



Shifting land-based coalitions in Shanghai's second hub

Yanpeng Jiang^a, Paul Waley^{b,*}, Sara Gonzalez^b

^a Coral Bell School of Asia Pacific Affairs, Australian National University, Australia

^b School of Geography, University of Leeds, United Kingdom



ARTICLE INFO

Article history:

Received 12 December 2014

Received in revised form 5 November 2015

Accepted 8 November 2015

Available online xxxx

Keywords:

Urban coalitions

Local state

Mega urban projects

Debt financing

Shanghai

Hongqiao

ABSTRACT

Hongqiao is one of China's largest ever urban development projects, and within Shanghai second only to Pudong. It is designed to kick-start growth in the western part of China's economic capital, just as Pudong did in the east. The project comprises a transport hub and a new central business district and involves the participation of an array of organizations, including government at various levels, specially created bodies, property developers and banks. The central argument of this paper is that these organizations formed what can best be conceived of as a government-led land-based urban growth coalition and that this coalition became the driving force behind the Hongqiao project. It further argues that, rather than being one monolithic coalition, this was a shifting constellation of corporate actors, forming informal subcoalitions with different but interlocking roles and functions. The paper concludes by arguing that land-based urban growth coalitions rely on participants benefitting from rising land and property values once land has been developed, but for this debt financing is required, and this comes with its own substantial problems. The concept of land-based urban growth coalition can be useful in helping to interpret urban change in China so long as the coalition is examined in some detail.

Crown Copyright © 2015 Published by Elsevier B.V. All rights reserved.

1. Introduction: after Pudong in the east of Shanghai, Hongqiao in the west

New towns, new districts and new CBDs have been sprouting up throughout China since the late 1990s, a trend that has been fuelled by a large influx of domestic and foreign investment since 2000. The Hongqiao project is one outstanding example in the new wave of urban projects, outstanding because of its scale and location. Hongqiao lies in the less developed western part of Shanghai, about 18 km from the city center. In 1984, a Hongqiao Economic Development Zone was created near Hongqiao airport, but since then this part of the western suburbs had been almost entirely ignored in round after round of industrialization and urbanization. Hongqiao was, therefore, semi-rural and semi-urban before the Hongqiao project was initiated in 2007. Land-use characteristics were mixed, with a scattered distribution of industrial parks, rural villages and gated communities, one next to the other in a state of disorder.

Since 1978, the Shanghai Municipal Government had been focusing on urban regeneration in the city center and the development of Pudong district, which was a national development strategy in the 1990s. Less attention was paid to urban development in the suburbs, with the consequence that Shanghai could not compete with its neighbouring cities, and in particular with Suzhou, whose GDP and FDI growth rates were far stronger (Li & Wu, 2012). It was under these conditions of regional urban competition and under pressure from central government that

a series of active steps were taken by the Shanghai Municipal Government; these involved a number of eye-catching projects, including a new university town and a series of new urban centers built in various European styles (Shen, 2011; Shen & Wu, 2012). Hongqiao, however, was designed as a mega urban project superseding all these other projects.

The Hongqiao project has two components. The first is a transport hub, including a new terminus for high-speed trains linked to the existing airport, which itself has been expanded. The second is a business zone. The whole project covers some 26 km², of which about four-fifths was expropriated from local interests, including villagers. The Hongqiao project is expected to promote economic growth and urbanization in the west of Shanghai through the construction of a new commercial and trade center, with a small but significant residential component. The hub, an important part of the project, has become the biggest transport junction in China since the inauguration of a high-speed railway station there in 2010. The Hongqiao business district is still in the construction process, with work originally due to have been completed on 18 auctioned plots in the project's core area by the end of 2015. Much of the 26 km² are being held in reserve for later development (interview with planning official, 29 November 2011).

The Hongqiao project was launched with a series of principal aims, which can be defined as promoting economic development, improving urban spatial planning and transforming the city's industrial structure. Under the heading of promoting economic development, the Hongqiao project is an attempt to kick-start the development of the west of the city by providing a new economic growth pole through the provision of convenient transport infrastructure and the development of a

* Corresponding author.

E-mail address: p.t.waley@leeds.ac.uk (P. Waley).

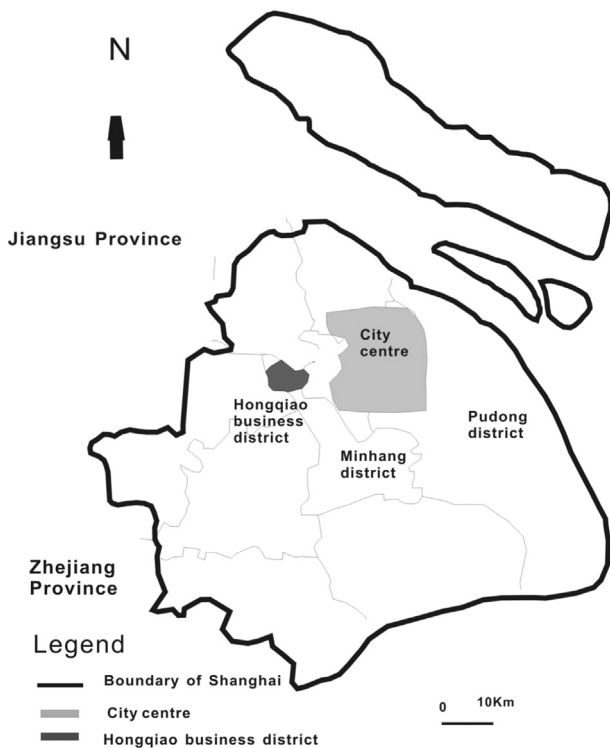


Fig. 1. The location of the Hongqiao project within Shanghai.

business zone to form a strong service sector nucleus (Shanghai Municipal Government, 2007). In terms of improving spatial planning, the aim is to turn Shanghai into a poly-centered city with a west core to rival Pudong in the east. The transport hub is designed to reinforce Shanghai's centrality in the region, providing speedy links to Hangzhou, Nanjing and the other major cities of the Yangtze River Delta (Fig. 1). This is a project to produce new space in the metropolitan region (Shen, 2011). Under the heading of transforming the city's industrial structure, the Hongqiao project is being undertaken in order to promote the development of the service sector as a leading component in Shanghai's industrial structure. In the process of transforming the city's industrial structure, a series of strategies were launched by the Shanghai Municipal Government starting in 2005 to de-emphasize and relocate the manufacturing sector and develop service industry (Hongqiao Business District Management Committee, 2010). The Hongqiao project is seen by the city's government as the leading platform for Shanghai's transformation into a center for international trade (Shanghai Municipal Government, 2010).

In detailing the way the construction of the Hongqiao project has been organized, this paper sheds light on urban change in China and in particular on the shape and nature of the urban coalitions without which change on the levels that we have seen over the last three decades would have been impossible. With this in mind, the paper has a number of objectives. The first and principal objective is to demonstrate how one of the largest ever urban projects in China has been undertaken, which organizations are involved, and how their involvement changes according to the tasks at hand. The second objective is first to relate this process of urban restructuring to the literature on urban growth machines, regimes and coalitions in the context of US and European cities and then to contextualize it within the growing corpus of literature on pro-growth coalitions in China. Given that the success of the project remains dependent on continued rapid growth, growth in the economy that fuels growth in the property market, a third objective is to reflect briefly on how the immediate fate of the project is dependent on macro-economic decisions taken in Beijing by central government. More broadly, therefore, we explain here the mechanisms

by which a mega project is undertaken, shed light on the coalition of forces that drives it forward and set these into a wider conceptual framework.

We define the coalition of organizations driving the Hongqiao project as a land-based urban growth coalition. Seeing this as common to most large-scale urban projects in China, we relate it to longstanding debates about how to conceptualize the forces driving urban development in North America and Europe, and also in China. We engage with the concept of urban growth coalitions in the Chinese context in two ways. First, we reiterate and reinforce those interpretations that highlight the accumulation of land and its conversion into a leasable commodity as the principal engine driving urban growth projects (Hsing, 2010; He & Wu, 2007). Accumulation of land entails the dislocation and dispossession of existing residents and businesses, but it meets multiple governmental goals, including the acquiring of revenue through exploitation of the gap between purchase price and leasing price, the enhancement of competitive position vis-à-vis neighbouring authorities and the 'modernization' of the built environment. Secondly, we extend the concept of urban growth coalition that punctuates much of the literature by arguing that such coalitions should be understood not so much as static groupings of organizations but more as dynamic forms made up of sub-coalitions; the 'membership' of these sub-coalitions shifts and changes according to the phase of the project and the nature of the work to be effected, operating under an umbrella coalition that is always led by the state and in which the state is the primary player. However, the state in China is multi-scalar and multi-actor, often reappearing in different guises, for example, as a property development company — a process of multiplication of state agencies occurs (Hsing, 2010). It is indeed the coming together and parting of different state (and some non-state) actors that characterizes the coalitions that drive mega urban projects like Hongqiao forward.

The material for this paper is derived primarily from a series of interviews conducted during two rounds of field work in Shanghai in 2011 and 2012, and again in 2015. These involved in-depth interviews with officials of Hongqiao Business District and Minhang District. These officials were for the main part planners deeply involved in the Hongqiao project at different stages. We also held a series of background discussions and meetings with experts and academics who have been heavily involved in the project. The principal interviewees were senior officials working in Hongqiao Business District and Minhang District government offices and involved in the execution of the project. Repeat interviews were held to clarify points that were unclear in what is at times a rather opaque process. Because of the sensitive nature of much of the information provided by government officials, their names and positions in government have been withheld. Although not specifically cited in this paper, the views of academics and other experts enabled the authors to place the comments of officials planners implicated in the project in a broader context. We have also drawn on online and paper documentation drafted by Shanghai Municipal Government and other relevant agencies.

The paper proceeds as follows. After a brief review of the concepts of urban growth regimes and coalitions in US and European contexts, the paper examines the growing tendency in the literature to interpret urban development and restructuring in China as the product of pro-growth coalitions and assesses the ways in which different writers see the balance of forces within those coalitions. The paper's principal empirical focus is on the Hongqiao project and the various permanent and ad hoc organizations that have driven it forward. It re-interprets these groups in terms not of one monolithic coalition but of a coalition whose membership in a series of sub-coalitions shifts in ways alluded to above. This model of urban growth is predicated on debt financing through land acquisition and leasing, and the consequences on Hongqiao of central government attempts to rein in debt are discussed in the following section. The paper concludes by reaffirming the composite and flexible nature of the coalition of largely state-owned corporate entities that undertook the project and the nature of land as a lever

Download English Version:

<https://daneshyari.com/en/article/7418269>

Download Persian Version:

<https://daneshyari.com/article/7418269>

[Daneshyari.com](https://daneshyari.com)