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Confront or Comply? Managing Social Risks in China's Urban Renewal Projects

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Abstract: Social sustainability is the major concern of planners and local officials when urban renewal projects are being conducted. Extreme individualism can potentially cause conflicts of interest, making urban renewal in Western cities fraught with various types of social risks. As a country with deep-rooted socialist tradition, urban renewal projects in China are influenced by collectivist culture and show different features from those of the West. The objective of this research is to investigate how different stakeholders in urban redevelopment projects, including local residents, social organizations, the local state, and developers, interact with each other and how the associated social risks are hedged against. Using a recent well-known project in the city of Guangzhou, the authors attempt to present the latest progress in social risk management in China. With the support from a government-sponsored project, the authors have conducted a questionnaire-based survey and year-long follow-up fieldwork. Using ATLAS.ti software, we found that that “residents’ demand”, “status of collaboration”, and “degree of trust” are the keys to risk management. The results of an ordered probit model show that residents are worried about the overall planning, the relocation timetable, and whether their personal needs are taken into account. It is also indicated that the timely disclosure of project information, high-quality public participation, and a reasonable compensation plan can possibly boost the support rate. The authors suggest that utilizing China’s collectivist culture could be an effective way to mitigate social risks, and residents’ personal interests should also be respected.

Keywords: social risk; risk management; urban renewal; collectivism; China

1. Introduction

Social sustainability is the major concern of planners and local officials during urban renewal projects in cities around the world. Social sustainability requires that the maintenance and improvement of well-being of current and future generations ought to be valued [1,2]. Alongside the building of physical infrastructure, human interactions and their diverse needs shape, guide, collide, and intertwine with unbalanced urban development, leading to social stability risks that harm long-term growth of cities [3–5].

Urban renewal projects are based upon the demolition of existing structures, which would inevitably influence the livelihood of relevant residents. Western countries pursue neoliberal urban renewal policies and promote the free-market economy to drive urban renewal, intending to create “diversified”, “prosperous”, and “balanced” communities [6]. For example, to address the issue of the insufficient impetus for urban development, gentrification is promoted by the British government [7]. Despite already-existing thriving

communities, gentrification fails to promote the general social and economic status of citizens, particularly that of lower-class citizens, who are often displaced without receiving fair compensation [8]. Simultaneously, lower-class citizens are excluded from community culture while they being unable to take advantage of the amenities such as improved public facilities brought about by urban renewal [9]. As a result, there has been an increase in protests and criminal activity, putting society's stability in jeopardy [8,9]. It is clear that urban renewal is a process of confrontation and cooperation between individuals from different social classes. Owing to the importance of individualism in Western culture, extreme individualism can potentially cause conflicts of interest, making urban renewal in Western cities fraught with various types of social risks.

After more than forty years of urban development since the economic reform, China also needs to renew old blocks across the country, especially those in megacities such as Beijing, Shanghai, Guangzhou, and Shenzhen. According to Ministry of Housing and Urban-Rural Development, more than 170 thousand old residential areas remain to be renovated or rebuilt, affecting more than 100 million people and approximately 42 million households which is equivalent to five times Beijing's 2019 population [10]. As a result, urban renewal is receiving increasing attention in China, and the emerging demands of citizens for quality of life and social equity improvements are posing a significant challenge to China's top-down governance [11]. According to recent practices, a lack of effective supporting policies and very controlled and limited public participation are the root causes that hinder the building of stable and harmonious urban communities [12,13]. There is still a long way to go before China's urban renewal projects can effectively manage and mitigate social risks.

It is argued that Chinese culture and politics, such as the collectivist culture and strong political control, are important factors that distinguish China's social development from that of the West [14]. At present, China is undergoing radical social transformation in which the willingness of individual residents is more respected and even triumphs over public interests in multiple projects [15]. However, illegal behavior has been observed in demolition projects in different parts of the country. Using the framework introduced by the project GLOBE (Global Leadership and Organizational Behavior Effectiveness), some scholars have determined that a region with high levels of performance orientation, assertiveness, institutional collectivism, and power distance on either side is less likely to experience illegitimate demolition [16]. Once prioritizing economic efficiency over social stability becomes normal practice for local authorities, there is a high price to be paid. For example, in 2014, a conflict induced by land acquisition between a construction company and local villagers in Jinning County, Yunnan Province, resulted in 8 deaths and 18 injuries [17]. In recent years, more gentle solutions have been chosen, yet it has still be difficult to quell controversies. The breakdown of negotiation in urban redevelopment projects could also lead to the waste of capital and the emergence of ridiculous outcomes. In 2020, a bigoted household in Guangzhou refused to be relocated when their house was right in the middle of a bridge under construction. In the end, the builder changed the design and left the house between two lanes. The picture of the bridge went viral, and netizens dubbed the owner "the coolest *dingzihu* (nail householder) of Guangzhou" [18]. As a country with a long socialist tradition, Chinese citizens are becoming more self-centered, whereas collectivism remains an important code of conduct in most of their minds. Against this background, how are these contrary beliefs affecting social risk management during urban renewal projects in China needs further elaboration.

The objective of this research is to investigate how different stakeholders in urban redevelopment projects, including local residents, social organizations, the local state, and developers, interact with each other and, more importantly, how the local state can hedge against the associated social risks. Using a recent well-known project in Guangzhou as the selected case, the authors of this paper attempt to present the latest progress of social risk management in China. Such a project is a representative mix of features in which collective

and personal interests mingle with each other. It is expected that the findings will be instrumental in improving the performance of urban renewal projects from a social aspect, both in China and other countries with similar sociopolitical characteristics. In the next section, the social risks of urban renewal project will be categorized through a systematic literature review. The third and fourth sections provide details and a discussion of the empirical study. The last section concludes the paper.

2. Literature Review

2.1. External Environment

Representative discussions about social risk management are raised by two sociologists, Ulrich Beck and Anthony Giddens, who interpret the theory of “risk society” from macro and micro perspectives, respectively [19–23]. Specifically, Beck concentrated on the impact of the external environment, while Giddens tended to focus on the impact of the internal environment on social risks [19–24].

In terms of managing risk from an external environment, both institutional and physical factors are involved. Beck argued that governing current risks related to the imperfect modernity of the system should be carried out at the institutional level using bottom-up methods to return power to the people [19,24]. For instance, in many parts of Canada, the middle class was keen to experience the urban ambience of older cities, and local urban redevelopment initiatives were sometimes halted due to political considerations [25]. Therefore, there was a need to use a bottom-up approach, where different voices were heard and involved in decisions that would otherwise be void of public participation through public debate about the consequences of development [21]. Furthermore, with an effective contingency plan, the consequences of risks could be predicted and managed [26]. Scholars have also applied contingency plans to risk management in fields such as environmental pollution and epidemic outbreaks [27,28]. However, this approach is seldom used in urban renewal projects. At the institutional level, Beck deemed that global risks had driven involuntary democratization while communication across differences and borders could help to facilitate effective public debate [21].

The physical environment is another external indicator that affects social risks. Beck stated that we must pay serious attention to the conflicts caused by the environmental issues associated with poverty [20]. Normally, the livability of urban communities has been closely linked to the physical environment, which is also influenced by multiple socioeconomic factors [29,30]. Urban redevelopment projects are expected to improve the building quality of the community and to expel low-income residents, creating social inequality and disintegration, leading to even graver conflicts [31,32]. Some scholars, however, claim that the physical deterioration of dwellings and a lack of suitable space may explain why people are compelled to seek compensation and to eventually relocate voluntarily [33]. Furthermore, even if the original occupants opt to remain, the buildings, lanes, and public spaces are physically better kept and cleaner as the result of the unique tastes of new high-income residents [33]. Via a “moderate” lens, this transition could be interpreted as the young and educated middle class subjugating the retired working class [33]. Urban renewal in the West has given local citizens more autonomy to express their demands in the architectural design and the function of public spaces [29]. However, redevelopment projects in China are more top-down orientated, implying that the changes in the physical environment may not be satisfactory to residents.

2.2. Internal Environment

Effective human resources management is known to be an important factor to manage social risks. Beck raised the term “organized irresponsibility” to explain the dangers posed by the alliance of corporations, policy makers, and experts in a risk society [21]. In politics, the term “organized irresponsibility” accurately reflects the difficulties of modern risk governance while manifesting itself in two ways. On the one hand, despite modern

institutions covering all aspects of human activity, they are unable to confront the emergence of risk effectively and assume responsibility for neither ex ante prevention nor ex post resolution [34]. On the other hand, the ruling bodies use law and science to defend the “organized absence of real responsibility” [34]. Local governments in Belgium, for example, have perverted federal urban renewal programs aimed at improving social cohesion by recruiting middle- and high-income groups to disadvantaged areas in order to spur economic growth [6]. Scholars have suggested that in the most attractive areas, governments should resist the temptation to use urban renewal to stimulate economic growth, which may lead to short-term social integration and long-term displacement and segregation [6]. Another scholar has challenged that there is little evidence to support social integration in urban renewal [35]. The rhetoric of social integration often obscures the wealth and economic inequalities produced by gentrification [35]. To prevent this type of inequality and displacement, government officials should create better policies than the current neoliberal ones to protect lower-income groups and their neighborhoods [36].

Moreover, the interaction between stakeholders is another important aspect of risk society. Beck’s risk society theory mainly focused on external factors such as institutions and agencies while ignoring the internal factor of “people” [37]. Social risks usually originate from the direct or indirect losses suffered by different stakeholders, which, in turn, may lead to tensions and even conflicts among them [38,39]. In mitigating these conflicts, Giddens emphasized the “human” aspect, including trust and collaboration [22,23,40]. Although people are complex and changeable, risk and trust are inextricably linked, and trust usually reduces risk [22]. Therefore, a “third way” vision emphasizing a proactive approach to risk and a collaborative relationship between government and citizens was proposed [40]. It was shown that when the public has close social ties, they are more sensitive to the impacts of construction projects [41]. However, effective and transparent communication was deemed to be a positive solution towards complex social issues [42]. Therefore, trust and collaboration between stakeholders is possible and necessary to govern modern risks.

Last but not least, residents play a key role in risk society. Previous research has shown that social risk reduction is closely related to “public will” [43,44]. Nevertheless, the effectiveness of potential solutions is hindered by the divergence of each actor’s perception of the situation and their specific interests [45]. Scholars have argued that the goals of urban renewal should adapt to the specific needs of the inhabitants and take balanced and proportionate measures to promote social integration and to improve the image of the city [4,25,46]. The biggest challenge in implementing urban renewal is to meet the resettlement needs of residents and to minimize relocation in order to gain their willingness to support projects [5]. The ability to remain at the original location could preserve the existing social network and maintain a sense of security [5,31]. Other scholars have proposed that the age of residents also influences their decision to stay or leave [47]. More and more scholars have realized that broad public participation and the building of bottom-up institutions are the keys to the success of urban renewal projects [11,12,48,49]. However, in some place such as France, residents are merely consulted symbolically, and there is a significant lack of understanding about public projects [13]. Therefore, clarifying the role of residents and paying attention to their demands are essential measures to promote sustainable urban redevelopment.

2.3. Summary

Beck and Giddens interpreted the risk society from macro and micro perspectives, respectively. Beck concentrated on the impact of the external environment, while Giddens focused on the impact of the internal environment [19,23]. Currently, studies on urban renewal are primarily concerned with gentrification and neoliberalism, social justice and spatial justice, and other aspects of sustainable development. There is a general consensus among scholars about the need for resolving social problems that hinder the long-term development of cities [12,13,50]. In China, most of the cases that have been introduced are

from underdeveloped regions, such as from the western part of the country, and there are few studies on social risk management that have been conducted in densely populated urban areas [38]. The research methods that have been applied are mainly qualitative rather than quantitative. Furthermore, “ex post” risks have attracted much more attention from scholars than “ex ante” risks [5,16,38]. Thereby, it is necessary to fill the above research gaps to investigate more urban renewal projects in megacities by using mixed research methods. As a result, the authors of this paper have summarized the categorization of social risks in urban renewal projects and have presented them in Table 1. In general, theories have absorbed Beck and Giddens’s theories about the impacts from both external and internal environments [19,23]. Theories are also divided into five subclasses and eleven risk factors. Such categorization could provide a general analytical framework for empirical studies on urban renewal projects. Using a case from Guangzhou, the following sections provide details about the specific risk factors and show how collectivism and individualism alternately affect the governance of social risks.

Table 1. Categorization of social risk sources in urban renewal projects.

Risk Sources	Subclasses	Risk Factors	Sources
External Environment	Institutional Environment	Policy Guidance Contingency Plan	[19,25,27,28]
	Physical Environment	Building Quality Architectural Design	[20,31–33]
Internal Environment	Human Resources Management	Management Efficiency Management Capability	[6,21,24]
	Interaction between Stakeholders	Degree of Trust Status of Collaboration	[22,23,40,41]
	Residents’ Role	Degree of Participation Residents’ Demand Residents’ Evaluation	[5,43–45]

3. Materials and Methods

3.1. Study Area

This paper is based on an urban renewal project (Project N) located in the center of Guangzhou, the capital of Guangdong Province. Guangzhou has been selected as the case is because of its long history, high level of economic development, and deep-rooted tradition of collectivism in state-owned enterprises (SOEs). Such a city can trace its history back to 214 BC, when Ren Xiao, General of the Qin Dynasty, built the Ren Xiao Fort as the very first stronghold in the area. Guangzhou was also one of the main starting points of the famous South China Sea Silk Route used in the Qin and Han dynasties [51]. In the past two thousand years, the area around the Beijing Road, the location of the case study discussed in this paper, had long been the center of the city and it had never waned until recent years. In 2018, President Xi Jinping visited Guangzhou and put forward that the city should pay more attention to urban redevelopment and revitalize its socioeconomic development.

Guangzhou has also undergone rapid economic development since the economic reform. It has become one of the primary engines of the Guangdong–Hong Kong–Macao Greater Bay Area (Greater Bay Area), which is planned to become a world-class city cluster that can compete with the famous bay areas in San Francisco, New York, and Tokyo. According to the most recent data, Guangzhou’s GDP has reached CNY 2.82 trillion, surpassing Hong Kong (approximately CNY 2.44 trillion) ranking as the second wealthiest city in the Greater Bay Area [52,53].

Project N is located in a former state-owned power-transmission equipment factory. Most of the current residents in the area are retired and under-educated workers and live

in a poor living environment. As shown in Figure 1, the buildings are old and in a bad state of repair. However, as experienced SOE workers, they value the sense of belonging and act as a collective when dealing with community affairs. Some activists are even playing the role of resident representative when communicating with the local state and developers. It is an optimal field to examine how the personal demands on the SOE workers intertwine with collective interests. Whether the rendering of a 198 m tall high-end office buildings shown in Figure 2 can be realized heavily relies on controlling the social risks related to these workers. The experience can also provide a model for other projects with similar features.



Figure 1. Status of the residential buildings in the location of Project N.



Figure 2. Complex rendering of Project N's landmark building.

3.2. Data Sources and Methodology

This paper applies a mixed use of quantitative and qualitative methods. on the study of the social impacts of urban renewal projects is relatively sensitive in China. As a result, the sample size for questionnaire surveys is generally small [39]. Therefore, studies with large-scale samples are rare.

This paper is based on government-sponsored consultancy work that aims to show the general public that this project is socially stable and to determine which factors should be paid attention to. The questionnaire survey was conducted through an online platform provided by WeChat and face-to-face interviews. The latter was prepared for senior citizens who were unable to use smartphones. When it comes to researching resident attitudes towards urban renewal, the situation in China becomes delicate, and the sensitive residents may refuse to answer questions or may provide evasive responses at times [54]. For this reason, the authors deliberately avoided using sensitive words such as "social stability", "risk", "conflicts", and so on. Fortunately, the aged population living in this community were quite active while filling out the questionnaires. The authors successfully collected 332 questionnaires, with the total effective rate of 97.6%.

In addition, during a year-long follow-up fieldwork, more than 50 interviews with grass-roots government officials, developer representatives, and residents were conducted. Notes with more than 60,000 words were taken for qualitative analysis. In the following sections, the ATLAS.ti coding and ordered probit regression methods are applied.

3.2.1. Coding with ATLAS.ti

The materials used for ATLAS.ti coding include the notes taken from the interviews and the open-ended questions in the questionnaires. ATLAS.ti software is intended to provide qualitative assistance to the social scientists involved in text interpretation. This includes the ability to manage annotations, concepts, and complex structures (including the conceptual relationships that emerge during the interpretation process) and the ability to work with large amounts of text [55]. According to the relevant protocols, one researcher was primarily responsible for coding, while another collaborator reviewed and discussed the entire coding process to eliminate potentially biased processes [56]. The involved concepts were mainly extracted from Beck and Giddens' theory and from the studies of other scholars in the field. The purpose was to identify the sources of social risk and to analyze the relationship between these factors.

3.2.2. Ordered Probit Regression

After coding with ATLAS.ti, the results of the questionnaire survey were handled using the ordered Probit model as the dependent variable (“residents’ willingness to support the project”) and “ordered”, with some of the assignments including “Support”, “Indifferent”, and “Opposed”. The fifteen total independent variables were divided into three groups: “personal characteristics”, “respondents’ concerns and needs”, and “residents’ knowledge and awareness of the program” (Table 2). The first group included information about gender, age, and education; the second group included information regarding the degree of concern about the project program, the impact of the project, the relocation plans, the quality of housing, and the fulfillment of basic needs; and the last group included the degree of residents’ understanding of the project implementation process, their degree of knowledge about related information, their degree of satisfaction about the resettlement compensation scheme, whether the residents have been consulted, etc.

Table 2. Variable names and assignments.

	Variable Name	Variable Assignment
Dependent variable	Support for Project	Support = 1 Indifferent = 2 Opposed = 3
Independent variables	Gender X ₁	Male = 1 Female = 0
	Age X ₂	18–30 years old = 1 31–40 years old = 2 41–50 years old = 3 51–60 years old = 4 60 years old and above = 5
Personal Characteristics	Academic qualifications X ₃	Elementary school and below = 1 Middle school = 2 High school = 3 College = 4 Undergraduate = 5 Graduate = 6
	Concerned about the overall plan of the project X ₄	Yes = 1 No = 0
	Concerned about the impact of the project on personal work or life X ₅	Yes = 1 No = 0
	Concerned about the time and progress of relocation X ₆	Yes = 1 No = 0
Residents’ concerns and needs	Concerned about the building quality X ₇	Yes = 1 No = 0
	Concerned about the traffic X ₈	Yes = 1 No = 0
	Concerned about the relocation plan X ₉	Yes = 1 No = 0
	Concerned about whether the project ignores the basic needs of residents X ₁₀	Yes = 1 No = 0

Residents' knowledge and awareness of the program information disclosure	Degree of understanding of project policies and implementation processes X ₁₁	Totally known = 5
		Better known = 4
		Commonly = 3
		Less known = 2
		Very unknown = 1
	Degree of understanding of the demolition and relocation pan and compensation X ₁₂	Totally known = 5
		Better known = 4
		Commonly = 3
		Less known = 2
		Very un-known = 1
	Timeliness of project-related information disclosure X ₁₃	Very timely = 5
		Quite timely = 4
		Commonly = 3
		Quite late = 2
		Very late = 1
	Quality of public participation X ₁₄	Fully adequate = 5
		More adequate = 4
		Commonly = 3
		Comparative inadequate = 2
		Totally inadequate = 1
	Degree of satisfaction of the compensation plan X ₁₅	Very satisfied = 5
		Quite satisfied = 4
		Commonly = 3
		Quite dissatisfied = 2
		Very dissatisfied = 1

4. Results

4.1. Descriptive Statistics

According to Table 3, the data from the returned questionnaires showed that the distribution of respondents matched the demographic characteristics of the local residents. First, 55.42 percent of the respondents were women, while 44.58 percent were men, and the difference was not statistically significant. Second, the respondents were mainly between 31 and 60 years of age, accounting for 78.92 percent of the total, with 11.75 percent of the respondents being over 60. Third, the H community accounted for 60.84 percent of the residents, while the N factory and G unit dormitory accounted for approximately 40 percent. Last but not least, in terms of education level, most of the respondents had education levels above high school, while 55.72% had a bachelor's degree or higher. The results of the descriptive statistics showed that the distribution of the respondents was reliable, meaning that we were ready to proceed with further analysis.

Table 3. Summary statistics of the main characteristics of the respondents.

Basic Information	Statistical Indicators	Proportion (%)
Gender	Male	44.58
	Female	55.42
Age	18–30 years old	9.34
	31–40 years old	27.41
	41–50 years old	31.33
	51–60 years old	20.18
	Over 60 years old	11.75
Education level	Elementary school and below	0.3
	Junior High School	4.52

Place of residence	High school	15.96
	Associate Degree	23.49
	Undergraduate Degree	44.88
	Postgraduate Degree	10.84
	N Factory	21.39
	H Community	60.84
	G work unit dormitory	14.76
	Other	3.01

4.2. Interpretation of ATLAS.ti Coding

Based on the notes taken from interviews and responses to open-ended questions in the questionnaire, Figure 3 shows how ATLAS.ti uses a visual perspective to present the relationship between risk sources. There are three kinds of relationships between the factors. The yellow line in the diagram indicates that two connected parties are related; the purple line indicates that one side influences the other side; the pink line means that one side promotes the other side; and the green line means that one side contains the other side. In each box, the “G” value and “D” value are also displayed and refer to the number of occurrences in the notes and the number of other connected factors, respectively. Figure 3 shows that “residents’ demand” has the highest G value (179), while “status of collaboration” and “degree of trust” have the highest D value (7). These keywords also revealed the most influential factors related to social risks.

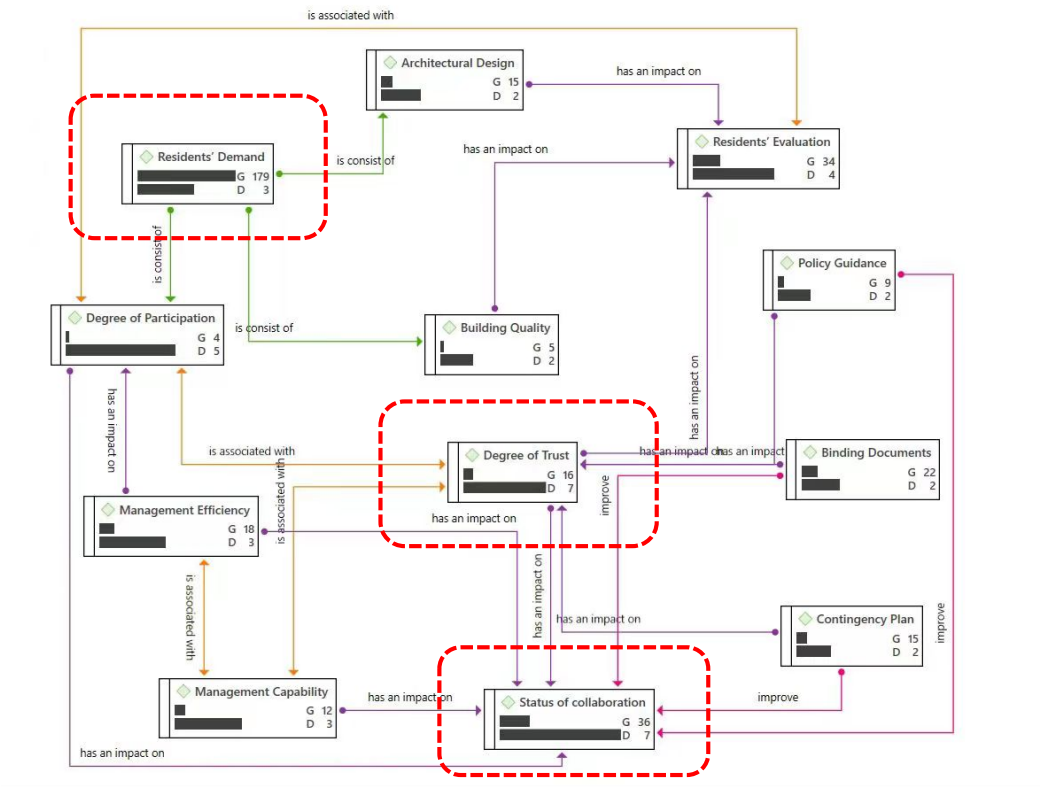


Figure 3. Network diagram generated by ATLAS.ti.
Note: The yellow line in the diagram indicates that two connected parties are related. The purple line indicates that one side influences the other side. The pink line means that one side promotes the other side. The green line shows that one side contains the other side. Additionally, G is grounded. D stands for density. Source: Self-illustrated by the author.

As Figure 3 shows, “residents’ demand” is currently the most significant source of risk to social stability, with 179 identified outcomes. Many residents expressed that they

were very concerned about the project but could not find the latest information about construction progress and compensation details. They also complained about the lack of a communication platform that could allow them to talk to other stakeholders.

"First, we hope that all parties can move forward with the project as soon as possible. Second, I hope that the communication could be smoother, and it would be preferable to have a clear relocation timetable." (Resident interview number: H09)

"Degree of perception", "building quality", and "architectural design" are related to "residents' demand" as different important parts. To meet the needs of local people, governments and developers should provide quality housing and actively seek the opinions of future users during the whole process to reduce the potential social risks.

Second, "status of collaboration" is another major risk source, with the second highest G value in the results. Most of the notes show that the collaboration situation was rather unsatisfactory. Residents could only acquire limited information about the project. Furthermore, representatives of the developer were only able to maintain minimal communication and collaboration with the resident committee, which was the planned to be the major semi-governmental organization that represented the voice of the residents. A staff from the developer admitted to the authors that:

"Right now, we're having trouble communicating with the residents' committee while our project team is also undergoing reorganization. This is the first of the kind and we are all groping around for the right working mode. So, there is in lack of sufficient dialogues with the residents' committee." (Developer Staff interview number: D06)

According to the diagram (Figure 3), "status of collaboration" is also influenced by managerial factors such as "management capacity" and "management efficiency" and policy factors such as "policy guidance", "binding documents", and "contingency plan". The head of the resident committee complained to us that they were rather understaffed on multiple occasions.

"Our routine work is already taxing. We want to collaborate on the project, but it would occupy our time on other duties. Like other residents, we only have superficial knowledge of urban renewal, there are so many questions that we cannot answer to." (Resident committee staff interview number: B01)

Last but not least, seven risk sources (factors) are linked to "degree of trust", including "status of collaboration", "degree of participation", "residents' evaluation", and so on. The residents reported that the transparency of the project was low and that rumors had taken air for quite some time. Many of them had doubted whether the project could be finished on time.

"What is the status of the project? We are not sure. Some people in the community constantly spread rumors, and we do not know who to trust." (Resident interview number: H02)

A staff member from the resident committee also mentioned the lack of trust in their relationship with the developer.

"Even though we had previously conducted a door-to-door survey together, there was no further communication regarding the follow-up work. For example, they posted a project poster with some new details at the gate of N Factory without noticing us, and we cannot answer any of the questions raised by the residents about the poster as we knew nothing about it." (Resident committee staff interview number: B07)

4.3. Interpretation of Ordered Probit Regression

Using ordered probit model, the authors have conducted data analysis on the questionnaire survey. As shown in Table 4, the project received an 84.9 percent approval rate from the residents. Only 10.8 percent felt "indifferent", and 4.2 percent of respondents opposed the project. The detailed results of the ordered probit regression analysis are also shown in Table 5.

Table 4. Statistical table showing the respondents' "willingness to choose".

Willingness to Choose	Number of People	Effective Percentage (%)
Support	282	84.9
Indifferent	36	10.8
Opposed	14	4.2

Table 5. Ordered Probit regression results.

	Independent Variables	Willingness to Choose
Indifferent	Gender X ₁	0.054052
	Age X ₂	0.079760
Opposed	Education X ₃	0.065120
	Concerned about the overall plan of the project X ₄	-0.675628 ***
	Concerned about the impact of the project on personal work or life X ₅	0.834780 ***
	Concerned about the time and progress of relocation X ₆	-0.629858 **
	Concerned about the quality of the redeveloped houses X ₇	-0.024834
	Concerned about the impact of the project on the surrounding traffic X ₈	-0.209242
	Concerned about the controversial demolition and resettlement and compensation of the project X ₉	0.048190
	Concerned about whether the project ignores the basic needs of the residents X ₁₀	0.426236 ***
	Degree of understanding of the project policy and implementation process X ₁₁	0.173528
	Degree of understanding of the project's demolition and resettlement compensation X ₁₂	-0.059450
	Timeliness of project-related information disclosure X ₁₃	0.422212 ***
	Quality of public participation X ₁₄	0.561494 **
	Degree of satisfaction of the compensation plan X ₁₅	0.550376 **
Log-likelihood value		116.22
Card Parties		51.108
DF		5
Significance		0.000

** $p < 0.01$. *** $p < 0.001$.

Several messages can be derived from the results presented above. First, the personal characteristics of respondents have no significant impact on their willingness to accept the

project. The data show that the residents, regardless of their education level or age, generally support the project. The younger generation is happy to increase the value of their assets, whereas the older generation wants to improve their living environment through redevelopment.

Second, residents are concerned about their personal interests, albeit most of them support the redevelopment of the neighborhood. They are worried about the overall plan of the project (X_4), the timing of moving back (X_6), and whether their personal needs have been taken into account (X_5 , X_{10}). The results shown by X_4 and X_6 also imply that some respondents are so concerned about the plan and timetable that they refuse to approve the project.

Third, the residents' willingness to accept the redevelopment is significantly influenced by their knowledge of the project. The findings show that the timely disclosure of project information (X_{13}), high-quality public participation (X_{14}), and an optimal compensation plan (X_{15}) can facilitate the support rate.

5. Discussion

5.1. External Factors

According to the qualitative and quantitative results, there is still potential social risks in Project N, though most of the respondents checked the "support" box in our questionnaire. The social risks of Project N may first be induced by external factors such as missing policy guidance or inadequate building design, as summarized in Table 1 in the previous section. In China, urban renewal heavily relies on a top-down administrative system, which may neglect the demands of grassroots organization, especially when their needs become more complex and diversified in the new era. On the other side, autonomy in urban renewal is still at the early stages in China. The resident committee failed to play their role as the organization that represented the local people. Referring to the architectural design and relocation timetable of Project N, the needs of the aged population had not yet attracted enough attention from the developer. However, old residents, especially the ones living alone, were so frightened that they would be unable to acquire enough assistance during the demolition and construction process.

At the same time, as the first benchmark urban renewal project in Yuexiu District, Project N needs to redevelop both old factories and shabby residential buildings while the government of Yuexiu is still exploring a set of new policies to adapt to the project. The significant amount of capital that has been invested (CNY 2.815 billion, approximately USD 415 million) and the large number of residents that have been relocated has made it more difficult to create relevant policies. Furthermore, the lacking of contingency plan might also weaken the project's anti-risk ability.

5.2. Internal Factors

The impacts of internal factors are even more decisive in Project N, which is characterized by the unfavorable position of the resident committee and the distrust between different parties. Usually, resident committees usually serve as facilitators of urban renewal projects and connect different stakeholders. During this project, the resident committee has experienced several advantages that no other organizations have. Resident committees are close to the residents, and the staff can understand the true feelings of the local people. They also maintain an inseparable relationship with the local government, which is their only source of funding. However, the local resident committee involved in Project N lacked communication with the developer, so that could not build a bridge between the residents and the project managers. This was partially because they did not have enough manpower, while the current work to prevent and control the spread of the COVID-19 epidemic had drawn most of their attention. Moreover, they were also laymen in the fields of urban renewal or construction. The questions raised by fellow residents

were also the ones that they were seeking answers to. The incompetence of the resident committee significantly reduced the capacity for risk management.

Distrust between the developer and residents also led to social instability. As an aging community, the residents in Project N were quite sensitive to the length of time required to complete the project. A representative of the developer told us that the government of Yuexiu District had already established a fast track for the application procedures for construction, making it one of the most rapidly advancing projects in the city. Nonetheless, the local residents did not have a sense of how much time would be required for the project, and they were under the perception that the demolition process had already exhausted them. The information and knowledge asymmetry had caused distrust between the developer and local residents. The lack of mediator also intensified such mistrust. The impacts of internal factors showed that a more effective collaboration platform is urgently needed to prevent potential conflicts.

5.3. Collectivism Reduces Willingness to Opposed

Although there are a large number of negative comments and complaints, Project N's approval rate remains surprisingly high in our quantitative analysis. This contradictory result can be easily explained. For a long time, the Chinese people have long been nurtured by socialist culture in which collectivism is crucial. When a collective decision is being made, people have a tendency to band together and prioritize collective goals over individual interests, resulting in relatively consistent behaviors. As employees from SOE, the workers of the N factory are definitely faithful believers of collectivism. In multiple public hearings, these workers were the majority of the audience, and they were also led by several active leaders. Thereby, most of the residents still voted yes in our survey.

Nonetheless, the power of collectivism is not omnipotent, and it is reaching its limit. Since the economic reform launched in the late 1970s, consciousness of personal rights has gradually awakened in people's minds. The interest of the collective is no longer the only value they follow. The growing number of "*dingzihu* (nail householder)" has shown that some citizens tend to fight to the end to maximize their compensation in urban renewal projects. Hence, collectivism is a buffer of social risk, but a lot more preventive measures should be taken to maintain the stability of China's local community.

6. Conclusions

After the rapid urban development in the last 40 years, megacities in China have reached a high level of development in terms of GDP and population growth. Meanwhile, the social conflicts induced by urban renewal have also severely intensified due to the enhancement of land value and the increase of people's expectations. Using Project N in the city of Guangzhou as an example, this paper attempts to reveal how local residents, resident committees, the local government, and developers interact with each other and to determine what factors could potentially be the sources of social risks. The authors have applied ATLAS.ti coding and an ordered probit model as two different research methods to analyze notes taken from face-to-face interviews and questionnaire survey data. The coding results show that "residents' demand" is the most frequently mentioned word that should attract sufficient attention from the local state and developers. "Status of collaboration" and "degree of trust" are two elements that are in the center of all of the other factors, and they are linked to multiple risk sources, including the ones related to policies, building quality and design, and the management capacity of the resident committee. It is true that reducing the social risks in Project N depends on building a trustworthy relationship between different parties. Furthermore, ordered probit regression has shown that residents are worried about the overall planning, the timetable of relocation, and whether their personal needs are taken into account. It is also indicated that the timely disclosure of project information, high-quality public participation, and a reasonable compensation plan can possibly boost the support rate.

The findings of this paper have extended some arguments about anti-risk measures proposed by Beck and Giddens [19–23]. In terms of the external environment, sufficient policy guidance and contingency plans should be provided. Building design and quality are also the concern local residents. In terms of the internal environment, improving management capacity and interaction between stakeholders are deemed to be effective ways to mitigate social risks, while resident interests should also be respected.

According to the overall resident attitudes towards Project N, collectivism remained an important code of conduct in the minds of the SOE workers. Instead of confrontation, they chose to conditionally comply with the arrangement made by the local state and developer. At the same time, they were also becoming more self-centered, resulting in them continuously expressing their concerns. As a potential solution, collectivist culture is able to play an effective role in preventing social risks, and further, it can facilitate the sustainable development of local communities, though to what extent we can rely on it still needs a closer look.

As a study based on one single case, the authors also acknowledge that this study has some limitations. Since urban renewal projects normally take years to be finished, our investigation can merely represent a snapshot of the whole process, and the situation may change drastically in the coming years. Therefore, a follow-up study is definitely needed to update the relevant arguments. Additionally, many of China's urban renewal projects also involve the redevelopment of old villages, where the culture of collectivism and the logic of decision-making may vary. Hence, future studies on redeveloping old villages should also verify or echo the findings of this paper.

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