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Publisher Routledge

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## International Journal of Housing Policy

Publication details, including instructions for authors and subscription information:

<http://www.informaworld.com/smpp/title~content=t713700559>

### A Review of “Shanghai Pudong: Urban Development in an Era of Global-Local Interaction”

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Online publication date: 25 February 2010

**To cite this Article** Shin, Hyun Bang(2010) 'A Review of “Shanghai Pudong: Urban Development in an Era of Global-Local Interaction”', International Journal of Housing Policy, 10: 1, 97 – 100

**To link to this Article:** DOI: 10.1080/14616710903565811

**URL:** <http://dx.doi.org/10.1080/14616710903565811>

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orientations (p. 12) come in three. The concept of the new economy of the inner city, however appealing, is not a full theory yet and appears to be not unambiguously testable. Of course the author, Thomas Hutton, continues his important work on this, as is warranted in the conclusions. We have to wait for the anticipated progress, and meanwhile reading the present volume is highly recommended.

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DOI: 10.1080/14616710903565787

## **Shanghai Pudong: Urban Development in an Era of Global–Local Interaction**

Y. Chen, *Amsterdam, IOS Press, 2007*, Sustainable Urban Areas Series, ISBN 1 586 0374 71

Looking at contemporary Chinese cities, one is often compelled to feel aghast at the affluence and prosperity accumulated over such a short period of time. Within a time span of a little more than a decade, Pudong in Shanghai has risen from farmlands to the icon of China's economic success. This ultimately leads to a simple question: what made this possible? It is a question that has grasped the attention of anyone who's been observing China's regional development over the last three decades, but that has not been provided a comprehensive overview. Here in her book, Yawei Chen examines the urban growth of Shanghai, addressing the same question with the support of meticulously collected first-hand data.

The research in this book is essentially an *ex post facto* analysis of the Pudong area development, examining various local–central government initiatives and decision-making processes involved. Three main issues are under scrutiny: (1) how the Pudong mega-project was delivered in the globalising world; (2) how local development processes had been influenced by the global–local interaction; (3) how public–private partnerships were involved in this mega-project to enable the Pudong development. Five chapters in total are devoted to address these issues. Chapter 1 starts with a

review of the impact of globalisation on cities, urban governance change and the implication of Castell's network society and Ming Xia's dual developmental state thesis for author's research on Pudong. Chapter 2 is a chronological review of various development initiatives that made the Pudong development possible, looking at the ways in which various actors (the central and local governments, the market and international investors) interacted with each other to influence these initiatives over the years. Chapter 3 is a densely packed chapter, scrutinising various factors that drove the Pudong development. These factors include finance, land development, infrastructure and local real estate market. The key issue here is how Pudong made use of these factors so as to achieve its current status as a 'global' city, spearheading the development of Chinese economy. An emphasis is placed on the active land policy, which not only provided revenues for further investment in, for instance, infrastructure, but also allowed greater engagement of private investors and global capital to grab a stake in the Pudong development. In Chapter 4 the author places her discussions within the paradigm of the developmental state to show how Pudong was able to make such remarkable achievements in a short time period. It is argued that a synergetic coalition was formed between local and central government, which then took an active role in creating networks among multiple stakeholders at both domestic and international scale. She concludes in Chapter 5, where the limits and implications of this study for urban policy in China are discussed.

The strength of this book stems from the author's scrupulous examination of the range of interrelated factors that led to the rapid transition of Pudong to become a global city. Yawei Chen argues that the decision to develop Pudong had been a combined result of: (1) a strong consensus at local level; (2) consensus between central and local governments, which 'took into account both political consequences and national economic concerns' (p. 88); and (3) incoming of international forces. These arguments lie in the premise that the local state has gained a substantial degree of autonomy through decentralisation and other institutional reform measures to give greater decision-making power to local developmental states. The author suggests that the relationship among traditional (pre-reform) organisations operating in Chinese cities (Shanghai in this case) has been transformed, thus laying the foundation of a new form of urban governance and public-private partnerships. The author attributes this to the 'hybrid' style economy of China where diversified political structure and frequent political negotiations has resulted in the emergence of a network style of government.

There are three limitations that may be pointed out as a gentle warning to readers. First, the book is not a theoretical visit to the concept of the developmental state, nor the network society. It also falls short of explaining why China qualifies as a developmental state and in particular, why Ming Xia's thesis of dual developmental state is crucial for the (author's) understanding of the Pudong development. Ming Xia's dual developmental state thesis rests on his emphasis on enhanced local autonomy through decentralisation as well as on legislative empowerment, which in turn

provide a basis for synergetic coalition between the developmental central state and local developmental states. The author largely takes this theoretical framework as given without introducing, let alone scrutinising, it in detail at the outset. Instead, the book allocates much of its space on how this consensus was reached to bring about the success of Pudong development without necessarily exploring how Shanghai came to exert its own voices in the course of Pudong development, raising its status as a valid, if not equal partner with the developmental central state.

Second, it is not very clear how the public-private partnership, cited as a key thrust of the Pudong development, has been established to facilitate area development. As the author discusses, for much of the Pudong's initial development period in the 1990s, it was mostly the involvement of the public sector (local and central governments, state-owned enterprises and commercial banks that had been undoubtedly under the state control) that facilitated local area development. The private sector had been rather marginal, and even in the 2000s, its involvement appears to have been geared towards providing private finance (albeit limited) and management skills or mediating the global-local interaction (e.g. global Chinese business network). That the local government took measures to create a land market, implement preferential policies, improve the legal framework of private sector investment and carried out open consultation with the private sector, however, does not explain why the private sector has made financial contributions despite the lack of transparency in decision-making processes that dominated the Chinese market (p. 119). The author's acknowledgement that 'For Pudong development, local government preferred to attract private investment rather than encouraging PPP' (p. 120) is in fact in direct contradiction with the author's earlier proposition of the establishment of PPP (Public-Private Partnership) as a thrust of the Pudong development.

Third, one important dimension affected by, and in return influenced the progress of, the intense (re-)development of Pudong would be the 'people' – residents affected by the (re)development. The author acknowledges that local residents encountered problems during relocation, which resulted from the changing regulations on resettlement and compensation, and from relocation practices that failed to accommodate displacees' rights, aspirations and needs. It is however unclear why these problems had not led to any conflict that would have damaged the realisation of the Pudong developmental goals. Local residents' dissatisfaction with their poor housing conditions was cited as one of the main reasons for relatively smooth displacement and relocation, but this does not seem to explain the whole picture. The operation of developmental state is, to some extent, based on the absorption of local population by growth ideology that legitimises state action to proceed with state-capital cooperation. It may have been interesting to see how the growth ideology combined with the authoritarian nature of the Chinese state and the Communist Party had made any difference in gaining the consensus or suppressing any potential resistance. The low number of local residents interviewed (just two listed in the interviewee list in the appendix) may partly explain this shortfall.

Having examined the area development practices in Pudong meticulously, the final question the author raises is: Could the Pudong model be replicated elsewhere in China? The author acknowledges that the Pudong's experience 'presents an extreme situation in which interaction between global and local factors took place in a location whose boundaries had been closed to the outside world for almost forty years and in a period when doors and windows were beginning to open' (pp. 281–282). Instead of addressing how replicable Pudong's experience is, the author redirects readers' attention towards a revised question that addresses 'the extent to which the local, regional or organisational context can be changed to benefit from the lessons learned from the Pudong development' (p. 283). This is a problematic suggestion, as the geo-political and economic position in which Shanghai found itself is less likely to be replicated for other parts of China. The degree of popular support may also not be the same, thus undermining the legitimacy of the developmental ideology shared in the course of the Pudong development in the 1990s and early 2000s. The frequent news of popular protests against land expropriation seems to suggest that land development is not going to be a conflict-free process anymore.

To sum up, despite the few shortfalls, this book still makes a wonderful scholarly contribution by vividly explaining how various actors have come together to promote Pudong's rapid transformation, an insight that has been the product of strenuous efforts to dissect the microcosm of China's urban development. The book is based on the author's doctoral studies, and reflects a doctoral thesis structure, which makes it slightly dry to read. However, this book is highly recommended to anyone who would like to gain an insight into China's development processes, the working of local and central governments in setting the course of local area development and the history of institutionalising various development tools that play an important role in other cities of China.

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DOI: 10.1080/14616710903565811

### **Community Cohesion in Crisis? New Dimensions of Diversity and Difference**

J. Flint & D. Robinson (Eds), *Bristol, The Policy Press*, 2008, ISBN 1 847 4202

30

This edited collection examines the 'alleged crisis of community cohesion in the UK' or 'the breakdown of social connections along the fault lines of geography, ethnicity,