Beyond Growth Machine Politics: Understanding State Politics and National Political Mandates in China’s Urban Redevelopment

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Abstract: Large-scale demolition has been ubiquitous in fast urbanising China. The politics of redevelopment is often seen as secondary, derived from and defined by local entrepreneurial governance. However, changing state politics, in particular national political mandates, has not been adequately addressed. Through examining variegated practices, this paper understands how the changing national political context affects or redefines local redevelopment projects. These cases reflect local responses to the national campaigns for rural vitalisation and “Beautiful China”, heritage preservation and “incremental regeneration” (weigaizao), and community participation in dilapidated neighbourhoods for a “harmonious society”. We find that these redevelopment projects are inherited from and associated with, but at the same time go beyond, growth machine politics. We argue that their motivations reflect a governance mode of “state entrepreneurialism” to achieve extra-economic objectives through market instruments, and that this illustrates geopolitics, especially the role of the national state in development politics.

Keywords: urban redevelopment, state politics, urban governance, state entrepreneurialism, China

Introduction
Chinese urban redevelopment has been characterised by ubiquitous demolition and relocation (Jiang et al. 2018; Shih 2017; Shin 2016; Wong et al. 2018; Wu et al. 2013; Zhang 2018). Redevelopment practices are variegated. For example,
in peri-urban areas of Beijing, the redevelopment of urban villages adopted the policies of “dispersing, regulating and upgrading” (Wong et al. 2018). Urban redevelopment and dispossession are often seen as an outcome of real estate interests and local entrepreneurialism (He and Wu 2005, 2009; Lin 2015; Shin 2009). The politics of redevelopment is often seen as secondary, derived from and defined by local entrepreneurial governance. Although the role of the state in the process of redevelopment is widely recognised (He 2019; Liu and Wong 2018; Shin 2016; Wu 2016), the actual state politics of urban redevelopment has not been adequately explored.

Since 2015 a new form of urban redevelopment, characterised by “micro” or “incremental” regeneration (weigaizao), has appeared and become a new trend of redevelopment. This form of redevelopment does not resort to wholesale demolition. Residents are retained after redevelopment. It is thus an in situ form of redevelopment without large-scale displacement (Shih 2017; Wang 2020; Wang and Wu 2019). Although the shift from large-scale renewal to incremental regeneration may reflect the maturity of Chinese urbanisation and increasing costs in land development, a series of campaigns launched by the state reinforces new state ethos under President Xi Jinping.

Following the recognition of geopolitics in urban development (Jonas 2020) and the imperative to theorise from the particularity of urban development politics (Robinson 2016), this paper examines three cases of redevelopment. The three cases adopt an “incremental” approach to redevelopment. But beyond the small-scale development, they all reflect the changing state ethos in Chinese urban development policy and politics. These projects are endorsed, directly or indirectly, by the national campaigns for preserving rural landscape (“Beautiful China”), recognising heritage value, and enhancing happiness and creating a “harmonious society”. Respectively, they have been formulated in response to the national political mandates in rural vitalisation, heritage preservation and community participation. Despite their connection with national policies, these projects are not implemented by the central government. This paper details the local contexts within which national political mandates are exerted and realised through the geopolitics of redevelopment.

Through this new incremental form of urban redevelopment, this paper tries to understand the underlying motivations of these projects. We pay attention not only to their development processes and market operation but also to national and local politics, in particular the roles of the state in urban redevelopment. In the remainder of this paper, we first briefly review the literature of urban redevelopment and then review the studies on urban redevelopment in China. In the section that follows we provide an in-depth analysis of three redevelopment projects. Then we compare and critically reflect on these redevelopments. Finally, we summarise the findings and conclude with an emphasis on the political considerations of redevelopment.

**The Politics of Urban Redevelopment**

*The Growth Machine*

Land-based interests form a growth machine to raise land value through the intensification of land uses (Logan and Molotch 1987). Besides the public policy
of slum clearance, redevelopment involves public–private partnerships and related growth coalitions in US cities (Gotham 2001). To finance redevelopment projects, business improvement districts (BIDS), tax increment financing (TIF) and development corporations are widely used (Weber 2010), reflecting the combination of neoliberal urban policies and financialisation (Christophers 2019; Weber 2010). Similarly, in East Asia, there is a “real estate turn” in urban politics (Shatkin 2017). Recent studies on urban redevelopment have further focused on financialisation (Guironnet et al. 2016; He 2019; Rutland 2010; Shatkin 2017; Wu 2021; Yang and Chang 2018). These studies reveal the structural context within which redevelopment projects are financed. Implicitly, the focus on financialisation tends to associate redevelopment with the actors in the real estate market and financial investors. An established tradition of growth coalition research regards the coalition of developers and local state entrepreneurs as the core explanatory entry point. This is understandable as the theory has been largely developed in the American context (Cochrane 2007; Jonas and Wilson 1999).

**State Politics**

The role of local entrepreneurs is particularly salient in the United States (Cox 2016). But in the UK and Europe, urban redevelopment programmes are also influenced by national politics (Cochrane 2020; Pinson 2020). Historically, such programmes have seen a “highly centralised polity” with “little scope for autonomous actions by local government” (Cochrane 2020:539). Urban (re)development and regeneration represent a “series of government-led but localised initiatives of one sort or another” (ibid.). This distinction is important as urban redevelopment is not confined within local entrepreneurial governance. Regarding the ideal type of the “entrepreneurial city”, Cochrane (2007:101) argues that:

> There is a danger that its mobilisation in the analysis of “entrepreneurialism” in practice may either lead to an exaggeration of the significance of some aspects of the process or to a dismissal of the extent to which particular experiences meet the template.

Instead, municipal statecraft includes diverse entrepreneurial forms: municipal speculation, place branding, and urban diplomacy (Lauermann 2018), which are created in the particular political economic context and by institutional configuration. What is significant is the discovery of an independent and intentional municipal agenda beyond real estate growth, as Lauermann (2018:212) argues:

> By separating (entrepreneurial) practices from (growth) logics, recent scholarship on the entrepreneurial city has described municipal strategies that operate in parallel with, rather than as derivations of, urban growth politics.

Such a distinction between intentional strategies and tactics is important, as Wu (2018a) argues in the Chinese context, reflecting the combination of “planning centrality and market instruments”. Related to urban redevelopment in China, He and Wu (2009) suggest that the practice reflects neoliberal urbanism. Following an entrepreneurial motivation (specifically “land finance”), the local state promotes large-scale urban regeneration. Hsing (2010) suggests that urban (re)
development has led to the “urbanisation of the state” because the local state has “territorial” interests in land development and public finance relies on land revenue. However, in terms of land development, investigating land mortgages reveals that the state’s interest is more in a developmental agenda rather than land profitability per se (Wu 2016, 2019).

Chinese urban governance increasingly goes beyond local entrepreneurialism (Wu 2021) and reflects geopolitics, especially at a larger city-regional scale (Jonas 2020). This has been becoming even more apparent under China’s leadership under President Xi Jinping since 2012. The redevelopment cases discussed in this paper are affected by this changing national political context. The national state exerts influence over redevelopment policy design and defines the overall political economic environment in which urban redevelopment projects are organised and implemented. Here, the context of urban redevelopment becomes particularly important. For example, Christophers (2019) stresses the “financial context” of austerity in which local government in the UK uses arms-length companies to build new homes. The “context” in the African “real estate frontier” is a particular postcolonial history of state land acquisition and urban planning:

State actors in Accra view real estate investment as a solution to a range of urban policy problems, including densification, beautification, employment generation, housing supply and infrastructural upgrading. It is for this reason that the state seeks to enable the growth of the private real estate sector by making litigation-free land available through urban redevelopment. (Gillespie 2020:611)

Rebutting financialisation as a determinant context, Robinson and Attuyer (2021) recognise the context of affordable housing delivery in urban redevelopment and hence state politics. Examining a mega urban regeneration project in the Old Oak Park Royal area in London, they refer to the state’s interests as the “territorialised politics” of urban development. Rather than thinking that regeneration is real estate and finance driven (i.e. the financialisation of urban redevelopment, as narrated in property-led redevelopment), these urban redevelopment mega projects reflect the state’s strategy to “extract value” in order to fulfil an agenda to deal with a crisis of affordable housing in London. These studies highlight diverse state motivations, agencies and strategies, to which we extend our review further in the global South.

**Beyond the Growth Machine**
The above review has already revealed the important context in which urban redevelopment is governed. Studies of the global South suggest the variegated role of the state. Ong (2011:6) argues that there is not “a single system of capitalist dominance” and that in Asian contexts there are varieties of state-centred “worlding practices”, including modelling and inter-referencing. These worlding practices are constitutive and intentional to “conjure up worlds beyond current conditions of urban living” (Ong 2011:13). For example, the Singapore model is regarded as an exemplar of the national state’s strategy to shape its global city. In contrast to the attention given to capital accumulation and machine politics,
Post-colonial critiques highlight the state’s ambition to build the world-class city (Goldman 2011), national renewal programmes and elite power (Doshi 2013, 2015; Ghertner 2014), and the extension of state authority (Weinstein 2013). Although the endeavour is often associated with neoliberalisation, capital accumulation and land value capture, building the world-class city is seen as a “political” as much as an economic endeavour through policy mobility, inter-referencing and “worlding practice” (Roy and Ong 2011). Doshi (2019) invoked the notion of “developmentalism” in her description of the “redevelopment state” in India, similar to the developmental state in East Asia (Waley 2016). On Indian urban renewal, Weinstein observed that “slum eviction demonstrates that demolitions are embedded in contestation over authority and sovereignty in the governance of the Indian city” (2013:285) and that “violent evictions serve to communicate to local power brokers and to the city’s business community, as well as to non-local investors, that the state possesses the authority over these spaces and could carry out redevelopment if it chose to” (2013:304). In these cases, demolition is not necessarily for making a profit in real-estate development but rather is initiated out of political considerations. Urban renewal may be motivated by the state’s strategy to exert its authority over governance (Weinstein 2013) and its vision to build world-class cities (Goldman 2011), alongside ethnic segregation and religious divisions (Doshi 2013, 2015), through extra-economic means (Ghertner 2014). In Accra, Ghana, Gillespie (2020) identified the dynamics of urban redevelopment as state-led accumulation by dispossession which is a strategic response to enclose the urban commons and expel the informal poor. The study therefore stresses state politics rather than a fix for capital accumulation.

From the perspective of the politics of redevelopment, “speculative urbanism” (Goldman 2011) is not actually about property speculation. Similarly, building world-class cities is not simply a matter of place promotion and branding as featured in urban entrepreneurialism. Underlying these urban renewal programmes is the politics of redevelopment. This is a mission to speculate on urban futures through policy intervention (although it is often in alignment with the ethos of neoliberalism). In this context we observe land speculation and active dispossession in the process of urban redevelopment (Shin 2016). But we can also see other forms of redevelopment. The strong intervention of the state in urban redevelopment in East Asia (Waley 2016; Wang and Wu 2019; Wu 2016), complex politics and the “gentrified state” in postcolonial South Asia (Ghertner 2014; Goldman 2011; Weinstein 2013), as well as downward raiding through the sale of state-subsidised houses in South Africa (Lemanski 2014), state land acquisition during land commodification in Ghana, Africa (Gillespie 2020) and state-led gentrification by demolition in post-Soviet cities (Valiyev and Wallwork 2019), present a strong state-centred politics of redevelopment, in sharp contrast to the “absent state” in gentrification in Athens (Alexandria 2018). These studies thus bring back the need to focus on the politics of redevelopment to rethink the role of the state and the specific form of politics.

In sum, although the existing literature acknowledges that the state has diverse motivations and intentions, which are not necessarily bounded within real estate interests, the contextual particularity is important regarding the extent and forms of state politics.
Urban Redevelopment under State Entrepreneurialism in China

From Large-Scale Property-Led Redevelopment to Incremental Regeneration

China’s urban redevelopment started with dilapidated housing renewal in the 1980s (Shin 2009). In the 1990s, redevelopment was “to fight urban blights by improving housing conditions and infrastructure” (He 2019:29). Displacement was not a prominent feature until the introduction of “property-led redevelopment” in the late 1990s (He and Wu 2009). Thereafter, through a neoliberal experiment with the active participation of private developers, redevelopment was characterised by demolition, aestheticisation, relocation and real estate profit-making (He 2019; He and Wu 2009). Property-led, large-scale redevelopment has been extensively studied in the China literature.

Social tensions alongside demolition escalated in the 2000s when house prices soared (Shin 2013; Zhang 2018). In order to facilitate real estate projects while maintaining social stability, the central government required a slowing down of the pace of demolition and strengthened the regulation of redevelopment by requiring proper compensation for relocated residents (Shih 2017). China has begun to experiment with in situ redevelopment to avoid relocation (Shih 2017; Wang 2020; Wang and Wu 2019). Incremental adjustment by existing users aims to partially modify the built environment and land uses. Since the global financial crisis in 2008, urban redevelopment has been given a new task of boosting investment and has been linked to economic transition (He 2019; Wu 2016, 2021). Since 2015 urban renewal has focused on shantytown redevelopment (He 2019). But the redevelopment of dilapidated housing is associated with managing the financial risks of unsold housing in smaller cities.

With the increasing cost of compensation and continuing efforts to protect farmland, the renewal of brownfield land has become a priority. But at the same time, consciousness of the value of heritage and environmental quality together with public resistance towards large-scale demolition has transformed the approach to urban redevelopment.

The Chinese history of urban redevelopment reveals that state politics has always been present and that the motivation of the state to initiate redevelopment is complex and not confined within land profiting and real estate speculation. Indeed, in the 1990s when the source of development finance was constrained, the state permitted or even encouraged large-scale demolition in order to generate profit for urban renewal (as seen in Xintiandi in Shanghai and Liede village in Guangzhou) (Wu et al. 2013). However, the new approach of “incremental regeneration” demonstrates a broad process of urban restructuring, diverse motivations and complex state politics.

State Politics under State Entrepreneurialism

The existing literature identifies the visible role of the state in urban redevelopment (Guo et al. 2018; Shin 2016; Wu 2016). First, the state plays a dominant role in the process of urban redevelopment, which is visible in industrial
upgrading and high-tech development (Wu 2016; Zhang and Wu 2019), formalisation of the property rights of urban villages (Lin 2015; Liu and Wong, 2018), and major urban development projects (Jiang et al. 2018; Robinson et al. 2020; Zhang 2018), planning policies (Wong et al. 2018; Wu 2015), and environmental governance (Zhang and Wu 2021).

Second, the state is not only involved in redevelopment but also intervenes through redevelopment programmes. Since 2012, the new leadership in China has introduced a new political ethos that downplays intercity competition and revenue generation and redefines urban redevelopment strategies. These redevelopment programmes reflect “state entrepreneurialism” which stresses “planning centrality”, while market instruments such as the property market are used to achieve the intentional political aim (Wu 2018a). This shift means that urban redevelopment no longer adopts property-led redevelopment, which is influenced by rising political considerations. Urban governance in general has witnessed some changes. For example, the management of street vending has transformed from clearance and revanchism to a more ambivalent form through spatial planning and designated places for street markets (Huang et al. 2014). Market-oriented “pragmatism” has receded, and state strategies have begun to occupy a more prominent role in policy agendas (Huang et al. 2019; Wu 2021). Redevelopment involves more state and social actors (Lin 2015). As a result, urban redevelopment is a political operation rather than a real estate project.

In the new phase of urban redevelopment, development did not create “the delineation of land property rights” through property development (Lin 2015:865). Thus, redevelopment politics goes beyond local entrepreneurialism. Lin (2015:884) reminds us that:

By focusing on the reaction of villagers as a victimised segment of society standing up to an allegedly greedy and powerful authoritarian state, we could easily lose sight of the sophisticated interactions between state and society.

Guo et al. (2018) noted that the growth machine had been “de-activated”. The redevelopment project is now an urban beautification initiative. However, beautification should not be simply regarded as “place promotion”. In China, it is a political task to show the image of the city or achievement in office. Here, sanjiu redevelopment is operated as a “three-pronged principle of government guidance, villagers’ decision and developers’ participation” (Guo et al. 2018: 1430). The developer participates as a builder rather than a decision-maker. Logan (2018:1379) also predicts the decline of local entrepreneurialism in China because:

In the longer run, though, the city government had a stronger interest in limiting residential densities and balancing growth in different sectors of the city, so its post-Games policy was to de-activate such village-level growth machines.

**National Political Mandates**

Political considerations other than profiting from village land are salient in urban redevelopment. These considerations are wide ranging, for example, to use
existing land efficiently rather than occupying more farmland in the interests of national food security, environmental sustainability and social stability (Lin 2015). The central government initiated a series of campaign-style guidelines; these guidelines are often quite general without detailed implementation commands. Sometimes they are expressed as slogans, propositions and principles. In short, they are regarded as “national political mandates”. Here we discuss some mandates related to urban redevelopment.

[i] Rural Vitalisation: The new phase of urban redevelopment aims to promote economic upgrading rather than real estate profitability. Wu (2016) noted that the redevelopment of some old neighbourhoods in Shanghai was driven by “state-sanctioned development projects” for rebuilding offices and high-tech parks. These projects are not “sporadic” residential changes. Neither are they real estate developments sponsored by the state. Such projects reflect a new state strategy to shift towards higher value-added industries and to upgrade economic structure. Moreover, the underlying politics of redevelopment might be more “strategic” than capturing land values, which is referred to as a “global urban strategy” (Smith 2002). One important aspect is rural vitalisation, which can be the improvement of the living environment, the preservation of the rural landscape (“Beautiful China”) or the upgrading of the rural economy (for example promoting tourism). As can be seen in a later case, this justifies preserving rather than demolishing rural vernacular housing.

[ii] Heritage Preservation: The new phase of urban redevelopment has to give greater consideration to heritage, culture and preservation. The preservation of traditional building style may not be due to property development and gentrification. Ren examined the renewal of hutong (alleyway) housing in old Beijing and argued that the “prevailing conceptualisation of “gentrification” privileges particular forms of economy over others” (2015:339) and thus “limits the possibility for developing new theoretical insights from empirical work in these places” (2015:340). Besides the initial need for the government to sort out the housing shortage, cultural preservation policy is a key driver for hutong renovation in Beijing. Tan and Altrock (2016) reveal that local residents and media managed to present inner-city neighbourhoods in Guangzhou as an important heritage. The discourse of cultural preservation forced the government to change its redevelopment approaches and plans (Wang and Aoki 2019).

[iii] Community Participation: The new phase of urban redevelopment represents the political task of achieving a greater urban order (removal of informality and “beautification”) (Huang et al. 2014; Wu et al. 2013). Similar to the governance of street vendors (Huang et al. 2019), urban renewal is a rehabilitation of the built environment (Shin 2016; Wang 2020). Hence, the political intention is not secondary but rather can be the primary consideration. To enhance social governance and residents’ “happiness”, community participation is encouraged. The provision of public facilities in dilapidated neighbourhoods requires mediation of the conflicting interests of residents and thus demands community participation.

In short, China has now seen a “new” politics beyond the growth machine. Although many projects are actually carried out by developers, urban
redevelopment is influenced by strengthened state politics, especially national political mandates. With the increasing capacity of the central government to sanction local government officials, the local government has to align its development practice with central government policies. This means that redevelopment initiatives cannot just be based on profit calculation. While the local government has to consider the financial feasibility and profitability of the real estate market, the national political mandate increasingly determines the nature of the project.

As the later cases show, redevelopment projects are no longer simply profit-making real estate projects. Rather, they have been initiated as an alternative strategy to replace the earlier failure of property-led redevelopment (He and Wu 2009; Jiang et al. 2018; Wang et al. 2021). Faced with the reality of social contest and financial risks, the national political mandate shifted from large-scale demolition to incremental regeneration. In this paper, we will demonstrate three major political mandates related to urban redevelopment: rural vitalisation, heritage preservation and community participation. Although the practices are variegated in these cities, they all demonstrate a particular mandate with which the respective local government strives to demonstrate their alignment.

**Methodology**

This research adopts a broad methodology of comparative urban studies, aiming to “theorise from elsewhere” (Robinson 2016). Practically, we do not deliberately choose a case to fit in the theory of “property-led redevelopment”. Because weigaizao is a new programme, we asked our local collaborators to recommend current redevelopment projects in their cities that reflect the “new” practices of redevelopment. Except for the criterion of weigaizao, we did not set a requirement for location, scale or funding sources. These are on-going, “live” projects that are deemed the most “interesting” to local researchers and planners, no matter whether they are controversial, receiving either praise or criticism. We selected one redevelopment project each from Wuhan, Guangzhou and Nanjing, the capital cities of three provinces. The selection is therefore not random. We applied a generic purposive sampling approach, which is a relatively open-ended process of data collection, emphasising the generation of concepts and theories (Bryman 2016:422–423). But these projects are certainly not unique. The case of Huajin, for example, represents similar “dilapidated estates” in the area. The development history might be specific, but these projects do generally reflect broad changes in rural village improvement in Jiangsu province, housing estate renewal in the “reserved area” in Wuhan and sanjiu redevelopment in Guangzhou. Fieldworks were carried out between 2016 and 2019, but most intensively in 2017 and 2018. In one of the cities a focus group meeting was organised, with the participation of local officials, urban planners, local community cadres and residents. In total, 44 stakeholders were interviewed (Nanjing, n = 13; Guangzhou, n = 16; Wuhan, n = 15). In addition to formal interviews, we had a chance to revisit the sites through a study trip organised alongside the continuing professional training of local regeneration officers, which enabled us to capture the official discourse of these projects in addition to our groundwork.
New Practices of “Incremental Regeneration”

Rural Vitalisation

Rural land encroachment has been a salient feature in Chinese peri-urban areas. But the recent national campaign for better environmental quality and rural vitalisation through regeneration has dismantled the stability of peripheral areas. The Long-Life Village is located in Nanjing, the capital of Jiangsu province. At the foot of Laoshan mountain and adjacent to the national park and Xiangshan lake, this small scenic village used to have about 39 rural families. Since 2011, this small village has been redeveloped into a holiday resort. The original village houses have been preserved and refurbished, and more vernacular-style houses have been built to enhance the traditional Chinese style of rural village. The original design was to build a luxury “Aman Resort” to entertain business elites and government officials.

This could have been a typical story of tourist redevelopment under entrepreneurial governance and displacement. However, in 2012, the central government under President Xi Jinping launched an anti-corruption campaign. Under the new “eight rules”, government officials are not allowed to use public funds for consumption in holiday resorts. The plan was abandoned. The original investor left the project. The officer in the District Planning Office explained the dilemma as “riding the tiger”:

The policy is a great blow on the Long-Life Village. The investor abandoned the project. We thought, “Now this is really a mess. How can we deal with this mess?” Shortly after in 2013, the central government promulgated another policy to construct the beautiful countryside. We then responded to the call of President Xi and adjusted our project to align with the central government policy. The project has been adjusted to follow this direction. (Interview, 13 December 2017)

In order to rescue the project, the sub-district office turned the real estate project into a political mission. As explained, in 2013 the new Chinese leadership under President Xi Jinping initiated the programme of “Beautiful China”, which stresses the preservation of rural landscapes. The new ethos reflects the change of “national political context”. The sub-district government took this chance to enlist the village in the programme of Jiangsu province within the national campaign of village improvement. The project has been rebranded as one to improve the living environment of rural villages and preserve rural landscapes for enhancing “ecological civilization” (Zhang and Wu 2021). The project was thus turned into a village improvement programme.

With this shift, the sub-district government was allowed to use public funds to partially cover previous investment. On average, the government funded 50 million Yuan per village. Some villages received funding of up to 200 million Yuan (Interview, 13 December 2017). The Long-Life Village managed to be listed as one of the “Ten Pearls” (villages) of Pukou district. However, the profit then barely covered the operational cost (Interview, District Planning Officer, 13 December 2017). The project did not generate the promised dividends for villagers:

There are just several business operators paying rents and the government has spent a large amount of money on compensation and redevelopment. How can it make profits? The government just bamboozles [huyou] us. (Interview, Villager, 11 December 2017)
In short, the Long-Life Village is a programme initiated and funded by the government. The project is managed by a public–private partnership. The village has been partially preserved and partially refurbished and rebuilt. The whole village has only one planning permit for redevelopment. As explained by the planner of this project:

The individual houses do not have property deeds and thus cannot be sold. The land ownership belongs to the collectives of rural farmers; and the land use right is managed by the partnership [between developer and land owners]. The operational right is under the shop owners who rent the properties from the partnership.

This redevelopment is thus not a real estate project to develop properties in the rural area for sale. Because of the real estate failure, the local government had to substitute the investor to fund this project and align it with central government policy.

**Heritage Preservation**

The demolition of traditional neighbourhoods has been criticised in the media and contested by local residents (Wang et al. 2021). Although cities like Beijing promulgated cultural heritage zones (Ren 2015), in reality the impetus of real estate development has often breached formal regulation. At the same time the value of heritage is being recognised, partly because it helps to promote tourism and consumption (Tan and Altrock 2016) but more because the new national political mandate requires respecting Chinese culture. The case in Guangzhou represents this transition. Yongqingfang is located in the area of Enning Road. In the past, the area was known for *xiguan* culture and bustling shopping arcades built in the traditional style of *qilou* in Southern China. Yongqingfang is a residential quarter with old houses. About 7,000 square metres of the floor space of its buildings have been renewed. It was the first *weigaizao* project in Guangzhou, marking a new stage of urban redevelopment beyond demolition.

The redevelopment of Yongqingfang avoided large-scale demolition because of strong public resistance towards earlier demolition in the Enning Road area (Tan and Altrock 2016) and rising awareness of the value of historical buildings. Initiated in 2006, the redevelopment plan for Enning Road aimed to demolish the entire area. But because the plan encountered contestation over the standard of compensation and criticism for destroying traditional styles of arcades and housing, the redevelopment project became deadlocked. Indeed, the whole area became a site of “ruins”, as a resident in a nearby place called Bantang Wuyue remarks: “Facilities disappeared. In the night, mice run everywhere. It’s scaring. We are looking forward to demolition just as the poor people waited for the Liberation Army!” (Interview, 20 April 2019). One director of the district renewal division pointed out the urgency to find a breakthrough:

After ten years’ deadlock, people believe the Enning Road is a negative example [of urban redevelopment]. If the Enning Road stayed in this condition and the government did not find a new method, these historical neighbourhoods would gradually become dilapidated and decline. (Interview, 20 December 2017)
An officer in the bureau of urban renewal explains:

Regeneration of old Guangzhou is a tough and challenging task. As a pilot site, Yongqingfang is a small-scale project to test “incremental regeneration”. The principle of “xiujiu rujiu” [renovating old buildings to preserve their original styles]. (Interview, 24 November 2017)

In addition to the mandate of heritage preservation, the project also benefited from another national policy promoting “mass entrepreneurship and mass innovation” (dazhong chuangxin). The project has opened up a space to host “mass entrepreneurs” and small businesses and has transformed the place from a traditional residential area into a quarter of cultural and creative industries.

The objective of incremental regeneration here is not to generate land revenue but rather to deal with the “mess” created by previous large-scale demolition. To implement the project, the Liwan District government found Vanke, the largest property developer in China. The Guangzhou branch wanted to take over this task and prepared a redevelopment proposal to fulfil the vision of xiujiu rujiu. After approval from the district government, Vanke entered a partnership with the government to operate this project, based on “build–operate–transfer” (BOT).

Vanke invested about 100 million Yuan in the project and renovated 49 houses, restored two historical and cultural relics, and removed one thousand square metres of illegal constructions (Interview, Project Officer, 1 February 2018). The redevelopment project created office space for creative start-ups, exhibition halls, training and studio apartments. The textures of the historical areas and buildings have been preserved. Within the quarter, public space has been expanded and renovated. The infrastructure has been improved. However, some residents complained that the project disturbed their life:

The workers started to work whenever they wanted. The noise was terribly loud and there was a pungent paint smell. It is harmful to my granddaughter. (Interview, 18 December 2017)

The governance model of Yongqingfang is one “guided by the government and operated by the developer” (Wang et al. 2021). The district government owns the assets (the land and properties including public housing) and promulgated two guidelines, one for restoration and construction activities and the other for commercial activities. They forbid demolition and changing the architectural style and require that business tenants should be in cultural and creative industries in addition to light catering such as cafes and small restaurants.

Community Participation

The new practice of urban redevelopment has begun to pay more attention to social development and neighbourhood governance besides improvement of the built environment. In so-called “dilapidated neighbourhoods” which were mainly built during the socialist period or in the 1980s or early 1990s (Wu 2018b), redevelopment adopted an approach of rehabilitation to improve the quality of life as well as enhancing residents’ “happiness”. Community participation is regarded as
an important means to achieve these objectives. Rehabilitation projects are often accompanied by social mobilisation to secure neighbourhood social contacts. The redevelopment project thus has a clearer intention to enhance the governance capacities of the state.

Huajin is a mixed community in the southern Wuchang District of Wuhan. Built in 1999, the estate occupies 61 hectares and has four different types of residential blocks, comprising work-unit housing, affordable housing and commodity housing. From 2003, the shequ office (community centre) was established by consolidating previous small residents’ associations into a large office served by professional social workers. As a planned residential area, Huajin was built with a modest plot ratio ranging from 1.5 to 1.8. Over 35% is green space. However, the estate quickly deteriorated, because of the lack of maintenance and inappropriate uses (e.g. parking on the grass). Some residents even cultivated vegetables in the neighbourhood garden. Car parking became a major issue because, as with other estates built in the 1990s, parking space was not included. Because the multi-storey residential buildings have a rather decent quality, it is not possible to demolish them and rebuild. The area is also not scheduled for large-scale renewal. Rather, Huajin became the first case of “incremental regeneration” in Wuhan. The redevelopment of Huajin started from a political consideration. Wuchang district government launched the “Happy Community Campaign” in 2017. The district government is keen to raise the quality of the living environment, including public services and facilities. This requires a new way of incremental redevelopment through enhanced service provision and governance. As the planner responsible for Huajin redevelopment explains:

So, the task was given to the planning bureau. Initially, we just prepared the redevelopment plan and submitted it to the district planning bureau. However, when we were brought to the place, we found it was not what they wanted. The government wanted to combine neighbourhood governance and infrastructure improvement. The Street Office gave money to the shequ to improve residential quality and governance capacity. (Interview, 8 December 2018)

The motivation to launch urban renewal as social mobilisation changes the process of plan-making and redevelopment. After Huajin was selected as one of three pilot sites 20 residents were appointed as “neighbourhood planners”. The urban redevelopment project thus introduced a “neighbourhood plan”, a relatively new concept in China. The planning team at Wuhan University was asked to lead neighbourhood planning and, together with the sub-district office, organised ten workshops. The capable party secretary in the neighbourhood played a key role in mobilising resident activists. Since her appointment, she has been able to coordinate three major governance components—the homeowners’ association, the property management company and the residents’ committee. To the neighbourhood, the redevelopment project has brought some pride:

We were so lucky this time, as all other neighbourhoods added together did not get as much funding as we did. We got a total of 9.22 million Yuan; So we had no problem with the budget; all are allocated. (Interview, Party Secretary, 26 December 2017)
The redevelopment project has been achieved through public participation and social mobilisation. The project of urban renewal thus has dual objectives:

We should combine the government initiative with residents’ participation. We have to integrate “community building” and *qunzhong luxian* [mass mobilisation]. In the past, we had a problem: “The government paid the bill; *laobaixing* [ordinary people] were not satisfied.” The government didn’t really know what local people wanted. Then, the government money was not used efficiently. Now we need to truly realise community co-building through the project of urban renewal. (Interview, Party Secretary, 26 December 2017)

While redevelopment projects mobilise community participation, the renewal of dilapidated neighbourhoods is more complicated. For example, even a simple project to add elevators to old multi-storey buildings generated different opinions. Families without elderly people and ground-floor or first-floor residents disagree because the elevator may block the view or the ventilation (Interview, Municipal Urban Planner, 10 December 2018). The incremental regeneration project is now mainly funded by the government. The conflicting interests in urban redevelopment require a more participatory governance. This incremental regeneration thus involves social transformation.

In short, although large-scale urban redevelopment has been prevalent in Wuhan, this project, similar to many other incremental regenerations, does not intend to demolish existing buildings and convert the land into more profitable uses. Underlying the project is a political consideration to achieve neighbourhood governance through renovating dilapidated neighbourhoods (Wu 2018b). The government funded the project, while the planning process was deliberately more participatory than other real estate projects.

The Implementation of National Political Mandates

In this section, we compare these projects to show how national political mandates have been implemented. First and foremost, national mandates reflect a shift of state ethos and geopolitics. These redevelopment projects depart from the earlier endeavour of real estate–driven entrepreneurial governance. This shift is in practice produced due to the failure of real estate development but it also reflects the change in the national political environment. The Long-Life Village originated from rural tourist gentrification but has been turned into village improvement rather than dispossession. Yongqingfang tried to break the deadlock of demolition and resistance and found a new ethos of housing as heritage. In the earlier stage the project would still possibly have been framed as culture-led or heritage-led gentrification. However, although the project inherited earlier conditions of relocation, it has gained additional consideration because preservation is now politically approved. Job creation and innovation are promoted as new objectives in Yongqingfang. Huajin differs entirely from earlier land finance and gentrification projects and focuses on refurbishment without relocation. The government funded the project to promote social mobilisation and neighbourhood cohesion. To understand the underlying motivations of these redevelopment projects, we
need to comprehend the changing political context of redevelopment beside market-driven real estate and entrepreneurial governance.

Second, so called incremental regeneration is related to multiple national political mandates, regarding rural vitalisation, ecological civilisation (Zhang and Wu 2021) and rural landscapes, heritage protection and a harmonious society. Some projects may hook onto a specific mandate, but all reflect intentional state politics. All three projects could be loosely branded as “incremental regeneration”, which is different from large-scale demolition and dispossession. But the actual form of redevelopment varies significantly. In terms of the scale of redevelopment, these projects range from partial refurbishment in the Long-Life Village, to on-site restoration in Yongqingfang, and renovation of the community garden and public spaces, roads and square, as well as leisure and parking facilities, in Huajin. Demolition could have been carried out before these projects started. However, these projects, in terms of justification and implementation, deliberately avoided residential relocation. Even when relocation occurred, residents were resettled nearby and “generously” compensated. Indeed, in order to follow the mandate, these projects are against profitability and compensation for original residents is not aimed at cost saving. The government even leverages its own resources, which reflects a form of developmentalism under fiscal expansion (Wu 2021).

Third, these projects have been driven not just by the market or the state. The developers are the builders of these projects, but funding sources came from state agencies, state-owned enterprises or partnerships. In the Long-Life Village, the state set up the development corporation and used public and private partnership. Yongqingfang solicited Vanke, a private sector developer, to carry out BOT. Huajin contracted the design task to a university planning institute and mobilised local office and “neighbourhood planners” as agents of the state. None of these projects could be characterised as “property-led” redevelopment, as even though the projects have been operated by property developers, they have not been the sole actors in this process. In terms of governance structure, the Long-Life Village is operated by a state-owned enterprise, but was initiated by Pukou district government; Yongqingfang was initiated by Liwan district government but is operated by Vanke; and Huajin again was initiated by the Wuchang district government but is organised by the community and street office. The market actors are not decision makers in redevelopment, although they have some discretion in making actual development deals and their interests are accommodated by the state.

Fourth, changing national politics, campaigns and mandates affect and determine the viability of these projects. In other words, these projects reflect the role of state politics and in particular “planning centrality” in redevelopment (Wu 2018a). The Long-Life Village had to adapt its business plan as political elites were no longer their customers because of the anti-corruption campaign; Yongqingfang saw a new opportunity because of a sudden campaign to “foster innovation and entrepreneurs”; and Huajin had access to generous government funding because of the “Happy Community” campaign. These are all national campaigns. The central government sets the rationale for redevelopment, while local agents mobilise market instruments to respond to these initiatives.
Fifth, the national political mandate does not specify the concrete method of implementation and permits institutional informality and innovations. For example, in terms of property rights, the Long-Life Village did not acquire farmers’ land and rather gained only the “development rights” (actual use) of their land. In other words, the project “rents” villagers’ land and thus cannot create property for sale. Consequently, no property transactions were made. It is revealing that stronger political mandates actually led to greater informality of property rights. Yongqingfang managed to use public housing for regeneration to create innovation space and transferred the building and operation to the property developer. The property rights of the remaining residents were not affected. The municipal government owns the land and does not transfer the rights to the developer. Huajin adaptively used the existing structure of neighbourhood governance and strengthened the coordination between the official organisation (residents’ committee), the market (property management company), and residents (homeowners’ association) and absorbed them into property renovation. Governance is not achieved through market-oriented property management but rather through overall coordination led by the party secretary.

In short, although these redevelopment practices fall under the notion of incremental regeneration, they have brought significant changes to the neighbourhoods. The Long-Life Village transformed rural areas into a holiday resort for urban residents while retaining vernacular rural housing styles. Yongqingfang changed from residential uses to an office and creative industrial space with mixed uses. Huajin remains a residential neighbourhood. However, its governance has been consolidated. Residential blocks are more integrated and the public facilities are managed by the community. The level of change also reflects that these projects could not be achieved through real estate projects. They combined residential development and social changes through wider political strategies and state politics.

**Conclusion**

This paper has examined variegated practices of incremental regeneration in China and reveals the importance of state politics in urban redevelopment. We find that the changing national political mandate has redefined the redevelopment agenda. Although redevelopment projects were locally initiated and are subject to relevant economic and sociocultural conditions, such as land profitability, redevelopment is not determined by growth machine politics. Rather, these projects have been realigned to respond to the new mandate of the central government. The paper contributes to the understanding of China’s urban redevelopment through stressing the contextual particularity (Robinson 2016), in particular the role of national political mandates and geopolitics of urban redevelopment (Jonas 2020). Following Foucault’s proposition that “sovereignty capitalises a territory”, Ong (2011) suggests that Asian cities are a site of state policy experimentation. Here, we stress that political considerations now occupy a central position in China’s redevelopment agendas, departing from the previous approach dominated by the motivation of profit generation. As a new geopolitics prevails, the role of the state becomes more
intentional and visible, consisting of the national political mandate and local alignment with the policies of the central government. In contrast, the impetus of the growth machine is only for project implementation. The paper has two theoretical implications. First, the paper reflects the limits to neoliberalism in recent Chinese urban redevelopment. As Parnell and Robinson argue, there is a “the variety of processes other than neoliberalisation that are shaping cities” and “these need to be taken more seriously in their own right—i.e. that the range of urban processes shaping a diversity of urban contexts needs to be thought of as more than just contributing to the hybridisation of urban neoliberalism” (2012:594). They argue that “the importance of the state in urban development is underscored”, which “requires us to take the autonomous logics of state formation and intervention as an adequate starting point for analysis, rather than seeing state actions as necessarily tied to the dynamics of capitalist accumulation” (Parnell and Robinson 2012:597). Here, the autonomous logic of state intervention is its intentional state politics and mandates. As shown in these cases, village redevelopment and rural revitalisation, heritage protection and incremental regeneration, and community participation in improving the dilapidated neighbourhood have to consider multiple political mandates. These projects inherited the legacies of market-driven development before they were relaunched. The failure of earlier market development and increasing social contests meant that it was impossible to continue revenue maximisation tactics under entrepreneurial governance. With the increasing discourse of neighbourhood cohesion and “happiness”, the urban redevelopment approach is defined by the particular political contexts in today’s China. National political mandates reflect a shift of state ethos from large-scale demolition to incremental regeneration.

Second, rather than using growth machine politics and entrepreneurial governance as a framing device or following the thesis of a wider critique of neoliberalism, this paper interrogates the specific features of state politics in China. While the role of the state in urban redevelopment has been widely recognised (for example, the East Asian developmental state [Waley 2016]; a redevelopmental state in India [Doshi 2019]; and British local states in deal making with real estate developers [Christophers 2019; Robinson and Attuyer 2021]), the particularity of Chinese state politics matters. For example, in the London case, the local state had to negotiate or make concessions in order to extract land value from redevelopment to finance affordable housing and key infrastructure (Robinson and Attuyer 2021). Operating in a centralised fiscal regime in the UK, the local state, on the other hand, engages with a wide range of real estate actors and communities. The local state simultaneously confronts fiscal austerity (Christophers 2019) and the pressures of social mobilisation (Robinson and Attuyer 2021). In comparison, the authority of the Chinese central government is much stronger, while in project implementation a greater discretionary space of manoeuvre is available for local governments. The Chinese local state is able to deploy various devices of entrepreneurial governance while following the national political mandate (Wu 2018a, 2021).

The “autonomous logic” of the state (Parnell and Robinson 2012) or “state sovereignty” (Ong 2011) is not necessarily confined within revenue generation and maximisation, as shown in London (Robinson and Attuyer 2021) but even more so in China or other places with different “business models” (Robinson...
et al. 2020). As the Chinese cases show, the shift to incremental regeneration may be invoked by the failure of real estate projects or the crisis of displacement and mounting social conflicts (Shin 2013), but also by the changing state ethos and geopolitics. Here we need to situate urban redevelopment in concrete state politics and pay more attention to the campaign-style mandate. As Robinson et al. (2020) illustrate, there may be different models of financing large-scale development in different localities, not all resulting from a process of financialisation. Here, to understand incremental regeneration we need to understand the particularity of Chinese politics, which is quite different from the particularity that gives birth to the entrepreneurial city in the West.

Incremental regeneration in China demonstrates not only the slow pace and gradual modification of the built environment but also a new relationship between the state, capital and communities. While the capacity of local governments is still constrained by the need to resort to various new market tools (e.g. public–private partnerships), these projects have to consider politics more seriously and adapt their redevelopment practices to the central government’s policies. Urban redevelopment is a task that must be done even if it may not generate economic benefits. From these cases, we have seen that the motivation of these urban redevelopment projects is complex and mixed, reflecting a governance mode of “state entrepreneurialism” (Wu 2018a) to achieve extra-economic objectives through a wide range of market or non-market means (Ghertner 2014; Wu 2020, 2021). Neither is this an authoritarian regime that resorts to direct administrative intervention. The new approach requires local agencies to implement state strategies by understanding the national political mandate. Incremental regeneration reveals a whole different geopolitical dynamic that is quite particular to China: the strong central government.

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