Abstract: This paper interlinks new spatial planning strategies, such as urban and intra-urban rescaling and strategic planning, against the background of political economic upgrading programs as in the case of Guangzhou mega-city. Global and domestic competition force China’s metropolises to constantly reorient themselves and adapt their urban development strategies. In the Pearl River Delta, the restructuring process from basic manufacturing to modern service and high-tech industries with higher added-value has already been going on for some time. The main hypothesis of this paper is that this upgrading of industrial structures and urban policies aimed at enhancing economic competitiveness in general are both important drivers for administrative rescaling on the municipal and intra-urban levels, for the implementation of increasingly strategic urban planning approaches and for organizational innovations. In mega-cities such as Guangzhou, this development coincides with a rising significance of urban districts in the urban planning hierarchy. We show how this happens by analyzing urban policies regarding the reform of administrative powers granted to Guangzhou Development District (GDD). In the course of this change, the GDD administration was upgraded from the status of a state manager of a development zone to that of a district governing authority in 2005. It is now responsible for comprehensive urban management. This paper is based on extensive literature review and field observation as well as expert and stakeholder interviews.

1. Introduction

Current urban development trends in China’s metropolises are strongly tinted by economic upgrading and advancement along the value chain. This is also the case in the Pearl River Delta (PRD), which UN-HABITAT (2010) recently labeled the world’s largest mega-urban region. It comprises about 120 million inhabitants, due to the integration of cities like Hong Kong, Shenzhen, Dongguan, and Guangzhou into a new massive conurbation linked both physically and economically. The PRD has a longstanding reputation as the “factory of the world”, but it has suffered severely from the global economic crisis, which has even been labeled a “financial tsunami” within the region. The economic downturn led to public discussions as to whether the development path of the past decades, which was largely due to the externalization of environmental and social costs, is still viable (Kuhn 2009a–c). This certainly accelerated ongoing restructuring processes away from labor-intensive manufacturing towards modern service and high-tech industries. However, this process started much earlier and can even be traced back to the famous “Torch Program” from 1988, which aimed at establishing incubator centers and led to the development of a first wave of high-tech industrial development zones (Greeven 2004). Also, the 11th and 12th five-year plans of the national government of China, the “National Plan for the Reform and Development of the Pearl River Delta (2008 to 2020)” as well as the political programs on provincial and municipal level clearly document the shift from a pure focus on export-led growth (Botelier 2007; NDBIC 2008; Holbig 2009, CEI 2010) to the “National Plan for the Reform and Development of the Pearl River Delta (2008 to 2020)” as well as the political programs on provincial and municipal level clearly document the shift from a pure focus on export-led growth (Botelier 2007; NDBIC 2008; Holbig 2009, CEI 2010). In general, economic restructuring is driven by exogenous and endogenous dynamics, i.e., marketization, decentralization, and globalization (Lin 2001; Ma 2004). In China, such drivers have contributed to increased global and domestic competition between cities for investments and resources. This has particularly promoted the emergence of entrepreneurial structures in local governments (Duckett 1998; Ng, Tang 2004; Oi 1992, 1995; Wu 2002). As such, the metropolises are constantly forced to reorient and adapt their development strategies.

In this paper, Guangzhou, the provincial capital of Guangdong, has been chosen as a case study to analyze our hypothesis that upgrading of industrial structures and urban policies aimed at enhancing economic competitiveness in general are both important drivers for administrative rescaling on the municipal and intra-urban levels, for the implementation of in-
creasingly strategic urban planning approaches and for organizational innovations. In contrast to Shenzhen with its urban history of only about 30 years, Guangzhou has an urban history of more than 2,000 years and was regarded as the dominant city in terms of its political and cultural status for a long period of time (Xu, Yeh 2003: 304). However, since the beginning of the reform process in the late 1970s, the metropolis has experienced a relative decline in its role as the region’s central city. This is due to rapid urbanization and an economic boom in other cities of the PRD, predominantly in Shenzhen, but also in Dongguan and Foshan (Wu, Zhang 2007: 73). Today, Guangzhou wants to reposition itself as a world city. Like most Chinese cities that experienced accelerated urbanization in the past decades, Guangzhou is suffering from environmental problems, socio-spatial fragmentation, a congested inner city, and land-consuming urban sprawl. Limited land resources and insufficiencies in land management have reinforced these problems.

Given this background, our paper aims to analyze recent urban policies in Guangzhou related to administrative rescaling, the administrative reorganization of the city area towards a more polycentric structure, and the implementation of increasingly strategic urban planning approaches. It is safe to presume that such processes are closely interlinked with strategies aimed at the enhancement of Guangzhou’s regional economic competitiveness and at moving towards knowledge-based high-tech and service industries. It is further assumed that changing urban development strategies causes innovative institutional arrangements and therefore changing forms of urban governance.

Following the question of how Guangzhou is implementing strategies and tools aimed at advancement along the value chain, the paper is organized in three parts. The first part reviews Guangzhou’s urban rescaling process with the aim to enlarge its spatial and administrative area and therefore to reposition itself as the central city in the Pearl River Delta Region. The second part elaborates changing urban planning modes away from traditional master planning towards more strategic planning models. The latter approach aims to develop a more flexible and more responsive urban planning framework. In the third part, intra-urban rescaling processes at the district level are analyzed. This section devotes particular attention to the administrative establishment of the new Luogang district and a new special economic area in Guangzhou’s East. In the course of this development, the administration of Guangzhou Development District (GDD) was upgraded from the status of a state manager of a development zone to that of a district governing authority. It is now responsible for comprehensive urban management as well as economic upgrading. In conclusion, the interplay of administrative rescaling on the urban and intra-urban levels, changing urban planning approaches, and economic upgrading with respect to new forms of urban governance in China will be discussed.

2. Urban Rescaling: Enlarging the City Space

From the 1990s until the early years of the new millennium, China’s city landscape saw a wave of annexations, in the course of which big cities tended to incorporate parts of their neighboring county areas (Shen 2007: 31). Guangzhou’s current administrative structure of ten urban districts and two county-level cities is a result of such a rescaling process, too. It involved substantial expansion and administrative reorganization schemes. The development came against the background of Guangzhou’s economic and urban development in the late 1990s, which was considered rather weak compared to competing cities in the region, such as Shenzhen or Dongguan. Deficiencies in urban planning and in implementation strategies, as well as a lack of land resources, were identified as the main reasons for its weak economic performance.

As a consequence, the municipal government extended Guangzhou’s spatial area by annexing two county-level cities, Huadu in the north and Panyu in the south, and integrated them as new urban districts. This practice was ratified by the state council in May 2000 despite heavy protests from the municipality of Panyu (Chan, Hu 2004: 14; Shen 2007: 31; Shen 2004: 195).

In this way, Guangzhou succeeded in securing development control over huge land resources for further industrial and commercial development as well as for the establishment of housing estates. A further benefit was higher revenue for the municipal government through the sale of land use rights and additional tax revenues. The enlargement also increased Guangzhou’s control over the international airport in Huadu in the north, still in planning at that time, and the harbor area with the special economic area of Nansha Development District (NDD) in Panyu in the south (Cartier 2002: 1515; McGee et al. 2007: 88; Shen 2007: 31).
3. Urban Planning Approach in Flux

After Guangzhou's spatial expansion in 2000, it became necessary to draw up a new urban development plan. In Guangzhou, this was done using an innovative approach: As the first urban administration in China, Guangzhou's municipal government introduced a strategic urban planning tool, the so-called “Urban Development Concept Plan” (Guang Zhou Cheng Shi Fa Zhan Gai Nian Gui Hua). This tool is designed to reduce constraints imposed by conventional statutory planning. A more strategic planning approach became necessary because the framework of traditional master planning had turned out to be insufficient, too static, and too inflexible against the background of market-driven and highly dynamic urban development trends.

The diversified structural context has substantially changed the role of China's cities in the course of the transitional process. Since the late 1980s, cities are no longer only supporters and implementation bodies of central state projects. In fact, they have managed proactively to establish and implement their own strategies for urban development. In many cases, the increased autonomy of the cities exceeds the central government's intentions concerning the scope of decentralization (Wu et al. 2007: 124; Xu, Yeh 2009: 560). The famous “zone fever” of the 1990s is a case in point (Cartier 2001).

As a result, the national government has more recently made efforts towards recentralization (Xu, Yeh 2009: 560). In the course of transition, administrative rescaling, decentralization, and recentralization seem to be logical results within the politically or economically induced calibration processes of a highly dynamic urban system. Such administrative flexibility is mirrored in the changing approaches to urban planning.

By and large, the annexed entities usually appraised the takeover rather positively, since this changed the inhabitants’ household registration status (hukou) from rural to urban and, moreover, mostly led to higher investments in infrastructure (Shen 2007: 309). However, if the annexed entity was powerful in economic and administrative terms, sometimes fierce resistance ensued. Panyu was such a case, as it had constituted an economically strong county-level city before 2000. With Panyu’s transformation into an urban district of Guangzhou, there was concern in the local administration about political and economic loss of significance (Shen 2007: 124). More important, another reason was the improvement of regional governance and of governability in general.

By means of conventional master planning, issues such as land use, development goals, building standards, the functional divisions of the city, etc., were laid out on a long-term basis in the tradition of a socialist command economy (Li 2005: 34). A significant disadvantage of this kind of planning is that it is generally physically oriented and rarely takes financial and social factors into account (Tian, Shen 2011: 16). In addition, the long approval procedure of conventional city master planning remains a basic problem in China. Master plans of cities with over one million inhabitants have to be approved by the central government, which can take up to three years (Wu, Zhang 2007: 719). Once the plan is authorized, land use in real urban environments are often no longer congruent with the premises of the master plan due to rapid urbanization. In contrast, Guangzhou’s concept plan is not formally part of the conventional planning hierarchy and therefore...
does not need to be approved by a higher authority. In fact, strategic planning is used to define development directions, with a rather soft modeling of future economic and urban development goals supplementing the detailed planning in the master plan (Wu, Zhang 2007: 719). The plan comprises strategic targets for a city with respect to the status it should reach and is able to reach, and about the way to accomplish this objective. As a dynamic planning instrument, Guangzhou’s concept plan has been under continuous examination and was reviewed in 2003 and 2006 (Lu et al. 2010). In 2009, Guangzhou even completed a new version of the city’s development strategy towards 2020 (ibid.). It comprises various elements dealing with the challenges of socio-spatial fragmentation, environmental degradation, and planning deficiencies.

In contrast to the rather static master planning in the rest of China, the concept plan also provides for the involvement of international planning bureaus, for example, regarding the formulation of urban development goals. This has often led to a practice where strategic plans are designed by foreign planning bureaus or joint ventures between domestic and foreign bureaus, and subsequently integrated into master planning by domestic state-owned planning departments (Wu et al. 2007: 80). This procedure demonstrates the aggressive quest for new urban development strategies for China’s cities. Urban planning projects are often carried out by internationally renowned architects and planners – aimed, not least, at gaining an international reputation as well as supra-regional standing and prestige (ibid.). In the field of flagship architecture, this phenomenon is even more widespread in China.

After Guangzhou had initiated its concept plan, many Chinese metropolises took over this more flexible instrument of strategic planning.
Often, the strategic planning examples of Hong Kong and Singapore were used as role models (Wu, Zhang 2007).

The main aim propagated by Guangzhou’s concept plan was to develop the provincial capital into a polycentric metropolis through the advancement of environmental quality and transport infrastructure as well as the enhancement of the city’s attractiveness for foreign and domestic capital (Wu, Zhang 2007: 727). Aspirations in the latter area are particularly high with regard to high-tech industries and services. These objectives are summarized in a programmatic guiding principle, explaining Guangzhou’s future development strategy: “Expansion in the south, optimization in the north, advancement in the east, and linkage in the west” (see Figure 1). In particular, these four directions stand for (1) the development of a growth corridor southwards to be achieved by building an international exhibition center, a university town (Guangzhou Higher Education Mega Center), and the so-called Bio-Island (with a focus on biotechnology companies), as well as a new CBD with iconic architecture (Zhujiang New Town) and the development of a special economic area (Nansha Development District); (2) the northern part of the city is to be preserved as a local recreation area and source of drinking water; (3) the western part of Guangzhou is to form a combined entity with the neighboring city of Foshan; and finally, (4) the eastern part is designated to serve as a center for high-tech and industrial production (Xu, Yeh 2003: 371).

The establishment of strategic planning approaches constitutes not only an organizational advance, but also an institutional innovation: Non-state actors, such as international planning bureaus or companies, play an increasingly important role in the area of urban development. As a result, new governing relationships and new ways of decision-making are introduced into the picture.

Fig. 2: Guangzhou Opera House by Zaha Hadid: Iconic architecture at Zhujiang New Town as a result of the concept plan. (Source: Michael Waibel 2011)

Fig. 3: Guangzhou Higher Education Mega Center: New Campus of Sun Yat-sen University with Replica of its North Gate. (Source: Michael Waibel 2011)
4. Intra-Urban Rescaling: Shifting from Economic to Comprehensive Urban Responsibilities at District Level

In the course of implementing its overall strategic concept, Guangzhou started efforts towards intra-urban rescaling at the district level. Following the strategies of “Expansion in the South” and “Advancement in the East”, two new districts were established: Nansha in the south and Luogang in the east (see Figure 4). Both of these newly-founded districts became focal areas of special economic zone development.\(^1\)

In the case of Luogang District, this finally led to an organizational change, with the authority of an economic entity now being responsible for comprehensive urban development. The economic entity is Guangzhou Development District (GDD), Guangzhou’s economic powerhouse.

Guangzhou Development District (GDD, or at that time, Guangzhou Economic and Technological Development Zone, GETDD) was the first state-level development zone established in China by the Guangzhou Municipal Government in 1984. The management authority consists of a special-purpose association. Located within the PRD Region, the GDD has achieved tremendous economic success. During the 1990s, its industrial output made it the top-ranking of all development zones in China (Li 2005). It has successfully transformed the designated land area from a rural fringe into an industrial and export-processing district in Guangzhou.

GDD was established in the course of an amalgamation process where four national-level special economic areas (see Figure 5)\(^2\) were merged under one joint management in 2002 (Wong et al. 2006: 651). The main aim was to improve coordination and competitiveness in all four zones. This includes intelligent use of scarce land resources, increased administrative efficiency, and improvement of planning processes as well as better control over the spatial distribution of investments. The merger was also intended to boost two economic zones that were less successful than GETDD and GHIDZ, i.e., GFTZ and GEPZ. Until 2005, the GDD spread across several urban districts.

The consolidation of local entities in the 1980s and 1990s, the rising competition between cities within the PRD, but also all over China, and institutional changes have framed Guangzhou’s changing urban strategies and administrative reorganization. It is not only the
role of cities that has changed, but also the importance of their districts. In the course of growing competition and an influx of international and domestic investment capital, the municipalities increasingly devolve distinct competencies to their districts. For example, district administrations have become important actors in organizing the allocation of land use rights. This leads to competition for the attraction of investments and resources not only between cities, but also between districts within individual cities (Wu et al. 2007). In this way, urban districts experience a growing importance within the urban planning hierarchy (Ma 2010). Strengthening the districts is necessary given the sheer population size of Guangzhou municipality, which now officially exceeds 10 million inhabitants (unofficial estimations go as far as 12–15 million people). For example, Guangzhou’s inner-city Yuexiu District, located west of Tianhe District and east of Liwan District, has a population of 1.1 million alone. Against the background of these developments, the role and importance of Guangzhou’s administrative reorganization is becoming more pronounced.

As mentioned above, the Luogang District was founded in 2005. The innovative element of this administrative restructuring was that the area of Luogang District was designated in a way that it now covers the entire area of Guangzhou.
Development District (GDD). With the establishment of Luogang District, the former four economic zones were merged into a single spatial-administrative unit. This constituted a fundamental organizational change in contrast to the mere joint economic management that had been established in 2002. In this way, the GDD’s power was extended by Guangzhou Municipality, making it a district governing entity responsible for the overall administration of a much larger land area in addition to the previously designated development zone. Consequently, the integration of GDD into the new urban district of Luogang also led to the combination of both their administrations, though a twofold structure remains. As such, different departments are either under the GDD or Luogang. For example, the department of economic affairs is under the GDD, while the department of civil affairs comes under the authority of Luogang District. Forming a joint administration with Luogang, GDD has not only become an integral part of the city, but is expected to mature into a new sub-urban center of Guangzhou (Schröder, Waibel 2010).

This is being realized by building the so-called Luogang New Town (see Figure 5). It is designed to develop into the central area of the district, providing quality of life for the white-collar and presumably creative labor force (Wong, Tang 2005). All in all, the GDD now wants to deliver a message to its investors and inhabitants that it is no longer a mono-functional industrial zone, but becoming a “new green ecological town ideal for both business and living” (Administrative Committee of GDD 2005).

This far-reaching extension of GDD’s functions can only be understood against the background of the economic upgrading strategies to enhance the city’s attractiveness for investors from the tertiary sector, especially high-tech industries, and for a highly qualified resident population (Guangzhou Municipal Government 2006; Wong et al. 2006: 651). Therefore, the joint administration of Luogang District and GDD is investing heavily to create a livable urban environment through the construction of schools, shopping malls, apartment complexes, and leisure facilities.

5. Conclusion

This paper has shown that new spatial planning strategies, such as urban and intra-urban rescaling and strategic planning, not only allowed for the implementation of economic upgrading policies, but have been the basis for new approaches of urban governance. Therefore, the urban rescaling and the subsequent enlargement of Guangzhou’s city space entailed the introduction of an innovative planning approach in China: strategic planning. The implementation of the concept plan not only facilitated intra-urban rescaling processes, but led to the creation of a new potentially powerful economic and administrative entity. In this way, Guangzhou Development District and Luogang District embody the current economic redevelop-

Fig. 6: Joint administration of Luogang District and GDD in a new building complex.
(Source: Michael Waibel 2009)
ment strategies in China’s so-called “factory of the world”, the Pearl River Delta, away from basic manufacturing towards knowledge-intensive industries and sophisticated services. Here, the administrative restructuring of Guangzhou and the consequent establishment of the Luogang District serve as a model.

Special-purpose associations, such as the management committee of GDD, which successfully developed mono-functional spaces, e.g., economic entities, in the past, are now commissioned to develop a comprehensive and livable urban environment. This experimental approach is typical for the transitional process in China. New administrative districts are being created in the course of urban rescaling processes. Among others, this happens to enhance governance structures of economic and urban planning, as shown in the case of Luogang District. Apparently, this goes along with a growing importance of urban districts within the urban planning hierarchy in general (Ma 2010; Zeng 2011). One important and simple reason for this is that their size apparently allows a higher degree of governability than that of an entire mega-city such as Guangzhou.

The most important driver for new urban policies including more strategic planning, rescaling of the urban and intra-urban levels, administrative decentralization, and recentralization is growing competition, not only between cities within China and particularly within the PRD, but also increasingly between city districts. However, the application of new innovative approaches in China’s urban planning landscape can also be understood as modes of flexibility against the background of a highly dynamic urban environment.

References


Notes

1 Since municipalities in China are only allowed to have a maximum of ten urban districts, two districts (Dongshan and Fangcunqu) were integrated into the districts of Liwan and Yuyinx (Zeng 2005).

2 The four special economic areas are Guangzhou Economic and Technological Development District (GETDD), established in 1984, Guangzhou High-Tech Industrial Development Zone (GHIDZ), established in 1991, Guangzhou Free Trade Zone (GFTZ), established in 1992, and Guangzhou Export Processing Zone (GEPZ), established in 2000.


