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**Shanghai swings: the Hongqiao project and competitive urbanism in the Yangzi River Delta**

**Abstract:** That cities compete against each other is a cliché of the contemporary neoliberal condition, in which so much focus and energy is expended on a zero-sum-game of trying to outshine imagined rivals. In this paper we examine how this type of competition plays itself out in China, and more specifically in and around Shanghai, in the Yangtze River Delta (YRD). We argue that the competition here, principally for foreign and domestic inward investment, is intense and multi-scalar. It is fuelled in particular by China’s nested territorial administrative structure, leading to a situation that eventually involves all scales, from district to central government. We choose therefore the term competitive urbanism to encapsulate these multi-scalar and multi-directional competitive forces. Lying at the centre of this competitive urbanism in the YRD is the giant new Hongqiao project in west Shanghai, second only in expanse and ambition to Pudong. The Shanghai municipal government has promoted this project partly in response to competitive pressures from other cities in the YRD, and partly to swing the dynamic of growth westward within the city and link it better to its hinterland. In this way, Hongqiao is reinforcing and accelerating the competitive urbanism that characterizes China’s most prosperous region.

**Keywords:** Competitive urbanism; cities in competition; nested territorial administrations; Hongqiao; Shanghai; Yangzi River Delta

**Introduction: the conditions for competitive urbanism in China**

One of the largest urban construction projects that China has yet seen is materialising in the west of Shanghai. Even by Chinese standards, the Hongqiao project is mammoth. Its central core area covers 26 square kilometres and has involved the relocation of 11 villages, 3874 households and 1381 businesses and shops. The project has two components. The first is a transport hub, including a new terminus station for high-speed trains linking to the existing airport, which itself has been expanded. This was completed in 2010 and has already become the city’s main point of connection with the surrounding Yangtze River Delta (YRD). The second is a business zone, on which work began in 2009; the Hongqiao project is designed to promote economic and urban growth in the west of Shanghai through the construction of a commercial centre that is planned, it too, to become a fulcrum for the YRD. Considerable effort has been put into the Hongqiao project by the Shanghai Municipal Government -- city officials seconded to the project stressed in interviews that Hongqiao is seen in Shanghai as equivalent to Pudong in the east of the city, a project of national as well as regional significance (interviews, 2 August 2012 and 4 October 2015). While Pudong serves to link the Chinese economy to that of the rest of the world, Hongqiao is envisaged as a regional and national equivalent, a focal point for business -- and in particular the higher order service sector -- and transport in the YRD.

The construction of a new business centre does not, however, guarantee success, not even in China’s economic capital, Shanghai. Space has to be created for it in a highly cluttered and competitive landscape of local city governments led by ambitious, motivated and single-minded politicians piloting a variety of projects, all of which are designed to fulfil the same or similar growth strategies. The YRD, along with the Pearl River Delta, is a prime arena of competitive urbanism in China. Intensified intercity competition has contributed to urban sprawl to the point where the land between the core cities of the YRD has become more or less completely urbanized, leading to the gradual formation of an urban agglomeration. The high-speed rail lines from Shanghai to Nanjing and Hangzhou have brought these cities closer together, accelerating the trend towards the formation of an extended urban settlement in the YRD. In addition, economic globalization and industrialization have boosted
the performance of some small urban and rural areas and transformed them into economic centres, leading to a polycentric structure for the YRD. At the same time, however, a series of negative externalities have accompanied this competitive urban landscape, such as the duplication of port and airport infrastructure and the pollution of lakes and rivers.

We write here specifically about urbanism, believing its competitive nature to be one of the defining features of the urban condition in China. Urbanism as a term is both surprisingly under-theorised but also potentially of great value when reflecting on Chinese cities. Urbanism takes us back in at least two directions. One is to Louis Wirth’s seminal statement on cities in the twentieth century (Wirth, 1938), discussed in a Chinese context by Fulong Wu (2009). The other is to a French tradition of practice and thought whose most influential exponent, Henri Lefebvre, inserted urbanism into Marxist thought (Gottdiener, 1993). The great value of the term, however, lies in its open nature. Its openness to conceptual elaboration has facilitated its use in compound readings of the urban condition, such as new urbanism, transnational urbanism and splintering urbanism.

Urbanism allows us at the same time to step outside the Weberian (or perhaps Durkheimian) and Marxian traditions in which Wirth and Lefebvre were writing and identify a distinctive Chinese tradition (Tang, 2014). The apparent modal swings in modern Chinese urban history (in the years following 1949 and 1978 to name but the two most recent) make it all the more important to establish the foundations and contours of urbanism in China today. Thus many of the characteristics of contemporary competitive Chinese urbanism owe their existence to a territorial political economy that pre-dates the reform period. This can be seen in the precise correlation between spatial territory and political administration, meaning that the centre can manipulate territorial administrations according to its changing requirements even as local administrations jockey for position vis-à-vis central government while retaining significant levels of autonomy (Lim, 2016). Not only is the Chinese edifice of territorial administration strictly hierarchical but it is also deeply conditioned by the dual urban-rural structure, which tends to make local governments predatory as they seek to swallow up surrounding rural administrations and attain higher ranking (Cartier, 2015). These aspects of China’s political economy have changed only incrementally, but it is the country’s insertion into the circulatory paths of global capital that have set the scene for the competitive nature of contemporary Chinese urbanism.

A second defining feature of urbanism in China, now as it was in the years of Maoist socialism, is the state’s imposing presence in the economy. This manifests itself in a number of ways that serve to intensify competition at various levels of territorial administration. The tone is set by central government’s GDP growth targets. While in recent years Beijing has attempted to rein in speculation-fuelled local economies through a discourse of ‘new normal’ and lower growth targets, it is finding it hard to place the jinnee of competitive growth back into the bottle. The same issues have arisen with the system of promotion for local government and party officials. Officials are evaluated by a range of measures, but it is their success in achieving growth targets that tends to prevail over other factors, and these are most easily met through infrastructure projects, the financing of which is generated from urban development (Wu and Zhang, 2007). A further feature of China’s territorial polity that intensifies competition relates to the budgetary constraints applied since 1994 by the central state, which mean that local governments need to create revenue from land development projects in order to guarantee themselves a sufficient income stream. The consequences of these conditions have been, as we shall see, the use of new infrastructure as a weapon of advancement, a proliferation of projects and a heightened and modified development of the special zone fever that has been a feature of China’s growth politics for the last thirty years.

While recognising the importance of the institutional continuities that contribute to the distinctive nature of Chinese urbanism, the interaction of the country’s economy with global capital has in recent decades intensified the competitive element within Chinese urbanism, to
the point where it has become a dominant feature through most of the reform period. There is in the first place competition for investment, competition that involves constructing the infrastructure that will attract such investment. Thus we find competition between local government entities at every administrative level, but also between different central government agencies (Qian, 2013; Hsing, 2010). Regional plans are drawn up whose aim is to reinforce competitive position (Wong et al., 2008). City governments throughout China foster competition between rival CBDs, compete intensely for 'national new areas' and indulge in the construction of huge but largely empty satellite cities (Gaubatz, 2005; Li, 2015). Competition, indeed, fuses so many aspects of what we might call China’s territorial polity that it becomes all-encompassing.

This paper sets out to develop an argument about the intensity and nature of competitive urbanism. Competition does not occur only at one scalar plain but instead implicates governments at varying and nested territorial levels. This is more than just a story about cities in competition. Thus the paper examines the impact of one specific but very large project on surrounding areas. Reflecting China’s complex territorial geography, the construction of the giant business and transport hub at Hongqiao in the west of Shanghai is having significant consequences both on other districts in Shanghai but also on cities at various administrative levels across the provincial border. We argue here that the Hongqiao project represents the reassertion of Shanghai’s position as leader within the YRD after a period during which a number of infrastructure and development projects in cities like Suzhou and Hangzhou had threatened its regional leadership.

**Researching the Hongqiao project**

The paper is based on interviews conducted in 2011, 2012 and 2013 (with two supplementary interview sessions in 2015) as part of a larger doctoral research project on the nature and impact of the Hongqiao project and its place within the broader canon of urbanization in China. The research project involved two substantial periods in the field (in 2011-2012 and again in 2012), as well as many shorter visits. Eleven project officials were interviewed, all of them on a repeat basis. One was an official from Shanghai Municipal Government who was responsible for coordination between the Shanghai government and Hongqiao Business District Management Committee, the organization established to operate the business zone. Four were officials of the management committee; one of these was a senior department head in charge of planning the business district from 2010 to 2015, and three were senior officials in charge of the construction and operation of the project. Two interviewees were senior officials of Shenhong Company, the state-owned company that managed the construction of Hongqiao; they were responsible for land development and planning. Four were officials from Minhang District Government, one a senior official from the bureau responsible for planning and development in Minhang and the three others senior officials in charge of major aspects of the project. To provide requisite background and contextual information, planners and academics not directly involved in the project were approached for their views. Large amounts of documentary and online materials were also gathered. Although not directly relevant to this paper, interviews and a large-scale survey were undertaken of local residents relocated as a result of the project. As is customary in a research paper of this nature, the names and exact positions held by the interviewees have been withheld to protect their anonymity.

The rest of the paper unfolds as follows. In the next section, we review the literature that provides a theoretical and conceptual context for the arguments being advanced here, with an emphasis on the work of scholars writing on Chinese cities. In the fourth section, we provide background information on Hongqiao within the wider context of the western peripheries of Shanghai. In the sections that follow, we move inwards from an examination of some of the competitive strategies adopted in the principal cities of the YRD to a more
detailed focus on Shanghai and the inter-urban competitive strategies adopted by the Shanghai Municipal Government to strengthen the economies of districts in the west of the city. The final empirical section examines the impact that the Hongqiao project is having on surrounding districts. In the conclusion we provide a résumé of the territorial jostling for position in the YRD over the last decades and re-visit the principal conditions for competitive urbanism in contemporary China.

Competitive urbanism and contemporary China

A number of conceptual tropes are used in the narrative of China’s urban political economy. References can be found to urban growth coalitions and regimes and to urban neoliberal urbanism and entrepreneurial governance, to speculative urbanization and growth-driven and market-oriented urbanization, and so on. While these terms have differing theoretical loadings, each is relevant to the argument being advanced here, and will be introduced cursorily in the first part of this section, along with the standard caveat that accompanies the application of these concepts to the Chinese terrain, that of the central role played by the state. This review of the literature continues by engaging briefly with debates on the politics of scale, arguing that these are of particular relevance given the varied geometry of China’s territorial arrangements. Interventions at a number of scales, both central and regional, horizontal and vertical, have initiated projects to transform competitive relations between Chinese administrations into cooperative alliances; we show here that these attempts have left commentators largely unimpressed. Finally, we review different approaches taken in the literature to cities and competitiveness, relating writing on the Chinese context to a broader literature and finding a significant degree of congruence.

One strand of recent writing on Chinese cities has used theories of urban growth coalitions and regimes, theories that were forged in the liberal democratic context of the US, to interpret urbanization in China (Zhu, 1999; Zhang, 2002; Yang and Chang, 2007; Zhang, 2014). In general, this conceptual terrain has been considered useful -- references to pro-growth coalitions have become widespread -- but only if a number of qualifications discussed below are borne in mind. A more overtly Marxist-influenced political economy approach has also characterized scholarly work. Commentators have reflected on the Chinese urban condition in terms of neoliberalism; He and Wu (2009), for example, write of “China’s emerging neoliberal urbanism”. Many commentators, writing in a broad political economy tradition, see Chinese local governments as entrepreneurial, driven to adopt entrepreneurial policies by the sort of conditions mentioned above in the introductory section to this paper (see, for example, Zhang and Wu, 2008; Shin, 2009; Chien, 2013). Wu, however, stops short of seeing Shanghai as a fully-fledged “entrepreneurial city” on account of the leading role of the state in creating a “territorially based entrepreneurialism” (Wu, 2003, page 1694). Nevertheless, the identification of China’s local governments as entrepreneurial has become a sort of prevalent meta-narrative. Various other qualities are ascribed to urbanization in China, all of which are congruent with the picture of entrepreneurial urban governance. Thus it has been referred to variously as speculative, profit-fuelled, growth-driven and market-oriented. All of these terms can be taken to reinforce the characterization of contemporary Chinese urbanism as neoliberal and entrepreneurial, and, as a consequence, imbued with strong competitive tendencies (Harvey, 1989). We will return to these thoughts in the concluding section.

The central qualification that writers on Chinese cities advance in discussing the validity of coalition theory and ideas about neoliberal entrepreneurial urbanism is that of the role of the state, a factor whose importance becomes clear in discussing the case of Hongqiao in Shanghai. State-centred neoliberal urbanism represents, as Hill and Kim (2000) convincingly argue, an important contrast to the market-centred regime characteristic of leading Western cities. This understanding of a state that orchestrates neoliberal policy-making has
subsequently been reinforced in numerous works (for example, Bae, 2012) and is seen as a leading characteristic of neoliberalism in China, even as the role of the neoliberal state in urban-related policy-making has been re-asserted in a north Atlantic context. He and Wu, in their study (2009) of the relevance of neoliberalism to China and Chinese cities, insist on the importance of the role of the state, not only at the central level, but also the local state, which they see as giving a particular colouration to neoliberalism in China. Nevertheless, the state, as He and Wu along with others have pointed out, is full of fractions and fractures, both vertical and horizontal. The concerns of central government for stability and security, for instance, are far from always being shared by local governments, while local governments themselves often find themselves locked into the sort of fierce competition we will be examining in this paper, driven by the perceived need to prioritize investment for growth.

Neoliberal and entrepreneurial cities sit on shifting scales of governance (Peck and Tickell, 2002). In a distinct echo of similar discussions concerning China (see, for example, Ye, 2014), the literature on scalar politics in a more generalized context reflects debates about the power of the state at national and municipal scales, pushed and pulled this way and that by the forces of globalising capital economy and answering back through acts of territorial re-scaling (Brenner, 1999; Brenner, 2000; Swyngedouw, 1997). Scale, however, should be considered as one of several “dimension[s] of geographical differentiation” (Brenner, 2001, page 604), a point developed by Jessop and colleagues in a later paper, where a plea is made for an approach that exploits simultaneously a number of different theoretical angles, relating and intertwining the verticality of scale with the horizontality of territory (Jessop, et al., 2008).

These considerations are of particular relevance in China, where the politics of verticality and horizontality are played out with some considerable intensity. This is in part the consequence of the country’s system of nested administrations, which creates the conditions for a tightly woven politics of scale overseeing fissiparous networks of otherwise competing local administrative bodies. In recent years various scholars have discussed the different ways in which relations of scale are altered, through reclassification, annexation or expansion. These processes are analysed in some detail by Chien (2013), Ma (2005) and Shen (2007). For Shen, “Economic consideration is the main reason for reconfiguration of urban space”, a process characterized by “intensive interaction and negotiation” (2007, page 313). Ma sees the hierarchical system of administrative entities as inherently problematic, and the state not markets as the leading force in shaping scale relations (Ma, 2005, page 495). Chien (2013, page 105) subscribes more specifically to a view of the scalar reconfiguration of space “as a spatial-fixing technique of urban entrepreneurialism to produce new local state power …, which includes decentralization [of] competence and territorial space, in the context of China’s market transition and globalization”. State rescaling has been examined by a number of scholars in the context of the Pearl River Delta, centred on Guangzhou. They conclude variously that vertical interventions by central government have tended to lead to a dirigiste pattern of governance (Ye, 2014) and that “the state has become a contested terrain” in which a variety of actors are involved in “a process of reshuffling of state power among different geopolitical scales” (Xu and Yeh, 2012, pages 385 and 386).

Reflecting the concerns of Jessop and colleagues (2008) mentioned above, we need to consider relations of horizontality alongside those of verticality. These are particularly noteworthy in the principal arenas of economic activity, of which the YRD is foremost, where rivalry and competition has been exacerbated by the consequences of urban scalar aggrandizement. The tensions that this competitive jostling for position engenders have been addressed in recent years through a centrally promoted emphasis on regional planning and regional collaboration which has led to a proliferation of regional plans (Wong et al., 2008). These plans represent a shift towards integrated planning that emphasizes coordinated social, economic and ecological targets over and above the charting out of physical infrastructure construction. They are, at least in part, attempts to turn competitive cities and
regions into collaborative ones. The plans are set at different scales, from the whole of the YRD (Yangtze River Delta Regional Plan, including all Jiangsu and Zhejiang provinces and Shanghai) to an alliance of neighbouring prefecture-level cities. Li and Wu (2012) see the YRD Regional Plan as an example of central government production of new state space aimed at exerting its own influence in creating greater equilibrium in the distribution of resources over this wide area. In their examination of six different regional plans in the YRD, Wong and her colleagues (2008) identify a number of elements in common: a lack of public participation, reliance on government resources, and an absent private sector. There is no regulatory framework; few have statutory authority; and there is little in the way of data and monitoring.

Luo and Shen (2009) categorize regional plans in the YRD as, variously, hierarchical, spontaneous and hybrid partnerships. The hierarchical partnership they examine -- the Suzhou-Wuxi-Changzhou City-Region Plan of 2002 -- was in their view very top-down, with every proposal disputed, a failed exercise in knocking heads together engineered by the Jiangsu provincial government (Luo and Shen, 2008). Competitive urbanism (competing over airport location, among other things) was intensified as a consequence of this plan for cooperation. Luo and Shen do however observe greater success where city governments share similar interests and put points of conflict to one side. Linking with Shanghai, for example, can provide a fillip for successful cooperation (Luo and Shen, 2009, page 61). Li and Wu (2012, page 193), on the other hand, conclude that “competitive relationships between different localities exacerbate the ineffectiveness and narrow the scope of intergovernmental collaboration”. This interpretation indeed would appear to best summarize the main thrust of the research considered here.

The sense that Chinese cities are prey to strong competitive forces resonates strongly with the first of two contrasting strands in the English-language literature on cities in competition. This first is a political-economy, Marxist-leaning strand, distinctly dystopian, one that sees cities competing against each other as being involved in a zero-sum game driven by entrepreneurial city leaders (more or less coerced into) pursuing neo-liberal policies (Harvey, 1989; Peck, 2005; Peck, 2012). There is, however, also a second strand, one that links urban competition to the pursuit of investment in innovation and the knowledge economy and sees competition as generally, but not always, a potentially positive force (see for example papers in the themed issues edited by Lever and Turok, 1999, and Simmie and Wood, 2002, and more recently the chapters in Ni and Zheng, 2014). Here, competition is seen in terms of competitive capacity and is considered to have the potential to transform regions and stimulate economic growth; it can in this view be quantified so that cities’ competitive status can be compared. This is for the main part a literature that regards the business of increasing cities’ competitive qualities as a worthwhile goal. There is a tendency, however, within this strand both to treat globalization uncritically as a conceptual given and to reify the city, seeing it as an agent instead of taking it as the ‘imaginary construct’ that it actually is (Marcuse, 2014).

Explicit references to competition among cities within China is sparse in the literature even if, as we have seen, it can be considered a central feature of the entrepreneurial governance that is widely considered to characterize Chinese cities. Among work that does engage directly with the issue, there is a not so dissimilar split, even if less sharply positioned, between work that evaluates the competitive potential of Chinese cities on the one hand and a more critical literature that considers issues of scale and governance on the other. In the former case, Ni et al. (2014), for example, produce mathematical formulae to place Chinese cities, including Hong Kong, Macau and Taipei, on a global scale of competitive cities, and then propose some policy recommendations. Similarly, research conducted by Shen and colleagues in a series of papers published in the Asian Geographer (see for example So and Shen, 2003) is primarily concerned with evaluating and measuring the competitiveness of Chinese cities in the context of an increasingly globalized economic world. Adopting a
different conceptual and methodological approach, on the other hand, both Zhang (2006) and Wu and Zhang (2007) consider ways in which government is facing up to the demands of a competitive domestic urban environment. Zhang (2006) examines how existing competition between cities in the YRD has prompted central government to encourage cooperation agreements, but these in turn, he writes, are seen by some as part of preparation for future competition, echoing thereby points made by Luo and Shen (2008). Wu and Zhang (2007), on the other hand, consider how in recent years strategic plans have been used to help remedy the position of certain cities and increase their competitive potential. “An emergent ideology of competition drives the use of strategic planning as a new device”, they conclude (2007, page 732).

There is therefore no shortage of work on the cluttered and occasionally disjointed landscape of competing administrative entities in the YRD. We see from this research that attempts, often directed by central government, to bang heads together, have met with very limited success, and indeed have even on occasion ended up having the opposite effect. It is clearly the case that what we are looking at here is a fiercely competitive environment, and one in which competition exists at a number of administrative and territorial scales, as well as between scales. The launch of the Hongqiao project has served to intensify this competition, as we shall see in the sections that follow, but before delineating the contours of this competitive environment, we introduce the Hongqiao project itself.

**Hongqiao within the context of the western peripheries of Shanghai**

Despite a significant slowdown in progress, the Hongqiao project has already brought considerable amounts of investment, not least because it offers preferential measures, with the project receiving financial support from the central and Shanghai municipal governments. Hongqiao’s commercial centre already contains a number of landmark buildings on the verge of completion as of autumn 2015, including a convention and exhibition centre. These are intended to lift the image of western Shanghai and serve as a focus for business in the YRD. In the paragraphs that follow we explore the recent history of western Shanghai and then expand on the nature and scope of the Hongqiao project.

The west of Shanghai has four suburban districts -- Jiading, Qingpu, Songjiang and Minhang -- located on the border with Kunshan in Jiangsu Province and Jiaxing in Zhejiang Province (Figure 1). This is a part of Shanghai that has not yet reached complete urbanization. Land-use characteristics are mixed, with a scattered distribution of industrial parks, rural villages and gated communities, one next to the other in a state of apparent disorder. Hongqiao, located in the less-developed district of Minhang, is no exception. The site of the old Hongqiao airport was surrounded by urban fringe villages and more-developed urban areas in Jiangsu Province. In short, west Shanghai had until recently been a semi-rural area sandwiched between the urban, developed city centre and neighbouring cities to the west.

Development proceeded at a different pace in the rest of the city. Since the late 1980s, a series of urban projects were launched by the Shanghai Municipal Government such as the development of Pudong New District and urban regeneration in the city centre (He and Wu, 2005). In the process of regeneration of the city centre, measures were taken to encourage the manufacturing sector to relocate in industrial parks in the western suburbs of Shanghai, giving room for commercial and housing developments in the city centre. Measures have included special incentives in the form of land at reduced prices, tax incentives and lower administration fees (Luo and Shen, 2008). Under the impetus of the Shanghai Municipal Government and entrepreneurial district governments, the city centre of Shanghai has been transformed from a dilapidated, crowded and disinvested infrastructure to a modern, even iconic, downtown (Liang, 2014). Meanwhile, the construction of industrial parks aimed at attracting FDI to the west of Shanghai became an important if only intermittently successful
means of kick-starting the urbanization of this part of the city (He and Wu, 2005).

-- Figure 1 about here --

In 1986, Shanghai was selected as one of 14 Open Coastal Cities to be an arena for the establishment of Economic and Technological Development Zones (ETDZ) (Luo and Shen, 2008). This enabled the city to start 'catching up' with others that had been selected as Special Economic Zones by Deng Xiaoping in the 1980s in a move designed to implant the competitive gene into Chinese urbanism. Hongqiao was the first ETDZ established in Shanghai. It was set up by the municipal government in 1983, but was the smallest ETDZ in the whole of China with a size of 0.625 square kilometres (Wu and Barnes, 2008). It was granted national-level status in 1986 (Shanghai Development Park, 2009). A hierarchical system of different levels of manufacturing-oriented ETDZs was established in the spring tide of the so-called 'zone fever' of this era. Each of these 'levels' came with different preferential policies (tax breaks, cheaper land prices and lower business rates); those granted by the central government brought with them most benefits. Soon districts and counties were actively building their own ETDZs in Shanghai. By 2001, the number of ETDZs at different levels had reached its peak of 177 within Shanghai alone. Of these, only 9 ETDZs in Shanghai’s suburban districts had acquired the higher status (and preferential powers) that resulted from recognition by central government. They became Shanghai's development focus for manufacturing.

It was against this inevitably competitive background of zone-driven growth strategy that the Hongqiao project was conceived. Altogether, the project with its transport hub and business district has some 26 square kilometres set aside for eventual construction. Work on the transport hub was started in 2006 and completed in 2010. Hongqiao airport with its two runways has become one of China’s most important international airports; together with the high-speed railway station, five metro line stations and a coach station, this is now China’s biggest transport hub. Since 2010, Shanghai Municipal Government’s focus has been on the 4.7 square kilometres of the business zone, which contain a series of private-led projects – a shopping mall and high-end residential and office towers – and some government-driven projects – the National Exhibition Centre, an office tower for local government and state-owned enterprises.

From a regional perspective, Shanghai Municipal Government sees Hongqiao becoming the new CBD for the YRD. From a local perspective, it expects Hongqiao to lead development in the surrounding districts (interview with Minhang District official, 29 July 2012). Both central and municipal government have supported the project through preferential policies and financial and taxation support. However, it has been the municipal government, and in particular the controversial figure of former Shanghai party secretary and mayor Chen Liangyu, removed from office in 2006, that has been the driving force behind the urban growth coalition that has executed the project (for a detailed account, see Jiang et al., 2015). It has done this through the creation of two special-purpose project-oriented agencies, Hongqiao Business District Management Committee and Shenhong Company, each of which was initially chaired by a Shanghai deputy mayor.

The slowdown in the Chinese economy is now affecting the speed of developments in Hongqiao. First-phase projects that are being undertaken primarily by government and state-owned entities are proceeding roughly as planned. With the notable exception of some residential tower blocks, private-sector projects are either lagging behind or stalled entirely, while there is no sign of work starting on the second phase of the core area. As of September 2015, 32 land plots had been leased out in the core area, and based on personal observation only four buildings had been completed. Officials involved in the project told one of the authors that the project was being severely hampered by lack of the funds that had been expected to come in through the auction of land leases (interview with senior officials from
Hongqiao had been a mish-mash of projects in a pockmarked peri-urban landscape on the western outskirts of Shanghai. This has all changed as a result of the municipal government’s decision to build the transport and commercial hub here to form a western growth fulcrum to set against Pudong in the east of city. Such a mammoth project, however, has introduced uncertainty and intensified competition in an already highly competitive environment. This paper now moves onto a consideration of the growth of competitive urbanism first within the broader compass of the YRD, then in the territory around Hongqiao, on either side of the Suzhou–Shanghai border, and finally as it impacts on the districts of west Shanghai most immediately affected by the project.

**Hongqiao and competitive urbanism at the regional scale**

Hongqiao as a product of competitive urbanism operates at a number of scales, the first of which is that of the YRD region, within which the leading cities have been asserting themselves through competitive development projects that in some way prefigure Hongqiao. The municipal leaders of Nanjing, Hangzhou and Suzhou have all sought at various junctures over the last thirty years to enhance their city’s position vis-à-vis Shanghai, primarily through the construction of industrial zones and more recently of new CBDs. In doing so they have increasingly promoted their own interests rather than those of the whole region. Hongqiao, as it were, is Shanghai’s response.

Nanjing and Hangzhou are both cities in which manufacturing capacity had been built up in earlier decades but where in recent years new CBDs have been built to promote the tertiary sector. Nanjing City Government, once reliant on its petrochemical industry, established a new district called Hexi, its location equivalent to that of Hongqiao Business District, and its function also being to develop into a centre for advanced service businesses (Zhang and Wu, 2008). The same situation exists in Hangzhou, where much effort was expended to attract high-tech companies to locate in its newly constructed Binjiang district (Qian, 2007).

Suzhou, as Nanjing and Hangzhou had done, had promoted itself as a manufacturing centre in the 1980s and 1990s, relying in part on its officials’ ability to attract skilled labour and flows of capital and information from Shanghai. Suzhou’s development was marked by the opening of a number of prominent industrial parks in the 1990s (Pereira, 2002; Wei et al., 2009). Since then, Suzhou has been overshadowed by Kunshan, a lower-tier county-level city nested within its boundaries (Figure 2). Kunshan has internationalized its industry as a result of huge investment from Taiwan as well as of companies moving out of neighbouring Shanghai (Chien, 2007; Chien, 2013). The most recent venture in Kunshan, Huaqiao International Business Park, established in 2005, was proposed and promoted by both Kunshan city and Jiangsu provincial governments. Huaqiao International Business Park was designed as a place for the development of service industry which would serve the 10 planned new towns in the west of Shanghai, discussed below, and take some of the lustre away from Shanghai’s efforts to promote industry through its Project 173, also introduced below. Kunshan’s story has so far been one of success, but a success based on its ability to compete with adjacent territories in Shanghai by offering better terms to investors and other advantages (Li and Wu, 2012).

--- Figure 2 about here ---

City leaders in Nanjing and Hangzhou have tended to see themselves at the head of ‘organic’ city regions, and it remains the case that, despite occasional interventions by the State Council in Beijing, the YRD has no regional administrative structure, and its cities have therefore, as we saw earlier, formed intra-regional links, but these have been accomplished
primarily in order to gain competitive advantage and have enjoyed only limited success (interview with academic expert from the Shanghai Academy of Social Sciences, 2 July 2012). While urban cooperation has become increasingly necessary for the YRD, particularly in the field of transportation planning and environmental conservation, what cooperation there is has done little to temper a fiercely competitive environment.

It is into this swirl of improvised alliances and failed regional blueprints that the Hongqiao project with its transport hub and business district is being inserted, and it is against this background that the next section will discuss Hongqiao within the context of the western peripheries of Shanghai, looking first at new projects designed to change the face of this area before moving on to consider the competitive strategies of district governments and the impact that Pudong continues to have.

**Shanghai’s project-based responses to competitive pressures**

Shanghai’s response to aggressive industrial development projects in Kunshan and also further afield in other parts of Suzhou and in Hangzhou and Nanjing culminated in the inception of the Hongqiao project, but it started on a more local scale with a series of projects designed to counter Kunshan and bring growth to the outer western suburbs of the city. The measures, however, were less than sure-footed and have met with mixed success; as a result, the western suburbs have changed only sluggishly and haphazardly. This section examines these developments in more detail. Prominent among the projects to have been undertaken in districts relatively close to Hongqiao are One City, Nine Towns (yicheng jiuzhen), Songjiang University Town and Project 173.

In order to promote urbanization on the fringe of Shanghai, Chen Liangyu, the former party secretary and mayor of Shanghai mentioned above, launched a project known as One City, Nine Towns in the western suburbs in 2001 (Shanghai Municipal Government document no. 1, quoted in Shen and Wu, 2012). These new centres represent what might be called ersatz urbanism, being built in the style of urban settlements in Britain, Italy, the Netherlands, Germany, Spain, North America and Scandinavia (Xue and Zhou, 2007; Shen, 2011). After several years of intensive construction, eight of the ten planned towns have taken shape (Shen and Wu, 2012). The project has triggered a fierce debate among professionals, planners and citizens, many of whom see these largely empty western-style new settlements as ghost towns (interview with planner from Hongqiao Business District planning department, 29 November 2011). Even though apartments in some new towns are sold out, they have been treated as real estate investments by buyers, most of whom come from Shanghai city centre and surrounding cities (Hao et al., 2012).

A prime example is Thames Town. Modelled on an assortment of English town landscapes, this is a prestige project designed to attract wealthy Shanghai residents as well as Taiwanese working in nearby Kunshan (Shen and Wu, 2012). Thames Town is an upmarket residential area; the houses have mainly been bought by private investors for investment rather than actual residence and many are empty. Although this project has been criticized in part for being outside commuting range of Shanghai, it has attracted much attention and served as a publicity flag bearer for the district. While all the new towns have been criticized for the huge investment from government that supported their construction and the provision of a transport infrastructure, the districts in which they have been built have urbanized at very high rates in recent years.

In particular, Songjiang has ceased to be isolated and under-developed. Songjiang was chosen as the one city in the One City, Nine Towns project, and was designated as a university town. Songjiang University Town is just one wave in the tide of the construction of new towns in China (Xue et al., 2013). It is, however, after Hongqiao the most important
project in west Shanghai, in particular for Songjiang, whose district government brought significant amounts of education investment funds from Shanghai for the construction of several university campuses and transport infrastructure and a large property investment from the private sector. The whole project covers more than 10 square kilometres, with Songjiang University Town itself consisting covering an area of 5.5 square kilometres and containing seven contiguous university campuses with a total of about 100,000 students and staff. The university town has hastened the process of urbanization and the development of infrastructure and real estate in Songjiang (Shen, 2011).

In 2003, Project 173 was announced in an attempt to attract more FDI in the context of Shanghai’s rivalry in the manufacturing sector with Kunshan and other neighbouring parts of Jiangsu Province (Li and Wu, 2012). This project was designed to promote manufacturing in Shanghai and therefore differs from the One City, Nine Town project. It consists of three industrial development zones chosen by Shanghai Municipal Government in the west of Shanghai, in Songjiang, Qingpu and Jiading districts, together covering 173 square kilometres. Due to the limits in the amount of land it had at its disposal compared with neighbouring cities in Jiangsu province, Shanghai Municipal Government did not treat Project 173 as its primary development priority, and it abandoned related preferential policies when Chen Liangyu was dismissed as Shanghai municipal party secretary in 2006 (Li and Wu, 2012). Competition between Shanghai and its neighbours to attract investment in manufacturing reached a peak in 2005 when work on the 173 project was begun. Since then, Shanghai Municipal Government's development focus has shifted rapidly from manufacturing to the service sector with a new industrial policy of withdrawal from secondary and promotion of tertiary industries (tui er jin san). Competition in the manufacturing sector has become less important, and, in this sector at least, has gradually given way to cooperation between Shanghai and the cities of the YRD (Li and Wu, 2012). However, as other core cities in the YRD have upgraded and developed their higher-order service sector, so intra-regional competition has simply shifted from manufacturing to services, reflecting global investment trends. Hongqiao, with its emphasis on services, is the culmination of this trend.

**Hongqiao: waves of competitive pressure within Shanghai**

The establishment and development of Hongqiao Business District in 2009 sharply increased the competitive pressure on those Shanghai districts in the closer vicinity, supported as it is by the transport hub with its high-speed rail station and international airport. Even before construction started on the Hongqiao project, Jiading District was already facing pressure from Huaqiao International Business Park in Kunshan in terms of attracting investment. Other surrounding districts have seen Hongqiao as a development opportunity, both because of consequent improvements to the transport infrastructure but also because of its potential to bring in capital investment and preferential policies (interview with officials from Minhang District, 29 July 2012).

Each administrative district in the west of Shanghai has appeared intent on developing its own business district; this is hardly surprising given that implementation of policies promoting tertiary industries is treated as a “hard index” to evaluate the economic and political performance of the head of each district (interview, Minhang district officials, 29 July 2012). There were already six business districts with the same functional orientation in Shanghai when Hongqiao Business District was established, as shown in the Table. This has resulted in fierce competition among these business districts in terms of attracting investment. The aims and functions of Hongqiao Foreign Business Zone in Changning, Putuo District Changfeng Ecological Business Zone, and Minhang Qibao Ecological Business Zone are almost identical to that of Hongqiao Business District. To take the example of Changning’s Hongqiao Foreign Business Zone, Changning District Government has been taking advantage of the Hongqiao transport hub to develop 2.7 square kilometres in the west of the
district near Hongqiao Business District. To this end, according to an official whom we interviewed, the head of Changning District coordinated a joint development strategy with Hongqiao Business District while attempting to focus on Changning’s own interests (interview with a senior official from Shenhong Company, 2 August 2012). Thus, the official maintained, competitive moves are cloaked in the terminology of cooperation and collaboration.

While the district governments surrounding Hongqiao attempted to capitalize on the project, Minhang District, in which Hongqiao is almost entirely located, found itself prey to unexpected pressures. Minhang District Government was responsible both for supplying the land and for compensating and relocating the villagers whose houses stood in the way. At the same time, it was excluded from the preferential policies and support afforded to Hongqiao and so, according to a senior official of Minhang District Government (interview, 2 August 2012), it has been unable to compete in terms of attracting investment and business. New areas in Minhang District next to Hongqiao Business District, including Minhang Qibao Ecological Business Zone, failed to usher in much development. Officials expected that Hongqiao Business District would expand, and they feared that this expansion would lead to their district being merged with and swallowed up by Hongqiao Business District, although by 2015 this had yet to happen. They pointed out that this was what happened to Nanhui District, which was subsumed into the more powerful Pudong New District in 2009. Minhang’s concern led to intense competition between Hongqiao and Minhang districts. As a result, Minhang District Government itself adopted a series of preferential policies such as providing special funds for “the adjustment of industrial structure [and] transformation of development mode” in an attempt to attract company headquarters, according to an official whom we interviewed (Hongqiao Business District official, 29 November 2011).

At the same time, Hongqiao faces competition of its own, not least in attracting the sorts of higher order service businesses that it seeks to locate there (interview with official from Hongqiao Business District, 2 September 2015). The most intense competition comes from Pudong New District and, in particular, Lujiazui in the centre of Pudong. The functional orientation of Lujiazui is as a financial centre, but since planning controls were not strictly enforced in the process of construction, like the rest of Pudong it now has a variety of functions (Wu and Barnes, 2008; Marton and Wu, 2006). Based on conditions today, the functional repositioning of Pudong New District means that the Hongqiao project more or less aligns itself to Pudong, with large numbers of office towers built in each district designed officially to attract higher order service companies but in fact with little regard to the type of business they undertake. In particular, an area of 26 square kilometres in Pudong New District has now been designated as the Shanghai Free Trade Zone (Huang, 2013). Central government issued a series of preferential policies to support the development of the free trade zone in an attempt to attract higher order service businesses but met with early scepticism (Wildau, 2015). Special funds as part of a national comprehensive pilot scheme for the service sector were also available for Pudong. In summary, Hongqiao Business District has been facing fierce competition from surrounding districts and beyond.

The paragraphs above can only begin to give a sense of the intensity of competition not only within Shanghai but also among administrative entities on the Jiangsu side of the provincial border such as Kunshan and Suzhou and, further afield, Nanjing and Hangzhou. This has led, as we have seen, to something of a frenzy of construction of CBDs in the YRD (Gaubatz, 2005). Central and municipal government plans, for example those for Pudong and Hongqiao, have been treated in a somewhat cavalier fashion by the relevant district governments, which appear prepared to attract companies regardless of whether they belong to the requisite sector. Finally, as with Changning District Government and its Hongqiao Foreign Business Zone, attempts are made to hide the competitive urbanism behind a semblance of cooperation. The Hongqiao project has in this way poured oil onto the competitive fires that
already existed both in neighbouring districts but also across the YRD.

**Some concluding reflections on competitive urbanism in Shanghai, the YRD and beyond**

Nowhere illustrates better the competitive nature of Chinese urbanism than the Yangtze River Delta, more even than the Pearl River Delta, where rivalries are less intense, in part because Guangzhou is not a province-level city. The competitive process can be seen as having started with the formation of an early Special Economic Zone in Hongqiao in 1986. It was, however, the development of Pudong in the 1990s that set the scene for the competitive moves that have characterized subsequent years. With strong support from the central government, Pudong was designed to plug Shanghai and the rest of China into global networks of capital. On the ground, this involved constructing a new international airport and scaling down the old Hongqiao airport. The swing of economic energy to the east of the city left a vacuum in the west, a vacuum that other leading cities in the YRD including principally Suzhou, Hangzhou and Nanjing as leading YRD cities attempted to fill by launching mega urban projects (Zhang and Wu, 2008; Qian, 2011). Even the lower level city of Kunshan got in on the act, with audacious programmes of place promotion including the launch in 2005 of the Huaqiao International Business Zone. Shanghai, meanwhile, had initiated two projects designed to boost the economy on its side of the provincial border -- first in 2001 the One City Nine Towns scheme and then in 2003 Project 173. The former involved the construction of a number of European-styled new towns and a new and expansive university centre. The latter project took the form of an ill-advised and short-lived attempt to boost investment in manufacturing in the west of the city.

It was against this background of punch and counter-punch that the Shanghai Municipal Government initiated the Hongqiao project -- first the transport hub in 2006 and then the business zone in 2009 -- in order to pull its centre of gravity towards the west of the city and reassert Shanghai's position of leadership within China's richest region. However, this move is having a mixed impact on other western districts. As we have seen, the suburban districts of Qingpu, Jiading and Songjiang have experienced intensified competition in terms of economic and urban development, while officials of neighbouring Minhang fear for their district's future, believing it might be swallowed up by Hongqiao. Numerous projects have been initiated and zones designated to capture some of the symbolic and economic capital of the Hongqiao project. Hongqiao illustrates the tendency noted both by our interviewees and by academic writers to talk cooperation but to do so in order to enhance competitive capacity (Luo and Shen, 2008; Zhang, 2006). On the other hand, it is notable for a lack of clear strategic outlook other than a desire to reassert the intra-city and regional salience of western Shanghai, leading therefore to increased uncertainty and lack of control that only serves to enhance competitive pressures.

In the introductory section to this paper, we set out our position, arguing that the concept of competitive urbanism accurately reflects the competitive nature of relations among cities and other administrative territories. Indeed, we maintained that competition was an all-encompassing feature of urban governance and urban life. In the review of the relevant literature that occupies the second section of this paper, we highlighted a number of the conceptual tropes that have been applied to conditions of life and the nature of governance in Chinese cities, principal among them entrepreneurial urbanism, entrepreneurial city and entrepreneurialism tout court. Entrepreneurial urbanism fails to account fully for the role of the state as initiator and prime player in a project like that at Hongqiao; nor does it reflect the complexity of territorial arrangements that see local officials at various levels undertake state-led projects of personal and territorial aggrandizement. Competitive urbanism, we would argue, incorporates and subsumes these terms and is both more expansive and more expressive as a concept that defines urban growth and governance in China.
As we suggested in the introductory section, there are distinctive elements to China's political economy that create the conditions for competitive urbanism. These stem from the country's system of nested territorial administrations and the way these interact with an economy that is both closely controlled by the party-state but also inserted into the circulation of global capital. Competition is built into the party-state system through the evaluation and promotion procedures for party officials, as we saw earlier in the reference to a “hard index” by a Minhang District Government official whom we interviewed. Competition stems from the budgetary system, whereby proceeds from investments in infrastructure and the built environment become an important source of local government funding, encouraging competitive city-building projects. Competition is intensified by the instability of global capital and consequent changes in investment policies, with local governments attempting to outmanoeuvre each other and adapt quicker than their neighbours, switching development strategies, for example, from manufacturing to service industries. Competitive urbanism is orchestrated at the centre and played out at a variety of scales, and it trumps efforts at collaboration. Those conditions are unlikely to change soon, and the rapid swing -- indeed, the lurch -- in super-charged economic activity from one pole to another and from one territory to another looks likely to continue for some time, even in an era of slower growth in China.

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### Table -- Competition from surrounding business-oriented districts.

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Figure 1 -- Location of Hongqiao in Shanghai.
Figure 2 -- Location of Hongqiao and cities close to Hongqiao.