

Jie Guo: Reshaping Chinese Cities: Neoliberal Transition, Embedded Contestation, and Urban Renewal of Lanzhou

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Review by Michael Malzer

In her monograph on urban renewal in Lanzhou, the capital of China's northwestern Gansu province, Jie Guo analyzes the interplay between different stakeholders during the relocation of industrial enterprises from the urban core to the outskirts of the city. While studies on Chinese urbanization largely tend to be concerned with metropolises in eastern China (p. 267), and urban renewal is often only associated with the relocation of residential housing (p. 261), this study specifically focuses on industrial restructuring in an understudied second-tier city. Just as the rest of the country, Lanzhou has witnessed a rapid expansion of urban space in recent decades. However, Lanzhou's geographical location in a valley basin limits the natural growth of its core city (p. 155). Since the 1950s, Lanzhou had been developed as an industrial center and transportation hub (p. 148), and pollution by its industry was exacerbated by the limited airflow in the valley (p. 161). To free up land for residential and commercial development and to alleviate environmental problems, the city has relocated many of its factories to new Industrial Parks outside the valley (p. 164ff).

Guo's study is concerned with how global neoliberal discourses are selectively applied and integrated into the Chinese context and what impacts the resulting hybrid institutional system (partly neoliberal, partly authoritarian) has on urban governance (p. 16f). She suggests a research framework that aims to cover 1) macro-structural forces that shape the "rules of the game", 2) microphysics of governance that implement these rules on a local level, and 3) micro-practices of resistance and cooperation in local settings (p. 8). The author admits that social aspects (i.e. the relocation of factory workers) and bottom-up dynamics have largely been left out (p. 282f).

Guo's research is based on secondary literature, policy documents, statistical data and local news media items (p. 22). Unfortunately, the bibliography does not contain information on these Chinese language documents. While some weblinks are provided in footnotes, a more systematic approach to these sources would have been helpful. The author also conducted a few semi-structured interviews with stakeholders. However, these should have been contextualized more clearly.

After the introduction, the book contains four main chapters. The first two form the more theoretical part, whereas the latter two provide the actual empirical study on Lanzhou. Chapter 2 consists of a literature review and theoretical discussion, which focuses on institutional change theory and the role of neoliberalism in urban governance in general — without direct reference to China. Chapter 3 then

provides a general overview on China's institutional transition from a planned economy to a "socialist market economy" since the 1980s. This part includes some odd categorizations and wordings — e.g. a timeline which omits the years 1990 and 1991 without explanation (p. 104ff), or labeling the period 1949–1952 as "public oriented reform" (p. 112), to name just a few. It may also be mentioned that the whole book could have profited from more rigorous editing, so that mistakes like naming the well-known politician Zhao Ziyang "Zhang Ziyang" (p. 98) could have been avoided. Readers short on time may consider only skimming the first part of the book and skip directly to the empirical sections.

Chapter 4 starts with an overview of Lanzhou's geographical and historical background, with special focus on its role as an industrial city. It then analyzes urban renewal policies of the last two decades and highlights the methods by which the Lanzhou municipal government engaged in "entrepreneurial attempts" in order to share "the burden" of urban development with other actors (p. 178), namely by outsourcing administrative functions and conducting market-oriented strategies of land development and financing.

Chapter 5 then analyzes the interactions between stakeholders during industrial relocation projects. Guo successfully illustrates the complexity that arises when the municipal government, district governments, enterprises (some still state-owned and associated with higher-level governments) and real estate developers all pursue their own interests during the process of demolition, land transfer, redevelopment of original factory land and relocation of factories to Industrial Parks outside the core city. Case studies of two Lanzhou enterprises show that these interactions are multi-layered and context-dependent. One enterprise, which had to make way for a high-speed railway station, strongly supported relocation but kept tactically delaying the process until it negotiated a lucrative deal, which included redevelopment rights for its factory land, keeping most land-transfer fees, and obtaining special funds for technological upgrades as well as financial bonuses for its leadership. In return, it guaranteed a smooth relocation process and had to handle construction, redevelopment and employees' placement by itself (p. 246). Another enterprise, which had run into financial problems, was in a weaker position – it had to keep transferring parts of its land to developers to stay financially afloat, and requested the city government to assume all costs for redevelopment of its workers' residential area (p. 257). It then turned out that it could not handle relocation costs for its factory either, which delayed the whole process. Backed by the district government (which was under pressure to clear the area) it once again asked the municipal government for help. The latter managed to find a relocation site outside the city, and helped the enterprise get a bank loan and a joint-venture partner to complete relocation.

Guo finds that unlike during most residential relocations, actors are generally not opposed to urban renewal through industrial relocations. However, all stakeholders act in an entrepreneurial manner and attempt to maximize their financial profits

(p. 261). While the municipal government dominates the “game” of urban renewal (p. 264), it has to keep making tactical concessions to other actors in order to ensure a smooth relocation process (p. 233).

By focusing on industrial relocation in a second-tier city, this study provides a highly relevant contribution to the field of Chinese urbanization. Readers should ideally possess some background knowledge and not expect an introductory work to the field.

Michael Malzer
Wissenschaftlicher Mitarbeiter und Doktorand, Lehrstuhl für
Contemporary Chinese Studies; Julius-Maximilians-Universität
Würzburg
michael.malzer@uni-wuerzburg.de