

14 Suburban Development and Governance in China

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Introduction

Rather than seeing Chinese "suburbs" as following and replicating the process of middle-class suburbanization in the Western economies, in keeping with the focus of this section on "emerging modalities" in the Global South, we adopt a historical perspective, viewing Chinese suburbs in terms of the various political-economic stages they have gone through. We begin this analysis by examining how the suburb exemplifies both the suburbanization of the central city and the urbanization of the rural areas that surround the mega-cities (see McGee's chapter 15 in this volume).

In the context of Western Europe and North America, the *suburb* is a type of settlement, while suburban *governance* exhibits distinctive forms of governance and political tensions. The traditional suburb is often depicted as a "middle-class residential enclave" (Harris & Larkham, 1999: 6), characterized by low-density but uniform residential developments. Postwar mass suburbanization was often associated with the classic growth-machine politics built around land interests (Logan & Molotch, 1987). Recently, however, the emergence of post-suburban developments has raised new issues related to governing suburban growth, including the tension between growth and provision for collective consumption; growth and conservation; and the pressures for governmental secession and amalgamation (Phelps, Wood, & Valler, 2010).

The evolution of Chinese suburbs follows a different trajectory. In the pre-reform era, except for satellite towns built to accommodate industrial development, peri-urban developments were almost unknown. As market-oriented reform gave rise to rapid outward urban expansion

and radical changes on the urban edge (Zhou & Ma, 2000), this transition produced an emerging suburban morphology, economy, and governance that are quite different from Western examples. The heterogeneity of the Chinese suburbs has been widely noted. At the leading edge of contemporary urbanization, nearly all kinds of capital and people have come to congregate on the urban periphery. Because of a unique land system that divides urban and rural land, the suburbs have also experienced both formal and informal development (Deng & Huang, 2004). High-end gated communities, apartment developments for the working class, migrant villages all coexist in the suburbs (Zhou & Logan, 2008).

This chapter investigates the question of governance in China's suburbanization process. While applying the framework of modalities of suburban governance developed by Ekers, Hamel, and Keil (2012), we first highlight the heterogeneous character of Chinese suburban development and examine how different types of development are created by different governance modalities. The remainder of the paper is organized as follows: First, we reflect on some key terms in order to stress that their meaning varies in different geographical contexts. Then we review the stages of suburban development. Third, we discuss various modalities of suburban governance. This discussion is followed by an analysis of different types of development – both formal and informal – and their respective spatial forms and governance issues. Finally, the conclusion suggests that while fragmented spatial forms in the suburbs represent different combinations of modalities, they are fundamentally rooted in a key component of the political economy of post-reform territorial development in China – the goal of generating land revenue for local governments.

Conceptual Issues

First, “suburb” here generally refers to the periphery of the city or built-up area proper. In this sense, the use is interchangeable with “peri-urban area,” a term widely used in development studies to examine land rights and slum settlements in developing countries. However, in China as in other densely populated East and Southeast Asian countries (McGee & Robinson, 1995), the population density of suburbs may be quite high, and may well exceed that of major cities in the West. Thus, the term itself does not connote low-density living or an alternative to urbanism. For example, Fleischer (2010) describes suburban Beijing as defined by high density and high-rises; it is problematic to

imply that the suburb is in the continuum from urban to rural areas. In fact, as in other pre-urbanized developing countries, there is a profound rural and urban dualism. The suburb had to be placed in either the urban or the rural category in terms of institutional arrangements or social management. Seen in this way, under state socialism the suburb was for a long time a collection of rural villages outside the formal state system plus some state farms and state-owned enterprises within the formal state system. The suburbs thus did not connote a form of governance different from that of the city or the countryside. Indeed, it would be a challenge to identify a “typical” suburb as a candidate for future research on global suburbanism (Harris, 2010).

Second, “suburbia” as a description of a lifestyle characterized by single-family detached living has been absent from the Chinese context until very recently. In China, there is no tradition of suburban single-family homes or an “organised local political voice” to maintain suburbia for middle-class living (Zhou & Logan, 2008: 157). In contrast to a deeply embedded Western tradition of anti-urbanism and rural nostalgia, modern China sees urban life as a forward-looking, civilized way of life, and rural life as backward and underdeveloped. The socialist system, which was heavily biased towards the urban-industrial complex, strengthened the privilege of the city through state welfare provision to urban dwellers. Although Chinese upper-market villa compounds have recently appeared in imitation of American “new urbanism,” in reality these places only serve to extend living space from the city to a more spacious periphery with a higher level of security and privacy – a model quite different from that of an open, middle-class suburbia (Wu, 2009). The mainstream suburban high-rises for the middle class seem like replicas of commodity housing estates inside the city, representing a lifestyle scarcely distinguishable from that of inner areas.

Third, the term “governance” requires careful consideration of the relationship between the state, the market, and civil society. In the pre-reform era, the dominance of the state was apparent. Although reform has led to the establishment of markets in land, housing, capital, and labour, the state continues to play a significant role in organizing society. There are embryonic non-governmental organizations and self-governing bodies such as homeowners’ associations, a product of the emergence of gated communities in Chinese suburbs where residents play a greater role in managing their daily lives. However, the sphere of civil society is still underdeveloped. The term “governance” does not unequivocally refer to a mode of governance separate from the state. What is peculiar here is the contradictory combination of the state role

and the aggressive advancement of the market. The state is morphing into an entrepreneurial state, creating various investment arms and platforms to participate in economic development. Given the ambiguity, in the Chinese context, associated with the term “governance,” the notion of modalities of governance (Ekers et al., 2012) is useful because it can reveal more explicitly how the balance shifts among different components without suggesting that a new model has been created.

Stages of Suburban Development

The Suburbs as State-Invested Industrial Space (1949–1978)

In the socialist era, Chinese cities were relatively compact. There was a significant rural and urban divide. Systems of investment, population management, and housing provision were designed to facilitate industrialization with a minimum of urbanization, thus preventing free rural-to-urban migration. Household registration (*hukou*) served as an invisible wall separating rural and urban areas (Chan, 2009). As for urban residents living in the city, housing was provided by workplaces as a welfare service. Although the central area became quite crowded owing to rising population density and a shortage of housing, outward residential mobility was quite low (Zhou & Logan, 2008) because residents could not buy housing outside the state system. The lack of public services and facilities made the urban periphery an undesirable place to live.

In this context, the state adopted a strategy to facilitate industrial development and use suburbs as a space for production. Other activities such as the development of workers’ villages were subordinated to this major function. From the 1950s, self-contained industrial satellite towns were developed in order to provide places to invest and prevent over-concentration in large cities such as Beijing and Shanghai. State-owned enterprises were allocated to these industrial areas. However, overspecialization and the emphasis on productive infrastructure resulted in a poor living environment and made these areas unattractive to residents. A large proportion of workers still commuted from the central city.

Industrial Decentralization and Suburban Residential Development (1979–2000)

Since economic reform, as a result of the establishment of a market in land and consequent changes in land use, Chinese cities have witnessed

significant industrial relocation and population redistribution. Zhou and Ma (2000) suggest that suburbanization appeared for the first time in the history of China in the 1980s. A series of empirical studies identified the restructuring of land use and related population changes (Feng & Zhou, 2005; Feng, Wang, & Zhou, 2009). Residential projects were developed in the suburbs to improve living conditions and accommodate households relocated from redeveloped central areas (Wu, 2004). Rapid urban expansion also encroached on farmland (Lin & Yi, 2011). However, despite suburban growth, the central city did not show any sign of decline (Zhou & Logan, 2008). The change in population densities was partially a result of land-use restructuring after the establishment of the land market. Suburbanization was passive and dominated by government-sponsored residential and industrial relocation (Zhou & Ma, 2000). Suburban growth was also driven by industrial development in suburbs, with a large number of rural-to-urban migrants settling in peri-urban locations (Feng & Zhou, 2005; Wu, He, & Webster, 2010). Suburban development in this period was less planned, and usually mixed with residential projects, scattered industrial development zones, and migrant villages on the urban fringe (Deng & Huang, 2004). The spatial pattern was rampant outward expansion of fragmented single-function uses.

*Administrative Annexation and the Development of New Towns
(2001 to Present)*

Since the late 1990s, a new round of suburban development has emerged that is distinctive not only because of its scale but also in its character. In order to expand their space and resources during fierce inter-city competition, municipal governments one after another began to adjust their administrative boundaries by annexing surrounding counties (Wu & Zhang, 2007). A mass urban transport system was developed to provide rapid access to the exurbs (Cervero & Day, 2008). The outer suburban areas were thus opened up for development.

This recent strategy focuses on developing suburban growth nodes with comprehensive urban functions. Aiming at transforming labour-intensive and low-cost manufacturing industries into high-tech and producer services, many mature economic development zones have shifted from one-dimensional manufacturing and processing to a more diversified mixture that includes secondary and tertiary industries emphasizing high-quality amenities and services (Wong & Tang, 2005).

Residential development has become an important driving force in some well-planned new towns (Wang, Kundu, & Chen, 2010; Shen & Wu, 2012). As a result of various new packaging and marketing approaches, the image of the suburban district has shifted from industrial satellites towards liveable cities (Wu, 2010; Wu & Phelps, 2011). As suburban developments evolve to include a more mixed land-use pattern and a better balance between workplaces and residences, they develop into the regional growth nodes characteristic of post-suburbia (Wu & Phelps, 2008, 2011; Phelps & Wu, 2011).

Modalities and Mechanisms of Suburban Governance

State Entrepreneurialism and the Growth of the Suburban Economy

As in the United States and other developed Western economies, where suburbanization was facilitated by the role of the state in stipulating housing policy, infrastructure investment, and tax policies (Harris, 2004), rampant suburban land development in China can be attributed to the state-controlled land system (Deng & Huang, 2004). While state-owned urban land is allowed to enter the land market, market transactions involving the sale of collectively owned farmland are strictly forbidden. Municipal governments, which have the right to expropriate farmland in the public interest, tend to acquire the land at a very low price but lease it out to developers based on its market value. Because urban redevelopment is costly and time consuming by comparison, the differentiated land values drive encroachment onto rural land. The collective land rights of rural areas are ambiguous and incomplete, resulting in claims from various actors who dispute rights to the land and try to develop it for their own benefit, creating a chaotic pattern of development (Zhu & Hu, 2009). As we outline later in this chapter, the suburbs experience both formal and informal land development. For example, farmers expand or build their houses to provide housing for rural migrants. Therefore, while state-led suburban developments present ordered and homogeneous landscapes to attract investment, semi-urbanized migrant villages with inferior living environments also spontaneously spread out across the peripheries.

The development of the suburban economy is also driven by economic devolution and the rescaling of the state. In the U.S. model, suburban authorities prefer to break away from the municipality (Logan & Molotch, 1987). With governmental autonomy, local elites in the form of

residents, business groups, and industrialists are able to frame policies that serve local business needs, forming a suburban growth machine. In China, the municipal government plays a significant role in the development of suburban areas. For example, the strategy of “one city and nine towns” in Shanghai was adopted by the municipality as a way to expand local economies. The development of Beijing’s new towns in the outer suburbs is “driven by extending entrepreneurial urban governance into the outer rural reaches of the metropolitan area” (Wu & Phelps, 2011: 427). Through administrative annexation, the municipality expands its power across the metropolitan area and gains control over the resources of counties in order to compete with other cities. Actual development is often directly organized or orchestrated by the municipal development corporation – and in this sense, we can see the development of the suburban economy as a process of territorialization of the municipal state in its city-region.

This administrative annexation is often legitimized and implemented by the preparation of an “urban strategic plan,” which tends to propose massive expansion of the transport system and urban development into suburbs and exurbs (Wu & Zhang, 2007). Administrative annexation is often accompanied by the devolution of decision-making power to suburban districts. At the same time, the performance of suburban district officials is evaluated through their promotion of local growth. The relationship between the central city and suburban districts shifts from a top-down model to a growth regime coordinated through governance.

In some cases, the municipal government lends significant support to suburban district governments. For example, the municipal government can co-fund key infrastructure projects such as a metro line to the suburbs, or co-invest in local development corporations. In others, however, there exist contradictions between local growth coalitions and the upper tier of the central city government. Because decentralization has given rise to urban entrepreneurialism at the local level, suburban local governments within the same city compete with one another for capital investment and economic growth. They tend to focus on their own interests at the risk of disrupting the municipality’s strategic plan. For instance, despite being rationally envisaged as specialized centres designed to contribute to the growth of the metropolitan region as a whole, all suburban districts compete for factories in similar industries and endeavour to stimulate local real estate markets. Under such circumstances, the municipality generally faces great challenges in coordinating development and implementing its overall plan.

Suburbs as a Space of Capital Accumulation

Chinese suburbs are becoming the frontier of capital accumulation as China builds itself into a world factory (Wu, 2012). The development of suburbs is not just a consequence of economic growth but also a driving force expanding the sphere of capital accumulation. A number of institutional reforms – including decentralization, the adoption of a land-leasing system, and housing commodification – not only have established market institutions in land development but also have provided strong incentives to local governments to use land markets as instruments to capture investment and facilitate capital accumulation. While Haila (2007) cautions against exaggerating the role of market mechanisms in China's urban development, there is evidence that land allocation has been largely phased out in favour of land sales at market rates (Xu, Yeh, & Wu, 2009). Income from land leasing contributes a great proportion of local revenues and is thus a vital resource to support local economic growth (Tao, Su, Liu, & Cao, 2010). Lin (2007) identifies this new wave of city-based and land-centred urbanization as the most important driving force behind the dramatic urban expansion that has taken place since the mid-1990s. It has also been pointed out with regard to the Chinese urbanization of capital that, while business groups play a major role in Western cities, Chinese governments are not just regulators but also indispensable market players themselves (Wu, Xu, & Yeh, 2007).

Recent suburban new town development reflects a sophisticated strategy for developing the suburb as a space of capital accumulation. It is a response to two institutional changes: the introduction of a tax-sharing system, and the implementation of more stringent development controls. First, fiscal recentralization through tax-sharing systems has made income from land sales the most important resource local governments can use to initiate growth. In order to maximize land revenue, local governments have tactically adopted a mixture of land uses in recent suburban development by encouraging residential and commercial projects along with industrial development. On the one hand, local governments raise large amounts of capital by leasing out land for residential and commercial uses to the highest bidders in open auction. On the other hand, they continue to make low-priced land available for industrial investment, not primarily to gain a one-time profit but rather to enhance the return from the local tax base (Tao et al., 2010).

Second, the development of new towns in the suburbs is also a response to an increasingly stringent control of land by the central

government. Since the late 1990s, especially since 2003, the central government has begun to allocate land development quotas to local governments, restricting the extent of land leasing and making it more difficult to release massive amounts of rural land for urban uses. At the same time, place promotion and marketing have been used to build up the suburbs as a nice place to live and work in an effort to raise land prices. Local governments are now enthusiastic about building new towns to achieve a high-quality living environment.

To sum up, the suburban growth machine operates on the basis of land development as a new means of capital accumulation. First, the local government sets up an investment platform such as an investment corporation that raises capital from the bank to acquire rural land through compulsory purchase at a low value. Then, the development corporation carries out primary land development that converts the acquired rural land into serviced land. Then, the serviced land is used to attract investment from manufacturing industries. Industrial development develops local GDP and in turn raises the land values of the city. Next, the development corporation leases the rest of the acquired land in commercial and residential markets through competitive bidding at a much higher price. The sale of land generates land revenue that funds infrastructure development. This land-centred dynamic drives local governments to pursue land development through the suburban growth machine.

Private Governance and Gated Suburbia

Gated residences are not entirely new in China. In the pre-reform era, many workplaces provided living quarters that were gated or surrounded by clear boundaries. However, the function of gating has changed. Staff living quarters used to be developed by individual workplaces and managed by estate departments. The use of gates was primarily for management convenience. Security in these workers' villages was lax. This prototype has been succeeded by a variety of gated forms of residential areas, according to Webster, Wu, and Zhao (2006), including the "golden ghetto" (for the rich), the "brown ghetto" (the work-unit compound), the "green ghetto" (collectively developed village apartments), and the "red ghetto" (estates emphasizing collective management). In comparing China and the United States, Huang and Low (2008) have noted the long tradition of collectivism in Chinese neighbourhood governance. Wu (2005: 235) argues that the function of gating has changed from reinforcing the political control

of work-units and implementing collective consumption organized by the state to the demarcation of consumer clubs in response to the retreat of the state from the provision of public goods. In terms of private governance (Webster, 2002), gated communities are a new phenomenon in China.

In the suburbs, gated living spaces are widespread. However, state control is still pervasive, and independent self-governance by civil society has been weak. What we see in Chinese gated suburbia is developer-led property management to replace some functions of state provision. What is novel in Chinese gated suburbia is the role played by real estate developers in creating an alternative living experience for the upwardly mobile middle class. The tactics of place branding and marketing are extensively used, to such an extreme that a whole new town can be created as a replica of the Western good life, as seen in the Thames Town of Shanghai (Wu, 2010; Shen & Wu, 2012). Many buyers of upper-market single-family villas are the owners of second or even third homes, which they use as private holiday or weekend retreats (Pow, 2009). Meanwhile, however, the demand for such gated space is motivated not by the ecology of fear (Low, 2003) but by the rising value placed on high-quality living environments. The essence of gated suburbia in China is its packaged development, and gating is part of packaging and branding. The development of gated and packaged suburbia can thus be explained by two interrelated driving forces: first, the demand for housing as an aesthetic commodity; and second, the pressure on developers for products that offer more diversity, choice, and distinctiveness (Wu, 2010). In this sense, the perspective of "private governance" cannot entirely explain the rapid spread of gated suburbia in China. Chinese gated suburbia has a long way to go before reaching a space of self-governance.

Suburban Typology: Heterogeneous Worlds

Formal Land Development: Packaged Suburbia

In contrast to spontaneously developed peri-urban villages, formal land development in the suburbs leads to carefully designed and packaged residential areas. The development of the commodity housing market produces greater diversity and the differentiation of properties, ranging from more exclusive low-density villas to modern high-rise apartment buildings. Many are "master-planned communities" (Shen

& Wu, 2012). However, unlike the mass-produced apartment blocks in the planned “micro-districts” of the socialist period, these new suburban residences are heavily decorated, usually with a grand gate and architectural motifs borrowed from overseas (Wu, 2010). These newly developed residential areas have been intensively “enchanted” (Knox, 2008) to change the unattractive image of suburban industrial and rural areas and create suburbia as an ideal living environment.

In terms of governance, new suburban residential areas are built into gated communities under “private governance” (Webster, 2002) – that is, they are managed by property management companies rather than the municipal department of utility services. Because these places are relatively new and have no pre-existing social networks (Tomba, 2005), the government initially encouraged new residents to set up homeowners’ associations to strengthen the development of communities. The intention was for home buyers to self-govern the affairs related to their communities, as a tactic to cope with rising social mobility and potential instability. In reality, based on a common interest in property values, homeowners’ associations have evolved into a force beyond formal state control. In some places, they play a vital role in the preservation of green space and environmental protection, against developers’ profit-making plans. Because of this trend to independence, the attitude of the government has begun to change. The role of the homeowners’ associations is being redefined strictly within the sphere of property management rather than overall self-governance. Meanwhile, the formal governance of communities known as *shequi* has been strengthened through the professionalization of cadres and social workers.

The real estate market is a major force for formal land development in the suburbs. Recent suburban development shows a trend of emerging flagship or mega-projects. These developments are planned and coordinated by one super-large developer who takes responsibility for branding the place. The major developer, known as the “brand developer,” organizes promotional campaigns and subcontracts land plots to other smaller developers, who carry out construction. Such a development mode is often seen in new town development. For example, Shanghai Songjiang New Town Development Corporation, jointly funded by the municipal and district governments, is responsible for the development of Thames Town – a cluster of upper-market residential enclaves mimicking an English-style market town (see figure 14.1). This mode of development is designed for master planning and place marketing.



Figure 14.1 Suburban gated communities in Shanghai's Thames Town.
Photo: Fulong Wu

Although suburban residential development is driven by real estate developers, the state, especially at the local level, plays a significant role in securing the conditions for real estate development. State entrepreneurialism created by fiscal and economic decentralization and the competitive promotion of cadres based on economic performance (Wu & Phelps, 2011) are behind the development of territorial governance and key infrastructure that stimulate urban residential sprawl. In the exurb of Beijing, a development branch of the municipal government was created and territorialized by assembling the land from four rural townships to form the Beijing Economic and Technology Development Zone (ETDZ). The zone quickly evolved into an employment subcentre, and the cluster of office buildings is transforming the suburban development zone into a business park (see figure 14.2). For a long time, the zone acted more like a corporation than a local government, because it left the provision of housing and services to the market. Just outside the



Figure 14.2 Suburban office clusters in Yizhuang New Town of Beijing. Photo: Fulong Wu

jurisdiction of Shanghai, the county-level city of Kunshan self-funded a development zone – initially illegal but later recognized by the central government – and became a *de facto* edge city of Shanghai. The role of the Shanghai municipal government was pivotal in establishing the spatial framework of “one city and nine towns” that initiated an era of rapid suburban growth. In particular, the construction of metro lines into the exurbs by the entrepreneurial state was critical in opening up suburban space – an expansion further facilitated by interlinking land sales, residential development, and infrastructure funding.

Seen from the point of view of capital accumulation, as mentioned earlier, the development of suburban space plays a critical role as a “spatial fix” during the transition from state-led industrialization in the socialist era to urban-based accumulation. Real estate has already become an important sector of the economy. Just prior to the global financial crisis, Chinese export manufacturing suffered a worsening of

production conditions, pressured by the appreciation of the Chinese currency, a more competitive export market, tougher labour laws and regulations, and declining profit margins. These challenges prompted some capital to abandon manufacturing industries and switch to the property and stock markets, creating a property boom. After a temporary tightening policy to cope with the global financial crisis, the Chinese government was forced to adopt a 4 trillion Yuan stimulus package, which significantly increased capital liquidity. As a result, property prices experienced dramatic inflation in 2009. Harvey (1978), Walker (1981), and more recently Cox (2010) have noted the role of spatial production and suburbanization in sustaining capital accumulation in the Western capitalist economy. In Chinese cities, too, the property boom is both a result of suburban economic growth and an outlet for absorbing capital into the new territory of growth.

Informal Development: Peri-Urban Villages

Informality is an essential feature of peri-urban areas in the Global South (see Roy in chapter 16 in this volume; and McGee in chapter 15 in this volume). The Chinese peri-urban area also presents a level of informality through villagers' self-extension of rural housing (see figure 14.3). Table 14.1 compares the characteristics of formal and informal development in Chinese suburbs. The creation of informality is also due to the special practice of land requisition (Wu, Zhang, & Webster, 2013). To avoid the cost of land requisition in the earlier stage of suburbanization, suburban land development leapfrogged over rural villages and penetrated into agricultural fields. Now these "villages inside the city" are becoming the Chinese version of informal settlements. Because of the fundamental dualism of land ownership in China, village land is collectively owned and may not be used for real estate development, because properties developed on the land do not have formal deeds issued by the state. Rather, housing developed in urbanized villages is predominantly rental accommodation, sheltering millions of rural migrant workers. The housing market can be regarded as "informal" for two reasons: first, the development process occurs without the formal procedures of planning permission and development control; and second, in most cases there is no formal contract between the landlord and the migrant renter. The creation of these villages is thus the combined result of the absence of the state from housing provision and the inability of Chinese migrant workers to afford properties developed through the formal real estate market.



Figure 14.3 Informal housing in peri-urban villages in Guangzhou.
Photo: Fulong Wu

These peri-urban villages present a different version of the “private governance” seen in gated communities in more advanced market economies (Webster, 2002). Municipal governments do not usually provide and maintain public infrastructure in these villages; in fact, they do not have much of a role to play in regulating the built environment inside the villages, resulting in, for example, narrow, unpaved, and filthy streets. Cooperation among individual households in managing the common affairs of the villages is also missing in most cases. In order to gain as much space as possible, each household tries to build right up to the boundaries of its assigned land plot, resulting in extremely high building coverage. In southern China where there is a tradition of village self-governance, villages may be governed by village collectives or shareholding cooperatives (Po, 2008). Some village shareholding companies invest in basic village-level facilities.

Table 14.1 Comparison of formal and informal development in the Chinese peri-urban areas and suburbs

	Formal development	Informal development
Typical environment	<ul style="list-style-type: none"> – gated communities, commodity housing compounds of villas and high-rises – new towns as enlarged and scaled-up version of gated development 	<ul style="list-style-type: none"> – urban villages
Characteristics	<ul style="list-style-type: none"> – overly designed and packaged – gated, with amenity and security features – under-used in upper-market housing 	<ul style="list-style-type: none"> – high building coverage, narrow alleyways, spontaneous pattern, crowding – under-serviced public facilities – concentration of migrants
The state	<ul style="list-style-type: none"> – entrepreneurial local state – development coalition with capital 	<ul style="list-style-type: none"> – absence of service provision – maintenance of social control
Capital accumulation	<ul style="list-style-type: none"> – suburban property market as an outlet for capital investment – land sales and land-driven economic growth 	<ul style="list-style-type: none"> – providing accommodation to migrant workers – under demolition to make way for formal land development
Private governance	<ul style="list-style-type: none"> – homeowners' associations – property management companies 	<ul style="list-style-type: none"> – informal rental housing market – village collective as control over village shareholding assets

While peri-urban villages are informally developed and the provision of services is largely outside the state system, the presence of the state in social control is apparent. Recently, under measures to “maintain social stability” (*wei wen*), control offices were established and surveillance video installed in the villages. In 2010, Beijing adopted a drastic controversial measure to enclose rural villages with a migrant population, requiring the installation of walls and gates and the presentation of ID upon entry. Now in almost every city migrants are required to register when they start renting in a village. To identify the exact dwelling of individual migrants or their families, new addresses are created for subdivisions that used to share the same address.

With regard to the role of capital accumulation in these urban villages, along with the redevelopment of existing villages, some collectively owned rural land is allocated for “small-property-right” housing. The property right is “small” (or ad hoc) because it is not formally recognized by the state. This monopolistic right allows the state to capture the rent differentials, while the development of small-property-right housing enables the rural village to share the benefit (Li, Xu, & Li, 2010). The existence of small-property-right housing exposes the contradiction in dualistic peri-urban governance. However, recent trends in village redevelopment favour demolition of whole villages to make way for real estate development. In-situ redevelopment is rare. Villagers are more generously compensated than in the past in order to reduce their resistance to village redevelopment. Along with suburban redevelopment and the retrofitting of peri-urban villages, informal space is being eliminated. Therefore, in Chinese suburbs we see two trends unfolding simultaneously: the absence of the state from the provision of services, with the resulting informalization of village housing construction; and the increased presence of the state in social control and formalization through village redevelopment.

Conclusion

Since economic reform, China’s suburbs no longer bear a subordinate status and are becoming the frontier of Chinese urbanization. The suburban world is heterogeneous and juxtaposed with separate yet inter-linked spatial fragments and enclaves. The development of the suburbs epitomizes the development regime, compounded by multiple driving forces and modalities and mechanisms of governance, as seen in other places in the world (Ekers et al., 2012). Ranging from the formally developed new towns to informal migrant settlements in the peri-urban area, each type of suburban fragment represents a different combination of development modalities. Yet these fragments are produced within the same coherent logic of the political economy of Chinese urban development. At the core of the dynamic is territorial (land) development: suburbs open up a new space of capital accumulation, in the sense that “suburbanization is seen as a solution” (Walker, 1981). The suburbs absorb a vast amount of capital inflow – through the development of middle-class estates and key infrastructure projects leading to an expanded transport network, export-processing zones, science and university towns, new towns, and eco-cities. Territorial development has

become an indispensable element of the growth machine, while state entrepreneurialism arising after economic devolution and globalization secures the conditions for suburban development (Wu & Phelps, 2011).

China's suburban development clearly reflects the change from government to governance: the commodification of land has transformed the way in which suburbs develop. While the role of the state is pivotal, especially at the local level, development is co-engineered by actors beyond the state itself. Developers have become an important force in shaping the suburban landscape. Rising consumerism has driven the upwardly mobile middle-class to seek alternative, more exclusive, and high-quality living spaces. In order both to stimulate and meet this demand, branding, packaging, imagery, and marketing have become necessary (Wu, 2010). In gated suburban communities, a new form of self-governance has been tried through homeowners' associations, and is promoted by the state as a way of creating social order; however, it is ultimately confined to the role of property management because of the state's concern over its governable capacity (Wu, 2011). On the other hand, in the village housing market, the dominant form is private governance, where villagers and their collectives operate as small-scale developers, building or renovating the buildings on their assigned housing plots to develop private rental housing for migrant workers. Some even attempt to sell these properties as "partial-property-rights housing" in the informal and irregular market. The profound urban-rural duality is not disappearing along with the process of urbanization and suburban development. Rather, the divide is being turned into a new informality. Chinese suburbs thus are a mixture of suburban bourgeois utopia – or what Knox (2008) called "vulgaria" – from the Global North, and peri-urban informality from the Global South.

Finally, from the perspective of suburban governance, what is Chinese "suburbia"? Chinese suburbia is not homogeneous but a collection of heterogeneous suburban worlds. For this reason, we might call it "post-suburbia" in recognition of its spatial and temporal differences from the American stereotype of suburbia – which represents an exception rather than the norm.

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