organizations participate in public service supply. According to this, the actors in these two communities include community committee, NGO, residents and their neighborhood organizations. Let us discuss them in detail.

In the development of coproduction in these two communities, external NGOs have played an important role in motivation and technician. In fact, there have two barriers for the introduction of coproduction in public service: (1) Risk aversion. Co-production is still seen as highly risky by many politicians, managers and professionals, as the behavior of the co-producing users and citizens is less understood and seen to be more unpredictable than that of passive users; (2) Political and professional reluctance to lose status and ‘control’—not only the skills but also the

willingness may be lacking inside public services organizations to move to co-production, particularly where it is seen as ceding status and control (Shakespeare 2000). Therefore, the determining element to develop coproduction in Chinese community is to obtain the support from government and community committee. From the both cases, we could see that external NGO play an important role in it.

In XWJ, from the selection of XWJ as the trial community, the gain of resources, the establishment of governance association and the communication with the community committee, all of these could not leave the active role of HY and its strategy. First, the strongly support of government to XWJ could not leave the hard work of HY. In interview, HY manifests that, at the beginning, the support of government is just oral support without taking actual action. Because the good personal relation between the director of HY and the government, one of leader of HY is a retired officer of the bureau of civil affairs, and the achievement of HY has achieved in XWJ community governance, the government's attitude has changed from oral support to policy and fund support. As the progressing of XWJ community governance, the government also wants to set XWJ as a typical sample for political performance and community governance. Secondly, as for community committee, the reason why community committee is willing to accept external NGO to participate in community governance, on the one hand, it is the order of subdistrict office and the department of civil affairs; on the other hand, the strategy of HY is also very essential. Since HY came to XWJ, they communicated with the director of community committee frequently so as to change her idea about NGO. When HY chose the candidates of secretary general and team leader of governance association, they seek advice from the director; another key important reason for community committee to support the work of NGO and the establishment of governance association is economic incentives. In China, the community committees are not independent in fund, not even have independent bank account. Although they perform many administrative tasks, but all the fund are allocated by subdistrict office, which is the reason why community committee should follow the direction of subdistrict office.

After the establishment of governance association, as an independent registered NGO, it could have independent bank account. The community committee could employ the fund in this account to develop activities on their's own will.

In JMJY, the WLX acts as bridge in HSBC Partnership Project. As the coordinating party, it is responsible for liaison with the grassroots government on the one hand; communicates and keeps in touch with the community committee, the neighborhood organizations, community coordinators and volunteers on the other hand. From the above case analysis, we could see that WLX plays the role of technical support in community governance: help the community committee to establish community NGOs confederation according to the requirement of district government to build trial district; help the establishment of community fund and draft relevant rules and regulations; help the development of community NGOs confederation as a community supportive NGO technically. At the same time, WLX also publicizes the effect of community governance so as to obtain the financial support from HSBC and government sustainably.

In XWJ, Residents' initiatives were motivated by public activities and neighborhood organization (XWJ Community Governance Association). On the one hand, HY developed sustainable community activities to mobilize and organize residents; on the other hand, the residents are organized through governance association, which is self-managed and self-developed by activists. The residents' board of directors consists of activists in the community. The governance association consists of different activity groups according to their function. The aim of the committee is to promote community activists to summon residents to plan and develop various activities; to provide residents opportunity and public space to participate community affairs; to motivate residents to concern and participate community public affairs governance; to strengthen resident's belongings to the community. Now the members has expanded from 18 to 180 (for details, please see figure 1).

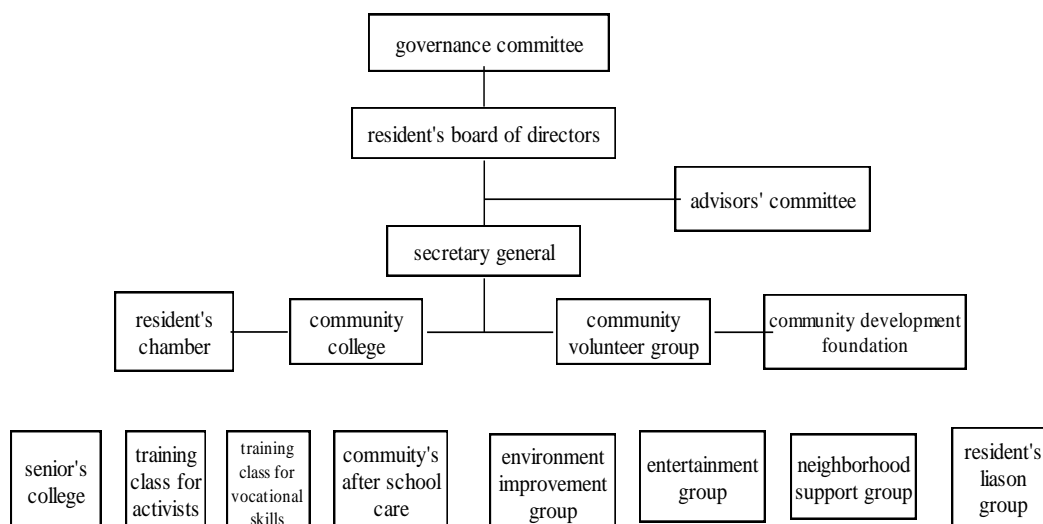


Figure 1 the organizational chart of XWJ Community Governance Association

In JMJY, according to the requirement of YHT district government and in order to providing a platform for residents to participate, Community NGOs Confederation is established by the help of WLX. It is charged by community social workers and run by residents represents. Its chief responsibilities include: the running and management of community fund; organizing the evaluation, following up and appraising of community fund; introducing professional NGOs to supply public service according to residents’ demand; supervising and managing NGOs; developing community service and volunteer management; applying venture philanthropy; communicating and coordinating community committee and neighborhood organizations (For details, please see figure 2).

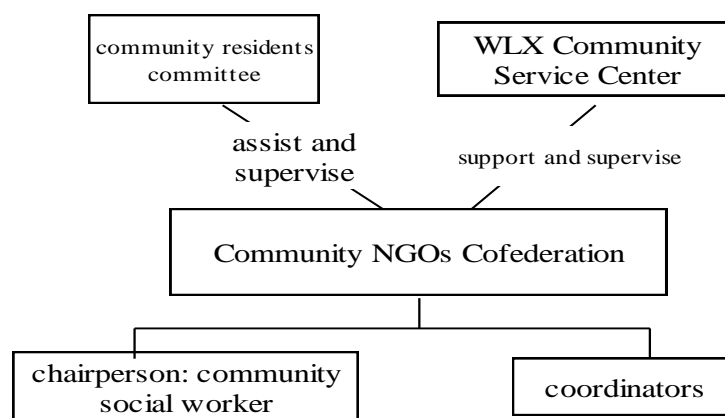


Figure 2 structure of Community NGOs Cofederation in JMJY

In addition, in order to motivate residents' participation, the community coordinators system is established by WLX. Now there are 6 community coordinators who are activists in community participation. They play a leading role in mobilize residents to join the community coproduction. Coordinators are in charge of digging community problems, leading residents to discuss community problems and resolving tactics, organizing residents participate in community affairs and establish neighborhood organizations. As the core member community confederation, they are also in charge of the operation of confederation leading by the community social worker.

With the support of WLX, the confederation and community coordinators help residents to organize various neighborhood organizations to participate various services in their own interests. Neighborhood organization could be registered as NGO or not. They are established by the activists in the community. Funded by the community fund, they have provided dispute mediation service, women and child care service, elderly care service, environment service, community security service, and etc.

In JMJY, there are four external NGOs that undertake community public services funded by community fund. They undertake community public services such as community conflict mediation, community elder-care service, community education, community teenager service.

The above organizations and system motivate residents to participate in coproduction actively. While through observation and interview, we could find that there are still some limitations in residents' participation. Most of people who participate in community activities are the elder people and the people who are dependent on community committee economically. It is hard to mobilize the young and middle-aged people to devote time for participation. This is a common phenomenon in Chinese community participation. Therefore, the NGOs and community committee should still discuss further to find the factors that could motivate people to participate in coproduction.

Secondly, motivation mechanism is also very important for coproduction.

People are inspired by four motivations to participate coproduction: extrinsic, intrinsic, social and normative. The so-called extrinsic rewards are: people co-produce in return for a material, extrinsic reward, that compensates for the time and effort spent whilst co-producing. This reward may be monetary (e.g. a voucher in return for community service) or non-monetary (safer neighborhood in return for being a member of the neighborhood watch) (Alford 2009). Intrinsic rewards are also a kind of strong motivations because people are motivated by self-benefit, but also focus on social values. Normative factors include participation, influence and democracy, which are very important for motivation (Bram Verschuere, Taco Brandsen, Victor Pestoff, 2012). Except this, how easy it is to get involved also will influence people (John Alford, 2009; Victor Petsoff, 2012). In the governance trial of these two communities, in order to motivate each actor to participate in coproduction, financial motivations is the most important measure; and when choosing which project to be funded, it is determined by residents to ensure the project is in concert with residents' interests.

The activation mechanism of coproduction in XWJ consists of venture philanthropy and granted fund from government. Venture philanthropy is a universal method to support the development of NGOs that is adopted by local government in China. In order to support XWJ, XW district supports it both in fund and policy. Take venture philanthropy as the example, the essence of it is competitive. In order to support the development of XWJ, some bidding program will designate XWJ as the program place. Involving the choosing of new trial community, XW district government will choose XWJ again. The second mechanism is granted fund. This fund is a program implemented by the Department of Organization in NJ from 2014. The requirement of this fund is to allocate each community 200,000 Yuan per year (about 32,000 dollars), which is sponsored by the city and district government, to support philanthropy service. The government requires that residents should participate in each process, from the application and implementation of service

program, to the evaluation of the program. Residents' satisfaction is taken as the only standard for evaluation. From 2017, this fund was increased to 300,000 Yuan per year in XWJ community because of its performance in community governance.

The motivation mechanism in JMZY is community fund. Community fund consists of fund of HSBC partnership program and granted fund from government. Community fund is one of the forms of HSBC Community Partnership Program. The program supports the neighborhood organizations and NGOs to meet the demand of residents through community fund financially. Except the sponsor of HSBC, government also injects fund for community fund. Nowadays, enterprise and the individual also join this fund pool. HSBC funded 300,000 Yuan in 2014 and 2015 respectively and the government also funded the same capital. In 2016, the government increased the fund to 320,000 Yuan. Another part of community fund comes from granted fund that are sponsor from the Organization Department of NJ, which is also used to support philanthropy program in the community.

These motivation mechanisms have played a very important role in motivating residents to participate in coproduction: first, with the fund, it is feasible for community committee and other organizations to motivate residents to participate in the coproduction such as community environment, culture, and elderly-care. Coproduction could not be developed without fund. With economic resources, the organization could give some economic incentive to volunteer and make people enjoy the welfare through coproduction. This, in turn, could motivate people to join the coproduction. Secondly, the mechanism of these funds requires the residents to discuss the proposals according to Robert's rule of order and democratic procedure. Because the residents could express their own desire and manage the program by themselves, this could inspire the enthusiasm of coproduction. Thirdly, the activism of community committee is also inspired because of these mechanisms. In practice, the community committee could be in charge of community fund. With economic resources, the committee could develop activities and support the work of NGOs.

At last, the form of coproduction in these two communities will be discussed.

Coproduction includes co-commissioning, co-design, co-delivery, and co-assessment. Co-commissioning of services, which embraces: co-planning of policy---e.g. deliberative participation, planning for Real, open space; co-prioritization of services---e.g. individual budgets, participatory budgeting; Co-financing of services – e.g. fundraising, charges, and agreement to tax increases? Co-design of services includes user consultation, service design labs, customer journey mapping. Co-delivery of services, which embraces: Co-management of services – e.g. leisure center trusts, community management of public assets, school governors; Co-performing of services – e.g. peer support groups (such as expert patients), nurse family partnerships, meals-on-wheels, neighborhood watch. Co-assessment (including co-monitoring and co-evaluation) of services includes tenant inspectors, user on-line ratings, participatory village appraisals (Tony Bovaird, Elke Loeffler, 2013; Mariafrancesca Sicilia, 2017).

According to the above classification, the forms of coproduction in these two communities are:

Co-comissioning

The co-commissioning of coproduction in XWJ is embodied in residents' board of directors and the use of granted fund. Residents' board of directors is the decision-making institution of XWJ Community Governance Association, which is consisted by activists in the community. The obligation of this board is to discuss and determine the annual work plan of association; to mobilize residents to participate in community public affairs; to coordinate the relation with community and government; to obtain external resources, and so on. Through this organization, residents could determine affairs involving community development. As to granted fund, each procedure should have residents' participation. Take this fund of XWJ in 2006 as example, the projects mainly focused on community environment and culture, which were the concern of residents and were expressed and discovered by residents and governance association. In addition, XWJ community also established community development fund to assist governance association to develop community activities

and services. The source of this fund comes from government subsidy, enterprise donation, foundation subsidy and residents' crowd funding. The use of fund should be determined through the deliberation of residents' conference.

The co-commissioning of coproduction in JMZY is embodied in the use of community fund, which the deliberation and evaluation should be determined by the trial that is constituted by community committee, coordinators, resident represents. For details, please see figure 3.

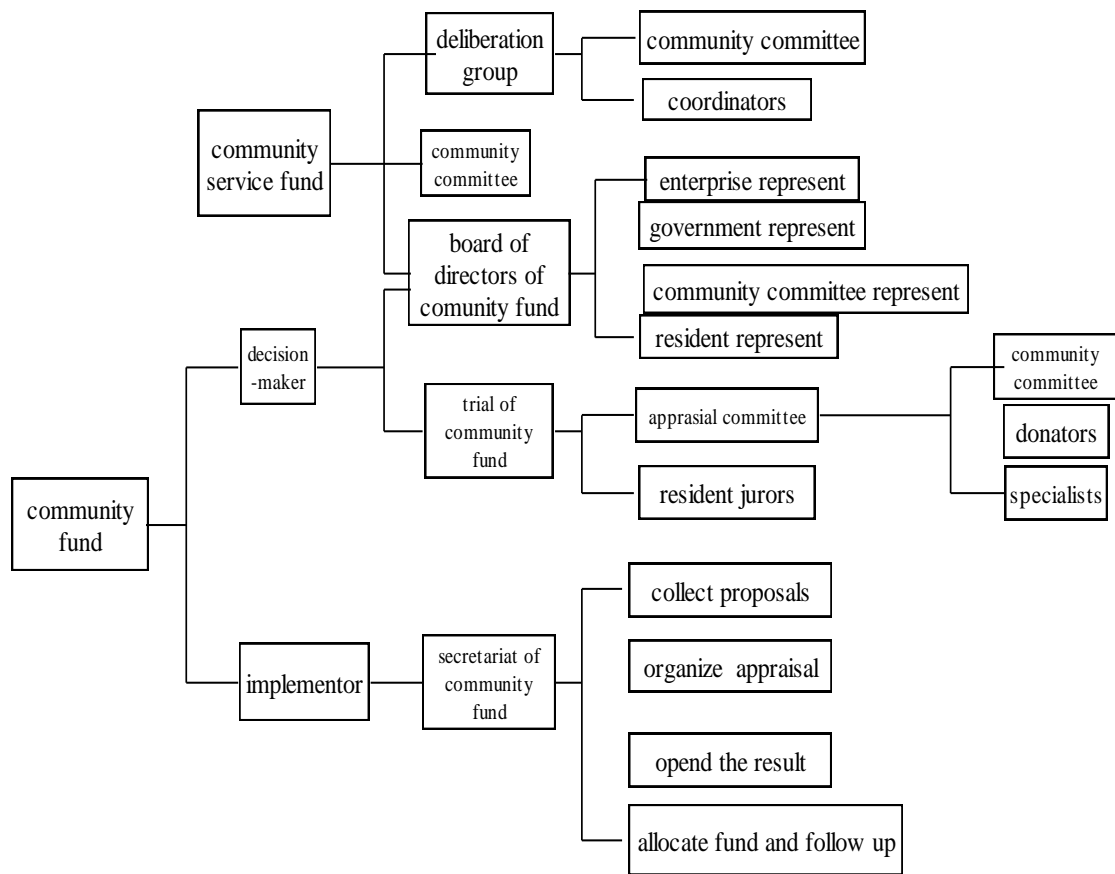


Figure 3 the structure of community fund

Co-design

The co-design of coproduction in XWJ is embodied in residents' chamber and granted fund. Residents' chamber is a part of governance association, which the chief function is to collect residents' opinion; to investigate residents' demand; to listen to the problems from residents; to organize citizens to discuss common affairs in community and to discuss the way to solve them. The co-design is also a requirement

of the implementation of granted fund. Take the program “remodeling the community park”, that is funded by granted fund, as the example, residents participate from the design of the park to the remodel of it.

The co-design in JMJY is embodied in the proposal of community fund and resident council. According to the requirement of community fund, all the proposals are put forward by residents involving community culture, environment, health and so on. Resident represents participate in each link of program, from problem discovering, design, sponsor and budget. In addition, resident council was founded at the first phase of JMJY program, which consists of 13 resident councilors at that time. The councilors were trained in rule of meeting according to Robert’s rule. The use of community funding is determined by the council to make residents become the main actors of community governance. The second phase of Partnership Program reselected the councilors and selected 3 coordinators and 20 councilors. They convene a meeting twice a week to discuss community governance and proposal determining meeting periodically.

Co-supply

Co-supply is the main form for residents to participate in co-production. Many of community service are co-supplied by residents nowadays in these two communities. In XWJ, for example, community after-school care provide service for after-school care in community; vocational skill training class provide skill training for the lower-income and laid-off residents in community so as to help them re-employed or run their own business; community volunteer group consists of environment team, entertainment team, neighborhood assistant team. Environment team is in charge of the betterment of community environment and organizes activities to improve the environment; entertainment team is in charge of the planning, organizing and managing of community cultural activities to enrich residents’ cultural life. Neighborhood assistant group provide service for the poor family and elderly people, such as daily life care, daily visiting, material support and so on, so as to build community support system for elderly people.

The residents in JMJY co-supplies public service through program of community fund. “Night 110” program was established in 2014, which members are resident who enjoy low-living allowances. They patrol from 8pm to 11pm every evening in the community to reduce the crime of burglary. “Safe JM Patrol” program is established by residents voluntarily. The volunteers patrol from 8am to 17pm every day which also reduce the theft and burglary of the community. “Mutual Aid” program aims to raising fund to assist poor family because of severe disease. “Knitting program” is organized by residents who have the interest in knitting. They will learn how to knitting manually and donate the entire income that get from sale to community elderly nursing institution. “Love accompany” program aims at accompanying and communicating with the disabled, giving them vocational training, so as to help them resolve problems in daily life and job-hunting. “Environmental initiator” program is consist of volunteers that taking actions to publicize environmental protection knowledge and developing activities to improve community environment.

Co-evaluation

The co-evaluation is mainly used in the evaluation of fund. According to the requirement of fund, it should be evaluated by residents and take people’s satisfaction as judging standard. In XWJ, the secretary general and four team leaders should report all the work, including fund sourcing, using, future plan, to all residents for auditing and supervision. In JMJY, the community fund committee should report at resident represents conference except submitting annual report and financial report to superior department. The management committee and program evaluation team of community fund also participate in each activities to observe the progress of program, understand the implementation of program and address the deviating program.

3 The role of government in coproduction

From the above two case analysis we could see that at the initiative of government and the cooperation between government and enterprise, running at the external NGOs, the coproduction in these two communities are developed. While

whichever case, we could find that government plays the key role in community coproduction. The following will discuss the role and motivation of government in further.

Government initiatives and support

From the above case analysis we could see that government support is essential for the coproduction, which is same in the research on western countries. Actually, there are cultural and institutional barriers to introduce co-production in public service. NESTA (2011) has summarized these barriers as (1) Funding and commissioning barriers; (2) Difficulties in generating evidence of value for people, professionals, funders and auditors; (3) Need to develop the professional skills to mainstream co-production (NESTA, 2011; Denita Cepiku & Filippo Giordano, 2014). Without strong support from government, it is hard to overcome these barriers to develop coproduction in grassroots level.

In these two cases we could find that, without the initiative and support of district government, without the support from subdistrict office, even the department of civil affairs and community committee have the will to reform the community governance, it is hard for them to develop. The subdistrict office prefers infrastructure project which is easier to exhibit in political performance. Even for the community committee, the prerequisite for community committee to support the work of external NGOs is the goal of NGOs is unanimous with theirs. In the case of XWJ, without the support of the department of civil affairs and subdistrict office, HY could not choose XWJ as the trial community to develop community innovation. Without the support of government in fund and project, it is hard to motivate residents to participate in coproduction. Without the support of “quasi government”, community committee, it is difficult for HY to develop activities in community. In fact, in the interview, the secretary general of XWJ governance association confesses that, although governance association and HY have played very important role in motivating residents to participate, for the most residents, they still thought all the activities are developed by community committee and thought HY is part of community committee. In reality, the

fact in Chinese grassroots society is that it is easier for residents to trust in community committee, while be skeptical to external NGOs. Furthermore, because the community committee executes some administration tasks in daily work, the director of community committee has some authority for residents, especially for those depend on community committee economically. The director is very helpful in tackling some difficulties in community governance.

As for HSBC Partnership Project, the trust and support of grassroots government are indispensable for the choice of trial community, entrance of the external NGO, and implementation of the project. Specifically, under the governance pattern of government leading and society coordination, the implementation of HSBC Partnership Project needs the support of grassroots government in mechanism, fund, space, human resources and so on. In fact, the reason why HSBC project could be implemented in JMZY is relevant with the goal of establishing of community fund that is promoted by YHT district government at that time. Because the government and community are lack of fund, the donation of HSBC could be a supplement. During the community construction, all the activities, whether is developed by external NGOs or by residents through proposals, need the help of community committee. The director helps them to publicize the activities and mobilize the residents. Without this, it is hard for them to develop activities in community.

The motivation of government to promote coproduction

First, the consideration of government political performance

From the above analysis we could see that the advancement of coproduction could not leave the initiative and support of district government. From obtained government reports we could find that the party committee and district government in both two districts played high value on the implementation of trial district project. In XW district, they took “innovation of community governance” as the basic and long-term work to implement and realize “Four-Comprehensive” strategy which is put forward by Chairman Xi Jinping. The leading team for establishing community governance and service innovation trial district was established; some relevant papers about how

to build trial district were promulgated. In addition, according to the trial subject and key tasks, XW district broke down the object, stimulated the performance appraisal of subdistrict office and community committee, and clarified each's responsibility. Financially, the district government increased the fiscal investment and public welfare investment. The inspection office inspected the work of trial district with civil affairs department periodically (XW district final report for trial district, Dec. 17, 2016). YHT district also took similar measures. It established a leading group for "National Community Governance and Service Innovation Trial District" program. The chief district officer took the post of group leader, district officer that was in charge of this work took the post of associate group leader, and leaders of relevant departments joined the group as members. The leading group summoned up meetings periodically to follow up the program; discussed tasks, targets, measures of each stage; helped to resolve problems in the implementation. Each subdistrict office also established the corresponding leading group and functioned the same way (YHT district final report for trial district in August 31, 2016).

In China, the department of civil affairs actually is a less powerful department. If the district party committee and government do not put a high value on this work, it is difficult for the department of civil affairs in district to promote this work by mobilizing various resources. The drive for district government to put so many focuses on this project is for the consideration of political performance. The political legitimacy for the Chinese government for a long time is mostly relies on the government's "political performance" (Dingxin Zhao, 2009). In recent years, the government's performance legitimacy is changing from "macro-performance" (economic development and the rising of GDP) to "micro-performance" (residents' welfare, service and achievements in daily life) (Yuntong Shi, 2016). Therefore, each grassroots governments begin to take various measures to undertake social governance innovation. For example, removing the economic development function and economic performance evaluation of subdistrict office so as to make it has more energy to put into public management and public service; the department of

organization sets up granted fund to enhance people's livelihood; citizens are motivated to participate in coproduction in community public service through various rules and regulations so as to enhance people's satisfaction to public service and increase citizens' identification to community and grassroots government. Through these measures, government also could obtain sample in social governance and political performance. Some coproduction cases in XWJ are awarded as excellent community volunteer service project in Province; the community governance innovation of XWJ is also set up as a sample of social construction sample of NJ in 2017. The model of JMZY is publicized by the media and attracts other governments to visit and study. This amplified the influence of the achievement of social governance in YHT district

Secondly, minimize the administration burden of subdistrict office and community

The reason why the state emphasizes grassroots social governance is hope to solve the failure in grassroots governance, especially the failure of community committee. Subdistrict office and community committee are in charge of community management since 1949. While the effective management of them was depend on unit system that units were in charge of their employees in every aspect and the grassroots governments only were responsible for people that did not work in any unit. After the collapse of unit system, the traditional grassroots management system began to transform. While till now, community committee still acts as a quasi-government although it should be a self-governance organization by residents according to the law. This results in the failure of community governance, which refers to the committees, because they are subject to subdistrict office in fund, human resources and other resources, should implement the administrative tasks for subdistrict office first while no time and energy to meet resident's service demand and help them to exercise autonomy. The committee has become an administrative organization to some extent, which results in "effective administration, ineffective governance". Secondly, with the societal transformation and the collapse of unit system, the Chinese society has

become more and more diversified. People's demands on rights, public service and living environment are increasing extremely and more and more diversified. This brings great challenge to grassroots government because it is hard for them to meet all these demands by themselves, which result the conflict between residents and communities, even residents and governments. Thirdly, it is hard for the committee and party branch in community to organize and mobilize residents. No one wants to participate in activities that are organized by the committee and party branch expect the vulnerable people who are depend on the committee economically and the retired people. Especially nowadays, central governments emphasizes that the grassroots government and community committee should play the key role in maintain the social stability. This means that they need to handle with residents' various demand and resolve them at the grassroots level instead of letting residents appeal their demands to the upper level government. This result the tasks of these two organizations are very heavy and the running cost has increased a lot. Facing such challenge, the party and government hope to introduce new governance actors in grassroots governance so as to reestablish effective governance system to stabilize the roots of the ruling party and government in grassroots.

In order to change this kind of situation, the local governments began the social governance innovation according to the requirement of central government, so as to enhance the governance performance of grassroots, lighten the pressure of grassroots government and community committee. The community governance practices in XWJ and JMZY have achieved the above objects to some extent. In the interview, one officer in subdistrict office said that: "Before the community began community governance innovation, the staff in subdistrict office needs to clean up the community for the whole day as soon as the city government begins to examine hygiene. Now we do not need to do this anymore because the residents will do it at ordinary times." As mentioned above, the residents in these two communities are not satisfied with the government and troubled the community and government frequently. Therefore, the chief task of community committee is to main the stability and government has input

a lot of money for maintaining stability. Through community governance innovation, these two communities changed this kind of situation. People's participation in coproduction has minimized the cost of stability maintaining. Conversely, they could assist the community committee and subdistrict office to execute some administrative tasks.

The negative impact of government initiatives

From above analysis, it is no doubt that government initiatives play the very important role in the coproduction of these two communities. While on the other hand we could find that the strong administrative force could restrain the sustainable development of coproduction conversely. Although government and community have put much focus on community governance and residents' participation, it could not be denied that drive for the administration force advances to do this is based on their own interest, which will interfere in residents' sustainable participation in turn. The district government, subdistrict office and community committee support coproduction for the consideration of superintendent order and performance appraisal. While if the target of NGOs and residents' project is not in coincidence with their goal, they will not support NGOs' and residents' activities. Sometimes, even organizations that are set up to promote residents' participation are not independent in essence. Take the community NGOs confederation in JMZY as the example, the purpose to establishing it is to promote the development of neighborhood organizations and residents' participation. While in fact we could see that confederation is leading by community committee. The social worker who is in charge of this actually has his/her own responsible administrative work. Actually, they thought it as the assignment of administration task. When the administration task is conflict with residents' demand, it is easy to judge which one the social worker will choose. In fact, confederation has become the implementation organization of community committee to some extent. It helps community committee to perform some administration tasks in daily running. The boundary between these two organizations is not clear.

4 Conclusions

Taking the example of XWJ and JMJY, this paper reveals how the government promotes the residents to participate in coproduction through external NGOs. Through the analysis we could found that government initiatives and support play the key role in promote coproduction. Of course it is necessary to cooperate with government in coproduction because that is a common phenomenon in other countries. And currently, Chinese government plays great attention on community development, which could bring support and resources for coproduction. In fact it is mutual beneficial for each party. Of course, except the drive from up to bottom, the participation from bottom to up is also needed so as to shape virtuous cycle.

At the same time, we should admit that the Chinese government still lacks understanding on coproduction. Compare with emphasis on residents' participation, the government puts more focus on outsourcing community public service to NGOs. Although administrative support could promote the development of coproduction, it also limits the sustainable development of coproduction. As in the trial community, these two communities have achieved obvious performance in governance. Whether the experience could be universalized to other community? What happened if the government's focus is changed? All of these bring challenge to the development of coproduction. Therefore, this paper holds the point that we could discuss Chinese community governance from the perspective of coproduction and put the key focus on residents' participation in community public service, especially in the form of neighborhood organizations. The participation of external NGO has played active role in coproduction, which should just be a transitional stage. The sustainable development of community governance and coproduction is determined by the participation of residents or their own organization.

Definitely, there are a lot of drawbacks in this paper. First, it lacks the quantitative research on the effect of government initiative coproduction; secondly, it lacks long-term tracing on trial community; thirdly, we should discover more cases in coproduction in Chinese community so as to sum up more cases to draw the model

and path for residents' participation in coproduction in Chinese background.

REFERENCES (omit)