

From Hutong to Hi-Rise: Explaining the Transformation of Old Beijing, 1990-2002

by

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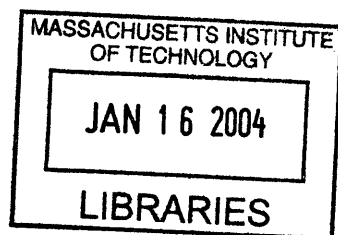
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ABSTRACT

This thesis attempts to explain the redevelopment of Old Beijing during the period 1990-2002. During this time, at least one third of the Old City was transformed from an urban fabric consisting principally of courtyard houses (siheyuan) and narrow lanes (hutongs) to one comprised of wide roads and hi-rise buildings. This thesis starts from the premise that this redevelopment has had devastating social and cultural costs in terms of excessive relocation and destruction of the historic urban fabric and that it is possible to develop a pattern of redevelopment that better balances the social, cultural and economic needs of Beijing's citizens. Understanding the driving forces of the current pattern of redevelopment is a necessary preliminary step towards doing so.

This thesis therefore attempts to explain the course of redevelopment in the Old City, arguing that it has been enabled by a series of market reforms but is predominantly shaped by the political objectives of the politicians controlling the development process. Accordingly, redevelopment is carried out with the principle goal of advancing visible economic development notwithstanding the social and cultural cost. Two case-studies are examined to test this proposition: the development of Finance Street, a 105 he CBD and Nanchizi, a smaller conservation area.

The thesis concludes that both case-studies demonstrate the failure of planning policies in the face of political objectives, and suggests a series of possible directions for improving the redevelopment process in Beijing.

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Chapter One : Redevelopment in Beijing

- 1.1 INTRODUCTION**
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1.1 INTRODUCTION

This thesis examines the redevelopment of Old Beijing in the period from 1990 to 2002. During this time, at least 25km² of the Old City was redeveloped, generally from a hutong (narrow lane) and siheyuan (courtyard home) environment to one comprised of hi-rise buildings and wide roads. According to various estimates, as many as 700,000 residents were relocated in this period, typically to distant suburbs as much as 30km away from their original homes and communities.¹ To a great extent, Old Beijing has been and continues to be transformed from a city with a historic urban fabric and way of life to an increasingly congested enclave of wealthy residents and commercial interests.

This transformation has been considered an enormous success by many. Both within and outside the city, Beijing is considered a 'booming' capital. Through the '90s to the present, construction cranes could be seen throughout the city with builders working around the clock. As a generator of wealth and economic development, the city is clearly more successful than ever, and both per capita incomes and living standards have risen dramatically. In addition to several new residential and commercial areas, the city can boast some very impressive new infrastructure, including three new ring roads, several new avenues and a new airport and railway station. By 2008 the city plans to have completed 13 subway lines, and the Olympic Games in that year promises to be an opportunity to show off the transformed Beijing to the world.

But as in almost all urban redevelopment, there have been winners and losers. While the transformation of the city has clearly benefited many interests, it has arguably come at an enormous, even devastating, cost. In particular, redevelopment has been criticized for three principle reasons: because of the destruction of 'too much' of the historic fabric with inadequate and ineffective measures to conserve it; because of the construction which has replaced this fabric which has been considered by many commentators to be over scaled, inhospitable and out-of-character for the Old City of Beijing; and finally because too many of the original residents have been relocated outside of the Old City, not only dismantling communities but depriving the inner city of its human capital. While these concerns are not shared universally, they do raise the issue of whether and how the process by which the Old City is redeveloped can be improved, from both a conservation and social perspective.

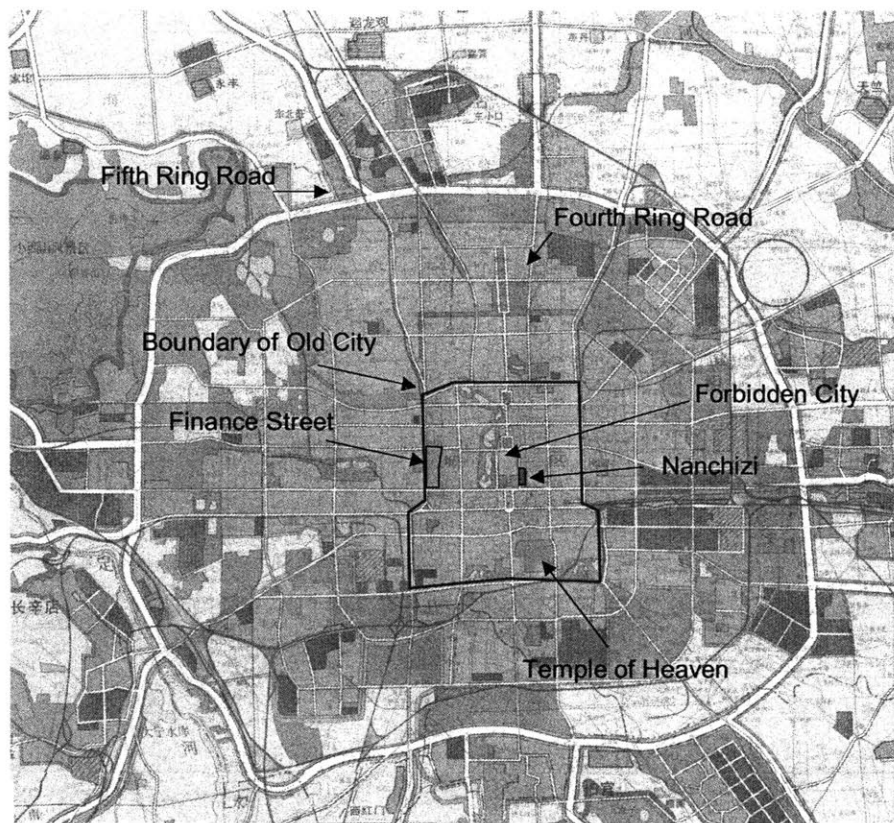


Fig. 1.1: Beijing Municipality. A substantial proportion of the Old City has been redeveloped over the past 15 years.

1.2 OVERVIEW OF THE THESIS

This critique - extensively documented in numerous other places - is not, however, the main focus of this thesis, which instead intends to address the issue of *why* redevelopment has occurred and taken the shape that it has. The premise of this thesis is that a better understanding of the forces shaping development – or failing to do so – may enable redevelopment that better balances the economic, cultural and social needs of Beijing’s citizens.

Before addressing this issue, this chapter will introduce Beijing and the redevelopment of the Old City, surveying briefly the historical and cultural importance of Old Beijing, the redevelopment of the past 12 years and its roots, and expanding on the critique outlined above.

Chapters Two and Three seek to answer the main question of this thesis – why redevelopment occurs the way it does – in two parts: by examining the context and the politics of redevelopment. Chapter Two first explores the context for redevelopment in the city, exploring how a series of reforms established a land market and real estate industry and empowered local government to both manage and drive redevelopment amidst a rapidly changing political economy. The chapter will also explore how, despite these changes, the development process is still one that is marred by institutional bureaucracy and predominantly dominated by cadres whose political objectives often override social and cultural needs.

Chapter Three examines the political objectives that actually shape redevelopment. The chapter explores the need for local government to demonstrate economic development – measured in ‘re-imaging’ achievements, economic targets, infrastructure development and revenue collection. The role of the development companies who actually carry out redevelopment is also examined. The urban redevelopment of Beijing is also situated in the context of renewal in the US during the ‘50s and ‘60s, with the chapter exploring whether the kind of ‘growth coalition’ which drove redevelopment there can be said to exist in Beijing.

Chapters Four and Five put the framework for understanding redevelopment established in the previous chapters into the context of two case-studies of



Fig. 1.2: Redevelopment as a successful transformation. The bottom poster is an advertisement for a family planning service set against the background of modern Beijing

development with entirely different objectives. Chapter Four examines the development of Finance Street, designed as a 105 hectare CBD in the West District of Beijing. Chapter Five explores the redevelopment of Nanchizi, which was intended to conserve a historic area close to the Forbidden City. Both case-studies intend to shed light on different aspects of the decision-making process involved in redevelopment. They also attempt to explain, at least in part, two elements of the critique described above: why redevelopment often results in such an inhospitable environment (Chapter Four) and why successful conservation has proved so difficult in Beijing (Chapter Five). Both examples reveal the conflict between planning policies and the objectives of politicians, and the final chapter intends to summarize the redevelopment process based on the case-studies and the preceding analysis, before outlining possible directions for its improvement based on the this study.

1.3 HISTORICAL AND CULTURAL IMPORTANCE OF OLD BEIJING

The significance of damage to the urban fabric of Old Beijing cannot be fully understood without some awareness of its historical and cultural importance. This has been extensively documented elsewhere, and the following is intended to serve as a brief overview.²

The actual site of Beijing has contained a settlement for over 3000 years, as its location was considered by several Chinese dynasties as having ideal ‘feng-shui’ in being surrounded on three sides by mountains. The actual physical form of Old Beijing, however, dates from 1272, when Kublai Khan of the Yuan dynasty laid out the city. Then called Dadu, the city was “grandly conceived and methodically planned”, with broad, rectangular blocks laid out “in the checkerboard pattern

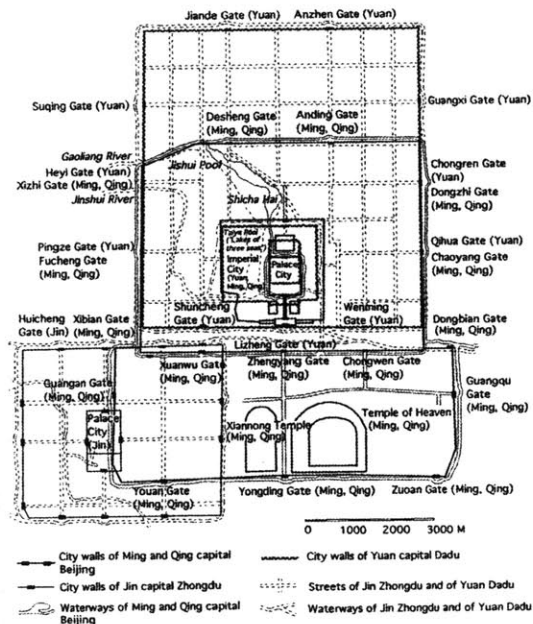


Fig. 1.3: A spatial history of Beijing

that still characterizes the city”.³ The layout of the city followed rules of capital layout set out in ‘Kao Gong Ji’ section of the Zhou dynasty document the ‘Zhouli’: the main buildings were laid out symmetrically along the central axis, and walls enclosed the city. The Palace quarter – the Forbidden City – was located at the center, where the emperor was to reside to symbolize both the centralization of power as well as his mandate from Heaven to rule.

It was also around this time that the residential fabric of the city – the hutongs and siheyuan – were constructed in the positions they generally would occupy until redevelopment. Both have become so bound up in both domestic and foreign perceptions of Beijing that they are practically synonymous with the city. The siheyuan or courtyard home, for example, “is particularly renowned worldwide for the way it is an integral part of Beijing’s entire layout – as the basic, microcosmic unit of a capital city plan that is in itself cosmological in scale and intent”.⁴ Similarly the hutongs, constructed as narrow lanes running on either side of the main and smaller streets of the city to provide access to residential siheyuan, have also come to be considered as quintessentially representative of Beijing. This is true not only because they provide, with the siheyuan, the ideal backdrop for Beijing’s monuments but also because of the unique street life that has developed within them. One journalist recently described a typical scene in a hutong: “an old woman sits in the corner of an old lane, sewing a shirt in the sunshine; a group of middle-aged residents beside the grey walls of old houses; a young man reads the newspaper on a traditional porch, inscribed with images of lilies and fish...”.⁵

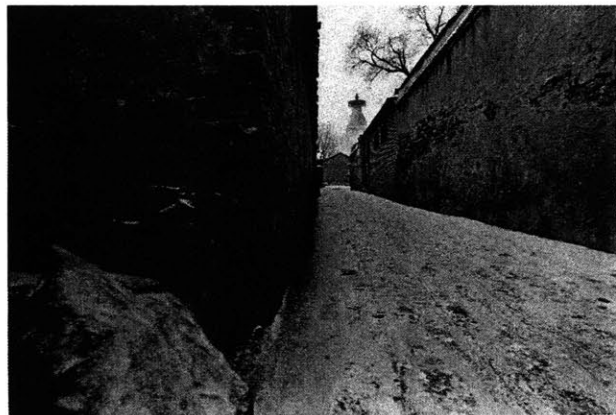
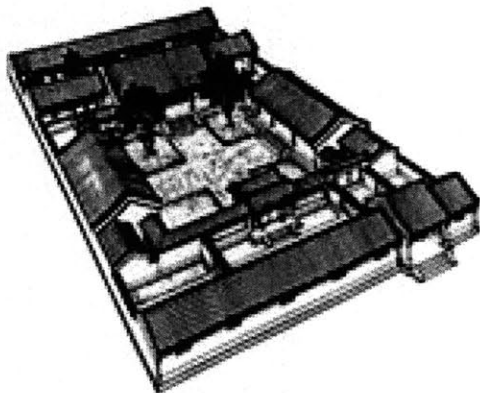


Fig. 1.4: A typical siheyuan and hutong. Both provide a backdrop which contributes to the majesty of Beijing's monuments. In the background of the right photo is the White Pagoda.

The significance of Old Beijing, however, was greater than the sum of its hutongs and siheyuans, or even the fact that its collection of cultural relics and historic buildings exceeded that of any other Chinese city. It was the arrangement of all of these items to form a magnificent, integrated whole that made Beijing particularly special. The roofscape of the city, for example, "...was composed of soaring roofs of yellow, green and blue and a vast number of small grey rooftops, which were all unified in their graceful curvature, like so many waves upon the sea...".⁶ It was this kind of artistic unity that prompted renowned architect and city planner Liang Si-Chen to comment that: "Beijing is an unparalleled urban planning masterpiece", and urbanist Edmund Bacon to write that the city was "possibly the single greatest work of man on the face of the earth".⁷ This status prompted Liang to comment that preservation in the city "...should not be confined to a single hall, temple or pagoda...great care should be taken to preserve surrounding buildings which are part of the entire complex, and to the overall setting of the complex".⁸

Timeline	
1045 B.C.	Ji city founded in Beijing area
916-1125AD	Renamed Nanjing, capital of Liao, serves for the first time as the capital of the middle kingdom
1153	Renamed Zhongdu capital of Jin
1215	Occupied by Genghis Khan and renamed Yanjing
1272	Genghis' Khan's grandson, Kublai Khan, founds Dadu, capital of Yuan Dynasty and forerunner to contemporary Beijing
1368	Renamed Beiping under the Ming empire
1403	Renamed Beijing
1406	Construction of the Forbidden City
1421	Became the Ming capital. Several important new governmental and imperial structures are built
1564	Expanded further south to its present size
1644	Became the capital of the Qing dynasty. During this period, Beijing grows greatly in geographical size, and many gardens are built in the western suburbs and many older buildings are restored.
1860	British and French allied forces invade the city
1900	The eight-power allied forces invades the city to suppress the Boxer Movement
1911	Sun Yat-sen's revolution puts an end to the rule of the Qing
1912	Founding of the Republic of China. Private armies and warlords continue to hold much control, and foreign powers controlled several economic zones
1928	Renamed Beiping, a special municipality. The national capital is shifted to Nanjing

1937	Japanese army invades the city
1945	Japan surrenders and Civil War restarts
1949	Communist Party takes control of China, Beijing renamed back to Beijing and designated as capital
1950	Liang Si-Cheng and Chen Zan-Xian propose location of the administrative center in the West Suburbs. The proposal is rejected in favour of a centrally located administrative center.
1953	City Masterplan (1953-7) designates 1m ft ² of 'old housing to be demolished', warns of danger of 'extreme respect for old architecture that might constrict development'
1954-67	Demolition of City Walls
1958	Redevelopment of Tianamen Square
1958-9	Ten Major Building Projects
1960	USSR pulls out aid and advisors from China
1966	Cultural Revolution begins
1976	Cultural Revolution ends with overthrow of 'Gang of Four'
1979	Deng Xiaoping's Opening-up policy. China, and Beijing, are opened to Westerners for the first time in thirty years
1980	Construction of the 2 nd Ring Road and subway ring
1990	Acceleration of Old and Dilapidated Housing Renewal Program
1994	District Government given greater control over ODHR program

Figure 1.5. A brief chronology of Beijing

1.4 ROOTS OF REDEVELOPMENT

This historic and cultural properties of Beijing were jeopardized, however, almost as soon as the Communists came into power in 1949. During the Qing dynasty (1644-1911), the city had changed little, although the start of the 20th century and the Republican period (1911-49) saw the beginnings of the tension between modernization and traditionalism which would continue to the present. However, for the most part, the city that the Communists inherited and designated as their capital in 1949 was remarkably similar to how it had been at the end of the Qing dynasty.

Arguably, it was precisely the cultural and historic significance of the city that threatened the Communists. To them, the city represented a physical manifestation of the old, 'feudal' order which had to be rejected. Accordingly, at the very beginning of the Communist period, the tearing down of the Forbidden City was even considered; ultimately this was rejected as too drastic a step.⁹ Instead

it was decided to 'let the past serve the present' and appropriate both the image and the physical manifestation of this icon of the previous regime to bolster the prestige of the new government. Some changes were, however, deemed critical to adapt Beijing into its new role as a socialist capital. Tiananmen Square was to be adapted through expansion from a palace square to a people's square, while Chang'An Avenue, the major road which bisects Beijing and passes through the Square, would be drastically widened in order to host parades. In 1958-9 ten major construction projects were carried out to demonstrate the regime's capabilities, including a number of buildings around the Square. Not all the monuments

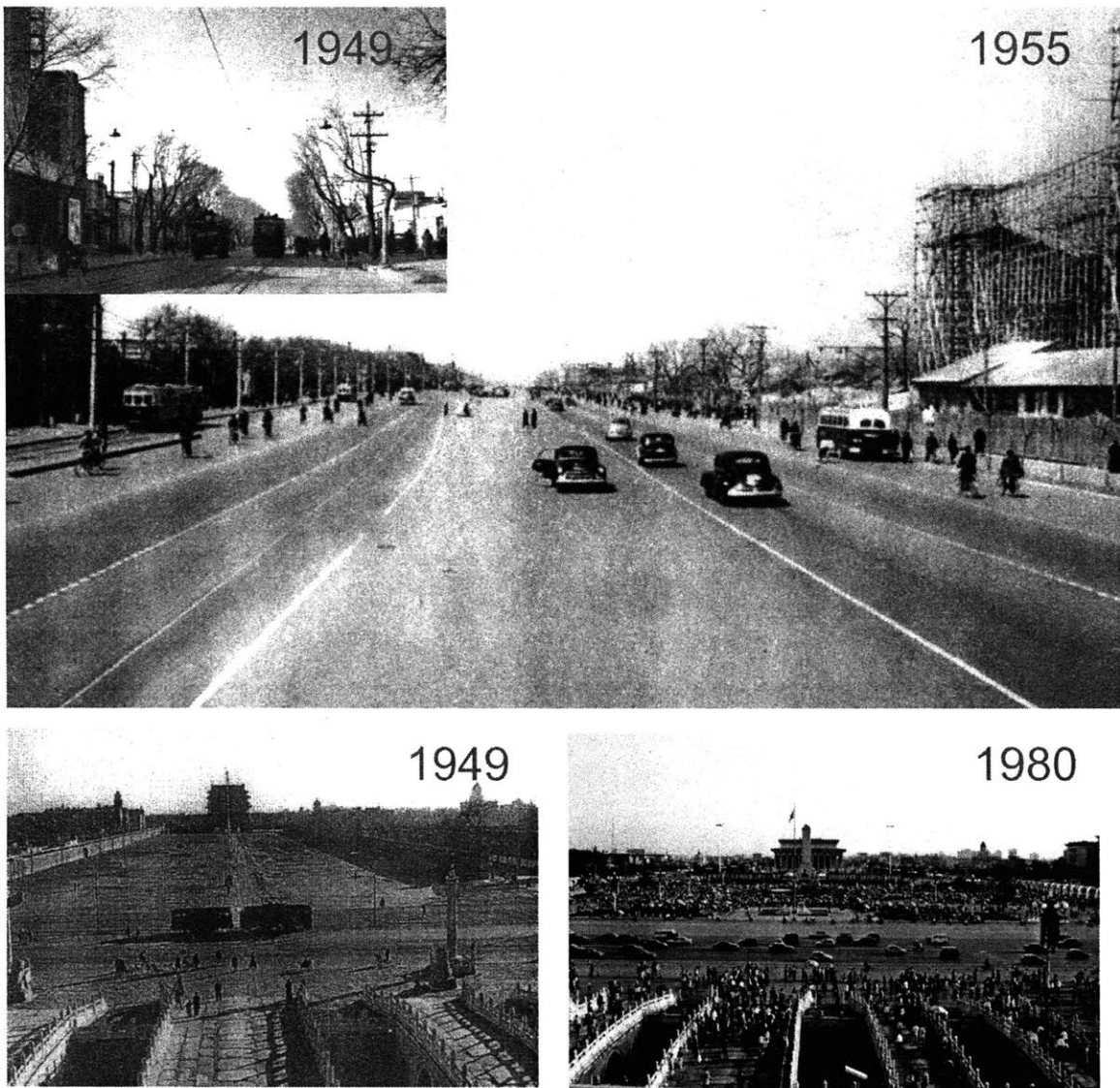


Fig. 1.6: Redevelopment in the 50's: the widening of Chang'An Avenue (above) and Re-design of Tiananmen Square (below) were intended to adapt the city into a Communist Capital

in the city, however, were deemed suitable for appropriation, and the City Walls were perhaps the most famous artifact to be destroyed – during the 1950s and 60's - despite a proposal to convert them into an elevated garden.

With the symbolic center of the regime clearly in the heart of Old Beijing, debate ensued over whether the actual administrative center of the government also needed to be there. Liang Si-Chen in particular argued strongly for the creation of a new administrative center in the Western suburbs which would enable preservation of the Old City.¹⁰ However, the ultimate decision – which was decisively influenced by the Soviet advisors present – was to locate the administrative center in the physical center of the city, around the Forbidden City, and to utilize or demolish existing buildings to make way for the center. This was justified on 'practical' grounds – the country could not afford to build a new city – as well as political grounds: the seat of government should not be separated from the symbolic and historic center of Beijing and the country. Even Stalin was said to have dismissed the idea of building a new capital to preserve the Old City as a bourgeois idea. Many observers have seen that decision as essentially dooming the Old City, making the encroachment on its historic architecture and urban form by modern developments inevitable. As Wu has put it: "It is not unreasonable to say that most of Beijing's conservation and traffic management problems stem from the choice of this site".¹¹

Aside from the monuments, the Communists placed little value on the rest of Beijing's urban fabric. The siheyuan were considered to be politically incorrect relics of the feudal era, both symbolically and practically unsuitable for the new era. Accordingly, the idea of comprehensively redeveloping Beijing was laid down: the 1957 Master plan recommended the demolition of 1m ft² of 'old' housing annually.¹² The 1953 Master plan for the city even commented that "the major danger for Beijing is extreme respect for old buildings which constricts development".¹³ Similarly, little value was also placed on the hutongs, as the regime preferred roads which were wide enough to reflect the prestige of the state. The city's transportation plan, first conceived in the 1950s, called for road-widening measures which would ultimately eviscerate the fabric of the Old City: the plan stipulated that in addition to the four ring roads which would surround the Old City, many existing roads within the latter should be widened to form 'feeder' arterial roads of a minimum width of 50-70m and smaller 'local' roads of 20-30m.¹⁴

For the most part, however, redevelopment within the Old City proposed in the 1950s was simply unfeasible for the Beijing government to carry out until decades later, as they simply did not have the funds to demolish and relocate existing homes and residents, even if they had wanted to. Almost all new construction occurred outside the Old City. Until 1987, for example, over 80% of new housing development had occurred in the suburbs.¹⁵ Redevelopment within the Old City had concentrated on major symbolic projects, such as the Tiananmen Square, Chang-An Avenue redevelopments, as well as the new administrative center around the Forbidden City and the occasional residential development or industrial complex. Indeed it was the converting of Beijing into an industrial center, rather than the comprehensive redevelopment of the city, which was the key ideological goal: as the Beijing Municipal Government commented in the early '50s "...without the base of a modern industrial proletariat...our capital can only be an extremely high level consumptive city,...this will not be suitable for the city's status as the national capital".¹⁶ However, despite the new factories and changes to the symbolic center of the city, the historic residential districts were largely ignored by the regime.

But while the urban form of the city had remained largely intact, the actual residential buildings of the city – and particularly the siheyuan - had become

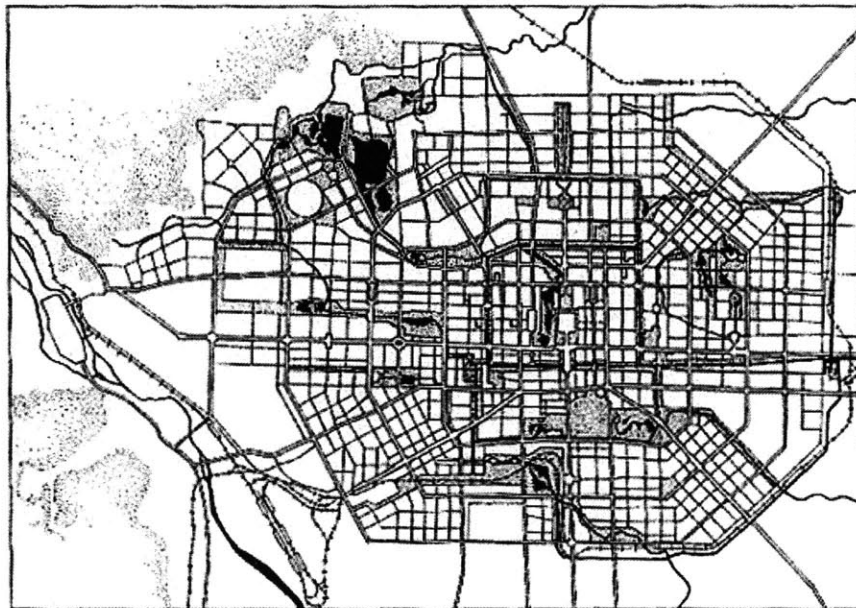


Fig. 1.7: 1953 Masterplan

dilapidated. From 1949-78, the government spent little on maintaining the now largely state owned houses. Further, many of the homes had become overcrowded as a housing shortage induced the Municipal Government to settle families in existing homes. The FAR of these homes essentially doubled from 0.35 to 0.7 as informal construction became widespread within them, and the siheyuan thus became 'courtyard-less compounds' (see fig. 1.8). This would dramatically weaken the argument for preserving them: if the siheyuans had been damaged to the point where they could only be rebuilt, what exactly was worthy of preservation? These issues would figure prominently in the conservation for Nanchizi, described in Chapter Five.

1.5 REDEVELOPMENT SINCE 1990

Old Beijing, therefore, could be still considered to be relatively intact into the 1980s. The poor living conditions of the majority of residents of Old Beijing, however, placed substantial political pressure on the government to take measures to improve them. Up until the 1980s, this was largely done through a 'decanting process' as housing built outside the Old City relieved the pressure for accommodation on the inner city. By the beginning of the 1990s, however, a series of market-oriented reforms – particularly the introduction of a land and housing market – made inner-city redevelopment an economically viable option for the first time, as the value of central locations could be captured through the

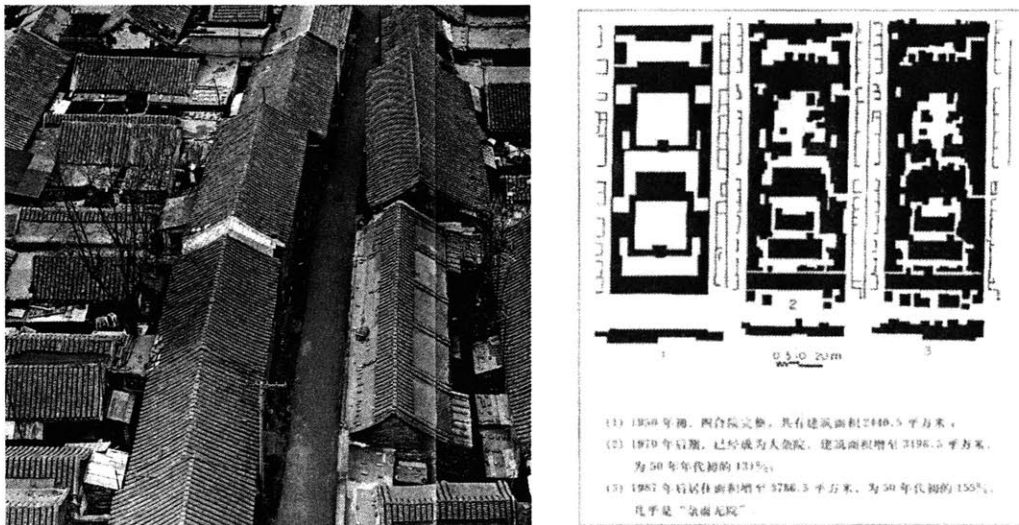


Fig. 1.8: From 1949, the siheyuan became increasing cluttered and dilapidated

sale of commodity housing, and this could balance or exceed the costs for redevelopment. The government's approach to improving living conditions therefore shifted to inner-city urban renewal, and the Old and Dilapidated Housing Renewal (ODHR) program was launched to manage the process.

Initially, the ODHR program focused on re-housing as many residents as possible on the original site, and only selling as much housing or commercial space as would be necessary to break even or turn over a small profit. However, in time, the ODHR program evolved into a conventional urban renewal program, with the majority of residents – in some projects all – relocated to cheaper land in the suburbs, and the original sites used for commercial or luxury housing developments. In essence, the ODHR program started as a social welfare program but became a mechanism for releasing land to Beijing's nascent real estate industry. The nature of this evolution, as well as the reforms which enabled it to happen, are explored in the next chapter.

The result has been that a huge proportion of Old Beijing has been redeveloped, although the exact quantity is unclear. One expert claimed in 2000 that 1/3 of the Old City had been redeveloped, while preservation activist Hua Xinmin estimated that by that same year, half of the city's hutongs had been destroyed.¹⁷ Another expert has estimated that the hutongs are disappearing at a rate of 600 a year, with just 1000 siheyuan remaining in the city.¹⁸ At minimum it is likely that half of the Old City has been redeveloped, and possibly a far greater proportion, given that the rate of redevelopment has not slowed in the last few years.

Similarly, no firm figures exist for the quantity of residents who have been relocated. Journalist Mark O'Neill has estimated that as many as 700,000 residents have been relocated from the inner-city of Beijing, while official statistics referred to in the National People's Congress state that 160,000 households were relocated.¹⁹ As these figures both refer to the period from 1990-2000, the current quantity of residents relocated is likely to be far higher.

1.6 CRITIQUE OF REDEVELOPMENT

The redevelopment described above has been controversial, and as men-

tioned at the beginning of the chapter, three main criticisms have been made:

*INSUFFICIENT AND INEFFECTIVE CONSERVATION*²⁰

The Municipal Government's '25 Conservation Areas' plan intends to conserve approximately 17% of the urban fabric of Old Beijing.²¹ Many commentators see this as insufficient, arguing that Beijing's artistic integrity warrants protection of the entire city, and not small parts of it. As one observer has commented: "If you're going to compare (the city) to a beautiful face, this law protects the tip of the nose and obliterates the rest".²² While now unrealistic, the protection of the entire land area of Old Beijing is not as unfeasible as it might appear: Old Beijing occupies just 65km² or 10% of the land area of metropolitan Beijing. In theory, there should have been enough land area for new development outside the Old City. Furthermore, some observers see the true purpose of the conservation plan as being a being a green light to redevelop the rest of Beijing, as developers and planners can argue for the redevelopment of a particular historic area as it is 'not one of the protected zones'.²³

Worse, the actual mechanism by which the protected areas will be conserved is very much open to question. Incredibly, it is possible for large-scale, wholesale but nonetheless 'appropriate' redevelopment to qualify as conservation, which would never be acceptable in the West.²⁴ In fact, if the redevelopment of Nanchizi, which followed these lines and is discussed in Chapter Five, is a working model for conservation in the remainder of the protected areas, there will soon be almost no areas of genuine historic value in the city. Many experts think that the real proportion of Old Beijing's fabric which will be genuinely protected is actually closer to 5%.²⁵

It is striking that this is a concern not simply of an academic elite or urban planners, but also of many ordinary residents.²⁶ Recently, 125 school children wrote a letter to Mayor Liu Qi posing the question that "If a city does not have its own culture and its own history, what makes it different from any other city?", and commenting that "The skyscrapers we are building are commonplace, while our courtyards and hutongs are unique in the world".²⁷

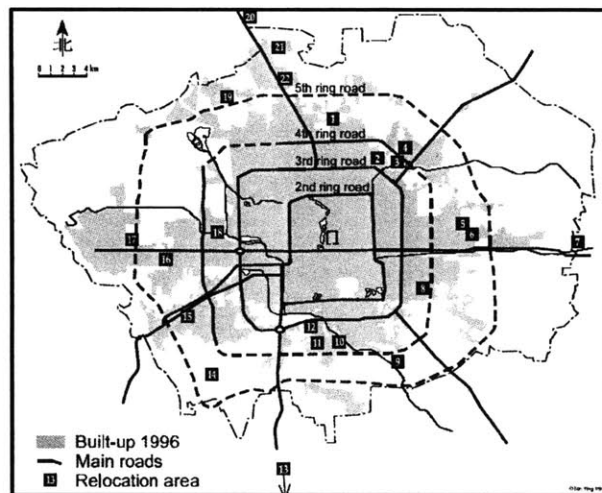


Fig. 1.9: Three criticisms of redevelopment in Old Beijing: too much destruction of the historic fabric (top), inappropriate construction replacing it (middle), and too much relocation (bottom)

*INAPPROPRIATE NEW CONSTRUCTION*²⁸

Little of the new construction in Old Beijing has respected the historic nature of the city. The market conditions that development in Old Beijing has reflected has necessitated developers seeking as high a FAR as possible, with little or token concern for either the cultural context or ‘usability’ of the development, beyond the need for investor-friendly design. Those projects which have respected their context - particularly those of the first phase of the ODHR program such as the Ju’er Hutong, Dong Nan Yuan and Xiao Hou Cang developments - have been exceptions. Interestingly, these projects were all designed with returning Old Beijingers in mind; other development, by contrast, has been intended for a more ‘international’ user, which perhaps explains why it has failed to acknowledge its context, either with a suitable architectural style, height or FAR, or by being designed according to the pedestrian-oriented scale that has traditionally characterized Old Beijing.

In the words of one expert, the result has been that Old Beijing has become like a “flea-infested scalp, with ugly patches spread all over the city”.²⁹ Another observer has commented that “The big new buildings are architectural rubbish. They are ugly, permanent scars on the beautiful face of the imperial city”.³⁰

Arguably, the Old City of Beijing was never suitable for the commercial or high-end residential development that has occurred within its boundaries. The result has been substantial pressure on the city’s infrastructure, which has resulted in enormous congestion. The road widenings that have taken place to address this have done little to improve traffic and have occurred at a vast cost in terms of damage to the historic cityscape and loss of street life.³¹ Further, the increasing desirability of the Old City as a real estate location has meant more pressure to demolish and replace what remains of the historic fabric with high-end residential buildings and commercial blocks. In a sense, the redevelopment of Beijing has entered into a vicious cycle, with commercial development fueling the need for further infrastructure and commercial development, placing even more pressure on the renewal program and the historic fabric. The political climate of Beijing, explored in Chapter Three, further exacerbates this process.

*TOO MUCH RELOCATION*³²

Despite the overcrowded and dilapidated state of housing in the Old City, communities have arisen which have been described as “healthy and lively....not the slums that some outsiders may consider them to be”.³³ The impact on these communities of redevelopment has arguably been one of the most damaging aspects of the renewal of the Old City, as several hundred thousand residents have been relocated from their original homes.

Initially, the government’s efforts to improve living standards was welcomed by the residents, especially as the early projects sought to improve living conditions for residents whilst retaining them in their original location with aspects of their original environment’s qualities present. However, it rapidly became clear that improving living conditions was narrowly defined in terms of living space and facilities only, and not in terms of more broad ‘quality of life’ considerations. Hence, relocating residents to high-rise apartment blocks in distant suburbs could be classified as ‘improving their living standard’ even though on more comprehensive grounds it is questionable whether this has taken place.

Certainly, the Chinese Government has not acknowledged the traumatic impact of relocation. It is widely acknowledged in the West that spatial identity is a fundamental aspect of human life and that, as clinical psychologist Marc Fried famously observed in the 1960s, “Grieving for a lost home is evidently a widespread and serious social phenomenon following in the wake of urban dislocation”.³⁴ There is evidence to suggest that this might be as true for Beijing residents as it was for residents of Boston’s West End, who Fried was writing about. As one commentator wrote of residents being relocated from De-Wai in the mid-90s: “(they) expressed grief at leaving their homes of up to three decades”.³⁵ But the comparative paucity of research on this issue reveals a shortfall in Chinese academic and planning circles, who in the words of one observer, “...don’t like to look at problems. They like to create something new and beautiful”.³⁶

Notwithstanding the trauma of relocation, it is also not clear whether the new environments actually do offer a better quality of life. Despite unquestionably better facilities and increased space, there is considerable evidence that many

residents are less happy than before they were relocated. In one study, 76% of households of the relocation area of Qinghe in the northwest fringe of the city reported that “Service and management were not as good as in the Old City”, 73% reported an increasing cost of living due to their new inconvenient location and 46% reported an economic loss of income also as a result of their new location. Perhaps most damningly, 50% of households reported that the major impact of relocation was that “Life has become boring”.³⁷

In fact, the estate agent’s mantra that location is the most important factor in desirability (and price) of a residence is as true in Old Beijing as anywhere. Many residents therefore prefer substandard housing in the city center with “the convenience of...public transport, good quality schools, hospitals, cinemas and parks”, which combined with “their attachment to (their) old neighborhoods... far outweighs the poor conditions”.³⁸ Additionally, the conclusion of many Western urban renewal studies suggests poorer people depend more on their social ties – which are fragmented by relocation - than the middle-classes. Hence, it is highly dubious to suggest that the lives of Old Beijingers who have been relocated to a remote and inconvenient location having had their physical social network destroyed have been unambiguously improved by redevelopment. Indeed, in one survey only 7% of residents indicated that would be willing to relocate to a suburban location if given a choice.³⁹ Certainly, there is clear evidence of their dissatisfaction with the relocation procedure; according to Hua Xinmin, Beijing residents have filed over 1000 lawsuits against demolition of their houses; unsurprisingly, none have been successful.⁴⁰

If the former residents of Old Beijing have lost out in the redevelopment process, so too can it be argued that the city itself is poorer in many senses by their departure. This is true in a narrow economic sense – the well-being of the city depends on the spatial proximity of a low-income as well as a high-income labor force. But in a broader cultural sense, the city’s character is largely defined by its residents, and as the city becomes increasingly an enclave of the rich, much of the charm of ‘Old Beijing’, even aside from the environmental change, is lost. Indeed, perhaps the greatest loss in the redevelopment of Old Beijing has been of the street life of the hutongs and the way of life that existed there, which is a unique aspect to the city and totally irretrievable or recreatable once it has been lost through unsympathetic redevelopment.

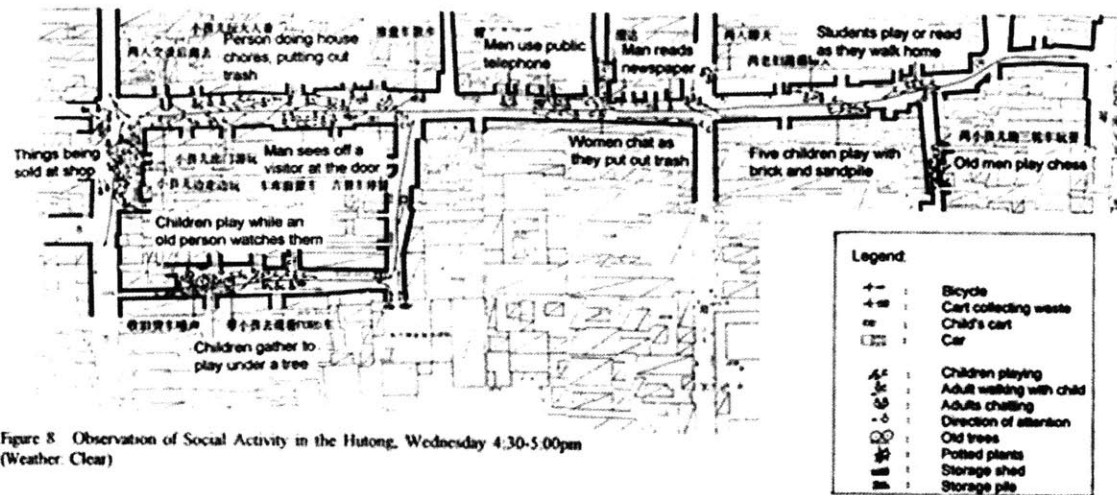


Figure 8 Observation of Social Activity in the Hutong, Wednesday 4:30-5:00pm (Weather: Clear)

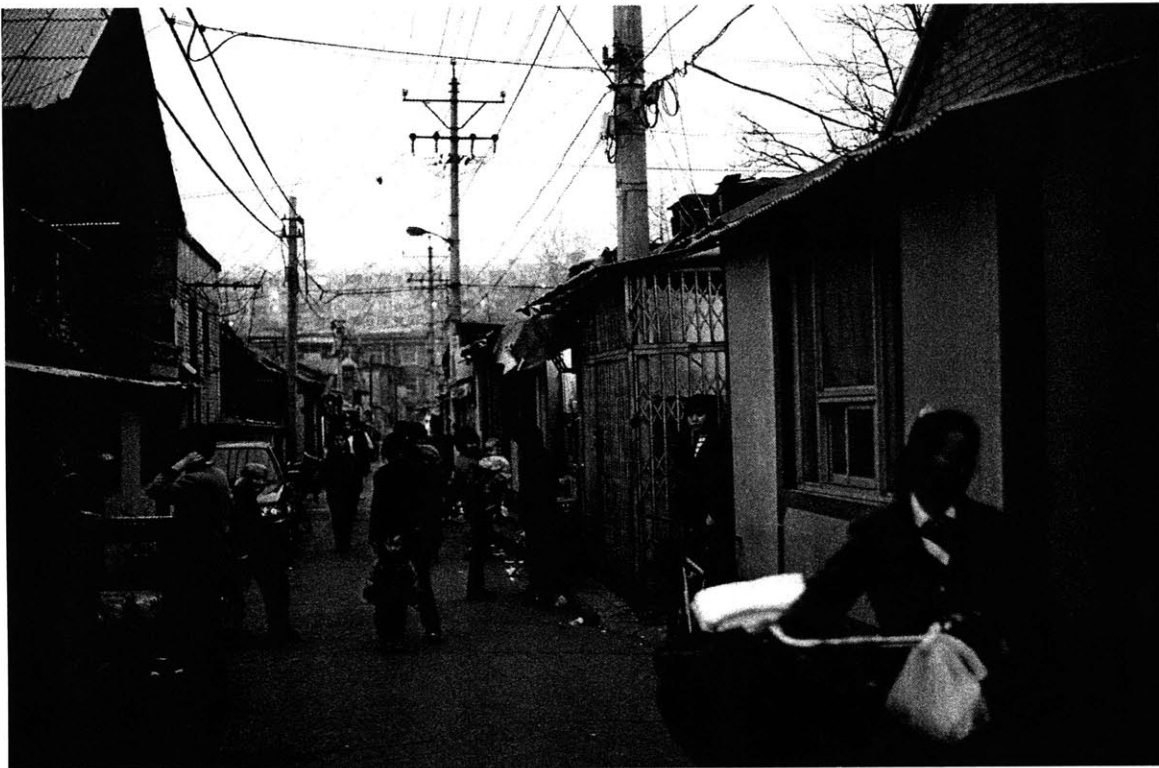


Fig. 1.10: The Hutongs provide a unique streetlife environment not replicated in new development

1.7 REDEVELOPMENT: THE 'PRICE' FOR 'PROGRESS'?

Many apologists for redevelopment have countered the critique described above with a number of cultural and economic arguments. Critics have argued, for example, that the trauma of relocation has been handled well by Beijing

residents, who are far more 'used' to upheaval than their Western counterparts.⁴¹ Or with regards to conservation, that the value of a historic urban fabric is very different in China than in the West, where cities have been destroyed and rebuilt historically on a frequent basis. Or with regards to possible defects in Beijing's planning policy, that the Chinese as a whole are on a 'learning curve' and may eventually come to improve their planning and conservation policies, but must first 'learn from their own mistakes'. Or finally, and most convincingly, that the hutongs and siheyuan may be charming relics of a by-gone era, but their conservation would obstruct economic development – which after several decades of appalling living standards is the most important goal for all Chinese – and therefore have no place in 'modern life'.

All of these arguments have, to different degrees, elements of truth in them. However, I have met enough Beijing residents – residents, academics and urban planners – who have been appalled and saddened with the course of redevelopment to be skeptical of the notion that redevelopment is the inevitable, necessary or acceptable price that Beijing residents have to pay for economic progress. Certainly, this thesis is premised on the idea that economic development and historic and social preservation are not conflicting objectives. There is an enormous amount of land area for Beijing to expand and satisfy its economic needs without sacrificing its historic and cultural heritage. As preservation activist Fang Ke has commented: "The city has plenty of space to expand...the urban area today, at 320 square kilometers, is five times the size of the Old City".⁴² This thesis intends to demonstrate that the course of redevelopment is determined by specific political and economic forces – which could, if the ultimate powers-that-be chose, be countered to result in development that better balances the conservation and social interests of the city with these forces.

(Footnotes)

¹ O'Neill (2000)

² For more on the historical and cultural importance of Beijing, see Wu (1999) and Abramson (1997b). For the importance of Beijing as an Imperial Capital, see Steinhardt (1999).

³ Wang (2002c)

⁴ Abramson (2001) pg. 7

⁵ Jia (2002). For more on cultural importance of hutongs, see Abramson (1997b)

⁶ Wu (1999) pg. 14

⁷ Wu (1999) pg. 6-7

⁸ Wu (1999) pg. 10

⁹ Steinhardt (1999) pg. 1. During the Cultural Revolution, the Forbidden City would again be threatened.

¹⁰ See Wang (2002b) for a full description of his proposal.

¹¹ Wu (1999) pg. 18

¹² Sit (1996) pg. 469

¹³ Sit (1996) pg. 469

¹⁴ The widening of Ping'An Avenue in 1997, for example, involved the relocation of 23,200 families as well as the destruction of an enormous quantity of the historic fabric on either side of the road. Rosegrant (1998)

¹⁵ Zhang (1997) pg. 89

¹⁶ Cited in Sit (1996) pg. 469. This was a typical aspiration for leaders of Communist capitals and cities: President Bierut of Poland, for example, had commented that Warsaw, to be a Socialist Capital, must also be a 'city of workers, a city of production'. Bierut and Warsaw Biuro Urbanistyczne (1951)

¹⁷ See Wire Report (2003b) for estimate of 1/3 of hutongs disappearing – 20 km² over 15 years.

¹⁸ Wire Report (2003e)

¹⁹ O'Neill (2000), Wong (2001) .

²⁰ For a searing critique of Beijing's redevelopment see Fang and Zhang (1998). Wu (1999) is also critical. For a more recent account of Beijing's conservation dilemmas, see Abramson (2001).

²¹ Beijing Municipal Planning Commission (2002)

²² Brahm (2002)

²³ Brahm (2002), Zhao (2003)

²⁴ De Monchaux (2003)

²⁵ See for example Leow (2001) and Zingg (2000) for press reports citing quotations from experts giving this figure.

²⁶ For press accounts of concern from ordinary residents of the redevelopment of Beijing, see Eckholm (1998), Wire Report (2000), Jia (2002).

²⁷ O'Neill (2003)

²⁸ Criticism of Beijing's new construction has been most prominent so far in newspaper articles. See for example O'Neill (2003), Wire Report (2001b).

²⁹ Comment by Wu Liangyong, quoted in Wire Report (2001b).

³⁰ Quote from Ye Tingfeng, a researcher at the Chinese Academy of Science. Wire Report (2001b)

³¹ Many of the widened roads are as congested as they were previously. Wu notes that Bai Yi Lu was widened in 1997 but is now “just as congested”. Wu (1999) pg. 204

³² The implications of the large-scale relocation are discussed in Leaf (1995), Tan (1994), and Tan (1998). It is also briefly discussed in Lu (1997) and Abramson (1997a). See also Nilsson (1998)

³³ Tan (1994)

³⁴ Fried (1966)

³⁵ Abramson (1997a) pg. 73

³⁶ Zhang (2003)

³⁷ Tan (1998) pg. 5

³⁸ Tan (1994)

³⁹ Lu (1997) pg. 67

⁴⁰ Zingg (2000)

⁴¹ Lu (1997) pg. 68

⁴² O’Neill (2000)

Chapter Two: The Context of Redevelopment

- 2.1 INTRODUCTION**
- 2.2 THE CHANGING POLITICAL ECONOMY**
- 2.3 THE REFORMS**
- 2.4 THE ODHR PROGRAM**
- 2.5 THE BALANCE OF POWER**
- 2.6 THE BUREAUCRACY OF PLANNING**
- 2.7 IMPLICATIONS**

2.1 INTRODUCTION

How did a socialist state which prohibited any kind of commercial activity prior to 1978 ultimately come to administer an urban renewal program seemingly driven by virulent capitalism? The answer lies in the evolving institutional environment of urban development, in which a series of land and housing reforms made redevelopment financially viable and even profitable for the first time while decentralization reforms empowered and incentivized local Government to carry out this redevelopment. These reforms occurred as the political economy of Beijing began to shift from being an industrially-oriented to a service-oriented center, providing a huge demand for market-oriented (if not necessarily market-demanded) development. Both this demand and the reforms were undoubtedly important factors in establishing the momentum for redevelopment in Beijing, and are discussed in this chapter.

Arguably as critical in explaining the context of redevelopment are the ‘constants’ – what has *not* been reformed. For the most part, reforms have been gradual and experimental, and essentially grafted on to existing institutional processes to form a ‘hybrid’ environment that is neither fully socialist or market-oriented. The reforms have been unaccompanied by the political or even bureaucratic reforms that have accompanied the transition to a market economy in other ex-Communist countries. Hence, this chapter argues that the real power in urban development lies with the appointed politicians, and the development process itself remains marred by a legacy of bureaucracy from the Socialist period.

2.2 THE CHANGING POLITICAL ECONOMY

The redevelopment of Old Beijing has reflected, and possibly facilitated, structural shifts in the economy of the capital. Prior to 1978, Beijing was almost exclusively an industrial and administrative center, and the goal of the development process was largely to translate industrially-oriented economic plans into urban space. Hence the development process existed essentially to choose appropriate sites for industrial development. All other objectives were subsidiary. Housing was built as one component of an industrial work-unit, and generally considered a secondary priority as an ideologically 'consumptive' rather than 'productive' entity. Accordingly, living standards actually declined during the initial decades of Communist rule, and by 1978 each person in Beijing had an average of 3.6m² of living space.¹ With no domestic or foreign private companies operating in China, there was almost no demand for commercial office space within the city.

Deng's reforms, which began in 1978, signaled the beginning of a critical shift in the government's aspirations for the economy of the city. New emphasis was placed on the development of the tertiary sector of the economy, the opening of markets to foreign companies, and improving the living standards of the population. The results of these reforms were dramatic. From 1989 to 1995, the number of enterprises based on foreign capital or joint venture grew almost ten times, from 1217 to 11202 establishments.² Thousands of domestic Chinese enterprises also opened offices in Beijing during this period. Overall, the tertiary sector rose from representing 26.8% of the economy in 1978 to over half in 2000.³ Living standards rose substantially as expenditure on housing rose from less than 8% to 25% of total state capital expenditure by 1981.⁴

Given the new demand for housing and commercial office space for domestic and foreign companies, there was tremendous pressure for new construction in Beijing. Through the 1980s, most of this pressure was absorbed outside the Old City. Approximately 5 million m² of housing was constructed annually on greenfield or agricultural sites.⁵ At the start of the 1990s, however, this pressure came to be absorbed by inner-city locations released by the ODHR program, and the demand for real estate development in fact began to fuel the program, and

Percentage share of primary, secondary and tertiary industries of GDP of Beijing
1978-1998

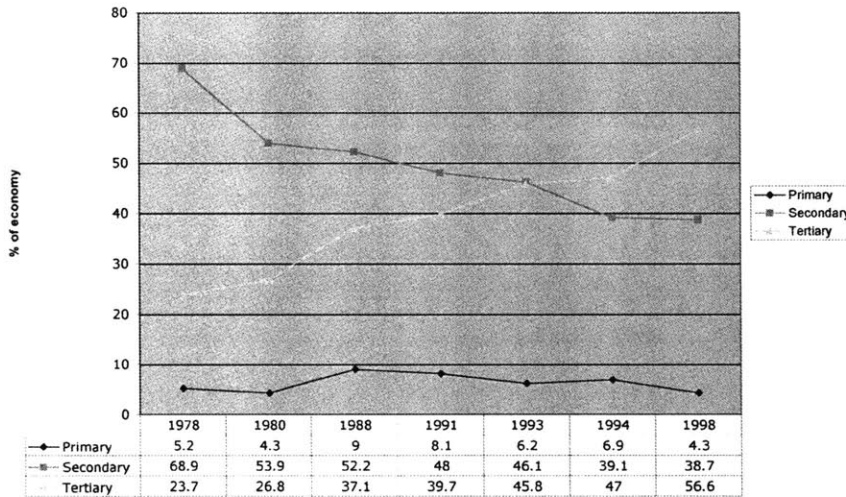


Fig. 2.1: The changing economy of Beijing

encourage more and more land to be made available for development.

It soon became clear, however, that the existing institutional environment for development was not suitable for the new political economy. First, the Central Government was not well placed to manage or even to afford to build the new constructions required, as they would typically have done according to the existing Socialist pattern of development. Other agents would have to be found to both construct developments and generate the revenue to do so. Second, it was apparent that allocating free land, office space and housing to profit-oriented companies – particularly foreign firms – was no longer appropriate, and further, that charging for these commodities could be a source of revenue. To resolve these issues, the government launched a series of reforms in an effort to reshape the development environment.

2.3 THE REFORMS

As the reforms were a series of responses to problems, they were carried out without a preconceived notion of what the mature housing and land markets would be like. Hence they have tended to be experimental, incremental and in many senses incomplete.

DEVELOPMENT OF A LAND MARKET

The need to establish a land market became clear in the Special Economic Zones during the 1980s, when the government was confronted with the issue of how to allocate land to private companies and gain revenue from doing so. The selling of land, however, was an ideological taboo in the socialist system, which presumed that land was a public resource that should never be alienated from public ownership. The solution to this was to allow 'land-use rights' to be sold to users, while the actual ownership of land was retained by the state.

The first land-use rights were sold in Shenzhen in 1987, but it was not until 1992 that the Beijing Municipal Government began to lease land and enact several local laws to implement a ground lease system.⁶ The amount of land leased annually by the Beijing Government grew quickly from 0.4 he in 1992 to 100 he in 1994. The government very quickly began to realize how lucrative land-leasing was, earning by the late '90s an average of 361M\$ per year, a significant proportion of the city's total revenue of around 2B\$ per year.

The establishment of a land market had critical consequences for Old Beijing. For the first time since 1949, the land value of its central location could be capitalized upon. In particular, relocation was essentially made possible because of the difference in land price between suburban and inner-city locations. Accordingly, redevelopment has been driven in part by the profitability of appropriating valuable inner-city land, relocating the residents to cheap suburban land, and developing 'higher and better' uses on the land that exploit the land value. Hence, the establishment of a land market has essentially enabled urban renewal.

However, while land reforms have liberated lower levels of government to sell land and to generate revenue, they have not yet established a fully mature land market. Only government agencies can designate and then sell land parcels, as the reforms have not awarded individual users of land the land-use rights of the land they occupy. The private sector alone cannot buy up and redevelop any land that it chooses: instead the government designates land to be redeveloped and then invites development companies to collaborate in redeveloping parcels. Further, land-use rights are bought and sold through a process of

negotiation rather than open tender or auction, which allows considerable room for corruption – for example, by public land being sold too cheaply because of ‘under-the-table’ payments to officials. In short, the full public benefits of market efficiency that a mature land market would bring are not realized by the current Chinese land market, which is dominated by government agencies and therefore by political as much as market forces.

THE COMMODIFICATION OF HOUSING

As with land reforms, the commodification of housing began in response to a specific problem. The Central Government quickly realized during the 1980s that their increased expenditure on housing was expanding their financial burden, as the maintenance and construction of housing was the state’s responsibility as a welfare provision. Paradoxically, the more housing they built, the greater the fiscal burden of maintenance, and the more their capacity to build further would decline as a result.

Accordingly, the government attempted to shift the burden of providing housing to the lower levels of government and work-units and even ultimately to real-estate developers. The latter would naturally only construct housing if they were permitted to sell it for a profit, and so in effect the real estate industry was established to shift the burden of construction on to actors who could make the process financially viable or profitable. The growth in the number of real estate companies has been staggering: there were just 12 nationwide in 1981, 2200 by 1986 and 7000 by 1990.⁷ This industry essentially acts as an engine for redevelopment by itself.

While initially work-units tended to construct housing for their employees, a statute in 1998 forbade them to do so, and forced them to buy housing from developers. Clearly, there were immense market efficiencies to be gained from positioning work-units as ‘customers’ in an expanded market of developer-provided housing. In socio-spatial terms, these reforms have broken the former pattern of self-contained developments based on individual work-units.

However, as with land reforms, the legalization of housing construction

has empowered lower levels of government and their associated companies and work-units, rather than the populace as a whole. Most Beijing residents cannot afford to buy housing on the open market, and an immature mortgage system prevents them from gaining loans. In 1995, for example, less than 10% of residents owned their own housing.⁸ Most depend on their work-unit to provide housing for them, which leaves control of the housing market in the hands of government-affiliated development companies and their work-units. Like land reform, the housing market is immature, and much of the activity of both markets occurs between different government agencies (or recently privatized companies) rather than the private sector, leaving it open to manipulation by political pressures as much as market forces.

DECENTRALIZATION

The Central Government's efforts to shift the burden of construction to lower levels of government was part of a general goal of decentralizing governance in order to reduce their expenditure, which had been a priority since severe fiscal deficits in the 1970s.⁹ Accordingly, both the Municipal and District-level Governments in Beijing were given substantially increased powers in return for taking on the fiscal burden of managing their localities. Aside from sharing in Central Government taxes, the local levels of government were allowed and incentivized to generate revenue locally in order to manage this burden. This incentive to raise revenue has acted as dramatic spur to urban development, which is obviously a major mechanism for generating funds.

In Beijing, decentralization has entrusted the Municipal Government with responsibility for city-wide infrastructure, large-scale projects and overall supervision of development in the city. The District Governments have taken on responsibility for supervising individual projects and overall planning within their domains. Arguably the decentralization of decision-making and tax-raising from the municipal to the district governments has had an even greater impact on the urban development than that between the central and municipal governments.¹⁰ Prior to these reforms, the district-level government was a peripheral player in urban development; with both limited funding and decision-making power.¹¹ After the decentralization reforms, the District Governments in Beijing

and elsewhere came increasingly to become the most important actors in the development process, as the agencies directly responsible for the implementation of most urban development.

Timeline	
1953	Masterplan 'Learn Everything from the Soviet Union'
1958-9	Great Leap Forward
1966-76	Cultural Revolution
1978	Launch of Deng Xiaoping's 'Open Door Policy' Fiscal deficits prompt start of decentralization and tax-sharing policies
1982	Reform of constitution establishes land-use rights Beijing designated a 'cultural and political' center – no longer an industrial or economic one
1988	Further legislation permits transfer of land-use rights, thus establishing land market
1989	1989 City Planning Act legally switches planner's attention from industrial development to urban development as a whole; cities are mandated to produce comprehensive masterplans
1990	Acceleration of the ODHR program 7000 Real Estate companies in China
1992	Deng Xiaping's visit to the Southern cities and speeches calling for the reforms to be accelerated Beijing begins to lease land
1994	District Government's given greater control of ODHR projects
1998	Legislation prohibits work-units from constructing housing

Fig. 2.2: Chronology of Market Reforms and Urban Planning Legislation

2.4 THE ODHR PROGRAM

As mentioned earlier, the above reforms made inner-city redevelopment economically viable for the first time. Hence, the Beijing Municipal Government made a priority of addressing and improving inner-city living conditions, and towards the end of the 80s the ODHR program was launched with the goal of fulfilling the Communist Party aim of "...achieving a moderate level of well-being and obvious improvement in housing conditions for all Chinese by the end of the century".¹² By the end of 1993, 221 ODHR projects had been selected by the Beijing Municipal Government involving 20.9 km² in Old Beijing and a population of approximately one million residents.¹³

The initial emphasis of the program was to improve living conditions for residents with the most severely dilapidated living conditions by redeveloping their housing and relocating them on-site. Hence, all of the initial parcels were chosen because of their extreme dilapidated state, and as one of the developers of Xiao Hou Cang commented: "The policy of 'Each of the original house-

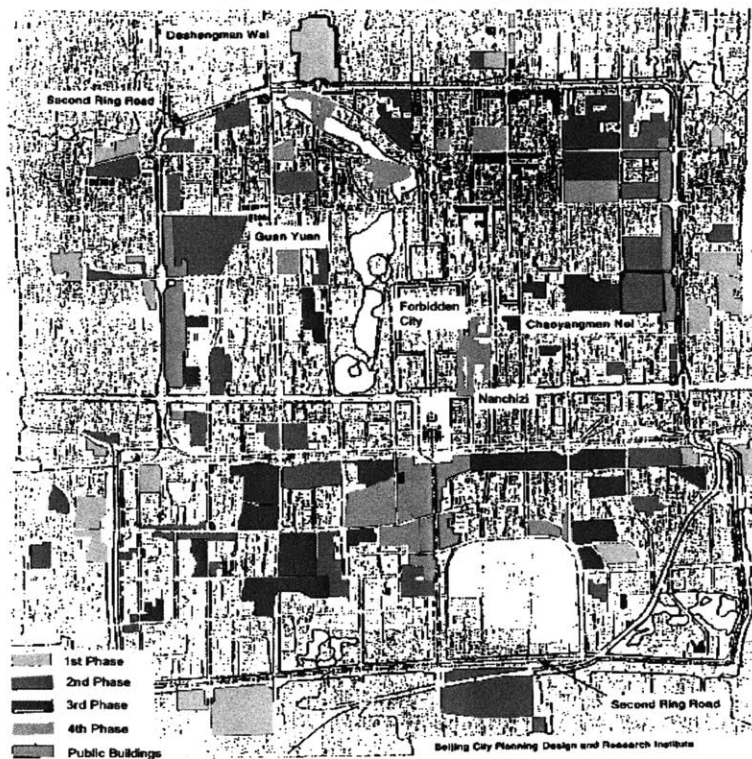


Fig. 2.3: The first designated phases of the ODHR Program

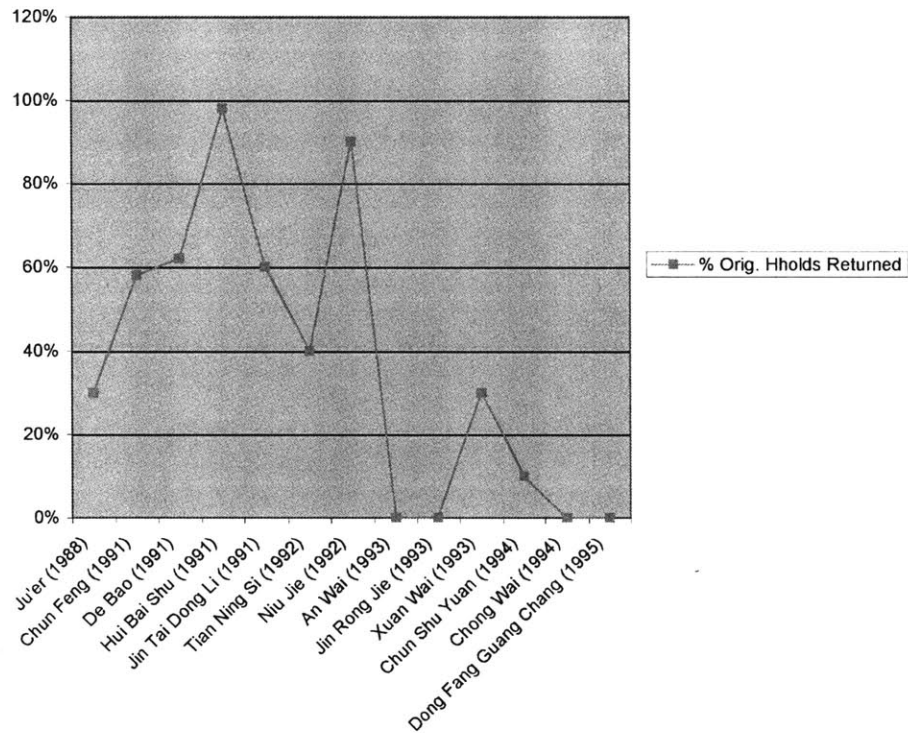


Fig. 2.4: The early ODHR projects - Dong Nan Yuan, Xiao Hou Cang and Ju'er - managed to achieve high resident return rates and a contextual architectural style

holds will be allowed to move back' guaranteed the smooth evacuation of the residents".¹⁴ The designs for each of the first four pilot projects in different ways evoked Old Beijing, and also achieved varying return rates from 100% in Xiao Hou Cang and Dong Nan Yuan to 30% in the case of the Ju'er Hutong.¹⁵ In each of the projects a small quantity of market housing or office space was constructed to help balance costs.

However, by the time the ODHR program was expanded in the mid-1990s, the nature of the program had changed. The rate of return of residents plummeted, as more and more residents were relocated away from their original location into the suburbs (**see fig. 2.5**). Instead, the projects which were built in the Old City tended to be high-end housing or commercial office or retail space. At a meeting to discuss the progress of ODHR projects in 2000, only one project out of ten was for residential, as opposed to commercial development.¹⁶ The basis for the choice of parcels to be redeveloped increasingly came to be not their level of dilapidation, but rather their location and latent land value. Officials concede that the program no longer exists as it was originally conceived, which was as "a program using preferential land allocation and tax policies to entice developers to re-house inner-city residents, preferably on-site".¹⁷ Instead of a social welfare program, it has become a large-scale urban renewal program to release land for real estate development.

Rate of return of a sample of ODHR Projects, 1988-1995



Name of Project	Year	FAR*	Land Area (ha)	No. of Orig. Hholds	Zoning: Max Building Height (m)	FAR	Housing Area (ha)	Com-mercial Area	Actual Max Building Height (m)	% Orig. Hholds Re-turned
								(ha)		
Ju'er	1988	0.8	0.21	44	9	1.31	0.276	0	9	30%
Chun Feng	1991	0.52	2.28	205	18	1.28	2	0.5	18	58%
De Bao	1991	0.67	5.2	996	24	1.92	6.76	3.2	24	62%
Hui Bai Shu	1991	0.46	11.41	1929	18	1.6	12	62	18	98%
Jin Tai Dong Li	1991	0.45	4.3	800	18	2.4	N/A	N/A	18	60%
Tian Ning Si	1992	0.72	16	1812	24	1.55	18.3	8.8	36	40%
Niu Jie	1992	0.51	35.91	3000	24	2.97	37	43	65	90%
An Wai	1993	0.53	14.48	1861	45	3.08	0	0	45	0%
Jin Rong Jie	1993	0.47	103	5000	45	5.5	0	298.6	116	0%
Xuan Wai	1993	0.51	34	3000	45	5	35	135	50	30%
Chun Shu Yuan	1994	0.43	16.2	1500	30	3.08	16.8	15.3	50	10%
Chong Wai	1994	0.57	4	1100	45	5	0	20	50	0%

Fig. 2.5: A survey of a selection of the early ODHR projects. Above, the declining percent- age of residents returned in ODHR projects.

2.5 THE BALANCE OF POWER

Why did the ODHR program evolve the way it did? In large part the explanation is that the program became dominated by the political objectives of the local government, particularly after decentralization reforms gave the District Governments greater power of approval over ODHR projects in 1994. These objectives essentially determined that re-housing residents on-site became a less desirable goal than redeveloping areas for their 'highest and best' use. The motivation behind these political objectives is discussed in the next chapter.

Why in turn is urban development dominated by political objectives, and not by, for example, urban planning policies? The answer to this essentially lies in the balance of power. Urban plans in China are traditionally conceptualized by politicians and only drawn up by planning professionals. As one planner memorably put it: "Mayors do the planning and planners do the drawing".¹⁸ Another planner has put it even more bluntly: "We are not the decision-makers".¹⁹

Hence, whereas in the West planners attempt to mediate between sparring interests, planners in Beijing (and China) tend to simply produce plans based on decisions handed down from above. They tend not to act as 'regulators' of urban development, because there is no institutional acknowledgment that the interests of planners (and the public interest generally) might differ from those of the local government or development companies' interests. The underlying assumption is that all the players involved in urban development are all on the same 'team' which is presumed to operate in the public interest.

With planners operating in a technical role, there is simply no mechanism for recognizing the interests of those who planning might affect, because the politicians are not accountable to an electorate and the planning process does not involve participation from citizens and residents. The result is urban planning decisions that often involve enormous social (and cultural) costs for which the population affected have no institutional mechanism for registering their discontent. While limited protests, lawsuits and media criticism of the redevelopment process have occurred, they have rarely changed the redevelopment dynamic,

and the scope for these kind of actions is limited in what remains essentially an authoritarian state. There is no possibility for the kind of 'rebellion' that occurred in the US against urban renewal in the '60s because the political freedoms and rights that exist in a democratic system do not exist in China.

2.6 THE BUREAUCRACY OF PLANNING

The context for redevelopment is further determined by the existing bureaucracy of urban development. The absence of political reform has been accompanied by an absence of institutional reform, which has meant that the urban development process is still impaired by a fractious bureaucracy.

This is perhaps most obvious in the actual design of physical environments, after plans have been conceptualized. The planning process tends to be the sum result of a number of a different departments, rather than a coordinated, unified effort to create a successful physical environment. Hence, infrastructure regulations, for example, are enforced with little concern for the environment they create. This has led to roads that are too wide to support any kind of vibrant street life, and building setbacks that create an inconvenient and inhospitable pedestrian environment. With regards to conservation, the failure to plan in integrated fashion are even more hazardous: in the words of one observer "the traffic engineer's view of the transportation network is more threatening to conservation in Beijing than the developers".²⁰ The failure to develop a successful mechanism for installing integrated rather than separate pipes to upgrade hutongs is also a severe threat: the separate pipes generally require a greater width than hutongs generally are, necessitating their demolition if they are to be improved. The impact of bureaucratic division could be seen on the planning of both case-study areas examined later in the thesis.

2.7 IMPLICATIONS

How can we summarize the context for redevelopment, based on the above reforms and 'constants' described above? Arguably urban development can be seen in the current context of the wider Chinese political economy as

one that “utilizes market principles...but nonetheless emphasizes the continued collectivization of the means of production”. In other words, land and housing reforms have brought a market orientation to development, but the process itself remains dominated by government agencies. This domination by government ultimately ensures that the redevelopment process itself will be driven by the political objectives of the cadres, as the latter operate with almost no checks and balances on their authority. Hence, understanding these objectives is the key to grasping what drives and determines redevelopment.

(Footnotes)

¹ Zheng (1995)

² Zhou (1999) pg. 431-2

³ Gu and Shen (2003) pg. 109

⁴ Leaf (1998) pg.150

⁵ Lu (1994) pg. 89

⁶ Deng (forthcoming) pg. 10. The estimates of land-leasing revenue raised cited in the paragraph are also from this source.

⁷ Gar-on and Wu (1999) pg. 222

⁸ Gaubatz (1995) pg. 89

⁹ Gar-on and Wu (1999) pg. 215

¹⁰ Zhang (forthcoming), Zhang (2002b).

¹¹ Wu (2002) pg. 1082

¹² cited in Lu (1997) pg. 60

¹³ Fang and Zhang (forthcoming)

¹⁴ Huang and Shi (1991) pg. 47

¹⁵ Abramson (1997b) pg. 102

¹⁶ Zhang (2000)

¹⁷ Abramson (1997a)

¹⁸ Zhang (2002a) pg. 73

¹⁹ Dong (2003)

²⁰ Rowe (2003)

Chapter Three: The Politics of Redevelopment

- 3.1 INTRODUCTION
- 3.2 URBAN RENEWAL AND BEIJING
- 3.3 GOVERNANCE IN BEIJING
- 3.4 DRIVING FACTORS FOR LOCAL GOVERNMENT
- 3.5 DRIVING FACTORS FOR DEVELOPMENT COMPANIES
- 3.6 PLANNING VS. POLITICS
- 3.7 RESIDENTS
- 3.8 A 'GROWTH REGIME' IN BEIJING?

3.1 INTRODUCTION

The context for redevelopment in Beijing does not by itself explain it. Just because land and housing reforms *enable* the redevelopment process to be utilized to relocate the maximum amount of residents possible and build commercial or high-end residential buildings for profit, does not necessarily entail that redevelopment should almost always follow that pattern. After all, the early ODHR projects utilized the market in order to achieve redevelopment that benefited the residents. Why did projects like the Ju'er Hutong and Xiao Hou Cang never come to be repeated?

One possible answer is that redevelopment in Beijing has followed a universal pattern of urban renewal, which other cities at different times and places have implemented. Certainly, the impact of redevelopment in Beijing bears striking similarities to both the 'Haussmanization' of Paris in the 19th century and urban renewal in US cities in the 1960s. In this view, the city leaders of Beijing are responding to universally felt needs for central land for redevelopment for economic development. This chapter explores how far this comparison can be taken, particularly with regards to the forces driving urban renewal in other places.

A more specific answer to the above question, however, lies in understanding what drives the decision-makers. The unique Chinese party political system places little value on cultural or social objectives. Economic develop-

ment is the only valuable political achievement. Hence, politicians are motivated most by a need to advance (or appear to advance) the economic development agenda. Hence, I will argue in this chapter that in urban redevelopment terms, this means that politicians are keen to achieve economic development targets, or increase their revenues base, or achieve visible redevelopment which can be considered proof of economic advancement. Because excessive relocation or damage to cultural heritage does not figure in this matrix, it is not considered a serious problem. The personal enrichment of officials during the course of development is also alleged to drive the process, and this is also discussed in this chapter.

3.2 URBAN RENEWAL AND BEIJING

Can the redevelopment of Beijing be explained as part of a universal phenomenon of urban renewal, rather than one situated in a specific time and place? As mentioned earlier, urban redevelopment in Beijing bears a strong resemblance with the transformation of Paris in the 19th century under Baron Haussmann, when a medieval urban fabric was also redeveloped into 'modern' wide avenues and buildings inhabited by commercial interests and wealthy residents. Similarly, the urban renewal of many US cities in the '50s and '60s also bears striking similarities with Beijing, as large amounts of land in inner cities occupied by residents of a low socio-economic class were also turned over by the government to developers for the purpose of developing supposedly 'higher and better' uses on the land – generally commercial office space or luxury residential units.

It is striking that it is not only the results of redevelopment but also the attitudes of officials that are similar. In the US, as in Beijing, urban renewal was considered to be acceptable because it was assumed it would benefit all in the long-run. One planner, Carol Aronovici of New York City, commented that "We should quit trying to rehabilitate lower Manhattan for the poor and give it back to the well-to-do by building expensive, luxurious and well-planned apartment houses in which they could live close to the Financial District".¹ This mirrors the attitude of officials in Beijing, who also believe that poor people should not be living in inner city locations where land values are high.² It was assumed in both places that the poor would be much better off and happier with accommodation

with better facilities elsewhere. Their unhappiness at being uprooted was greeted with apathy or disbelief. One US reformer wrote that he was "...astonished by the intense grief of the uprooted residents...it is strange to find people so attached to homes that were so lacking in all the attributes of comfort and decency".³ But if the end-product of and justifications for urban renewal are comparable, can the forces driving it in both places be compared?

Scholars have argued that urban renewal in the US was driven by a 'growth coalition' or 'growth regime' of different actors who coalesced around the goal of redevelopment for different motivations.⁴ As historian Robert Fogelson has written:

*"Downtown business interests saw it as a way to lure the well-to-do from the periphery to the center...mayors viewed federal aid for redevelopment as an opportunity to replace low-income slums and blighted areas with middle and high income neighborhoods...that would alleviate the growing fiscal problem. City planners viewed it as an opportunity to redesign the metropolis along more efficient lines..."*⁵

Does this 'growth coalition' have an equivalent in Beijing? At first glance there does to be a similar corresponding phenomenon, as redevelopment is promoted by an alliance of politicians keen to increase their revenue-base, developers keen to gain opportunities for profitable development, and planners and designers keen to have the chance to design new areas. As in the US, those who do not share this growth agenda – particularly the communities that are being uprooted – are excluded from the redevelopment decision-making process.

These apparent similarities, however, mask enormous differences in the political, economic and institutional environment between the two places. Whereas urban renewal took place in the US in a mature market economy, redevelopment in Beijing takes place in a transitional economy: at least 60% of the resources of the economy are still state owned.⁶ Unlike in the US, where the private sector was a driving force in passing the legislation that enabled urban renewal, the role of private companies in redevelopment in Beijing is far more limited, and for the most part the process is administered by District Governments and companies either owned by or closely associated with them.

Just as importantly, the political environment in which renewal took place in the US was vastly different than that in China. Urban renewal in the US was ultimately halted when the communities threatened with redevelopment found their political and legal voice and successfully fought the coalition pushing renewal. Despite nascent efforts to do the same in Beijing, communities essentially have no official political or legal power in an undemocratic political system. Hence it might be more apt to describe whatever forces are arrayed to advance redevelopment as a 'growth regime' rather than a 'growth coalition', as the latter seems to imply a liberal society. In any case, however, urban redevelopment in Beijing and China clearly takes place under unique circumstances, despite similarities with renewal at other times and places, and must be fully explained on its own terms.

3.3 GOVERNANCE IN BEIJING

Before describing the political motivations of the actors involved in urban development, it is necessary to attempt to explain the complex structure of the Beijing Government. There exist three levels of administration in the city: the central, municipal and district-level governments. All of these levels have associated departments, work-units and commissions. For the most part, the Central Government takes a hands-off approach towards urban development, limiting their role to 'macro' legislation, high-profile projects, or developments where their departments have a vested interest. The city is therefore generally run by the Municipal Government, headed by the mayor, under whom nine vice-mayors serve, and to whom in turn varying numbers of commissions report from a total of 34, of which one is the Beijing Municipal Planning Commission. Beneath the Municipal Government are 14 District Governments – including four in the Old City – each headed by a governor, who controls a number of commissions, including a planning bureau.

As described in the previous chapter, tax-sharing policies and the decentralization of decision-making authority have vastly increased the power of both the Municipal and District levels of Government, and in the last decade the latter has become particularly influential in shaping urban development. Hence, this

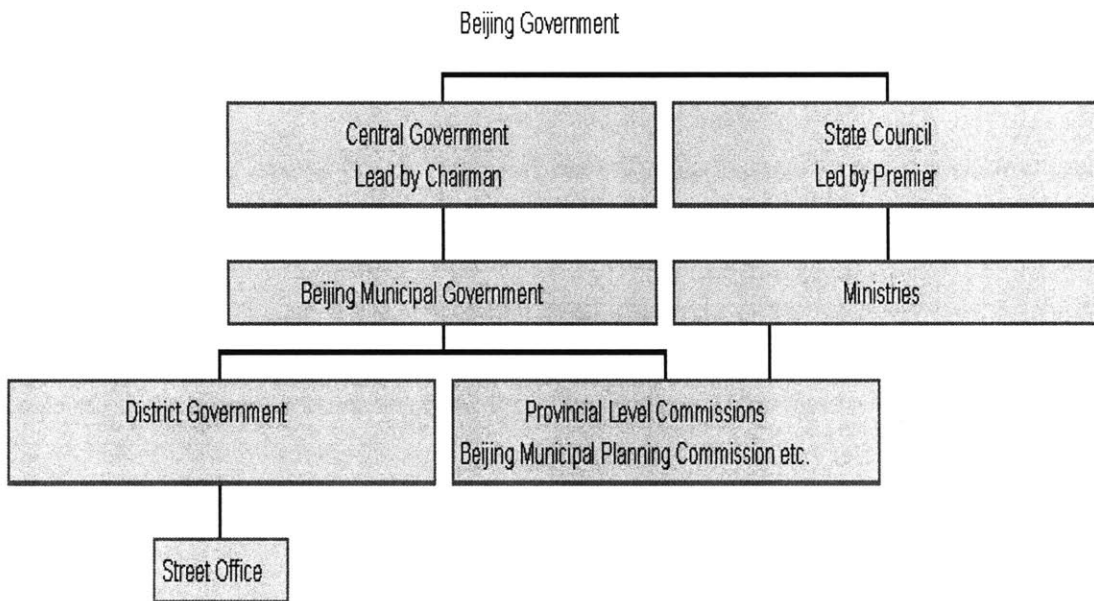


Fig. 3.1: Above, the District Governments of Old Beijing; below, organizational chart of Governance in Beijing

clear structure does not necessarily represent the actual balance of influence over development in Beijing, which has shifted steadily down the hierarchy since 1978. Further, District Governments can often form alliances with the Central Government to 'leapfrog' the Municipal Government and subvert their policies. The development of Finance Street, described in Chapter Four, largely followed these lines.

Other factors also make governance and redevelopment in the city unpredictable. The fact that the governance of the city depends a great deal on the personalities involved is perhaps no surprise, given the traditional importance of 'guanxi' (connections) in China. Beyond the influence of the web of personal connections that dominates politics generally, different personalities often govern in a fundamentally different way, and this can affect whether the higher levels of government fully utilize their power or give the levels beneath them autonomy. For example, according to one observer, Mayor Chen Xitong (1981-95) allowed the District Governments comparatively little power; Mayor Liu Qi (1999-2003), by contrast, allowed them far greater influence.⁷ To understand the governance of the city, therefore, requires coming to grips with the complex interplay of institutional actors and personalities involved.

3.4 DRIVING FACTORS FOR LOCAL GOVERNMENT

As politicians in China are appointed, rather than elected, they are accountable only to higher levels of government rather than an electorate. Accordingly their priorities are very different to those of electoral politicians. Under the CCP political system, it is explicitly acknowledged that politicians are expected to advance economic development, perhaps because the very legitimacy of Communist Party is considered to depend on the success of the Party in advancing the country's economic agenda. Consequently, the performance and careers of politicians are measured almost exclusively in those terms. Hence, the principle priority – if not requirement - of local government politicians is to demonstrate economic growth, the accomplishment that is valued most by the higher levels of government and most likely to increase their own power. Both Zhu Rongji and Jiang Zemin, former Prime Minister and President of China respectively, were promoted in part because of their performance as mayors of Shanghai in the

'80s. More recently the national role-model status of Shanghai has led to two of its Municipal leaders Wu Bang-Guo and Huang Ju getting promoted to the central government.⁸

There are perhaps three principal mechanisms for demonstrating economic growth: attaining (or exceeding) economic targets, increasing the revenue base, or achieving 'visible' development or redevelopment, which serves as evidence of economic development. Redevelopment can serve more than one of the goals simultaneously: widening roads, for example, is both a re-imaging political achievement, but also may contribute to an economic target as it constitutes the development of infrastructure.

Finally, the illicit personal enrichment of government officers through redevelopment has clearly also been a motivating factor of development, and is briefly discussed in this section.

RE-IMAGING

The need for 'visible' development or redevelopment is felt by all levels of the Chinese Government, for varying reasons. For individual politicians, such as mayors or district governors, a limited term of office gives them only a short period to 'make their mark', and the clear re-imaging of an area is one of the most effective ways to demonstrate their competence to higher-level officials responsible for their career advancement.⁹

For the actual government institutions themselves, re-imaging serves subtly different purposes. For the District and Municipal Governments, re-imaged areas offer an opportunity to market the city – or the district – as an 'international' metropolis to domestic and foreign companies as part of a 'place promotion' strategy. Two posters by the East District Government in Beijing, for example, declare "We strive to build a world-class urban center" and "Establish an International District" respectively alongside pictures of modern developments in the District (**see fig. 3.2**). The use of English in these posters suggests that the District Government is orienting its messages at an international audience, presumably to boost foreign investment into the area.



Fig. 3.2: Redevelopment, imaging as a political goal: two East District posters. Above, a graphic of the Oriental Plaza with the inscription "We strive to build a world-class urban center" and below a graphic of a new areas with the inscription "Develop high-calibre people of Dongcheng, Establish an international District"

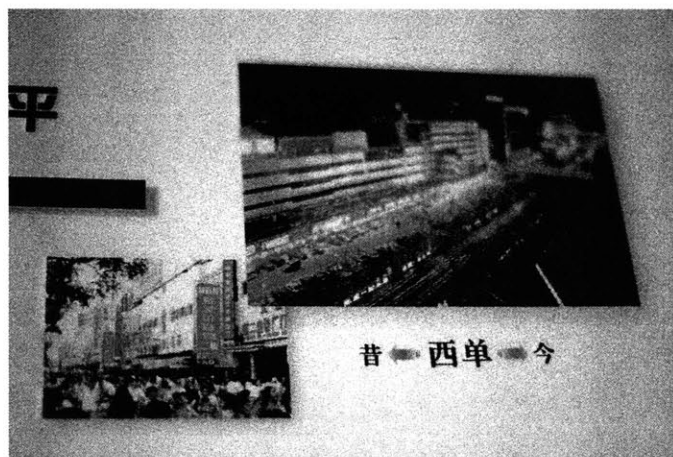


Fig. 3.3: Re-imagining as a political achievement: above, a poster that hangs in the West District Planning Bureau offices. Below is a blow-up of before and after pictures of the redeveloped Xidan area.

For the Central Government, re-imaging is critical for sending a message to the world that the capital – like the country as a whole – is economically booming, modern and cosmopolitan. Notably, many of the major redevelopment projects of the 1990s were constructed in time for international events: Oriental Plaza and the widened Ping-An Avenue were both ready for the 50th anniversary of the founding of the People’s Republic celebrations in 1999, which were broadcast world-wide. A similar array of redevelopment projects is scheduled to be ready for the Olympics in 2008, including Dashilan and the Olympic Complex in the north of the city.

The result of this need to re-image, however, is that the city tends to place its resources in projects that are perceived to have the greatest political impact, rather than those that are necessarily what the city needs. Hence the city invested 20.3B\$ in the widening of Ping’An Avenue, while many areas of the Old City still do not have basic sewage pipes and other infrastructure. According to one commentator, the East-West Avenue in Shenzhen served little practical purpose but to re-image the city; other, less glamorous issues such as affordable housing were left on the sidelines.¹⁰ Then Vice-Premier Wen Jiaobao even warned municipal leaders against this tendency in a speech in 2001, commenting that city leaders should “...guard against going in for grandiose projects or showy but not useful projects. It is necessary to avoid building high-rise buildings, broad avenues and large squares in a blind manner”.¹¹

ECONOMIC TARGETS

In large part, the appeal of ‘re-imaging’ is that it offers apparently unmistakable evidence of economic advancement. This advancement is also measured in other ways, particularly in a series of ‘economic targets’ which both Municipal and District Governments are expected to reach, as it is politically embarrassing to fall short of them. Hence criteria such as ‘quantity of dilapidated housing to demolish’, or ‘District GDP’ to attain generally determine the nature of urban development which is carried out. These targets are generally the index by which the performance of local government and its officials are measured.

For the District Governments, the result is that “(they) don’t care about their people. Economic growth for the district is only standard by which their performance is judged. (So) they want tangible results”.¹² Frequently, the need to reach economic targets is used as a bargaining tool by district government officials to get projects approved. As one expert put it: “The District Governor will say: if you demand an 8% increase in economic development for my district, then you should approve some of the projects that my district would like to do.”¹³ Again, this kind of approach does not favor conservation: “Cultural and historical aspects become the last priority when the district needs to increase the income level of the population, the financial capital etc.”¹⁴

INCREASING REVENUES

As described in the previous chapter, decentralization reforms which devolved control over urban redevelopment to lower levels of government have also incentivised them to increase their revenue base and power.¹⁵

Unlike in fully developed market economies, however, the principal mechanism for collecting revenue in Beijing is not a mature Municipal tax system, as in cities in the West. The Municipal Government would be unwilling to impose one, at least in part because any municipal-wide taxes would need to be shared with the Central Government, with a resulting loss in ‘local wealth’.¹⁶ Instead, the main source of municipal revenue is land-leasing and land-use fees.¹⁷ In 1995 and 1996, for example, the Beijing City Government earned 445.8 and 385.5M\$ respectively from land-leasing, approximately 20% of the city’s total income of 1.8B\$. Many other cities receive as much as 50% of their revenue from land-leasing fees.¹⁸

The need for District-level Governments in particular to increase their revenue base explains in part why so much of the redevelopment of Old Beijing has centered around commercial, rather than resident development. There is obviously a vast difference in the income raised by the former over the latter. The benefit to a District Government of developing commercial sectors is demonstrated in the West District, whose banking sector – mainly centered in the Finance Street development discussed in Chapter Four – was the major component of a

banking industry which added 5.47B yuan (equivalent to about US\$500 million) to the economy, accounting for 52.1% of the gross domestic product of the district.¹⁹

The local governments also gain a form of ‘revenue in-kind’ by asking developers of land parcels to contribute an infrastructure fee or to actually construct infrastructure on their behalf, generally in lieu of a higher land cost. The developer of the De-Wai area, for example, had to construct a large highway through the site in exchange for the right to build there.²⁰

There are, however, inherent flaws in developer-provided infrastructure. The latter tends to encourage developers to seek sharp increases in the FAR and size of projects, as they naturally seek as much profit as possible to amortize the construction costs of providing infrastructure. This not only makes the development of small-scale development financially unviable – because of the diseconomy of servicing a smaller site – but also encourages a ‘splintered city’ in which only the wealthy areas of the city have access to modern infrastructure. Further, local governments have come to see large-scale projects as the only mechanism for getting infrastructure built, and the drawing up of urban renewal parcels by the Municipal Planning Institute – and urban redevelopment itself - is often explicitly geared towards this end.²¹

CORRUPTION

The personal enrichment of government officers as a driving force for redevelopment cannot be ignored, even if for obvious reasons it cannot be adequately researched. One commentator has described the situation as follows: “There’s a saying in Beijing: as soon as you get a project, you’re rich. That’s not because you’re rich because you’ve developed a project and sold the units, but you’re actually becoming rich in the process of developing property and spending the bank’s money”.²² On a similar note, one journalist has recounted the following:

“The ‘cai qian’ (dismantling and relocation) process is completely corrupt,” said an expert on who is familiar with the process.” The government comes in with this ‘wei-gai’ (reform of dangerous buildings) policy in the name of upgrading

*your living condition. In fact this is an excuse to move people out. The Olympics will provide a huge incentive for this because the Central Government will give the Beijing Government huge amounts of money to beautify the city," he said. District Governments set up shell development companies which are awarded bids and pay residents as little compensation as possible, splitting the profit with district officials, the expert and residents said."*²³

This kind of activity is almost impossible to prove. However, there is substantial anecdotal evidence that the cost of construction frequently includes a fee to local officials that facilitates 'getting the land cheap'.²⁴ Certainly, revenue from land-leasing has been found on occasion to be far lower than expected "due to illegal transfers or 'under the table' deals by local officials".²⁵ On a few rare occasions, municipal officials are brought to justice on corruption charges, none more famously than former Mayor Chen Xitong, who was jailed for 16 years in April of 1995 for receiving 25M\$ in kickbacks from Li Ka-Shing during the development of Oriental Plaza.²⁶ A total lack of transparency and absence of decision-making supervision has clearly created room for abuse.

3.5 DRIVING FACTORS FOR DEVELOPMENT COMPANIES

If the politicians of local government are driven by political concerns, what drives the development companies who for the most part implement redevelopment? Like everywhere else, developers in Beijing are motivated in part by the need to make a profit. By unlike in other places, Beijing development companies are often driven by the same political objectives as the government.

This is because most developers in Beijing are not genuine private sector companies but are either state-owned enterprises (SOE's) or have only become recently privatized while still maintaining close links with their former parent. In 1995, for example, nearly all the property development companies in the city were controlled by one or other level of government and "none could be considered as truly a private sector firm".²⁷ Even for wholly private-sector developers, institutional support from local government is critical, and these companies are therefore understandably anxious to comply with the District or Municipal Government needs.²⁸ In practice therefore, Beijing development companies tend to

combine a profit-making motivation with a need to fulfill the local government's political goals.

In return for fulfilling these goals, Beijing development companies receive a large number of benefits that a true private sector firm would not. Those companies that are still partly or wholly state-owned are kept under what has been termed a 'soft-budget constraint' which allows them to make losses and still remain in business, sheltered from 'true' market conditions. Most Beijing development companies typically receive land for free or at a highly subsidized cost, rarely paying the full market price. They tend to have easy access to bank loans awarded by government agencies whose discretionary power is guided "not by financial accountability but by government policies".²⁹ Hence, the disincentive of a financially unsuccessful project that a private sector firm would respond to does not exist to the same degree for a government-owned or affiliated developer.

The result is that the economic model that these companies operate with is very different than a typical development company. Whereas the latter is focused on keeping its costs down and being able to market the end-product which is constructed, a Beijing development company may spend its budget without a primary concern for whether the development as a whole will be profitable. This means that they are prepared to take on projects that may not in themselves be profitable, but instead fulfill the objectives of the government agency which has commissioned the project. One planner has recounted a typical episode:

"The district wanted to use the shopping street to earn back some of the income that will be made from the shops. I spoke to the district chief and asked what would he do if they are unable to sell the buildings along the pedestrian street. The district chief said they will just give them back to Commercial Bank that loaned them the money in the first place. What use does the bank have for these buildings? The DG is irresponsible."³⁰

While development companies may take on a project because of political pressure, they are nevertheless almost entirely profit-motivated in the implementation of development. This has led them to relocate as many residents as possible in every site developed, since the more residents relocated, the more space available for developing more profitable commodity housing or office space. As

one commentator commented in 1997:

“...for every square meter of suburban housing the development company buys to compensate relocated households, it can still make a profit of RMB 2000 by selling commodity housing in the Old City neighborhood.”

Hence, because the need to re-house residents on-site is a low political priority for local government, developers are free to redevelop in the way that makes them the most profit, providing they fulfill the government's economic development agenda described above. This perhaps explains how the majority of ODHR developments came to be characterized by the relocating as many of the original residents as possible, and constructing the most profitable types of buildings in their stead.

At worst therefore, the development companies do not act in either an exclusively public or profit-making interest: simultaneously relocating as many residents as possible in order to maximize profits, but doing so in the construction of a project that may be politically instigated, rather than market-demanded, and therefore not necessarily successful on completion. This perhaps explains why there was a high vacancy rate for luxury apartments and commercial office space throughout the 1990's; they were being constructed by companies operating at the instigation of politicians without the disincentive of financial failure.³¹

Of course, there are development companies in Beijing who are exclusively profit-oriented, and far less constrained by the political objectives of local government. However, these companies have tended to develop more market-friendly sites outside the Old city – such as the Jianguomen CBD - where traffic access is better and there is close proximity to amenities.³² Indeed the bulk of foreign investment in real estate development in Beijing tends to be directed to the suburbs of the city.³³ On the occasions when wholly private companies are involved in redevelopment in the Old City, they tend to partner government affiliated developers and usually only participate in redevelopment at a late stage – when land has been cleared and residents relocated – when they then buy land from their development companies partners at a market price. For the most part, therefore, redevelopment in the Old City has been orchestrated and managed by local government and affiliated development companies sharing their goals.

3.6 PLANNING VS. POLITICS

The impact of a redevelopment process dominated by the local government's political objectives is that the 'legitimate' objectives of urban planning professionals are frequently overridden. Even policies mandated by the Municipal Planning Commission and approved by the Municipal Government, are frequently overridden by the District Government (often with the support of the Municipal Government) as they simply have no legal or regulatory weight. As discussed in the previous chapter, the politicians are the decision-makers in urban development, and the only possible curb on their activities is the obscure threat of sanction from a higher level of government. Any conflict between the objectives of planners and politicians is therefore invariably resolved in the latter's favor, and the tension between planners and politicians is essentially the crux of the two case-studies discussed in the next chapters.

Certainly, examples of sensible planning policies being overridden by District and Municipal-level politicians are numerous. The next chapter explores how the Municipal Government approved the development of Finance Street, a 105 hectare mini-CBD situated in the Old City promoted by the West District Government, despite having previously approved a 1991 Master plan which directed all commercial activity outside the Old City to a CBD in the Chaoyang District. This was followed in turn by two other District Governments in Beijing building their own CBDs in the Old City – the East District Government building the Oriental Plaza and the Xuan Wu District Government the International Financial Center. The result was essentially the construction of three separate mini-CBDs in the Old City, all requiring enormous infrastructure investments and all detracting from their

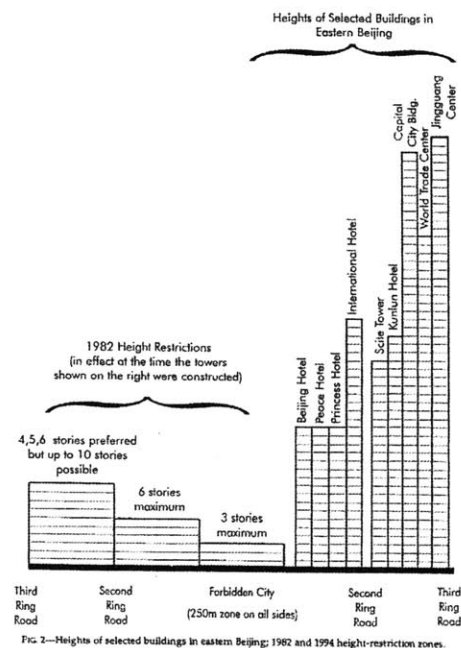


Fig. 3.4: The breaching of height regulations

development of the 'real' CBD outside the Old City. Similarly, Chapter Five explores how the Municipal Planning Commission's '25 Conservation Areas' policy, again approved by the Municipal Government, was breached in Nanchizi, when instead of a gradual, 'organic' conservation the area was redeveloped in a wholesale fashion. As Wu Liangyong has concluded, the current weakness of planning regulation ensures that "...developments motivated by local interests will contradict and conflict with the interests of the city as a whole".³⁴

Nor are the 'micro' guidelines any more successful. The height limit policy in the Old City aimed at maintaining the historic prominence of the Forbidden City and other monuments in Old Beijing has repeatedly been overridden. If a developer has 'access' to the right politician, he can usually be assured of breaking the existing policy. As one planner commented: "Developers can simply bypass the Planning Commission and go straight to the mayor".³⁵ Naturally, it cannot be assumed that politicians will always make decisions based on short-term political or economic interest. However, the current system ensures that too much discretionary authority to do so is placed in the hands of individuals and the 'guanxi' system.

The confluence of the role of personalities, the need for political achievements and disregard for planning policies can be seen in the development of the Oriental Plaza. The development involved the demolition of some of the finest courtyard homes in Beijing as well as some of its most famous cultural and commercial institutions (including the world's largest McDonalds). They were replaced by a 1/2 km super block development which at 68m exceeded the height restrictions of the Master plan by some 38m. Yet the project was actually spearheaded by then Mayor Chen Xitong, who had hawked the land to developer Li Ka-Shing on an investment mission in Hong Kong in 1992. Clearly the development was consistent with the Mayor's vision of Beijing as a modern international metropolis, despite (or because of) its breach of his organization's planning regulations. Naturally the afore-mentioned 25M\$ that Chen Xitong and his associates were alleged to have received may also have been a factor in his propelling the project.

3.7 RESIDENTS

If planners have limited powers in the development process, residents and communities generally are almost entirely shut out of the redevelopment decision-making process. The assumption is that the politicians will manage redevelopment in the best interests of all. However, as this thesis has argued, the economic development objective that is the main motivation of politicians - which in the '90s has generally resulted in the relocation of residents during the redevelopment process - arguably conflicts with the resident's best interests.

The relocation procedure alone raises substantial doubts over whether politicians can credibly claim to be acting for the public. While residents whose homes are to be demolished are legally entitled to stay in their homes until compensation has been agreed, in practice, they are intimidated if they show any reluctance to move whatsoever. The following account, reported in a newspaper, is probably typical:

“One young man who had complained about his compensation said he was beaten three times by thugs hired by the developers...(Another resident) Wang, who is from Donghuashi where residents in 250 households were ordered to move, said she and her sister were beaten with sticks by a group of men allegedly hired by the developer...”³⁶

There is almost nothing that residents can do in the face of this kind of treatment. As one resident commented: “We’re afraid to sue them. They told us they have connections from the district director down to the police, procuratorate and the courts”. Until there is genuine political and legal reform, residents will be powerless to oppose policies that are detrimental to them.

3.8 A GROWTH MACHINE IN BEIJING

To what extent can redevelopment be said to be driven by a ‘growth regime’, as discussed at the beginning of the chapter?

Clearly there is a regime of actors in Beijing who have coalesced around

the goal of redevelopment. This regime is, however, significantly different from its counterpart in the US and other mature market economies. The most critical difference is arguably that the Beijing 'growth regime' is almost exclusively government dominated. Whereas the private sector played a critical role in pushing urban renewal in the US, its role is substantially less prominent in Beijing, where redevelopment is for the most part driven by differing levels of government and companies they control or heavily influence.

This in turn means that the regime in Beijing is driven by a far narrower set of objectives than in other places, and these center primarily on the interests of politicians. These in turn consist largely of the promotion of what could be termed politically visible economic growth – of the kind that provides political benefits to its sponsors. This kind of growth is not necessarily motivated by profits, and is not even necessarily genuine economic growth.

By contrast, urban renewal in the West was driven by a far broader array of actors and motivations. Politicians sought political benefits from renewal, defined in electoral terms. Developers sought opportunities to make a profit. The private sector wanted to a wealthier populace patronizing their shops and services in the city center. When these benefits became questionable – when renewal became unpopular with the electorate, or unprofitable, or even legally unsustainable, it stopped. The far more limited nature of the regime in Beijing means that it far easier to satisfy the agenda of its participants, since politically visible growth is a goal not dependent on the profitability, popularity or legality of redevelopment. In other words, the growth regime in Beijing is far less constrained than that which has existed elsewhere, and this perhaps explains the dramatic speed and extent of redevelopment within Old Beijing. In any case, the next two chapters will test both this framework and the general proposition that urban development is dominated by political objectives against two specific instances of redevelopment: the development of a business district, Finance Street, and a conservation project, Nanchizi.

(Footnotes)

¹ Fogelson (2001) pg. 353

² Dong (2003)

³ Fogelson (2001) pg. 331

⁴ See for example Molotch (1976), Logan and Molotch (1987), Kleniewski (1984), Mollenkopf (1983).

⁵ Fogelson (2001) pg. 377

⁶ Zhang (2002b) pg. 479

⁷ Yin (2003)

⁸ Zhang (2002b) pg. 487. Zhang also writes that “the director of (the) Huang-pu District, Chen Liang-yu, has been promoted as the executive deputy mayor of Shanghai, based on his achievements in urban redevelopment in the district.”

⁹ A number of commentators have made this argument. Gar-on and Wu argue that “politician(s) want to promote rapid growth and to show the success of his administration” Gar-on and Wu (1999) pg. 226. See also Zhang (forthcoming), Zhang (2002b), Zhang (2002a).

¹⁰ See Zhu (1999) pg. 544-5

¹¹ Wire Report (2001a). Zhu has also commented: ‘A long-term agenda for sustainable urban development is not deemed politically affordable because mayors may have stepped down before the vision is materialized.’ Zhu (2000) pg. 190

¹² Huang (2003)

¹³ Yin (2003)

¹⁴ Yin (2003)

¹⁵ See Zhu (1999) pg. 538

¹⁶ See Zhang (2002b) pg. 483

¹⁷ Zhang (2002a) pg. 73

¹⁸ Leaf (1998) pg. 148. The estimates of Beijing's revenue come from Deng (forthcoming)

¹⁹ Xicheng District (2003)

²⁰ Abramson (1997a) pg. 73

²¹ See Abramson, Leaf et al. (2002) and Abramson (1997a) pg. 73

²² Brahm (2002)

²³ Sui (2001b)

²⁴ Anon. (2003). This was particularly the case before 2000.

²⁵ Zhang (forthcoming). Zhang is writing about Shanghai.

²⁶ See Broudehoux (1999) pg. 161, Mufson (1997)

²⁷ Leaf (1995) pg. 152

²⁸ Zhang (2002a) pg. 72

²⁹ Zhou (1999) pg. 435. See also Chen (2000). Local government officials clearly have the authority to get funding for projects approved.

³⁰ Dong (2003)

³¹ For example, the vacancy rate for office buildings at the end of the 1990's was in the region of 36% Source: EhouseE.com (2003). In the same year the average vacancy rate for apartments was 40% Source: Citistar (2003). Both rates have declined since then because of the upsurge in demand due to the Olympics and China's entry to the WTO.

³² Abramson (1997a) pg. 73

³³ Gu and Shen (2003) pg. 110

³⁴ Wu (1999) pg. 206

³⁵ Dong (2003)

³⁶ Sui (2001a)

Chapter Four: The Development of Jin Rong Jie (Finance Street)

- 4.1 INTRODUCTION
- 4.2 BACKGROUND
- 4.3 DEVELOPMENT PROCESS
- 4.4 PRESERVATION
- 4.5 URBAN DESIGN: DEVELOPER'S INTENTIONS
- 4.6 URBAN DESIGN: CRITIQUE
- 4.7 LESSONS LEARNED
- 4.8 CONCLUSION

4.1 INTRODUCTION

At the beginning of this thesis, three principal criticisms of redevelopment in Beijing were identified: too much destruction of the historic urban fabric, 'inappropriate' construction replacing it and 'too many' residents relocated. All of these criticisms seem particularly relevant to the development of Finance Street, a 105 hectare development intended as a financial management zone in the Xicheng District of the Old City at Fuxingmen Gate (**see fig. 4.1**) Firstly, the development has involved the relocation of almost 15,000 residents to date, with 30,000 more to go when the second phase of construction finishes in 2005. Almost none of the previous residents of the area will be able to live in the new development. Second, there has been minimal architectural conservation of what was a historically significant area: only a portion of the previously existing trees, a temple and a few select siheyuan have been retained. Finally, the completed buildings have been widely criticized for their architectural style, scale and overall urban design.¹

This chapter seeks to explain how and why the development was built, despite being in contravention of both the Municipal Master plan and height regula-

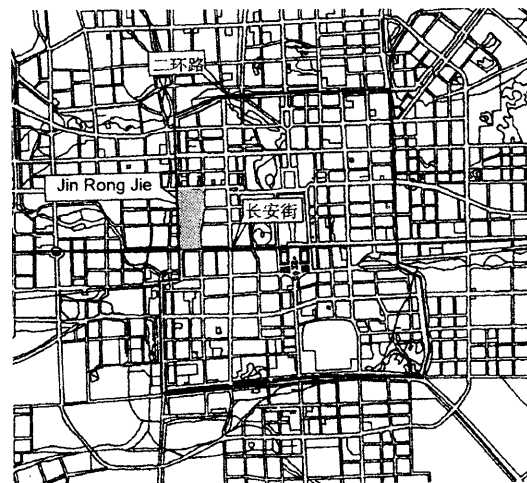


Fig. 4.1: Location of Beijing Finance Street

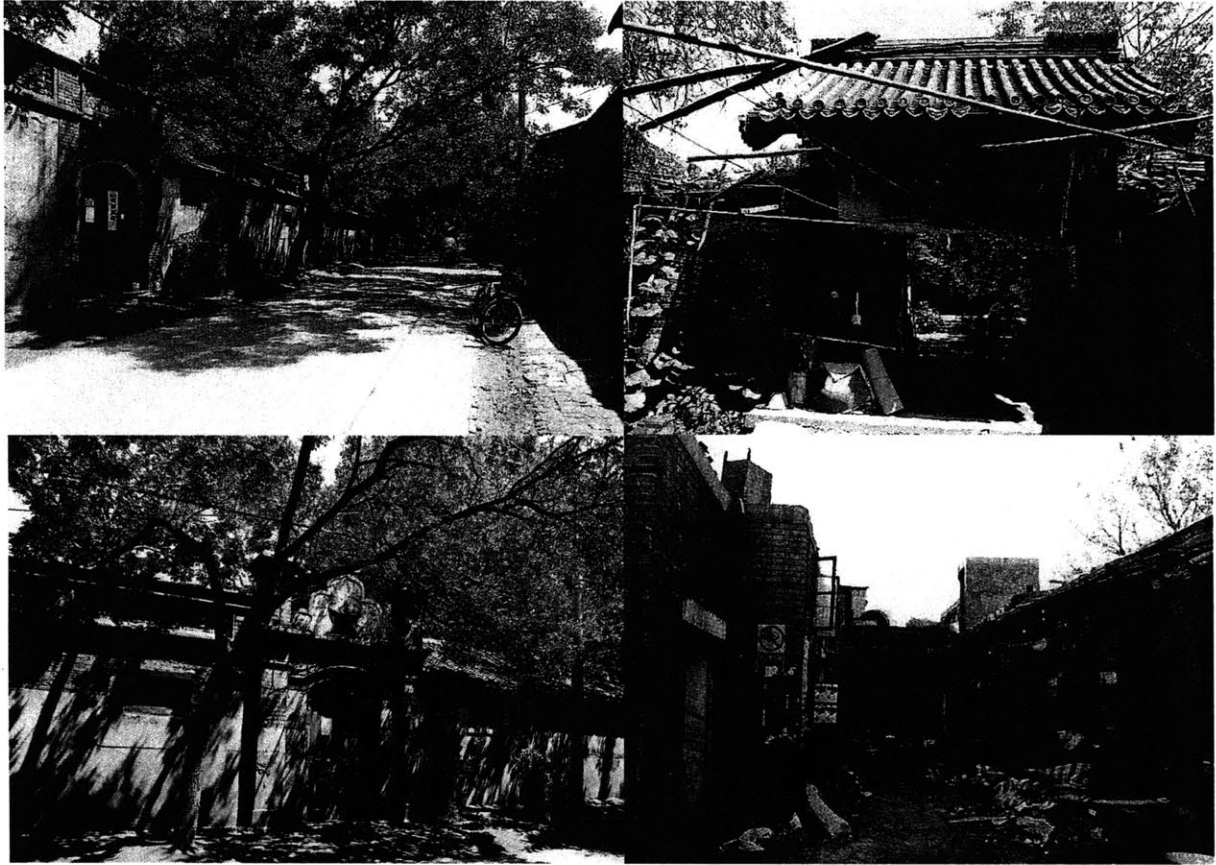


Fig. 4.2: The redevelopment of the Finance Street area. Before (above) and after (below)

tions. The proposition put forward in the previous chapters – that urban development is determined primarily by political objectives rather than cultural, social or urban planning considerations– is tested with this case-study. Finally, the chapter aims to explain the urban design of the development, analyzing both the intentions of the development company and the institutional environment in which the development was planned.

4.2 BACKGROUND

According to the volume published by the developers, the concept of Finance Street was conceived by the Xicheng (West District) Government after Deng Xiaoping's visit to the Southern Chinese cities in 1992, when he called for the acceleration of the reforms and open-door policy.² Consequently, the District Government developed a policy known as "prospering Xidan, developing Xicheng", a part of which became to develop Finance Street, an area which would serve as a Finance Services Center. On June 10th 1992 the Xicheng government setup a 'supervision office' for the construction of the area, and in December of that year the 'Beijing Construction and Development Corporation of Beijing Finance Street' was established, the company which was to become the main real-estate holding company for the entire development. The development would be constructed in a number of different phases, the first of which would be between 1994-98.

Importantly, no mention of a possible 'Finance Street' – or commercial function - was made in the Municipal Government's 1991 Master plan for the city. Instead, the plan had directed the majority of commercial activity to a designated 4 km² CBD at Chaoyang Gate. Placing the nucleus of commercial activity outside the Old City made excellent sense from a number of perspectives. The infrastructure of the Old City – particularly the roads – would be inadequate for a financial center. More importantly, the damage to the historic fabric of the Old City by locating a CBD there would be tremendous. By contrast, the site selected by the Municipal City Planning Commission for the CBD in Chaoyang was outside the Old City, close to the airport, and over 70 foreign embassies and companies had already been established there.³

However, the location of the CBD to the east of the Old City essentially cut out the West District from much of the planned commercial activity of the city. Naturally, the West District had every motivation to seek to further the development of their district, both in terms of reshaping the district's image and in increasing economic development and revenues. The Finance Street development would later be described as a key project in the strategy of "prospering Xidan, developing Xicheng" which had "great significance for the economic development of the Xicheng district".⁴ Accordingly, it was designated as a key project in the District, and its development schedule was accelerated.

The District Government was able to circumvent the Master plan of the Municipal Planning Commission in large part because of an alliance with three Central Banks - the Bank of China, the People's Insurance Company of China, and the People's Bank of China – who were already located in the area and did not want to move. The Bank of China had been the first to locate in this area, and as a national-level agency had had considerable autonomy in choosing a location for its offices.⁵ Arguably, the proximity of the Finance Street area to the administrative center of power around Tiananmen and the prestige of a central Beijing location were more important to them than contact with foreign organizations and the airport. In any case, the development company and District Government was thus able to claim that these three companies represented "...the embryo of the Financial Management Center". Additionally, other Central Government banking departments expressed a desire to move close to these other banks, and as these organizations had the funds available to redevelop the site, they offered the prospect of a politically valuable transformation of an 'old' area at no cost to the District or Municipal Government.⁶ In any case, the banks and the District Government were able to secure Central Government support for the creation of Finance Street, and in October 1993 the State Council approved



Fig 4.3: The Bank of China (above) and the People's Bank of China (below)

the establishing of a 'Financial Management Center' from Fuxingmen Gate to Fuchengmen Gate.⁷ The Municipal Planning Commission had no choice but to adjust its master plan to incorporate Finance Street.

Aware of the appearance of arbitrariness in the choice of the location, the development company was keen to justify the choice of site as a CBD by suggesting the area had historically been a banking area.⁸ The Development Company's volume claims that Finance Street was the location for 'Jincheng Lane' (Gold City Lane), where there had once been gold and silver workshops with "merchants, plutocrats and royal members coming and going...to make a good fortune". The company also claim that at the end of the Qing dynasty, a number of banking institutions - such as the Bank of Great Xing (later renamed the Bank of China) were located there. The development company and the District claimed that the idea was that Finance Street would be specifically a banking Street, a Chinese version of Manhattan's Wall Street, rather than a competitor for the Chaoyang district CBD.

This claim, as well as the historical roots of the site did not, however, convince critics of the merits of the location. Even aside from the immense damage to the prospects of conservation for the Old City – akin according to some critics to the decision in the 1950s to situate the administrative center in the Old City – many argued that the choice of location was a poor one.⁹ Critics argued that the 'real' CBD would be harmed by the development of a rival location across town; that there would be insufficient infrastructure and amenities in the location; and that there was insufficient space for expansion of the location to turn it into a real CBD. These criticisms will be explored further later in this chapter.

4.3 DEVELOPMENT PROCESS

After being ratified by the State Council, the Xicheng Government proceeded with plans for the development of the area. The development process itself would be managed by the wholly-owned subsidiary, the 'Construction and Development Corporation of Beijing Finance Street' which was established in 1992. In 1998 the company was reorganized and renamed as the Beijing Finance Street Corporation (BFSC), and in 2000 the company went public and was

listed on the Shenzhen stock market, although as much as 60% of the shares in the company are still owned by the District Government. According to the development company, this combination of market and state-ownership offers the best of both worlds: ensuring that the company does not always act in a profit-seeking manner, while ensuring its better management as a result of being a listed public company.¹⁰

The District Government transferred the land use rights to BFSC, who in turn sold these rights to individual development companies. The developers of each parcel thus paid two charges: a land-use rights fee which was paid directly to the government, and a 'land development fee' to cover the costs of the demolition and relocation of the neighborhood, as well as the infrastructure of the area. This development fee varied according to the size and nature of the individual project.

In the first phase of the development, the company designated parcels for development which were then sold to developers, who then proceeded to construct buildings on them. BFSC was responsible for the overall planning and infrastructure of the area, including the landscaping. The company commissioned the Beijing Municipal Planning Institute to produce a master plan for the site in October 1993, and the subsequent plan was approved by the Capital Planning and Construction Committee. The detailed Construction Plan was further developed in February 1994, and in the first phase of the project (1994-99), 11 projects were constructed, totaling 780000m².

Timeline	
1992	Beijing Finance Street Construction and Development Corporation Ltd. set up
1993	First Master plan for Finance Street
1993	Finance Street Plans approved by State Council
October 1993	Detailed Planning of Beijing Finance Street was worked out by Beijing Planning Design Institute Approved by the Capital Planning Commission
Feb 1994	Detailed Construction Plans approved
1994-2000	830 000 m ² built
1998	Company reorganized and renamed
1998	Occupancy rate 100%
2000	Design Competition held, revision of Master plan

2000	Finance Street Construction and Development Company goes Public
2000	Competition held for design of 2 nd phase of FS, SOM wins
2005	2 nd phase of Finance Street scheduled to be complete

Fig. 4.4: Timeline of construction of Finance Street

As mentioned earlier, on the existing site for the development of Finance Street was a traditional Beijing urban fabric of hutongs and siheyuan. There is no question that the area was considered to be of considerable historic and cultural value, despite the presence – as in historic areas throughout the city – of dilapidated housing.¹¹ The development company would claim that of the 28,000 houses in the area, 78% were in the Ministry of Construction class of 3 or 4 which the company claimed, inaccurately, were the ‘danger’ categories.¹² In fact, there is

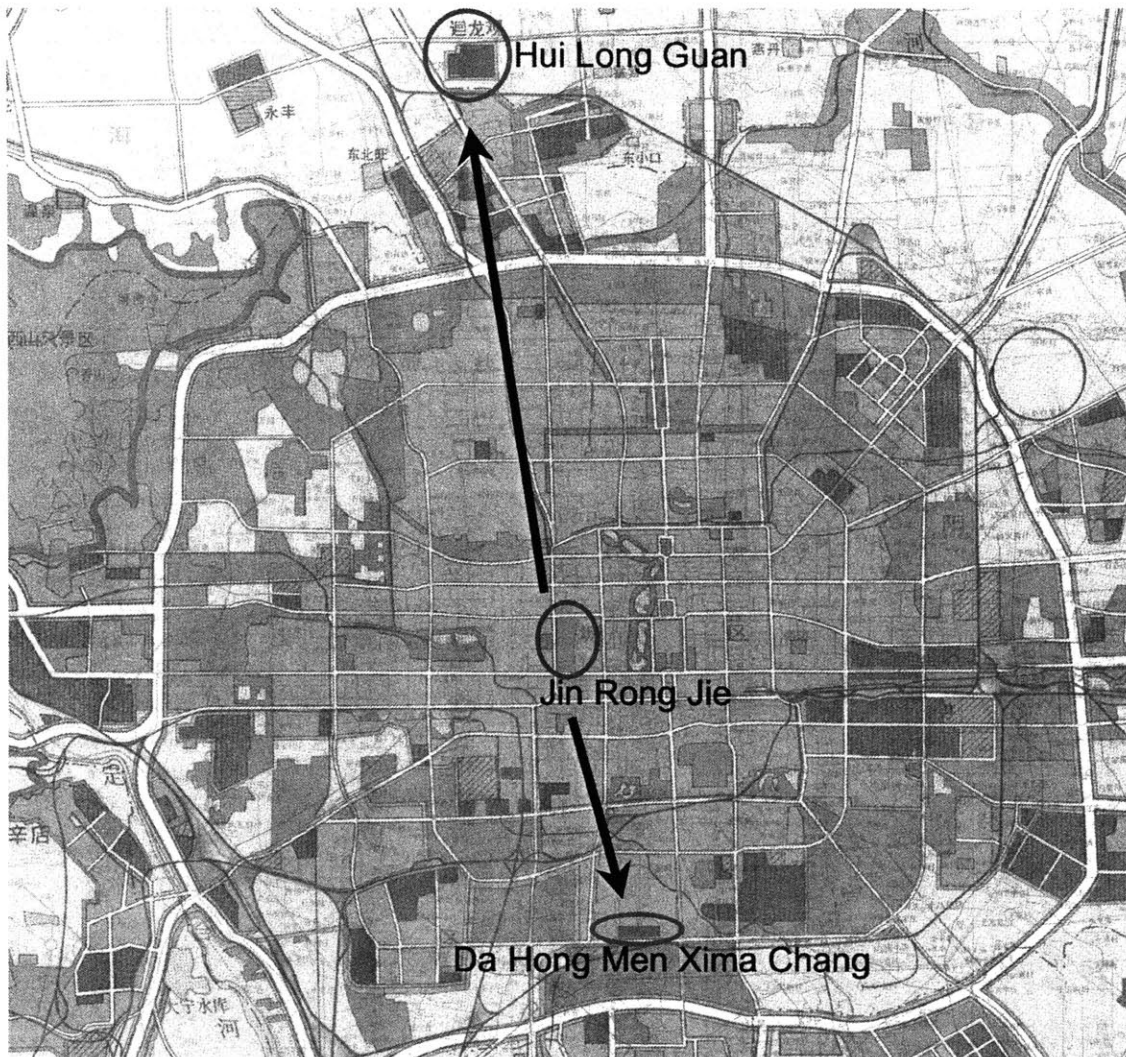


Fig. 4.5: Map of relocation areas in relation to Jin Rong Jie

every reason to be skeptical of this estimate: in similar cases of areas that been selected for redevelopment, officials would exaggerate the extent of dilapidation to justify demolition, particularly as according to Municipal regulations a minimum of 70% of the housing had to be in condition class 3 or below for redevelopment to occur.¹³ In the development volume, the company included several pictures of poor quality housing from the area prior to the development, although notably also included some pictures of some of the areas in better condition and of obvious historic and cultural merit, perhaps because it would have been far-fetched to suggest that the area consisted entirely of slum-like conditions.

The presence of dilapidated housing in the area would enable the District Government to seek to accomplish two important political goals with the development: to not only establish a new, modern CBD in the District, but also to be able to claim to have improved the living standards of the existing residents. As would become the ubiquitous practice in Beijing in the '90s, this 'improvement' would entail relocation off-site. In all, 16700 families comprised of 46000 people would be relocated in the course of the development, generally to the relocation areas in Da Hong Men Xima Chang and Hui Long Guan, the former of which was approximately 30km away from the development site (**see fig. 4.4**). In its volume about the development, BFSC took pains to establish the legitimacy of the relocation: "As required by the General Urban Planning of Beijing" writes the company "the area of Beijing Finance Street is defined as the area for offices of financial business. Most buildings here are public constructions. Therefore it has (been) decided that residents in the existing one-story houses be moved out".

The company would claim that in the course of relocation, residents living area per capita would be doubled and their living conditions would be "greatly improved" to realize "the wish of the government to improve people's living condition through the project".¹⁴ As described in Chapter One, it is at best ambiguous to suggest that an increase in living space and better facilities coupled with relocation to a distant location with inadequate amenities represents a comprehensive improvement in overall quality of life, and studies of comparable relocations suggest that many residents feel they were worse off than before.

4.4 PRESERVATION

The main aspects of preservation in the development zone were of Duchenghuang temple in Plot G and Mosque in Plot E, both of which were reconstructed in different places from their original location.¹⁵ With regards to the Mosque, the development company commented that: “One of the four existing mosques, although being repaired, is still in a somewhat bad condition. Then on the suggestion that religious beliefs be respected and history be extended, it has been decided to reconstruct the mosque to obtain the effect much different from maintaining the existing one”.

Similarly, 59 trees were ‘preserved’, although generally by moving the trees from their original location. BFSC claimed to follow the principle of “Preservation comes first, transplantation second” as well as “trying to transplant instead of cutting, trying to cut less instead of more”.¹⁶ Whether any of this could be considered preservation rather than a minimal effort at retaining those features of the site which might actually add an environmental or cultural amenity for the bankers and businessman who would use the completed development is open to question.

4.5 URBAN DESIGN: DEVELOPERS INTENTIONS

According to Vale and others, urban design is not a value-neutral aesthetic, but an integral part of the motives driving a particular development. This is undoubtedly the case with Finance Street, and there is no need to speculate as to the development company’s intentions because they explicitly and expansively explain their design intentions in their volume.

According to the brief, the design of buildings on Finance Street was to be of the “spirit of the age, the national style, and the local accent”. In other words, the buildings were to be designed both to reflect the image of a modern capital in the spirit of Deng’s reform era, but also to be consistent with the ancient style of the capital. Hence the development company states that “Beijing Finance Street will keep up the rhythm of history” through its design yet at the same time be a building complex that “stand(s) for the spirit of the time...full of the modern

flavor”.¹⁷ Additionally, each building would send out an appropriate message that was consistent with how its sponsor wished to be perceived.

It is abundantly clear therefore that both the district and the city wanted to send a clear message to the world with Finance Street that Beijing was reforming into a modern, service-oriented, booming metropolis. The architecture is therefore frequently described in the development volume as being “fresh” or creating a “fresh landscape” – thus signaling a clear break from the Mao and industry-dominated past. “The policy of reform and opening gives the motive for the development of Finance Street” writes the development company “As a product of the age, Finance Street’s environment should be the frontier, effusive in the strong spirits and senses of the modern age”. Hence, the east-west axis of Finance Street “stands for the symbolic meaning of being open, as influenced by the spirit of the age of ‘reform and opening to the world’”. Similarly, the single buildings on Finance Street “embody power and solidity” as gradually Beijing is appearing “as a modern city, brimming with power”.¹⁸

At the same time as sending a message of modernity and power, the development company also wished to communicate through the design both stability and solemnity, in keeping with Beijing’s status as the capital. This dual desire is expressed in the way the development company wish Finance Street to appear at night: “Another symbolic point of a modern city is to create an entirely fresh view of the landscape against the background of darkness. In order to let Beijing Finance Street shine more brilliantly and harmonious in the night scene of the

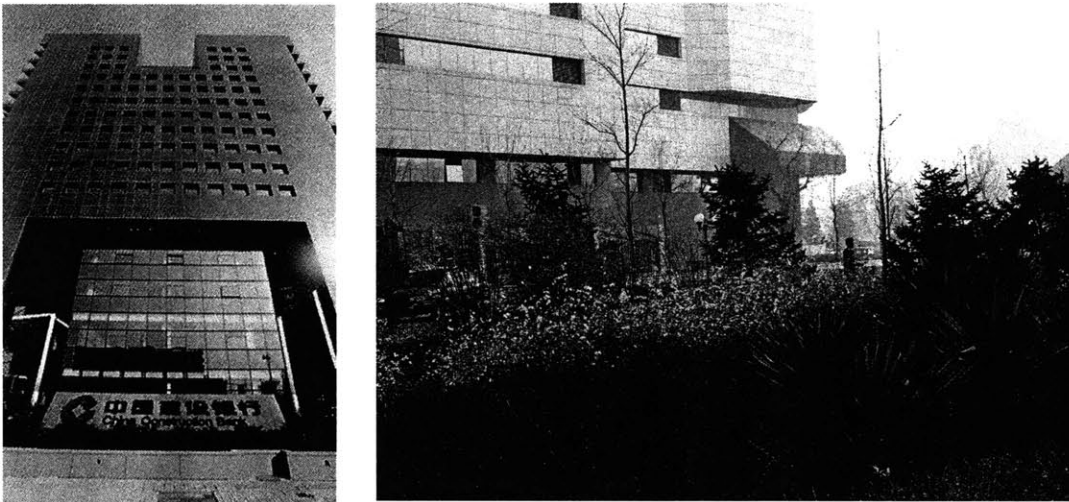


Fig. 4.6: Left, the China Construction Bank Tower, right 'golden' flowers as part of the landscaping on Finance Street

capital, the landscape should be planned as a whole...the style of the night scene should keep to the theme of solemnity, harmony and modernity, being not only brilliant, but impressive; not only splendid, but steady so as to form a passionate and prosperous pattern without being noisy and secular".¹⁹ Perhaps unstated is the 'look' that the city is not trying to achieve – that of Hong Kong or Shenzhen, with their city images of chaotic and decadent capitalism.

While symbolizing the modernity of the area (and by extension the District and the city) and their break with the Chinese past, the development company also attempted to ensure the design of Finance Street fitted in with its cultural context. This would be achieved in the design of individual buildings. For example the Finance-Culture Mall on Jin Shi Fang Jie Street was to "echo with the White Tower in Maoying Temple" which would enable "...people, living amid the skyscrapers, to trace back to the market on Jinshifangjie". Similarly, the Tong Tai building's main facade was "...derived from the Ancient Ornamental Column to make the building in harmony with the Ancient City", while the China Construction Bank was inspired by an "ancient bronze tripod of the Shang dynasty". Additionally, the 30m greenbelt along the position of the Old City Wall would act "as the symbol standing for the old address of the City Wall".

If the desire to create a new landscape that would impress the world with Beijing's modernity on the one hand and be compatible with the Ancient City and the solemn capital on the other were the political goals of the design, more traditionally developer-oriented concerns were also reflected in the design of the street. Again, these were explicitly acknowledged. For example, the greenbelt was designed "in order to provide an ideal working environment for investors".²⁰ This entailed "inviting experts in horticulture for detailed design and construction...instead of the routine handing over of the land directly to (the) Urban Garden Greening Department...".²¹ This was taken to somewhat absurd lengths when even the color of the flowers in the greenbelt were supposed to symbolize the Finance nature of the street: "in order to highlight the specialty of the area and the topic of 'Jin Rong' (Finance) the selection of plant materials is closely related to the character 'Jin' (meaning gold)". This entailed a selection of 'golden' flowers, including golden bells, yellow Chinese Roses and so forth.

At the same time, individual buildings were designed to reflect how their

NAME OF BUILDING	DEVELOPER	DESIGNER	FLOOR SPACE	HEIGHT	DATE OF CONSTRUCTION	CODE
Jin Yang Mansion	Beijing Finance Street Construction and Development Corporation Ltd. Beijing Jing Dian Real Estate Development Corporation	Architectural Institute of the Ministry of Construction	73000m ²	31.9m	1994-7	G1
China Construction Bank Tower	China Construction Bank	Hong Kong TaoHo Design Partnership Architects	73000m ²	70m	1995-8	C1
Ping'An Plaza	China Ping'An Insurance Corporation	Beijing Architectural Design and Research Institute Beijing Kaidike Building and Design Corporation Ltd.	56000m ²	55m		C2
Investment Plaza	Beijing Xin Xie Real Estate Development Corporation Ltd.	Navy Design Institute Beijing Kaidike Building and Design Corporation Ltd.	63000m ²	70m	1995-8	C4
China Telecom Center / Finance Tower	General Bureau of China Post & Telecommunications Beijing Ying Sheng Real Estate Development Co. Ltd.	Architectural Design Research Institute of Shanghai Tongji University	116000m ²	78.8m	1998-	C5
Tong Tai Mansion	Beijing Jin Tong Tai Real Estate Development Co. Ltd.	Hong Kong Zhong Hua Nan Design Office of China Building Science Research Institute	115000m ²	68.7m	1994-8	C6
Corporate Square	Beijing Ming Hua Property Development Co.	Smallwood, Reynolds, Stewart and Stewart and Associates of USA DP Architects of Singapore	110000m ²	60.6m	1994-8	C7
Beijing Parkson Plaza	Lion Group Malaysia China National Arts and Crafts Corporation	Urban Architectural Institute of Ministry of Construction Beijing Hui Yu Urban Construction Center	60000m ²	50.9	1996-8	C8
Jin Long Apartment Complex	Beijing Finance Street Construction & Development Co. Ltd. Xicheng District Erlonglu Road Office	Beijing Architectural Design Institute	140000m ²	30-35m	1999-02	G2
Jin Ya Guang Mansion / Jin Cheng Yuan	Beijing Sunlight (Yang Guang) Real Estate Development Co. Beijing Finance Street Construction and Development Co.	Beijing Architectural Design Institute Cai En Group	188000m ²	80.6m	1999-2001	A3

Fig. 4.7: The Buildings of Finance Street



China Construction Bank Tower (C1)

Investment Plaza (C4)

Tong Tai Mansion (C6)

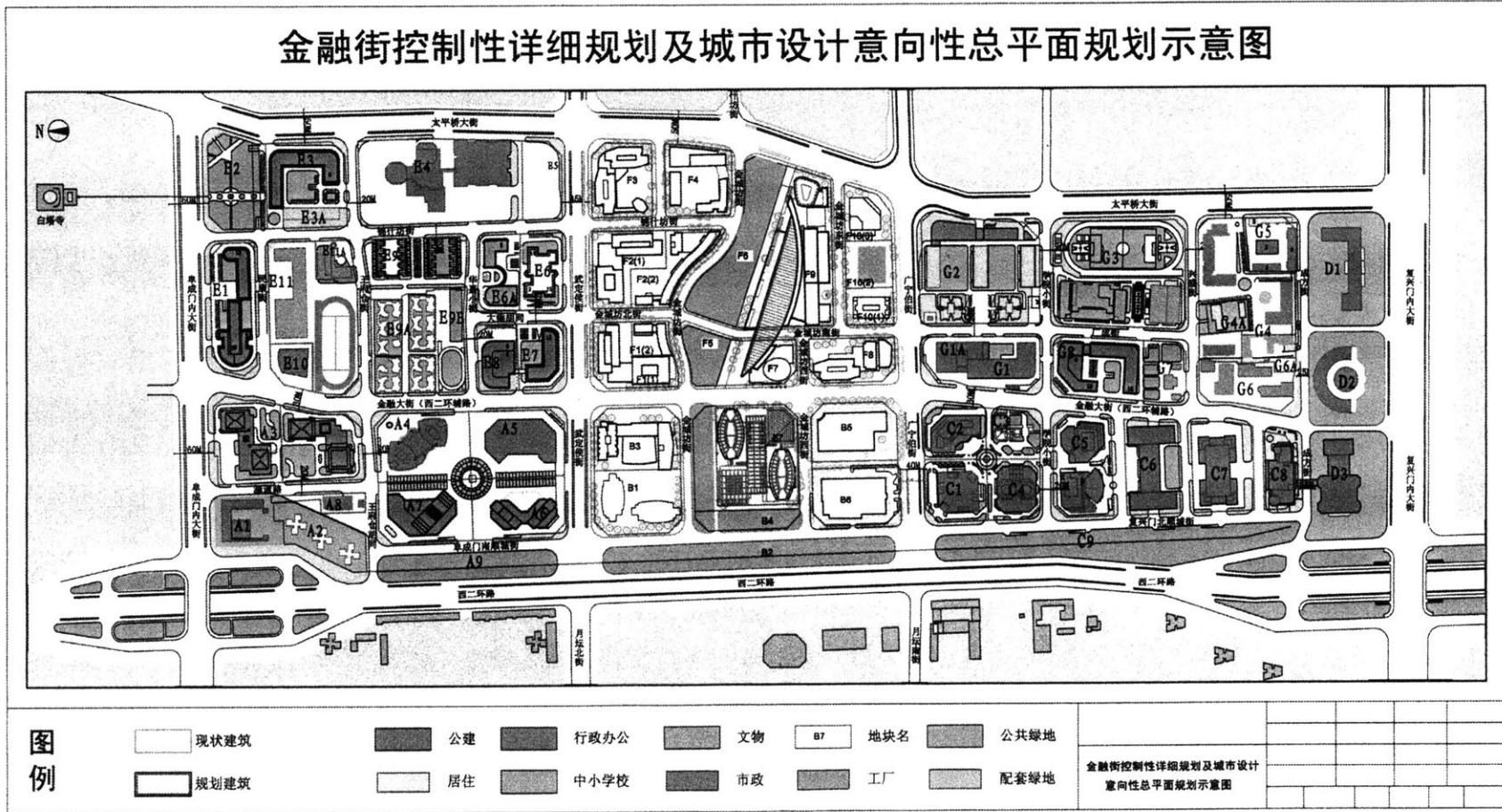
Corporate Square (C7)

China Telecom Center / Finance Tower (C5)

Beijing Parkson Plaza (C8)

Jin Yang Mansion (G1)

Fig. 4.8: The 2001 Master plan of Finance Street



sponsors wished to come across. The China Construction Bank Tower was designed to contribute to the skyline by being “grand, magnificent and substantially impressive with its deep rooted cultural touch and lofty taste...which corresponds to the bank’s pursuit of steadiness, prudential operation and credibility as a state-owned bank.”²² The latter comment is ironic, given the inherent instability of China’s state-owned banking system, but also perfectly logical: the bank was seeking to utilize architecture to embellish a reputation for stability that its own reputation could not provide alone.

4.6 CRITICISM OF THE URBAN DESIGN

However, despite (or even because of) the grand intentions of the development company and their designers, both the architectural and urban design of the first phase of the area were heavily criticized by the Chinese press. The buildings were widely seen as each trying to be unique and ‘demonstrate their

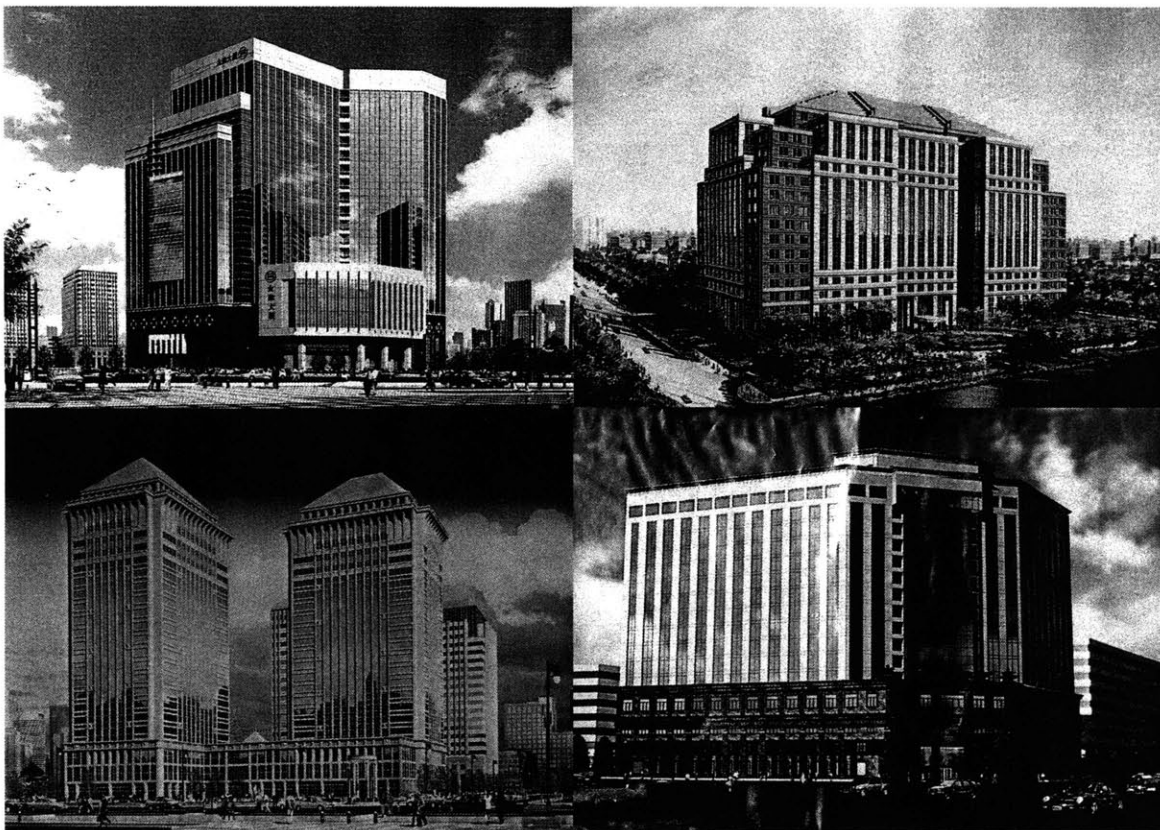


Fig. 4.9: The renderings of buildings in Finance Street show no other buildings on the street

individuality' and therefore formed a chaotic whole. As one journalist put it: "The Construction Bank building, the Investment Plaza, the Commercial Bank building and the National Enterprise building are merely in the same line, but each of them wants to be the center."²³ Another has commented with Finance Street in mind: "Today architects are always too ambitious when there is a new project. They want to give others a shock. Therefore odd-looking buildings are everywhere in the city and they can hardly be in accordance with each other".²⁴ Given some of the sources of inspiration for the buildings – such as an ornament dating from the Shang dynasty – it is hardly surprising that the buildings look strange together. Further, it is conspicuous that none of the renderings for each of the buildings produced by respective developers includes any of the other buildings in Finance Street (**see fig. 4.9**). This suggests that each building was designed not only without considering what the other buildings would look like, but without even envisaging a densely built surrounding environment.

Arguably it may not be the individual developers and architects responsibility for the failure to coordinate their designs, but the failure of an supervising body – such as either BFSC or the Municipal Planning Commission - to coordinate and regulate the designs. A representative from the development company acknowledged that the Municipal Government had paid close attention to certain regulations – such as the so-called 'Sunlight law' - the distance a building needed to be from another so as not to block their light - but actually left the choice of building facade and architectural style up to the individual developers.²⁵ Urban design generally is not part of any legal framework, and at most the government issues 'principles' which it requests – but does not require – to be followed. The control plan which assigns uses to areas is perhaps the closest to a regulation, but this does not stipulate any physical design characteristics for the site. Certainly, the pattern of development in Finance Street is consistent with development practice across the city. As one developer has damningly put it: "There's a saying in China: 'Designate your land as if it were a character' – that is to say, each developer walls off, both figuratively and literally,

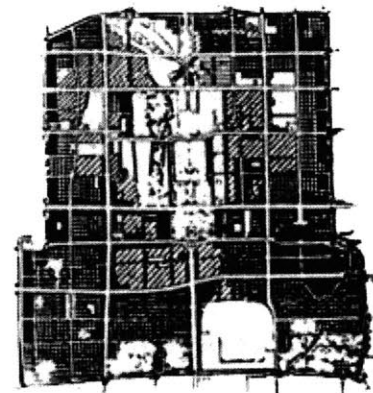


Fig 4.10: The 1993 Height Guidelines imposed a maximum height of 45m for buildings in Finance Street

their piece of land and considers the area his own. Anything beyond this 'wall' is another world that has nothing to do with him. As a result, the city is composed of a patch work of individual and unrelated developments".²⁶

The buildings on Finance Street have also been criticized for their excessive scale, particularly in relation to the Old City. This is largely a result of the fact that the heights for the buildings on Finance Street which were stipulated in the master plan were exceeded. The 1993 Master plan (**fig. 4.10**) clearly stipulated that the buildings should not be higher than 45m; in fact, as fig. 4.7 shows, almost all the constructions exceeded this height. Lacking any firm judicial basis, height limits are instead subject to review by a committee of the Municipal Government, a process which has repeatedly permitted the breaching of height guidelines set by Municipal Planning Commission. According to one observer, developers simply have to persuade the relevant Municipal Government official, and a height limit that may have been carefully considered by the Municipal Planning Commission can be overridden.²⁷

Aside from the differing and eccentric architecture, Finance Street has also been criticized for its urban design. The buildings tend to be far apart from each other, and tend to be set back not just from the road, but also from the parcel boundary. The result is that the street is extremely fragmented. These setbacks tend to be the result of regulations for infrastructure and traffic with insufficient consideration for the kind of physical environment they would create. As a planner from the Municipal Planning Commission commented with regards to Finance Street: the Planning department might want a continuous street, but the traffic department will want the 'traffic to flow smoothly' and the infrastructure department will want what they consider sufficient space to lay pipes and other facilities. In other words, urban design becomes a battle – and a process of negotiation – between different departments, rather than an outright effort to create a good physical environment. The emphatic need in particular for traffic to 'flow smoothly' has resulted in Finance Street as elsewhere in Beijing in roads that are too wide to support street life; due to a policy that attempts to separate pedestrian and car traffic wherever possible, the environment of the area feels oppressive to the pedestrian, despite the extensive efforts at landscaping and creating a good pedestrian environment.

4.7 LESSONS LEARNED

It is fair to say that in the course of developing Finance Street, both the Municipal Planning Commission and the BFSC have undergone a learning experience, both in the sense that they were inexperienced when they initiated the development and have taken on board many of the 'lessons' from the first phase of the development. As one planner commented: "The government did not have a great awareness of the importance of Urban Planning (in the early 90s); our concern was mainly to stimulate economic growth on Finance Street. Not much thought was given to the impact of developing Finance Street in the Old City".²⁸ The result was that – throughout Beijing as well as Finance Street - "Only after the constructions were complete did people realize that they had created these monstrous and disconnected buildings throughout the city".²⁹ Arguably, they only realized this then because decisions in Beijing concerning the physical environment had ended up being influenced more by traffic and infrastructure upgrading concerns than with how to create a desirable environment. Finance Street falls into this pattern.

During Phase Two, both the development company and the Municipal Planning Commission have attempted to improve the planning process. For example, the Planning Commission has recognized that the original uses stipulated for each parcel was too inflexible. Developers would complain that a parcel might be suitable for retail, but that the plan stipulated building a bank: in essence the market is demanding something different from what the government wishes to build.³⁰ The development company have also concluded that "...planning by considering the urban form (alone) is not necessarily the best way...perhaps you think a particular area might be best served by retail, but after you build it, you may not be able to attract shops. There should be a study of the existing conditions (and needs) before the urban design begins...". While this may sound obvious to the Western developer, it is a measure of the lingering planned economy mindset in the development process in the reform era that a project on the scale of Finance Street could have been initiated without taking into account existing market conditions.

Both the development company and the Municipal Government have also

adjusted a number of design aspects of the development for Phase Two. The development company has stipulated that the height of ground floor must be 6m, in order to create a more uniform street front.³¹ Municipal planning officials have adjusted regulations for setbacks, to try and ensure that buildings are not as distant from the street or from each other.³² Developers of parcels in Phase Two of Finance Street have been specifically asked to consider how their building will affect the street and relate to surroundings, unlike before. Most significantly, a competition for the design of Phase Two was held in 2000, and significantly, only foreign firms were invited to participate, a tacit acknowledgement on the part of the BFSC that the original domestically produced plan had shortcomings, perhaps reflected in the area's failure to attract foreign firms. At the same time, there is little to suggest that the major shortfalls of the overall planning and political environment that produced Finance Street have been addressed. These issues will be explored further in the final chapter.

4.8 SUMMARY

What does the story of Finance Street tell us about redevelopment in Beijing? Does it suggest the existence of a 'growth regime' as suggested in the previous chapter?

The development of Finance Street does indeed suggest that an alliance of different government agencies coalesced around the project with different objectives in mind. The initiative was launched by the Xicheng District, who clearly saw an opportunity to develop a prestigious and lucrative banking sector in their domain, as well as achieve a dramatic re-imagining of an old area. A poster showing the 'before' and 'after' of Finance Street is on the wall of the District planning office, suggesting its importance as a political achievement (see fig. 4.11). The economic importance of Finance Street for Xicheng District is now also clear: financial management services within the district –



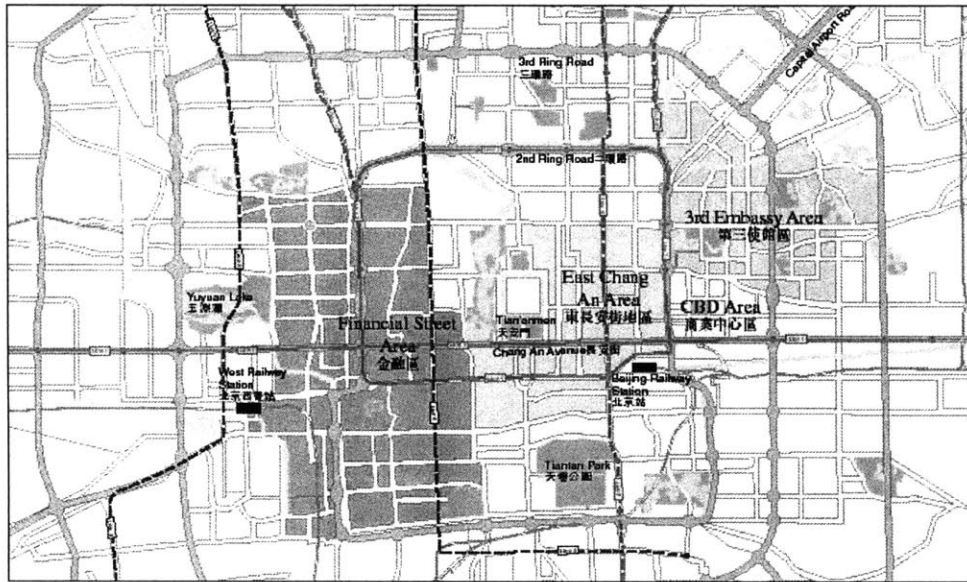
Fig. 4.11: Part of a poster hanging on the Xicheng District Office wall

which are primarily located in the Street - provide one-quarter of the tax revenues of the whole District.³³ The District Government was supported by the Central Government banks, who were clearly intent on staying in the area, as well as the Central Government itself, which supported in the project in the expectation of seeing a prestigious Chinese 'Wall Street' which would help to recalibrate Beijing and China's image. The buildings of Finance Street figure prominently in posters advertising the city. This 'coalition' was politically strong enough to overcome the objections of the Municipal Planning Commission, whose concern for the Old City and the balanced development of the city was sidelined.

However, unlike in a Western 'growth coalition', the role of the private sector is hard to discern. The development was not so much a coalition of private and public interests as a determined effort by the District Government to promote economic development, much in the same way as earlier urban development efforts would have been oriented towards industrial development. While the office space built would ultimately be utilized, it could not be said that the development of Finance Street was spurred by market pressures or a desire to turn over a profit, and the development companies' acknowledgement that they conducted no market research seems to bear this out. In essence, Finance Street is indicative of how the government has endorsed a 'market orientation' but still views development as to be essentially government driven.

This is borne out both by the fact that much of the space in Finance Street was not occupied until 1998. Further, many of the tenants have not necessarily moved there because of its desirability as because of other factors. As one observer has put it "Often prompted by their ministries, Chinese financial institutions have swamped the area".³⁴ By contrast, foreign companies, unfettered by political directives, have been far more circumspect about moving into the area – despite the fact that the rentals prices are 20-30% cheaper than in the CBD. The poor accessibility of the area due to its location in the Old City continues to put off many executives: as one journalist put it, "As Beijing traffic gridlock worsens, many executives prefer the CBD, based around the China World Trade Center, for its quicker airport access...".³⁵ The competitiveness of the area as a location has thus been hindered both by its poor accessibility as well as its lack of amenities – including restaurants, five-star hotels and luxury accommodation.³⁶ As a result, while state-run Chinese banks have come to the area, "it has been a harder

BEIJING PROPERTY INDEX OFFICE AREAS



Source: Jones Lang LaSalle

Fig 4.12: Beijing from the Real Estate Developer's Perspective: 'Dueling' CBDs

sell convincing foreign financial institutions to forgo the competing attractions of the Central Business District in eastern Chaoyang”.³⁷ In other words, the market desirability of Finance Street is hardly established yet.

Although both the development company and the Municipal Government were keen to present Finance Street as complementing, rather than competing with, the Chaoyang CBD, real estate developers have seen the areas as essentially competing for the same clients. Along with the development of the East Chang’An area in the Dongcheng (East District), companies are faced with a choice of where to locate, and one that depends more on the evaluating the respective locations and financial terms rather than their function, as proponents of the area had suggested. In other words, the area is not so much a functionally complementing area as a separate and competing CBD, and one whose presence presumably siphoned off tenants from the Chaoyang CBD.

One scholar has argued that Beijing’s ‘dueling CBDs’ in actual fact mirrors the dichotomous nature of Chinese economy in the Reform era.³⁸ While the private and international sector seek to locate in the Eastern CBD, many state-run organizations - particularly the banks - are located in Finance Street; in part be-

cause the location is closer to the ministries with which they regularly communicate, but also because they have been 'invited' to move there by their ministries. The success of Finance Street, therefore, is as a planned, rather than market, element of the Chinese economy. As I have argued at the beginning of this chapter, this success has come at enormous price for the Old City of Beijing.

(Footnotes)

¹ Anon. (1998a), Anon. (1998b), Fang (1998), Zhao and Yu (1998), Zhang, Liu et al. (1998)

² According to Wang (1999) pg. 24

³ Dong (2003)

⁴ Wang (1999) pg. 25

⁵ Zhou (1999) pg. 434

⁶ Dong (2003)

⁷ Wang (1999) pg. 22. Further, to demonstrate this support from the Central Government, "...boosters displayed signs for Finance Street in the calligraphy of Chen Mu Hua, then China's vice-premier responsible for the financial sector" Zhou (1999) pg. 435

⁸ I use the term 'CBD' for Finance Street, even though the BFSC and the District claim it's function is different from the Chaoyang CBD. I would argue that they're distinction is minimal. The term 'CBD' is used in China, although divorced from its 'central' connotations – hence perhaps it could be loosely understood as a business district, rather than a Western CBD. Hence multiple 'Chinese CBDs' are possible in Beijing.

⁹ See Wu (1999) pg. 206. Wu comments that other critics of the development were Zhou Ganzhi, Zou Deci and Dong Guanqi pg. 229.

¹⁰ Hou (2003)

¹¹ Fang (1998)

¹² Only category 5 is dangerous. Rating of structural quality: #1 is best and is given mainly to newly built concrete structures, #2 is good, #3 is in good structural condition but in need of basic maintenance, #4 is more urgently in need of repair or replacement. #5 is the worst with serious structural problems and perhaps even dangerous to live in.

¹³ Nilsson (1998)

¹⁴ Wang (1999) pg. 82

¹⁵ according to Wang (1999): 'The Constructional Planning points out that Duch-enghuang Temple should be reconstructed in combination with the space so as to bring the disappearance back to life' See page 83

¹⁶ Wang (1999) pg. 83

¹⁷ Wang (1999) pg. 84

¹⁸ Wang (1999) pg. 84

¹⁹ Wang (1999) pg. 85

²⁰ Wang (1999) pg. 85

²¹ Wang (1999) pg. 85

²² Wang (1999) pg. 104 Similarly, the developer explains that the podium of the China Telecom Control Center was '...treated with granite...to show the sense of solidity'.

²³ Zhang, Liu et al. (1998)

²⁴ Anon. (1998a)

²⁵ Hou (2003)

²⁶ Lin (2002)

²⁷ Dong (2003)

²⁸ Fong (2003)

²⁹ Fong (2003)

³⁰ Fong (2003)

³¹ Hou (2003)

³² Fong (2003)

³³ Xicheng District (2003)

³⁴ Quote from Robert Walker, Managing Director of the Beijing office of Jones Lang LaSalle (real estate company) cited in Macleod (2001)

³⁵ Macleod (2001)

³⁶ Macleod (2001)

³⁷ Macleod (2001)

³⁸ Zhou (1999)

Chapter Five: The Redevelopment of Nanchizi

- 5.1 INTRODUCTION**
- 5.2 BACKGROUND**
- 5.3 THE DECISION-MAKING PROCESS**
- 5.4 THE REDEVELOPMENT**
- 5.5 THE NEW DEVELOPMENT**
- 5.6 CONCLUSION**

5.1 INTRODUCTION

The conservation and upgrading of Nanchizi, a 9 he area to the east of the Forbidden City, was intended to represent a breakthrough in conservation planning in Beijing. For the first time, one of the designated 25 conservation areas would be simultaneously conserved and upgraded with modern infrastructure, thus ensuring that the Ancient Capital was simultaneously preserved and modernized, as all levels of government in Beijing seemed intent on achieving.

However, in the end, what occurred in Nanchizi was an exceptionally questionable implementation of conservation. In May of 2002, a notice was placed in Nanchizi that instructed residents that all but 9 of the 240 courtyard houses in the site would be demolished and replaced with two-story 'historic' buildings. Within a few months the entire site had been largely cleared and within a year new housing had been constructed. While the new construction has been far more historically 'sensitive' than almost all previous developments in Beijing, it nonetheless can hardly be called successful conservation, involving as it has the near complete redevelopment of the site. This chapter explores why a development process which aimed to conserve one of the 25 designated historic districts ended with a wholesale redevelopment which drastically reduced the historic value of the area.

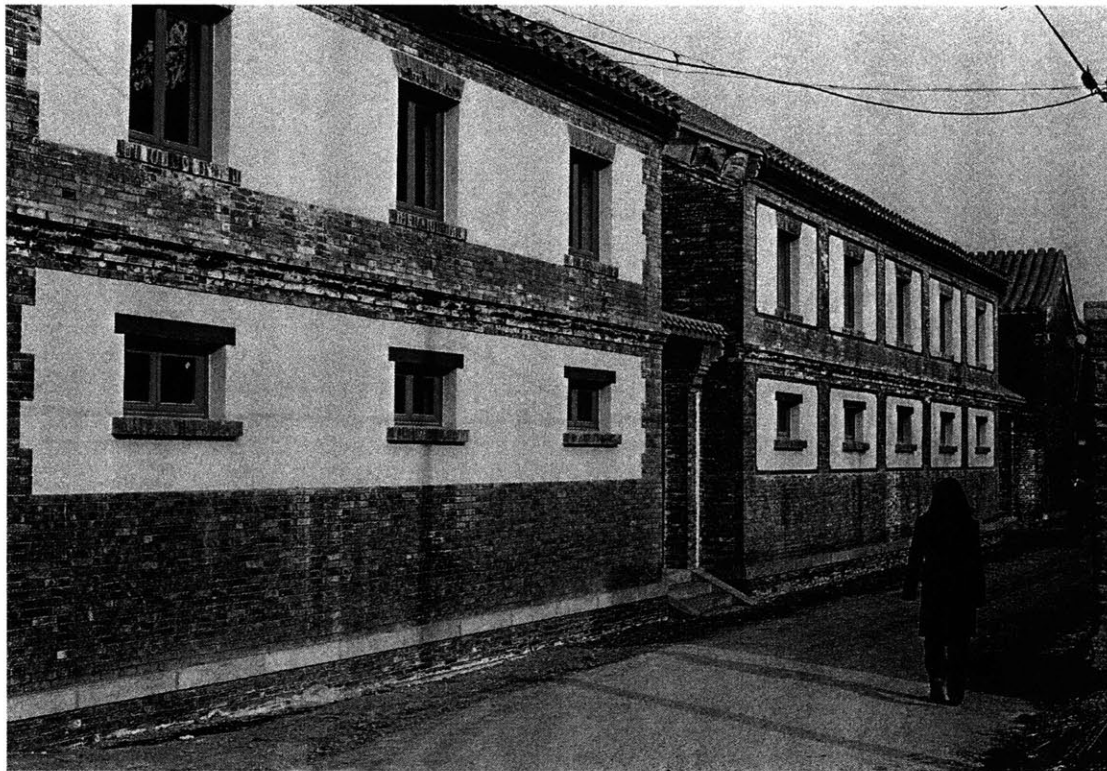


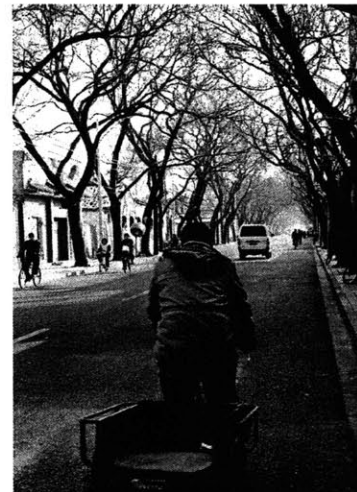
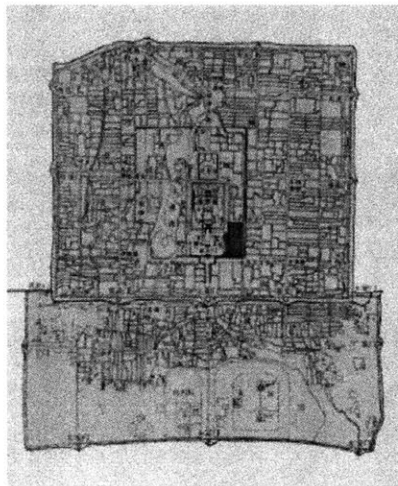
Fig. 5.1: Above, Nanchizi being demolished; below, the new Nanchizi

5.2 BACKGROUND

Nanchizi is an area which borders the Forbidden City, which, prior to the 1800s, was a warehouse and workshop district for the Imperial Court. As the Emperor's regime reduced the size of the imperial compound, it became a residential area comprised of a typical Beijing urban fabric of siheyuans and hutongs, and was opened to the public after the revolution of 1911. Nanchizi Street, which runs through the area "...is one of a very few with a perfectly preserved atmosphere of classic Old Beijing...completely shaded by the branches of mature Chinese Scholar Trees, and lined with mainly one storey shops serving local residents".¹ Largely because of its location and scenic qualities, Nanchizi was listed as one of the 25 conservation areas which the Municipal Government designated in 1990.

In these areas, the Beijing Municipal Government set the goal for the first time of conserving whole streets and areas rather than individual monuments. However, exactly how these areas would be 'conserved' was left ambiguous, without clear policy guidelines until 2000. Indeed, the boundaries of the conservation areas were not even clearly demarcated until 1999. During those years, the conservation zones "got smaller every year" and one of them, Niu Jie, had already been demolished and rebuilt as a high rise residential complex.² The government could argue that the area had been listed as a conservation area because it was an ancient Muslim community with a historic mosque. After redevelopment, it was still a Muslim community with a historic mosque. In other words,

Fig. 5.2: Left, location of Nanchizi, right Nanchizi Street



unlike in the conventional Western diction, conservation need not necessarily entail a strict preservation of the architecture and urban fabric. With regards to Nanchizi, a 'conservation' proposal as early as 1993 was made:

*"A Development company formed by the local district government formed by the East District Government has proposed a solution...to redevelop the area as a low-density, luxury-standard neighborhood of one- and two- storey traditional style courtyard houses. Such a development would conform to the 6m height limit and traditional image required in other strictly protected historic parts of the city"*³

Hence, even for those areas directly abutting the Forbidden City, conservation could entail a 'sensitive' redevelopment according to guidelines that were in place until 2000. Interestingly, even in 1993 when the above described scheme was proposed, a counter-proposal was made by a Tsinghua team headed by Lu Junhua which advocated a courtyard-by-courtyard upgrading scheme. The contrasting nature of these proposals would recur when the area finally came to be redeveloped.

Conservation guidelines were loose because, for the most part, very few of the conservation areas were actually listed for their architectural heritage: they possessed other qualities which necessitated their conservation, and these other qualities – which for Nanchizi were its scenic character and 'traditional' image – would not necessarily be lost in the course of redevelopment. Additionally, as described in Chapter One, many of the courtyard homes in the historic areas had become dilapidated and overcrowded, and their historic value was questionable. In fact, some of the areas were listed as part of the Old and Dilapidated Program Renewal, including Nanchizi, and it was thus necessary for conservation and improvement in living standards to occur simultaneously. For several years, however, discussion about redeveloping Nanchizi was not permitted by the Municipal Government who considered the issue sensitive.⁴

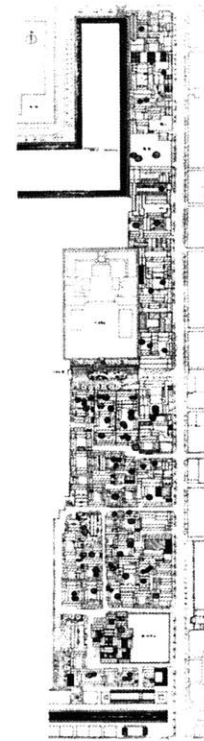


Fig. 5.3: One of the 1993 Tsinghua proposals

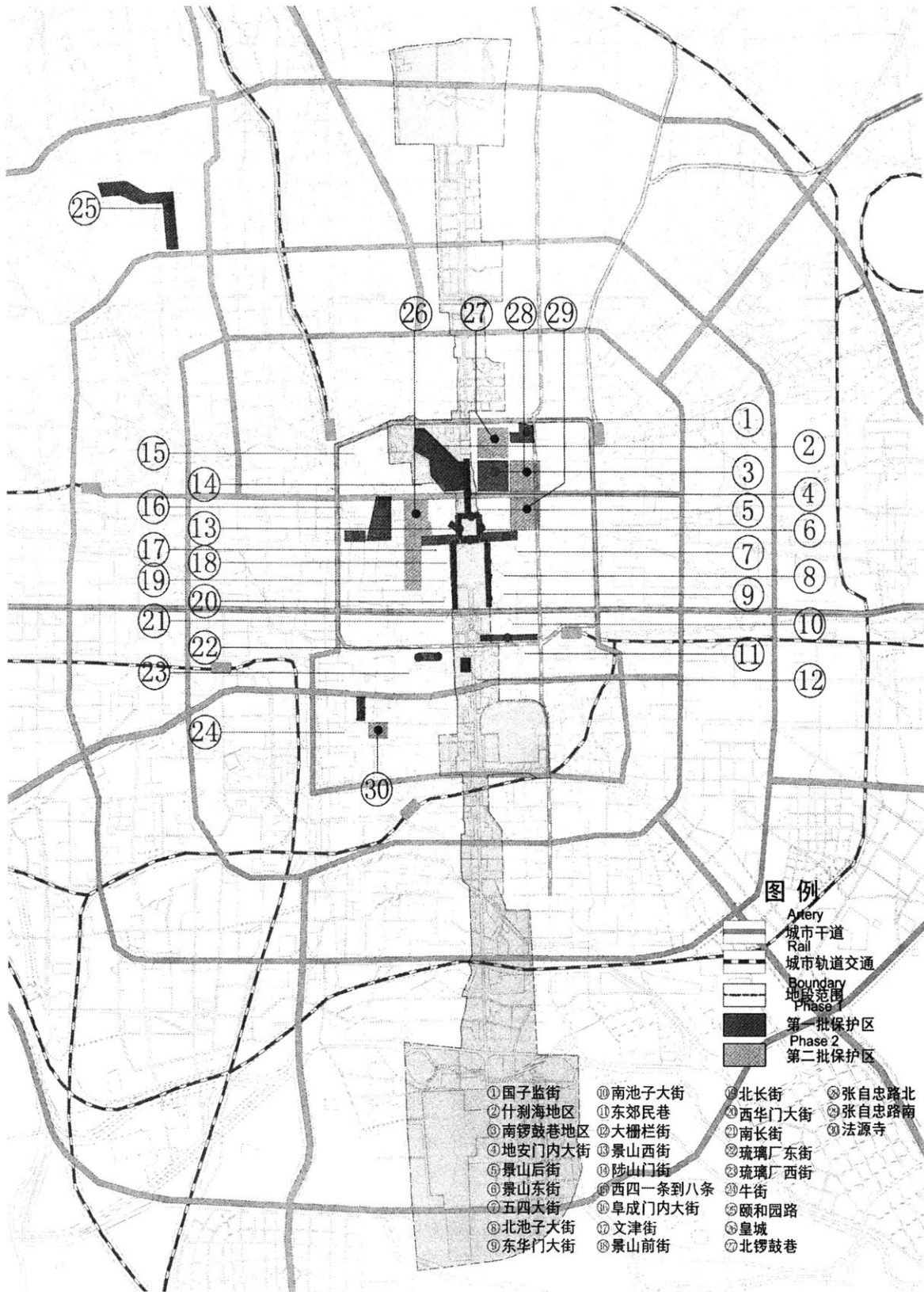


Fig. 5.4: The '25 Conservation Areas' plan for Beijing

During this time, conservation policy for the historic areas was substantially tightened between 1999-2000 when 12 organizations were commissioned to produce plans for each of the historic areas. During this process, five key principles under which each of the plans would be shaped emerged: that each of the areas should preserve the traditional cityscape and hutongs; that the authenticity of the preserved heritage should be ensured; that preservation should occur using a gradual and measured method; that the infrastructure and living conditions of the residents should be improved; and finally that public participation “should be encouraged”.⁵ These principles represented a decisive turning point in conservation planning in Beijing, as for the first time wholesale redevelopment as a method of conservation was repudiated.

However, what was being recommended by the Municipal Government had never been successfully done before in Beijing. There was no precedent for successfully improving the infrastructure and living conditions of residents while ‘gradually’ preserving the siheyuan and hutongs. Not least because ‘preserving’ siheyuans – or, in most cases, restoring them – would necessitate relocating at least 50% of the residents of the houses, since their overcrowded state would have to be reversed. This raised a host of issues: which half of the residents would be relocated? How would the technical issues of upgrading hutongs be resolved? Perhaps most importantly, who would pay for the improvement of the area and relocation of the ‘surplus’ residents, given that land would not be being released for profitable development as in other areas? Arguably one of the most critical factors concerning conservation in the Old City of Beijing was that it was expected to turn over a profit or at worst break even, as redevelopment was in the hands of developers.

In an effort to resolve these issues, Nanchizi was chosen as a pilot project in part to test strategies for these issues. Beijing Vice-Mayor for Construction Wang Guan Tao announced the project in a municipal conference, explaining that the redevelopment would closely follow the principles set out in the conservation plan. In the words of one planner, Nanchizi would be “the paradigm for a new era of development for Beijing that would strike a balance between conservation and redevelopment”.⁶ In 1999, the Beijing Institute of Architectural Design and Research and the School of Architecture at Tsinghua University produced conservation guidelines for Nanchizi, including an analysis of existing conditions

Category Type	Percentage of total conservation area
I	5.4
II	11.4
III	65.4
IV	3.6
V	14.2

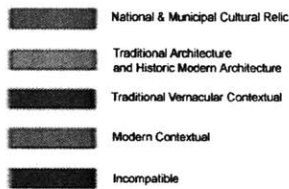


Fig. 5.5: Building types in Nanchizi

and a suggestions for possible strategies of upgrading. The conclusion of their studies suggested that 82.2% of the area was in the categories that were worthy of preservation, while 14.2% of the area could be demolished and replaced with appropriate architecture. A precise plan for how the area would be conserved, however, was the left to the future.

5.3 THE DECISION-MAKING PROCESS

From the very beginning of the development process in Nanchizi, therefore, the Municipal Government – principally through Wang Guan Tao – would be involved in the conservation development of Nanchizi. The other institutions involved would be the Municipal Planning Commission, who had been respon-

sible for drawing up the 25 Conservation Areas Plan, and the East District Government, who would implement the plan decided upon. In a 'typical' redevelopment, the Municipal Government would not get involved in the planning; however, because of the importance of Nanchizi as a pilot project for the Conservation Districts, Wang had presumably decided to take a personal interest. Accordingly, a series of 'control' meetings were held in the course of 2001 and 2002 to decide upon a planning policy for the area. As always, the politicians of the MG – and Wang in particular - would have the final decision.

At the beginning, all sides appeared to be in favor of using the courtyards as the basis for renewing Nanchizi. Four teams were selected to produce more detailed design schemes for Nanchizi of which one was from the Tsinghua School of Architecture.⁷ The resulting schemes were used as the departure points for discussion. Both the Tsinghua team and another team – the Beijing Municipal Infrastructure Design and Research Institute – proposed schemes that would retain as much of the existing urban fabric and community as possible. However, neither team produced a detailed plan for how the infrastructure would be upgraded, or how financing would be raised to pay for the upgrading and restoring of homes.

While initially approving of the direction in which the teams suggested the development of Nanchizi should go, Wang appeared to participants to become increasingly skeptical over whether the schemes – which essentially focused on the preservation of the architectural and urban fabric – would actually improve residents lives. As one participant put it:

“At first it seemed like Wang Guan Tao and the Municipal Planning Commission were presenting a united front. At one meeting, however, you could tell there was conflict between the two parties. Wang said he did not agree with the Tsinghua plan for the preservation district because it was not feasible; it was keeping too many houses. He declared to the team ‘What about solving the resident’s problems?’”⁸

Wang argued that the improvement of facilities and living conditions for residents – by which he meant the infrastructure - should be the first priority of the conservation effort. As the regulations for upgrading the infrastructure re-

quired widths of hutongs to be at least 7m, this would necessitate widening the majority of the hutongs on the site and demolishing the buildings which were on either side of them. While the team considered proposing integrated pipes which would not have necessitated widening the existing hutongs, this was not their academic specialty. Further, previous efforts by Tsinghua professors had not persuaded the government to explore this strategy.⁹ In all likelihood the integrated pipes would have been more costly and involved complicated cooperation between various government departments to coordinate their installation. According to one of the observers to the process, Wang made a decision that the upgrading of infrastructure would take place under the existing inflexible regulations. The integrated pipes solution would thus not have been seen as a feasible proposal.

Even aside from the infrastructure issue, there was a serious disagreement between the Municipal Government and the Planning Commission over the quantity of houses on the site that were actually worth preserving. The Tsinghua plan advocated saving 60-70% of the courtyard houses and rebuilding others; Wang, by contrast, wrote in his book on the Old City that he considered only 4% of the buildings on the Nanchizi site worth preserving.¹⁰ With so little worth preserving, the inconvenience of devising and gaining approval for new infrastructure regulations, not to mention the added cost of upgrading the hutongs as they were, seemed unnecessary.

The disagreement over how much was worth preserving stemmed from differing concepts of preservation. For the District Government and Wang, only those buildings which were of undisputed historic value were considered worthy of preservation, and the majority of the houses on the site were either insufficiently historic or too dilapidated to attain this recognition. By contrast, the Planning Commission, the Tsinghua team and many of the experts present at the meetings argued for a broader concept of preservation, arguing that the historic value of the site lay not in individual buildings but in the collection of houses that make up the district – the urban fabric. By demolishing all the houses and starting from a clean slate, they argued, the historic value of the area would be lost, regardless of how ‘appropriate’ the new architecture. A courtyard-by-courtyard upgrading scheme would not only restore and preserve the best houses, but it would preserve the composite characteristics of the area that were arguably more valuable than the individual houses alone.

Ultimately, Wang and the East District Government rejected the Planning Commission's perspective. While the infrastructure and preservation factors that surfaced were undoubtedly factors in their decision, there were undoubtedly other motivations for them to reject conserving the area. The most important of these was arguably financial: the Municipal Government expected the East District Government to upgrade Nanchizi out of its own budget, and the District Government in turn wished to redevelop the site and make a profit or at worst not lose any money. There would obviously be no financial gain from preserving the community and the courtyard homes; in fact, the conservation would come at a considerable loss, given the cost of upgrading the hutongs. At an early stage, the Municipal Government had conducted a pilot scheme in one courtyard in attempting to have half the families pay for the other half to be relocated; however, the experiment failed because householders either refused to move or refused to pay for the other families relocation.¹¹ With no funding available from any other source, it was unclear where the money could come from to upgrade the hutongs or even to restore the existing houses.

Further, the Tsinghua plan would likely have not appealed politically to either the Municipal or the East District Government. The redevelopment of the area could be seen to benefit the government politically, and, according to their view, benefit the residents by the increase in their living space despite relocation. By contrast, the political benefits from a conservation effort are much harder to define, since without a tested implementation strategy, it was hard to see how residents could benefit, and the 'public good' or even economic value of a conserved area (for example, for tourism) seems too obscure for politicians to recognize. Further, there can be no doubt that the very point of the Tsinghua scheme was to upgrade the area carefully and with a piecemeal approach, in order to renew Nanchizi 'organically'. Such an approach, however, would have been anathema to the politicians of both the Municipal and District Government, who, as described in Chapter Three, are predisposed to seek to claim credit from a rapidly achieved, visible achievement. Similarly, the District Government certainly had targets to meet – an annual quantity of dilapidated housing to reach, for example – which redevelopment, but not conservation, would enable them to reach. All in all, it is hard to see successful conservation occurring in this climate, and one observer to the process, Professor Yin Zhi of Tsinghua, felt that the Ts-

inghua scheme had no chance of success from the beginning.¹² In this view, the citing of infrastructure upgrading concerns as the principal flaw of the Tsinghua plan may simply have been an effort to discredit a scheme that never suited the interests of the decision-makers to begin with.

In any case, at some point during March or April of 2001 the decision was made to adopt a 'wei-gai' or wholesale redevelopment approach to the area. As would happen in a typical redevelopment, the East District Government would be in charge of the entire redevelopment, and they in turn arranged for a development company closely associated with them to manage the redevelopment of the area.

5.4 THE REDEVELOPMENT PROCESS

With the decision to redevelop the site made, a notice was posted on walls around Nanchizi which gave residents one month to move out in May of 2002. Shortly after, the 'chai' character (meaning demolition) was painted on 231 out of 239 of the houses. Residents were given three options: to return to the new de-

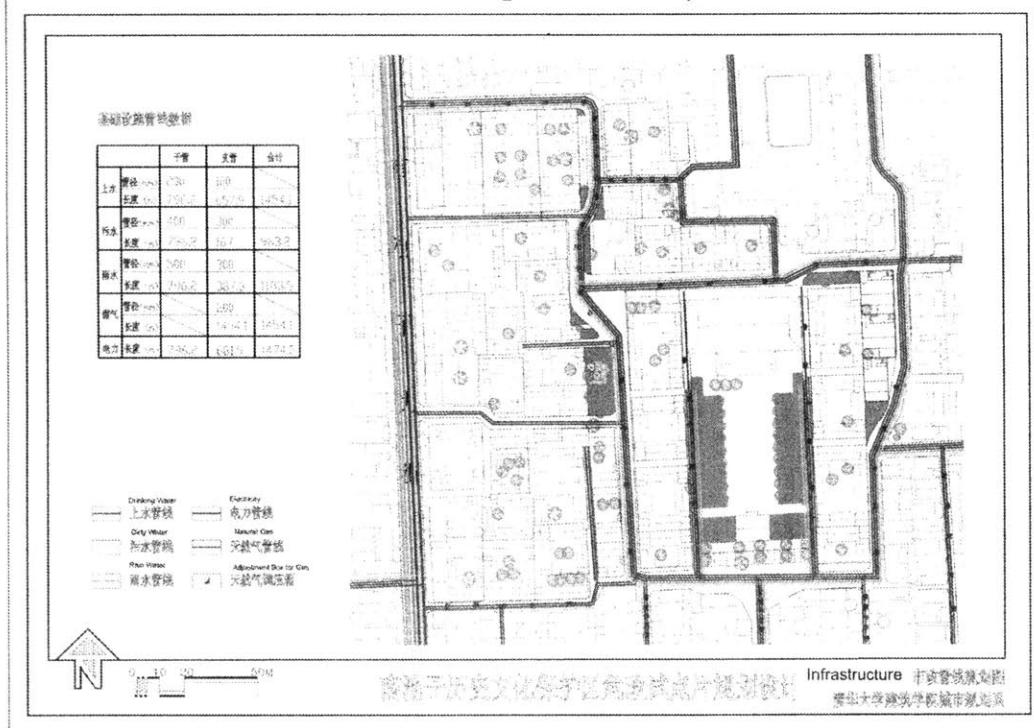


Fig. 5.7: The Tsinghua Scheme's proposal for infrastructure was viewed as unfeasible by the Municipal Government

velopment, to be relocated, or to be compensated. Many of them were extremely unhappy with this arrangement.

According to press reports, only one third of the residents had moved out by the end of June. Many of the remainder of the residents protested by not moving out, and even spoke to the media. At that point, what was happening in Nanchizi became well-known widely, and there was severe criticism of what was happening in the media. As one resident commented: "What's intolerable is that our centuries-old houses will be replaced with newly built ancient-style two-storey buildings, which is a shame to the historic protection zone."¹³ Ten academics wrote to the Municipal Government, arguing that what was happening in Nanchizi was unacceptable as conservation. Even UNESCO ultimately voiced concern to the Beijing Municipal Government, noting that while Nanchizi was not a World Heritage Site, the demolitions were still unacceptable for a historic preservation areas close to the Forbidden City.¹⁴ In the summer of 2002, the media attention prompted the mayor of Beijing, Liu Qi, to visit the area, and for a brief period, the demolitions were halted. At this time the Municipal Planning Commission complained that the District Government were destroying too many houses of historic quality, even notwithstanding their redevelopment approach.¹⁵ However, in the end, the demolitions were ordered to resume, presumably sanctioned by the Municipal Government.

The behavior of the special 'relocation' company hired to demolish Nan-

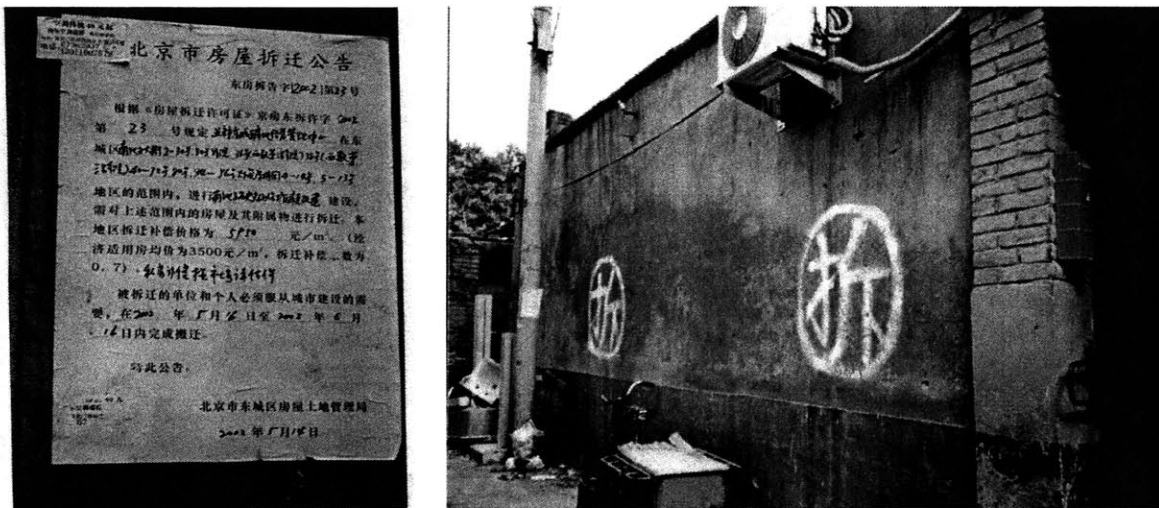


Fig. 5.8: Left, the eviction notice posted on May 1st in Nanchizi. Right, the chai sign was painted on walls around Nanchizi.

chizi was particularly unfortunate. According to residents, the demolition company disconnected the utilities of those who had not moved out by the District Government deadline, and even on occasion deliberately damaged parts of residents houses in effort to 'persuade' residents not to complain and to leave. Some residents were even intimidated into not speaking to the media further.

By the end of August, all the residents had moved out. By the end of the year, construction had begun on the new buildings of Nanchizi, which are scheduled to be complete by the summer of 2003. In all, municipal officials estimate that 50-60% of the residents of Nanchizi were relocated.¹⁶ Even at a discounted rate, the cost of returning back to Nanchizi was too great for many of the original residents. One resident, Mr. Xie, commented how the government offered him 1.5M yuan for his family's 153m² house – but the cost of buying one of the new houses was 3.1M yuan. For those who lived in public housing, the compensation was only 5,900 per m², making it very unlikely that any of the poorer residents would be able to return.¹⁷ Most were therefore left them with no choice but to relocate, presumably far from their original home, as has been the pattern of relocation in the past decade in Beijing. In the new phase of the development the cost of purchasing a house is even more expensive: a minimum of 20, 000 yuan (2,400 dollars) per m² making the district one of the capital's most exclusive high-rent areas.

Timeline	
Prior to 1800s	Nanchizi a warehousing / workshop district to support Imperial Palace
1800-1990s	Nanchizi is a residential area
1911	Nanchizi opens to the public
1990	Beijing Municipal Government announced the names of the twenty five historic areas in the Old City
1999	Beijing Municipal Government approved the regulatory boundaries of the twenty five historic areas.
1993	Tsinghua team first commissioned to look into redevelopment/renewal schemes for Nanchizi
July 2000	Planning of twenty five historic districts to be divided between twelve organizations, including China City Planning and Design Institute, Beijing City Planning and Design Institute, Tsinghua University.
December 2000	Tsinghua team amongst 4 selected to give design input
March-April 2001	Tsinghua team dropped from redevelopment process
June 2002	Demolition signs painted on houses
July 2002	Demolitions halted after media reports

December 2002	Construction begins on new developments
June 2003?	Construction scheduled to be finished, residents move in

Fig. 5.9: Timeline for Nanchizi redevelopment

5.5 THE NEW DEVELOPMENT

Nanchizi in its new incarnation is a series of new two storey brick row houses, with both roofs and detailing of a 'historic' character. However, the new street pattern bears no relation to how it had been, and little of the new design evokes the courtyards that had stood on the site. Alongside the residential area is a newly built park, water feature and villa complex which are a reconstruction of an old royal garden and the river which used to flow through the area. Like the architecture of Nanchizi, the villa complex's architecture is a historic pastiche of Qing dynasty architecture styles which are intended to provide a historic ambience. The park serves as a local amenity and tourist destination, and the villa complex complements this function with a new theatre, a VIP club and Belgian and Chinese restaurants amongst other functions.

Nearby the redeveloped Nanchizi stand a series of posters displaying the most dilapidated parts of the area prior to redevelopment.¹⁸ The displaying of these posters seems to serve a dual purpose: firstly, like similar photographs published in the Beijing Finance Street volume, it posthumously legitimizes the demolition of the area; secondly, it allows for a political achievement to be claimed, because of the clear contrast between the condition of the area in the photographs and in its redeveloped form. Naturally, the photographs were chosen of those areas in worst shape in order to accentuate both of these objectives

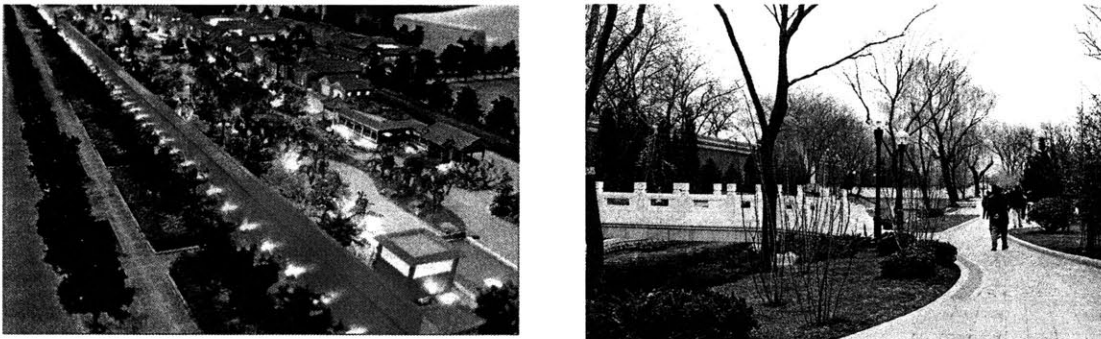


Fig. 5.10: The new park by the Nanchizi development

. Very little of Nanchizi was in the condition depicted in the posters.¹⁹

5.6 CONCLUSION

Clearly, the redevelopment of Nanchizi can not be accepted as legitimate conservation. While occasional 'historic'-style new construction is permissible in instances such as the replacement of inappropriate buildings in a historic area, the whole-sale redevelopment of historic areas is unacceptable. This feeling is shared not only by Western observers, but by a broad array of Chinese academics, planners, and residents. The redevelopment of a historic area like Nanchizi is not, however, without precedent, even in Beijing. As far back as the 1970's Liulichang, a historic arts street, was demolished and rebuilt as a recreated Qing dynasty street intended for tourists. In recent years, the redevelopment of Ping'An Avenue involved the demolition of historic architecture and its replacement with similarly pastiche Qing dynasty architecture. These projects, along with Nanchizi, have essentially been real estate development projects taking place under stringent urban design guidelines.

Further, in Nanchizi, the planning principles which were set down by the Municipal Planning Commission for the 25 Conservation Areas were clearly breached. As described in the previous chapter, the planning principles and guidelines of the MPC, even when formally approved by the Municipal Government, are liable to be broken at any time by an arbitrary decision by a politician. As with the height limits policy or the 1991 Master plan, the MPC's plans lack any

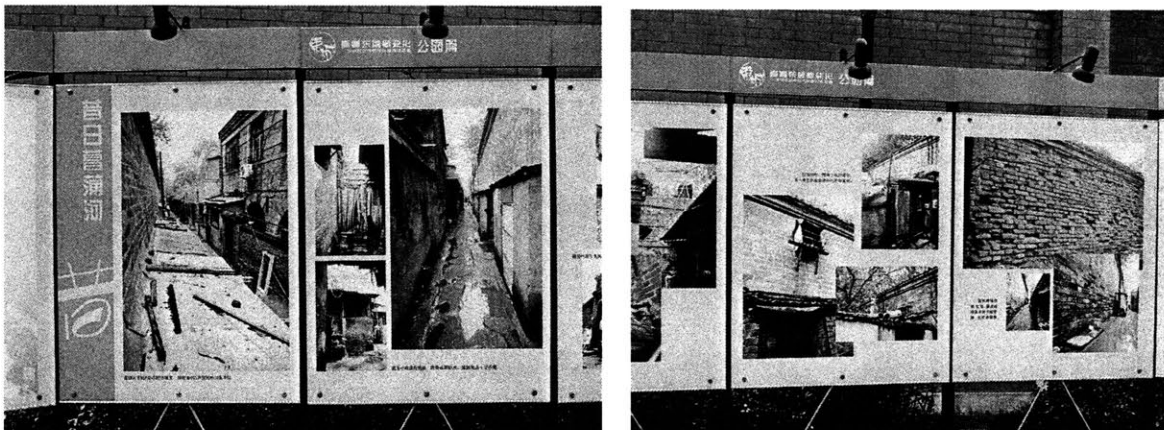


Fig. 5.11: Posters in the redeveloped Nanchizi portraying conditions of Nanchizi in its

kind of legal or regulatory weight. This is especially critical because the implementation of the MPC's plans is usually carried out by other bodies, usually the District Governments. Without legal weight, the District Government can ignore the plans and guidelines if supported by the Municipal Government. As one Municipal Planning official commented with regards to Nanchizi: "The plan had been approved by the Municipal Government but the problem was the Mayor. He didn't like the approved plan so he told the district level that they could veto the plan. The mayor had all the power in this case".²⁰ In this sense, conservation planning fails because of the same reason urban planning in general is frequently ineffective: too much power, ultimately, is left to the discretion of individuals who may be acting from a political perspective, rather than from the city's best interests.

Conservation planning may also fail for an even simpler reason: the speed which it is expected to be carried out. Taking place at the same breakneck speed as other redevelopment projects in Beijing, Nanchizi was designated as a pilot project in late 2001; demolished in 2002 and rebuilt by the middle of 2003.²¹ This is incredibly fast – too fast – for a conservation project to take place in. Again, the political climate is not conducive to the kind of care that is the precursor to successful conservation.

Similarly, a further lesson from Nanchizi is that financing of conservation needs to be rethought at all levels of government. Again, it may be impossible to carry out successful conservation under the current 'break-even or make a profit' financing climate. As one planner put it:

*"The main problem is the lack of funding. No matter how brilliant our proposals are, they are always impossible to realize without proper funding. When we draw up plans for the conservation districts, we assess whether it is technically feasible but what ends up happening is that they are not practically feasible"*²²

The Beijing Municipal Government has currently allocated just 40M\$ for the conservation of the designated historic areas – a fraction of the amount required to conserve them properly.²³ Unless money can be found elsewhere – either from the Central Government, or diverted from a city-wide property tax, or even from conservation NGOs – it is hard to see how Nanchizi will not be repeated in other historic areas in Beijing and across China. While it's hard to put

an economic value on the successful conservation of areas of Beijing, it would clearly be an asset of incalculable value for Beijing in the long-term, from both a heritage and a tourism perspective. Indeed one commentator has recently written that: "Hutong tourism in Beijing is one of most successful schemes of vernacular house tourism in China".²⁴ Presumably the attraction of authentic historic areas will be considerably higher than of recreated areas.

It is also clearly critical for more pilot projects to be carried out, particularly exploring ways to upgrade infrastructure and to relocate some residents of courtyard homes. Infrastructure regulations need to be more flexible, and the latest technology for infrastructure needs to be sought. The alternative to this is that historic areas will remain without basic infrastructure or be demolished because they can not be both conserved and upgraded. Clearly, this is hard to accept. As one observer to the Nanchizi redevelopment commented: "Wang wanted to try and achieve the goal (of upgrading infrastructure) within the current standards...to improve the living conditions in the hutongs. While its important to improve the living conditions, we can't just do at the expense of thousands of years of architecture". Similarly, more inventive policies need to be explored with regards to the relocation of residents of courtyard homes. Not all residents would want to stay if offered a centrally located modern living accommodation which was centrally located was offered to them. Successful pilot projects would help to persuade politicians that conservation along the lines proposed by the Municipal Planning Commission is actually feasible.

Were it not for the way the redevelopment took place and the fact that a historic area was demolished, Nanchizi might otherwise be considered a success, given the sensitive style of the new architecture which obeys height regulations and the high resident return rate. However, as an attempt at conservation, it is a failure, and if is repeated in the remainder of the 25 conservation areas, there will be no districts of historic value left in the city.

(Footnotes)

¹ Lu (1997) pg. 66

² Huang (2003)

³ Lu (1997) pg. 67

⁴ Lu (1997) pg. 67

⁵ Beijing Municipal Planning Commission (2002)

⁶ Zhu (2003)

⁷ The other teams were the Beijing Infrastructure Design Research Institute and the Beijing Planning and Research Institute. One team dropped out, so only three teams produced schemes.

⁸ Anon. (2003)

⁹ For example, Professor Yin Zhi of Tsinghua proposed schemes for the government to upgrade the hutongs after a visit to Japan. Yin (2003)

¹⁰ Wang (2002a) pg. 2

¹¹ Anon. (2003)

¹² Yin (2003)

¹³ Jia (2002). Similarly, Zheng Xiaoxie, a renowned architect and consultant to the Ministry of Construction, commented that “You cannot substitute the centuries-old houses with shoddy ancient-style housing”.

¹⁴ Wire Report (2003f)

¹⁵ Huang (2003)

¹⁶ Huang (2003)

¹⁷ Wire Report (2003a)

¹⁸ In March of 2003 (author’s observation)

¹⁹ According to the author’s recollection of visiting the site in June 2002

²⁰ Huang (2003)

²¹ According to a schedule that a construction manager on the site told the author. (03.03)

²² Zhao (2003)

²³ Wire Report (2003d)

²⁴ Wang (1997) pg. 574

Chapter Six: Conclusion

6.1 SUMMARY

6.2 LESSONS FROM DASHILAN AND SHISHAHAI

6.3 RECOMMENDATIONS FOR FURTHER INVESTIGATION

6.1 SUMMARY

Despite both case-studies having dramatically different end-results, they share common characteristics in the process by which they were redeveloped. In both Nanchizi and Finance Street, the Municipal Planning Commission's plans were breached in a severe fashion. In Finance Street, the 1991 Master plan was contravened in the positioning of the Finance Street CBD, and Nanchizi was redeveloped rather than organically renewed as the 2000 Conservation plan stipulated. The Municipal Planning Commission height limits were widely ignored in the development of Finance Street.

The case-studies thus seem to confirm the proposition made in Chapters Two and Three: that redevelopment is dominated by politicians, who in turn are driven by political objectives. This is particularly true of District Government politicians, who implement the majority of urban development in the city (if not always the largest projects) and who have a tendency to act exclusively in what they believe are the best economic interests of the district. While this may be understandable, the failure of the Municipal Government to prevent them from succeeding in urban development that benefits the District at the expense of the overall city is unfortunate.

Both redevelopments also demonstrated the impact of the bureaucracy of the planning procedure on the physical environment. In Finance Street, regulations for infrastructure and traffic competed with physical planning considerations to result in a fragmented street. In Nanchizi, a failure to utilize integrated pipes was cited as an excuse for not upgrading the hutongs because they were too narrow, and instead opting to redevelop the majority of them.

Notwithstanding these similarities, the development of the two areas took place under very different planning climates. In 1992-3, when Finance Street was planned, conservation was barely on the agenda in Beijing; by contrast the development of Nanchizi was originated (admittedly with an entirely different agenda in mind) with advanced conservation principles in mind. Had the redevelopment taken place in the early '90s, it may have been considerably less sensitive to conservation principles. Similarly, had Finance Street been developed a decade later, the urban design may have been far superior, as the planning for the second phase has been. Clearly urban planning is improving in Beijing, even if many of the structural shortfalls of the system remain.

Many of these shortfalls are shared by Chinese governance as a whole, and should therefore be understood in a much wider context. During the SARS episode, one journalist wrote the following about China:

*"Its system of governance still has no mechanisms to ensure the accountability of officials or to bring problems to light. It possesses no system of checks and balances, no independent watchdog agencies, no truly free press. It lacks transparency and treats information as secret that would, in a society like ours, be considered the stuff of newspaper reports, regulatory disclosure and congressional hearings."*¹

All this is true of urban development in Beijing and China, which has no real accountability, no watchdog agencies and no mechanism of addressing problems that emerge beyond the personal discretion of the officials involved. Arguably, only true political and institutional reform which addresses these issues will improve the course of urban development and redevelopment in Beijing.

6.2 LESSONS FROM SHISHAHAI AND DASHILAN

In the short term, however, recent instances of conservation planning in Dashilan and Shishahai offer lessons for urban planning for the city as a whole. Firstly, for Dashilan a conservation design competition was held for the first time in Beijing. This in itself was a major step forward for conservation, demonstrating the Municipal Government's willingness to gather fresh ideas for conservation, if

not necessarily their ability to implement them. For example, one team adopted an inventive approach towards the problem of installing infrastructure in the hutongs in their proposal: "Since the hutong network was dense in this district, we proposed to use two hutongs to support the infrastructure additions that would normally be placed under one single street...we shouldn't treat the old district like a new area and think that the only way to build infrastructure is to place it under a wide roadway".² According to one of the planners involved in the organization of the competition, the local companies were more conservationist than the international firms.³ This confirms what the Nanchizi case suggests: that there is no shortage of excellent conservation planners in Beijing, but a failure to implement their plans successfully.

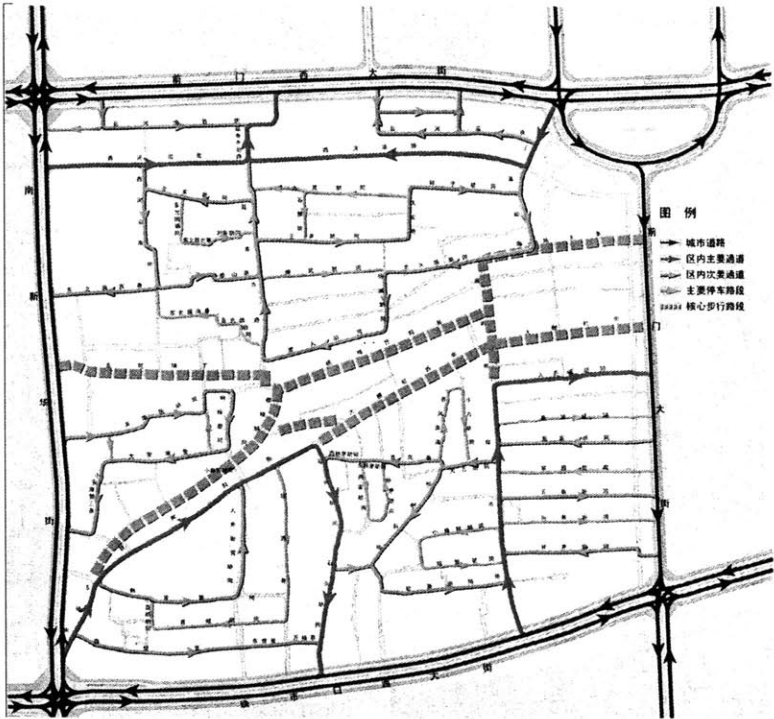
One of the striking elements to emerge from the Dashilan competition is that the Municipal Planning Commission is exploring the possibility of not only renewing the houses organically without wholesale redevelopment, but of reducing the population by relocation not to distant areas but to nearby affordable housing. This offers the hugely exciting possibility that Beijing may arrive at arguably its best solution to its redevelopment and conservation problems yet: the preservation of the architectural and urban fabric of a historic district (and the improvement of living conditions for residents) while preserving to the greatest extent possible the community on-site.

It remains to be seen, however, whether the planning for Dashilan will overcome familiar difficulties with its implementation. According to one of the planners involved in the competition for Dashilan, the main threat to the conservation of the area is the extension of the Municipal Road Network to the area. As she commented: "We felt it would ruin the existing fabric of the area. Dashilan is a destination therefore we saw no need for an urban road to go through the area".⁴ Similarly, the attitude of the District Government and the Development company responsible for the area remains a concern, in that planners are skeptical that they actually want to preserve the area. It seems perfectly possible that a similar conflict of visions to that which arose in Nanchizi between the Municipal Planning Commission and the District Government may yet arise.

There have also been interesting development trends occurring in Shishahai which have actually gone beyond the planning stage. A small-scale redevelop-

opment approach has involved in rebuilding some siheyuan homes as homes for the wealthy, mainly in the Ya'er Hutong. While this approach still involves relocating the original residents, it does at least preserve some of the architectural fabric and scale of the area. However, as academics have pointed out, this approach is not only no better for conserving the communities, but it also does not preserve

Fig. 6.1: In the recent Conservation design competition for Dashilan, one team produced an innovative traffic and infrastructure strategy (right) to avoid having a wide road entering the area that might damage Dashilan's vibrant streetlife (below)



the architecture for the general public. As one planner put it: “the current courtyard houses in Dashilan are shared by many households, it is very easy to walk in and experience the atmosphere of the courtyard house. If the houses are occupied by the wealthy, the front doors are most likely going to remain locked”.

A more appealing trend in Shishahai has been the conversion of a number of courtyard homes into amenities such as bars and restaurants. Typically this has been a ‘bottom-up’ development: individual entrepreneurs have renovated courtyard homes, often with considerable style, and the result is a far more diverse and interesting area than would have been created with a large-scale redevelopment. This seems to suggest, particularly for tourist areas such as Dashilan, that the government simply needs to upgrade the infrastructure of hutong areas and clarify the property rights of the residents of courtyard homes and let the market renew the area organically. However, whether the Beijing Municipal and District Governments would be willing to embrace a more passive role, particularly one that denies them the political credit for redevelopment, remains to be seen.

6.3 RECOMMENDATIONS FOR FURTHER INVESTIGATION

As noted earlier, both the Conservation Planning of 2000 and the competition for Dashilan indicate there is no shortage of first-rate conservation planning in Beijing. However, clearly these plans have broken down in the implementation. How then can the implementation for urban planning – and by extension the redevelopment process itself - be improved? While it is dubious to suggest the



Fig. 6.2: Two interesting development trends in Shishahai: Siheyuan for the wealthy (left) and as ‘gentrified’ bars and restaurants (right)

imposition of Western planning models on Beijing, there are nonetheless several obvious directions for the improvement of the planning process that emerge from this study.

- **Legal weight for planning regulations.** Ideally, regulations should be open documents and with clear accountability for their authors, as well as having a legal weight to them that would prevent them from being arbitrarily changed. The MPC's recently initiated 'Sunshine Program' maybe a step in this direction: the program aims to "... (inform) the public of all relevant rules, regulations and projects... (to ensure that) the government will be under stricter control and no one will have the right to change projects arbitrarily once they have been decided".⁵
- **Increased supervision of conservation planning by the Municipal Government.** Some planners have suggested that the actual implementation of planning in Conservation districts should actually be done by the Municipal Government, since there may be no effective way to force the District Governments to execute conservation planning. Certainly until planning regulations have legal weight, this may be most obvious shortcut to successful planning implementation in Beijing. Notably, the Beijing Municipal Government – and the Capital Planning Commission - manages other large projects, such as the Olympic area and the CBD. It does not therefore seem far-fetched that they should also manage the Conservation areas.
- **More integrated planning.** Clearly planning should set the goal of creating or preserving the best possible physical environment, rather than automatically catering for the regulations of inflexible traffic and infrastructure departments, which have historically not respected the historic nature of Old Beijing. The latter departments should be subordinated beneath the planning department, and far more inventive traffic and infrastructure policies need to be devised to avoid the destruction of historic fabric and the creation of inconveniently scaled environments.
- **More participatory planning.** This was stipulated as one of the principles of the 2000 Conservation plan. Even aside from the democratic implica-

tions of involving the governed in governance, bringing the views of residents into the process would help to address one of the chief shortfalls of planning in China: its paternalistic, top-down nature, with officials with a poor knowledge of resident's lives making decisions with an enormous social impact from primarily a physical or economic perspective.

- **More encouragement of 'bottom-up' urban development.** As redevelopment in Shishahai has demonstrated, private entrepreneurs left to their own devices and properly regulated can develop an area in a far more sympathetic and organic fashion that a large-scale redevelopment could achieve. As has been emphasized many times by academics and other experts, the establishing of a clear legal property ownership framework – involving the selling of publicly-owned siheyuan housing to their residents - would almost automatically entail the improvement of districts, as the sale of public housing has done in many other cities in other parts of the world. The government could then limit its role to the upgrading of infrastructure.
- **Slow down the pace of development.** It is perhaps unsurprising that the planning for both Finance Street and Nanchizi was flawed, given the astonishing pace that both were developed at. The speed of development should be slowed down, particularly for conservation, to allow better thought out plans which have had input from a wider constituency . In the Dashilan Conservation Competition, competition entrants were given only two months to prepare plans, which one team acknowledged was insufficient to come up financial feasibility proposals that would added a critical practical dimension to their proposal.⁶
- **A different financing climate for conservation.** Clearly conservation in Beijing has been severely frustrated by a financing climate that attaches too little priority to the proper conservation of residential districts. The loss of the world heritage resource that the Conservation districts in Old Beijing represent is simply too devastating for a shortage of funding alone to precipitate. In other words, funds have to be found from somewhere, particularly for the upgrading of infrastructure which is clearly a vital prerequisite both for the improvement of living standards for the residents of

the hutongs, but also ultimately their successful conservation. This funding does not necessarily have to come from the Central Government, and far more inventive ways of finding it could be employed: a municipal tourist tax, international conservation NGOs, an international fund-raising campaign and so forth. However, one obstacle to this is that foreign funding can only be channeled to the Chinese Central Government, it cannot, for example, be directly attached to a particular district or preservation area. Clearly, this should be reformed to allow external sources of funds to aid conservation efforts. There can be no doubt that the current paradigm of expecting conservation to pay for itself can only result in projects like Nanchizi.

- **A re-thinking of Beijing's transportation plan.** As suggested earlier, the demands of the Beijing municipal traffic plan frequently jeopardize both the street life of the city and conservation generally. The municipalities current traffic plan involves extending the road network into Dashilan and Shishahai, which would have disastrous conservation consequences for two of the most important historic districts remaining in Beijing. A transportation plan that prioritized conservation and considered alternative strategies to transportation requirements – including increasing the use of transit and incorporated more comprehensive traffic management strategies – would clearly hugely benefit conservation and the quality of life in the city.

As hard as improving urban and conservation planning implementation may be, the stakes could hardly be greater. Old Beijing is rapidly reaching the point where very soon the question of preserving historic districts is an academic issue. If the regime would extend what it considered sacrosanct to the historic areas of the city and not just the monuments, the future of both social and architectural conservation in the city would be far brighter. After all, at points in Beijing's recent history both the demolition of Tiananmen Square and the redevelopment of the Summer Palace were proposed. Neither were permitted to happen. A similar level of stringent protection should apply to the city's conservation areas. The opportunity to conserve a critical part of China's heritage and improve the redevelopment process in arguably the world's most historic city should not be missed by the decision-makers in Beijing.

(Footnotes)

¹ Kaufman (2003)

² Zhao (2003)

³ Huang (2003)

⁴ Zhao (2003)

⁵ Wire Report (2003c).

⁶ Zhao (2003)

ILLUSTRATION SOURCES

Fig.	Source
1,1	Map provided by Beijing Municipal Planning Commission. amended by author
1.2	Top picture by Ozgur Alkan, bottom by author
1.3	From Wu (1999)
1.4	Siheyuan from Abramson (2001), Hutong picture from Xu (1990)
1.5	Table after Wang (2002c)
1.6	From Tsinghua archive
1.7	Sit (1996)
1.8	Left photograph from Xu (1990), right graphic from Wu (1999)
1.9	Top and middle photographs by author, bottom from Tan (1998)
1.10	Top from Lu (1993), bottom photograph by author
2.1	Chart by author from data from Gu and Shen (2003)
2.2	Timeline prepared by author
2.3	Map adapted from Lu (1997)
2.4	Left and middle photographs by author, right photograph by Ozgur Alkan
2.5	Chart by author, data and chart from Fang and Zhang (forthcoming)
3.1	Top illustration from Zheng (1995), bottom by author from discussion with Tsinghua students
3.2	Top and bottom photographs by author
3.3	Top and bottom photographs by author
3.4	Gaubatz (1995)
4.1	Wang (1999)
4.2	Top photographs from Wang (1999), bottom by author
4.3	Top and bottom photographs from Wang (1999)
4.4	Timeline prepared by author
4.5	Map provided by Beijing Municipal Planning Commission, amended by author
4.6	Left photograph from Wang (1999), right by author
4.7	Table data from Wang (1999), bottom photographs by author
4.8	Provided by the BFSC
4.9	Wang (1999)
4.10	Leaf (1995)
4.11	Photograph by author
4.12	Jones Lang Lasalle (2002)
5.1	Top and bottom photographs by author

5.2	Left illustration from Beijing Municipal Planning Commission (2002), right photograph by author.
5.3	Lu (1993)
5.4	Map provided by Beijing Municipal Planning Commission
5.5	Data and map from Beijing Municipal Planning Commission (2002)
5.6	Top illustration by Tsinghua University, bottom photograph by author
5.7	Map by Tsinghua University
5.8	Both photographs by author
5.9	Timeline prepared by author
5.10	Left graphic from magazine article, right photograph by author
5.11	Both photographs by author
6.1	From Dashilan competition entry
6.2	Both photographs by author

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