

How institutional design shapes collaborative planning in China: evidence from urban regeneration and water management

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Governing complexity in a changing China

Rapid urbanisation and economic development in China have led to severe environmental degradation and complex social problems. In 2 critical domains, namely, urban regeneration and water management, the traditional top-down, command-and-control governance model is becoming increasingly ineffective in the face of civic activism regarding property rights, forced displacement, heritage destruction, and environmental pollution. To a certain extent, social discontent has threatened stability, prompting the state to explore new modes of governance.

This research, part of the ERC-funded project *Collaborative Planning in China*, examines how Chinese governments have adopted collaborative planning approaches in urban regeneration and water management. We specifically investigated the cases of co-creation in urban regeneration in Guangzhou and the River Chief System (RCS) in water management in Xiamen. Through an

institutional design perspective, we reveal how governments craft specific rules of collaborative planning to manage conflicts, collect information, and improve governance performance while retaining ultimate control in contentious planning contexts.

The divergence of institutional design

Collaborative planning in China is not a monolithic practice governed by an identical institutional framework. Our research identifies a distinct divergence in how collaborative processes are designed in urban regeneration compared to water management. This variation is not accidental but a calculated response to the specific problems in each domain.

Urban regeneration typically deals with localised, place-based conflicts over land, housing, compensation, community heritage, and public infrastructure. The conflicts here are intense and directly related to daily lives and economic interests,

involving stakeholders such as local governments, developers, residents, and the general public. Consequently, the institutional arrangements of co-creation are designed to enable relatively inclusive and deliberative forms of governance, aiming to smooth over localised friction to ensure project implementation. Water management, conversely, governs a mobile, common-pool resource that flows across administrative boundaries.

Because officials are promoted primarily on the basis of their performance in economic development, local governments often prioritise economic growth over environmental protection. More fundamentally, the challenge here is systemic failure in intergovernmental coordination due to power struggles and competition among peer governments. Therefore, the RCS involves hierarchical, top-down institutional arrangements, using the absolute authority of political superiors to command coordination among fragmented government agencies and to involve citizens mainly as informants and volunteers.

Co-creation in urban regeneration

In recent years, some major Chinese cities have experimented with new urban regeneration methods, such as the 'micro-regeneration' model in Guangzhou, which emphasises heritage preservation and micro-scale renovation in old urban areas, especially dilapidated neighbourhoods. To navigate the complex conflicts of interest in urban regeneration, planning officials in Guangzhou collaborated with local university professors to introduce a collaborative planning approach known as co-creation (in Chinese: Gong-Tong-Di-Zao). Co-creation represents an emerging collaborative planning approach in China that allows non-state actors to participate in planning processes and produce proposals through co-creation activities involving negotiation, discussion, and knowledge sharing.

Our comparative analysis of 2 projects in Guangzhou, the developer-funded Enning Road project and the government-funded Pantang Village project, reveals how the institutional design of co-creation shapes collaborative processes and outcomes.

Both projects focused on renovating government-owned residential houses for commercial use (e.g. offices, retail, and cultural spaces) and improving public infrastructure. While both established a co-creation committee and organised activities, they experienced distinct processes and outcomes due to 3 key institutional design choices.

First, the composition of participants is a critical institutional design choice. Both committees were notably diverse, including local governments, residents, journalists, academics, and planners. In the Enning Road case, developer representatives were also involved. This inclusivity is necessary, as disapproval or non-cooperation from affected stakeholders in a high-density urban neighbourhood can often stall the entire project.

Second, inclusivity in participation does not equate to inclusivity in agenda-setting. The government retained

control over the deliberation topics, as officials solicited and filtered discussion topics before meetings. In Enning Road, meetings centred on 'safe' topics like public space design and noise nuisance. Contentious issues such as relocation compensation and resettlement sites, which have been primary concerns for many residents over the years, were excluded. Because these topics are related to personal economic interests, which fell outside the government's predetermined scope of co-creation that focused on 'public interest'.

Third, the timing of introducing co-creation determines the issues participants can influence. In Enning Road, co-creation was introduced late in the implementation phase as a reactive measure to public outcry, limiting its impact to issues in the implementation and management phases. In contrast, the Pantang Village project engaged residents early in the planning stage. This timing allowed residents to influence the design of public spaces, enabling more resident input to be realised in the project.

In sum, co-creation allowed the government to gather local knowledge, identify potential sources of unrest, and address practical complaints. However, it rarely altered fundamental power inequalities or the business model of the regeneration project. As seen in Enning Road, although residents were able to deliberate on specific issues and oppose excessive commercialisation, participation in co-creation does not challenge the dominant power of developers and government authorities. Ultimately, the area was transformed into a tourist hub to meet the developer's need for returns. In this context, co-creation serves as a governance tool to mitigate conflict and legitimise government development goals.

The River Chief System in local water management

In addition to the priority given to economic development, water pollution in China is often exacerbated by a lack of intergovernmental collaboration and the absence of a meaningful civil society.

The RCS attempts to solve this problem by appointing local political leaders (e.g. mayors and party secretaries) as 'river chiefs', making them personally responsible for water quality in their jurisdictions. River chiefs can coordinate collaboration among governments at different levels, departments, and territories, and between government and citizens, whenever it is deemed as necessary to combat water pollution.

Using the RCS in Xiamen as a case study, we analysed how the RCS organises collaboration across vertical, horizontal, and territorial dimensions. The results show that the RCS relies heavily on the unchallenged authority of regional political leaders. With absolute authority in a region, river chiefs can mobilise resources and mandate cooperation between disparate departments (e.g. water resources, agriculture, and environmental protection) that would otherwise work in silos.

This authority is reinforced by strong vertical accountability mechanisms extending from the central to local governments. Meeting centrally designated water quality targets is directly linked to officials' performance evaluations and career prospects. While this creates a powerful incentive for compliance, it also incentivises superficial 'tick-box' governance, where officials prioritise visible short-term fixes (such as eliminating odours and trash in rivers) over long-term ecological sustainability.

Unlike the relatively inclusive nature of co-creation, the RCS restricts non-government actors to supportive and marginal roles. Citizens are engaged primarily as 'informants' via official hotlines or apps to report pollution, or as volunteers (e.g. conducting river patrols and picking garbage) to support government efforts. They are excluded from core decision-making forums, such as the monthly RCS meetings, where deliberation and actual resource allocation occur.

Consequently, RCS has been effective in improving water quality indicators through increased capital investment and intergovernmental coordination

driven by vertical accountability mechanisms. However, it struggles to foster horizontal accountability; public departments collaborate because they are ordered to, not because they have built mutual trust. Furthermore, the lack of meaningful public participation and supervision means the RCS lacks a bottom-up accountability mechanism to sustain environmental improvements in the long run.

The comparative analysis of collaborative practices in urban regeneration and water management offers a nuanced view of how authoritarian institutions are adapted to address increasing complexity in governance.

The state's adoption of collaborative planning is instrumental and pragmatic. In urban regeneration, local governments use co-creation to manage social friction, granting citizens a voice on localised micro-level issues to ensure social stability and project progression. In water management, the state uses hierarchy to enforce coordination, leveraging centralised power to overcome fragmentation and achieve environmental targets.

Both approaches demonstrate the features of authoritarian deliberation: the use of deliberative mechanisms in authoritarian regimes in which ruling elites permit spaces for discussion on certain topics within predetermined boundaries. The state thus employs different forms and degrees of deliberation to address distinct problems across governance domains.

Through these deliberative mechanisms, collaborative practices in China have contributed to conflict mitigation and improvement in governance performance. However, these cases also demonstrate that the state retains control over agenda-setting and decision-making.

Consequently, the capacity of collaborative practices to deliver equitable and sustainable outcomes remains constrained by the very authoritarian and hierarchical structures that created them.

PROJECT SUMMARY

This ERC Starting Grant project, CoChina, critically examines collaborative planning in China through 3 analytical lenses: institutions, power relations, and public spheres. It seeks to advance a new understanding of collaborative planning in China and to reconceptualise collaborative planning theory in the digital era. The project includes 2 postdoctoral researchers and 2 PhD students, one of whom is Xiaomeng Zhou.

PROJECT LEAD PROFILE

Dr Yanliu Lin is an Associate Professor in spatial planning and digitalisation at the Department of Human Geography and Planning, Utrecht University. She has investigated the impact of digital technologies on urban planning and governance for sustainable development across diverse contexts. In 2020, she was awarded an ERC Starting Grant to study collaborative planning in China in the digital era.

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