Introduction

Suburbanization in China is driven by land development and urban expansion (Zhang 2000; Zhou and Ma 2000; Feng, Zhou, and Wu 2008). The current form of suburbanization is created by rapid land-use transformation and spatial reconfiguration following the establishment of a land market. Chinese suburbanization is not only dominated by state-led industrial relocation but also driven by the entrepreneurialism of the state in the land development process (Wu and Phelps 2008; Shen and Wu 2017), in which Chinese suburban new towns are outcomes of land reforms and commodity housing development.

The new wave of suburban development, characterized by new town development, represents a consequence of population movement in China and is also an integral part of the transformation from state-led industrialization to a market-oriented system. Despite the dominant role of government-sponsored residential development in Chinese suburbs, all ranges of sectors and capital have been involved in the transformation of rural land for urban land use in contemporary suburban new towns.

Suburban Development in China

Chinese housing reform provided the most important preconditions for space commodification. In the pre-reform era, property development was almost absent from suburban development. Now, developers are pioneers who actively materialize gains from land through property development. Meanwhile, local government has its own stake in revenue generation from local growth, which allows it to improve the
suburban environment, as well as to sustain and consolidate itself in the political arena. However, suburban growth in the post-reform period emerged as less planned and was mixed, with work-unit residential areas, fragmented industrial development zones, and urban villages on the metropolitan fringe (Deng and Huang 2004). The spatial pattern of suburban expansion in the early stage of suburbanization in the 1980s and 1990s was scattered and emerged as monotonous residential use, consisting of mostly match-box-style apartment buildings, often built by state-owned industrial enterprises in the suburbs for their staff.

With rising land development and economic growth, suburban expansion has not only played an important role in serving the need of decentralization but has also played the dominant role in growth in regional and even global economies. Furthermore, suburbs are well-planned as new towns, which become places with good environmental quality for residential and commercial development, combined with improved living facilities and services. Clusters of suburban residential settlements are often well-planned and evolve into self-sustained towns.

Many studies emphasize that the market-driven approach indicates China’s embrace of neoliberalism (Harvey 2005), and much has been written about the transferring of use rights of state-owned land to private developers (Zhou and Ma 2000; Deng and Huang 2004; He and Wu 2009; Shen and Wu 2013). In the socialist period before economic reform in 1979, the land market was absent. Suburban land development was carried out by state-owned enterprises as part of the industrial development process. In the late 1980s, the land market was introduced into China, and “housing commodification” has dramatically sped up since 1998, when the allocation of public housing was suspended. In the 1990s suburban development was driven by an emerging land development by private developers. However, the state still plays an enabling role in terms of the development of land use, labour and environmental policy, and judicial and legislative frameworks, while private developments take commercial, residential, and industrial forms defined by political and social exclusion. Market-oriented land reform is a state-engineered, state-controlled, and state-led process meant to facilitate accumulation and legitimize the state’s power (Wu 2010; Shen and Wu 2017). Housing reform and suburban development form an integral process that reflects the ideology of governmental entrepreneurialism (He and Wu 2009). On the one hand, market transition and spatial restructuring create opportunities for residential mobility and residential land use restructuring;
on the other hand, stratified affordability gives rise to a new system of residential resettlement in the suburbs.

In fact, administrative and fiscal decentralization also boosted large-scale suburban development. Government has not only gained greater discretion to deal with local revenue, but also fully uses its power to manage land leasing and urban development. In other words, the government is not just a regulator but also a market player (Wu and Zhang 2007). Evidently, local government has morphed into an entrepreneurial government, creating various investment methods and platforms to participate in land development. This is broadly similar to other places, where different social, political, economic, and environmental processes also highlight distinct roles in shaping suburban development and suburban life (Phelps, Wood, and Valler 2010; Ekers, Hamel, and Keil 2012; Hamel and Keil 2015).

In this chapter, we reveal the distinctive features of new town construction in China, which exists on a massive scale but also leads to the creation of heterogeneous spaces in the suburb. Existing theories have revealed the features of suburbanization occurring after industrialization in North America (Bourne 1996; Harris and Lewis 1998). Western theories on suburbanization reveal that the middle class moved to the suburbs to escape urban decline and “urban illness” in inner-city areas (Fishman 1987). The notion of “post-suburbia” further suggests a process in the post-industrial economy that led to the densification of suburbs and an increase of service activities there (Phelps et al. 2010). The development of suburbs is driven not only by residential preference, as shown in earlier suburbanization literature, but also by economic restructuring and changing modes of governance (Ekers et al. 2012; Hamel and Keil 2015) – for example, emerging private governance in suburban gated communities and a more neoliberal approach to development. In contrast, the process of Chinese suburbanization is closely associated with industrialization and urbanization. Suburbs in the context of rapid urbanization provide not only a new living environment developed by the private housing market but also an opportunity for land development and investment (Shen and Wu 2017). The new middle class is moving to suburbs for a better living environment, especially for better housing quality, rather than escaping from urban decline. Their purchase of suburban housing is part of their social class formation processes (Zhang 2010). But they also buy suburban housing as a second property for investment purposes. A significant number of residents in inner urban areas have been relocated to the suburbs because of demolition and
renewal. In addition, as Chinese suburban development is an integral process of industrialization, the development of suburban industries has attracted an influx of migrants from other rural areas. As a result, Chinese suburban development is also a process of urbanization of the rural areas. A study of Chinese suburban development will thus enrich our understanding of suburbanization and post-suburbia development, and reveal heterogeneous suburban landscapes during this massive suburbanization process as well as the interwoven forces of state, market, and society, with different motivations, constraints, and preferences. The Chinese suburb developed under massive suburbanization is heterogeneous because suburban residents are from different places, with different motivations, and the process operates through different governance modes and development approaches.

A Case Study of Jiangning, Nanjing

Nanjing, located 330 kilometres west of Shanghai, is the capital city of Jiangsu Province and one of the most developed cities in China. It is also a central city in the Yangtze River Delta. The Jiangning district in Nanjing has experienced significant suburbanization and has the highest amount of per capita housing space in Nanjing. The landscape is a typical suburban one. Within Jiangning district, there are different residential areas, showing different types of suburban developments.

A Brief Review of the Process of Suburbanization in Nanjing

1992–1999: The Development of Blue-Collar and Rural Enclaves
Suburbanization in Nanjing started with the development of industrial zones and decentralizing industries. The initial spatial pattern was planned for the urban fringe in order to accommodate enterprises relocated from the central area. Residential clusters were planned around industrial parks, which provided a convenient living environment for relocated employees. The residential clusters emerged in distinctive patterns with existing surrounding settlements. The social status of residents in residential clusters showed homogeneity, as represented by blue-collar workers.

The Suburbs from 2000–2003: Middle-Class Relocation
Rapid population growth in the central city of Nanjing resulted in declining housing conditions, and areas of poverty began to emerge.
Municipal government began the process of urban development in the peripheral areas to address the issue of housing congestion in central areas. Residential areas with extremely poor housing conditions in the urban centre were demolished for commercial land use. Meanwhile, the government energetically developed infrastructure and housing projects to boost the local housing market and economic growth. Areas close to the urban centre with natural environmental advantages were considered prime places for accommodating a decentralized population and providing better housing. In that situation, the municipal government adjusted the administrative boundary of its districts to address the problem of insufficient land for developing large-scale infrastructure. Meanwhile, alongside increasing demands for housing by the new middle class, many residential projects were built in the urban fringes with comparatively low housing prices. For instance, small- and medium-sized condominiums and high-end residential communities emerged during this period, with an increasingly middle-class population. However, most homebuyers were speculative investors, as living facilities such as schools, hospitals, and public transport were still inadequate in the Nanjing suburbs. In general, suburban communities in Nanjing were not livable places.

The Suburbs from 2003–Present: Booming of the Suburban New Town

The strategy of rural–urban planning has been applied to Chinese suburbanization since 2003 in order to improve the living environment and conditions in the suburbs. This is in essence an urbanization strategy that transforms the former rural landscape. In addition to continually supplying luxury housing in the urban fringe, the improvement of facilities in the central areas of suburban new towns was expedited. Small- and medium-sized communities were launched at the same time. Consumers wanted a new quality of housing, and real estate developers provided commodity housing to satisfy distinctive housing choices and preferences. Moreover, suburban gated communities have increased dramatically in number and are planned as self-contained clusters to address security and privacy issues. Rural migrants from other cities concentrated in the suburban industrial zone to pursue employment opportunities.

Suburbs in Nanjing were not only regarded as locations where urban and rural areas were connected but also fulfilled an urban function that transformed rural areas to produce economic growth and increase
levels of urbanizations. On the one hand, residents living in the suburbs had diverse living demands, especially the middle class, whose pursuit of high-quality environment and facilities stimulated urban fringe areas, transforming them from supporting urban central areas to becoming self-contained developments. On the other hand, the government gradually relocated large industrial enterprises with environmental impacts, and thus improved the quality of the suburban environment. Meanwhile, the suburban residential pattern formed ringed layers in Nanjing due to the diverse demands of the housing market. Town centres and high streets are located close to the main city. High-quality residential communities are distributed in the inner ring of the suburbs. Relocated urban households and high-income migrants are their main residents. In the middle ring, industrial parks, rural enterprises, and dormitories for employees serving nearby enterprises and the rural population are the main occupants. The outer ring has no clear boundaries with the middle ring and has a landscape of rural areas.

The Location of Jiangning New Town
Jiangning new town is located in the southwestern suburbs of Nanjing. It is one of eight new towns which were officially established in the 2006–20 Jiangning Master Plan. The planned land area is 36 square kilometres by 2020 (Figure 16.1).

Since 2000, suburban development in Nanjing has evolved into a new form, with vast investments involved in property development. The suburban form was created by the decentralization of manufacturing, administration, retailing, and public services. Today, the suburban pattern increasingly involves mixed land uses.

The new round of suburbanization in Jiangning was started by the Jiangning Economic and Technological Development Zone (ETDZ) as a platform to develop export-oriented industries and to accommodate capital flow. By improving transport infrastructure, such as building highway connections between Jiangning, the airport of Nanjing, and other metropolitan areas, as well as the development of the largest high-speed railway station in China, the government tried to form an environment for foreign investment. In terms of economic growth, the percentages of agriculture output value in Jiangning have changed from 21.63 per cent of GDP in 1995 to 7.42 per cent of GDP in 2005; meanwhile, the percentage of services sectors in GDP has changed from 17.85 per cent to 31.23 per cent. The level of urbanization – that is, the
Figure 16.1. The location of Jiangning new town in Nanjing

percentage of urban population to the total population of Jiangning – rose from 22.2 per cent in 2000 to 61.8 per cent in 2005, indicating that Jiangning has become urbanized due to its economic growth and structural adjustment (Jiangning Statistical Bureau 2009).

Massive Suburbanization

Suburbanization as a Development Strategy

The suburbanization process in Jiangning started with Dongshan township. The government of Nanjing set up an ETDZ by relocating the existing rural population and developing commodity housing. Since 1990, Nanjing had experienced massive population growth. Spatially, the city rapidly sprawled into the inner suburbs. At that time, the inner ring just around the central city still consisted of a mostly rural landscape. Surrounded by rural land, the ETDZ was set up to solve the problem of scattered developments. Evidently, the initial development of Jiangning was influenced by a process of industrialization. Furthermore, local enterprises mainly relied on manufacturing and exports. The municipal government aggressively expanded the spatial boundary to allow decentralization.

When the export sector encountered difficulties during the 1998 Asian financial crisis, local enterprises suffered tremendous decline, which resulted in an economic downturn. However, the government shifted its role to boosting domestic demand by stimulating the housing market and investing in infrastructure to sustain economic growth. Evidence shows that in 1999 residential land already accounted for 26.1 per cent of total land use in Jiangning. Meanwhile, residential clusters had formed on the suburban fringe.

In order to further boost the growth of Jiangning, the municipal government adjusted the administrative boundary in 2000, which expanded Jiangning and allowed it to acquire more land for development. In 2000, the municipal government raised the administrative level of Jiangning from a county to a district. In order to attract the commercial and financial sectors, the built environment has been improved by attracting real estate developers in commodity housing. A vast amount of investment in residential projects was injected into Jiangning.

The new round of the 2000–30 Nanjing Master Plan also proposed a strategy of boosting the growth of the land market. The Master Plan presented an intention to develop Nanjing as a metropolitan area and to develop service industries rather than export manufacturing industries.
First, the ultimate goal is to build Nanjing as a partner of Shanghai and an international city. The plan aims to build a new polycentric pattern for population and service industrial concentration at a larger metropolitan scale. Second, the policy of rural–urban integration becomes a driving force to promote economic structural change, innovation, and service industries. Third, policies have been proposed by Nanjing to gain a range of investments in property. Importantly, massive land and housing development becomes the crucial force. The average housing price per square metre has reached more than 14,000 Yuan within ten years, from only 3,800 Yuan in 2005; the entire population of Jiangning reached 935,659, including an increase of 23,345 local registered residents. This number indicates that massive land development and the adjustment of economic structure had attracted a vast number of migrants to live in Jiangning, which not only increased the urbanization process but also provided a labour force.

State entrepreneurialism at the district level as also being used to receive profits from land leasing and contribute to fast GDP growth in a competitive environment. Crucially, the suburbs themselves had already undergone a degree of transformation due to economic reform. Additionally, the marketization of land development pushed township enterprises from traditional rural industries into urban agriculture, such as urban farms, and tourism areas in the suburbs.

However, huge profits from land development also led to small-scale developments in the surrounding towns. The central government had to reinforce its regulation of land development due to the pressure on agricultural land. Its policy aims to control scattered development in the suburbs by processing the planned annual quota for the total amount of land allocated to urban construction. In 2004, the central government also initiated a new policy on quota allocation and indicated that if an amount of built-up land in the countryside was reclaimed for agricultural uses, an equal amount could be added to the total quota for construction land in the urban area. In these circumstances, the Nanjing municipal government initiated a new strategy for suburban land development known as “One City, Three Districts.” The strategy proposed a new metropolitan structure for Nanjing to implement the strategy of “Three Concentrations” – concentration of industry towards planned industrial parks, population towards cities and towns, and land development towards larger areas. In this strategy, Jiangning was selected as one of the new metropolitan districts in which to concentrate at least 600,000 urban residents. The new metropolitan
layout of Nanjing shows a polycentric structure consisting of different sizes of settlements.

In sum, the development of new towns integrated employment and residential uses, which was a strategy for growth. Property development in the new towns contributed to local revenue and taxes. The municipal government aimed to adjust the industrial structure by promoting a service economy in the new towns. The diverse suburban residential areas reflected the development of a new economic pole for population concentration in the Chinese suburbs.

**Diverse Suburban Populations**

Housing consumption intensifies social differentiation and creates an identity that signals lifestyle formation. The process of social differentiation has also led to growing disparities within Chinese suburbs. Before economic reform, Chinese suburbs covered a sparse residential area (danwei housing) developed by state-owned industries. Large numbers of young families and blue-collar workers occupied this type of settlement to serve the nearby factories. Chinese housing reform brought housing commodification. Residents were able to obtain housing through the housing market, with or without subsidies. With the establishment of a housing market, commodity housing became the primary means of new housing supply. Commodity housing involves a range of packaging and branding activities to attract consumers. Higher-income or better-off households moved to the suburbs in search of an aesthetically pleasing suburban living environment. Packaging and branding practices manifested aesthetic features of living conditions that represented a “civilized modernity,” which can distinguish better-off suburbia from backward rural and traditional old neighbourhoods (Pow 2009; Wu 2010; Zhang 2010). Suburban commodity housing has produced stratified standards of housing (Huang and Clark 2002). In order to stimulate housing demand, all commercial banks were encouraged to offer low-interest mortgages, which provided the possibility for existing urban households to become homeowners. Suburban homeownership is now consciously promoted as a symbol of well-being by both the government and developers.

With greater purchasing power, the emerging urban rich and new middle classes have become homebuyers in the suburban housing market. Purchasing a new home in the suburbs does not just mean the choice of a better place to live but also means choosing a lifestyle. For
these social groups, the imagined suburban lifestyle refers to the establishment of their own social distinction. The aesthetics of suburban gated communities with strong branding and packaging practices materialized their sense of desirability (Wu 2004). The distinctive suburban landscape offers a private location for the new rich to realize their aspirations through spatial exclusion and lifestyle practices (Zhang 2010). With the rise of suburban property values, purchasing a second home in the suburb is an efficient and stable investment method of increasing personal wealth. The suburban housing market has become an object of speculation. Due to the policy of land quotas to protect land resources, luxury and low-density suburban villas became extremely rare. Housing prices are far beyond the affordability of ordinary households; thus, affordable housing was developed in the suburbs. Individual homebuyers are able to borrow from the Housing Provident Fund. As relatively cheap housing, affordable housing is controlled by the state. Residents who used to live in the central area benefited from the process of urban regeneration. Although there are different standards of compensation for relocation, the huge amounts of cash compensation for resettlement and a number of additional houses immediately turned these residents into the new rich. Selling or renting out redundant houses became a way of increasing capital, which gave the new rich a greater role in shaping the suburban real estate market.

Another group of suburban residents is formed by rural migrants. They come to large cities in search of better job opportunities, while often earning the lowest income and having the lowest occupational status, such as serving suburban middle-class families or nearby industries. Since they lack household registration in the area, migrants are unable to acquire subsidized housing, which makes them unable to acquire full property rights, nor can they access local schools or welfare programs. The rental of cheap housing or living in underdeveloped fringe areas became common residential choices (Wu 2008). The living conditions in these neighbourhoods are usually bad, typically characterized by overcrowding and poor facilities. However, the existence of rural housing and redeveloped neighbourhoods in peri-urban villages with extremely low rental prices but with a convenient location for the workplace is the most important factor that attracts rural–urban migrants to the suburbs (Wu 2008). Migrants are thus concentrated in suburban areas, forming informal suburban settlements.
Heterogeneous Suburban Residential Landscapes

The Villas of the Expanding New Rich
Different forms of housing are not only represented as personal preferences but are also closely associated with different lifestyles. The “good life” refers to a large house with a large yard. Thus, developers always advertise their properties with aesthetic architectural styles and imagined “noble” lifestyles. With the intention of satisfying different preferences in the growing affluent class, villa housing with different styles is provided in the housing market. Meanwhile, developers are also aware that spatial forms can transform lifestyles and eventually Chinese society itself (Wu 2010). The development of suburban villas has gone beyond the economic sphere and will reshape Chinese suburbanization by creating different kinds of suburban lifestyles, as suggested by a real estate manager: “The first phase of a project is developing suburban villas from 300 square metres to 800 square metres per household. We invited a design team from France to provide a pure European continental lifestyle for our house buyers. Afterwards, the second phase of housing development will concentrate on developing large-scale apartments from 200 square metres to 400 square metres per household” (Interview with a real estate manager from Vanke Real Estate, 7 November 2015).

The reaction from developers has clearly verified middle-class housing preferences as the suburban housing market expanded. Various high-end housing choices are provided for middle-class buyers who want to upgrade their living standards by changing their houses, as a suburban villa is considered luxurious in the increasingly stratified housing market. In the Chinese context, luxury housing has an atmosphere of aristocracy and is privileged. The density of suburban areas is planned and controlled, which results in a limited supply of villa-type housing. However, a larger living space is still a priority for homebuyers who wish to buy a home in the suburbs. In particular, along with the growing population of younger new rich in Nanjing, modern and luxury serviced apartments with a large floor space have become a popular choice. A real estate agent commented: “Previously, homebuyers came to our showroom and the first question asked was how much is one apartment? Several years later they began to care about the possibilities to buy a villa and criticized our housing form and façade. Now we have found that a villa is not the first choice for many home buyers, because they prefer larger apartments rather than villas” (Interview with a real estate seller from Greenland Holding Group, 7 November 2015).
However, suburban villas with large gardens are still the most common housing type in high-end suburban communities in Jiangning. Take, for example, the suburban villa community Top Regent Park Villa (TRPV), developed by Top Regent Real Estate (TRPE), a company founded by Sun Yat-sen Mausoleum Authority (SYMA) and China State Construction International Holdings Ltd, HK (CSCI). TRPE indicated that “their target house buyers are exclusively foreign businessmen and affluent senior government officers by using notions of ‘power,’ ‘luxury,’ and ‘exclusivity’ to distinguish them from other suburban housing” (Interview with a former member of real estate developer from TRPE, 8 November 2015). TRPV was the first luxury suburban villa community in Nanjing before 1995. The emerging suburban villa community rapidly attracted the attention of the affluent class. Thus, developers announced that their properties had sold out a few months after construction. Nowadays, suburban villa communities account for about 9 per cent of the total number of gated communities in Nanjing.

In recent suburban residential developments, the theme of exclusiveness is still used in the advertisement of luxury communities, but with more selling points. Developers attempt to create higher-quality living environments by using distinctive themes such as “low-density,” “greener,” “ecological,” “luxury,” and “livable” (Wu 2010). The luxury suburban villa community developed by private developers was targeted at upper-class housing consumers as well as foreigners; they were developed along the lines of exclusive lifestyle enclaves with condominium facilities such as swimming pools, club houses, restaurants, tennis courts, and other amenities. Some housing projects even contain on-site schools and medical facilities that serve only residents. Overall, exclusive high-class enclaves emerged and have led to urban segregation.

Cultural elements are widely used to help produce fresh waves of newness and diverse niche markets and to dazzle the populace with glamour consumption (Jameson 1991). The uniqueness of Western-themed villas in China brings an image of the “good life” to Chinese households who aim to change their lifestyle by changing their houses. Another example of luxury suburban communities is Master-Land Villas. The developer adopted this outlandish English name to create this suburban community with a sense of exoticism but without any relation to its meaning. The aim is not to refer to a Western living style, but to refer to the social status of the householders. As pursuing a luxury suburban villa in China is an emotional experience through which
house buyers attempt to fulfil their aspirations to a Western luxury lifestyle, the names of suburban luxury communities like Master-Land Villas need to be constantly enchanting with symbolic meaning. Buying a luxury suburban villa is also a socially embedded process, which gives the Chinese new rich a way of establishing their identity through a distinctive lifestyle (Zhang 2010).

Since 1995, due to the popularity of Top Regent Park Villa, the developer, Jinling Real Estate, has tried to bring so-called themes of affluent elegant taste such as antique collection, painting, and wine, into their suburban villas, distinct from other previous suburban villa projects, which only use natural landscapes and high privacy. The intention is to satisfy the housing demands of a rising affluent class by letting them use their luxury suburban villa to show that they are not only wealthy but also have taste. Therefore, despite using Italian architectural elements in the housing forms, other cultural symbols and slogans from the imagination of European lifestyle are also put into the brochures. Meanwhile, the developer sets up a series of cultural events exclusively for selected affluent house buyers. However, this strategy is not always successful, as a house buyer remarked: “I believed that Master-Land Villas was the best luxury community in Nanjing right now as the architectural form and interior design are very similar to what I saw when I had a tour to Europe last summer. I have seen many villa communities in Jiangning, but they are just luxury houses and not my taste!” (Interview with an anonymous middle-aged female house buyer, 19 June 2015).

In terms of the architectural form of luxury villa homes, developers in suburban home development always proudly announce that their residential project is designed by an architectural team with high-prestige educational backgrounds and a full understanding of Western tastes. Their projects are often labelled to show cultural sophistication, with symbolic elements of ancient Roman architectural style as well as, for instance, marble bridges, gardens, artificial lakes, etc. A sales staff member commented: “To be honest, our designer is from Guangdong with one year’s overseas experience only in France. Our boss has complained several times that the form of the villa is not like what he saw in Italy. We attached a cultural theme to this project in order to distinguish the properties from most other luxurious villa projects you may find in Nanjing, especially in Jiangning. Luckily, our clients quite liked it and bought it!” (Interview with a senior house sales staff member from Master-Land Villas, 19 June 2015).
Like other luxury suburban communities, Master-Land Villas is gated and controlled by a young and professional security team, and the entire community is monitored by 24-hour CCTV. To access the community requires a security pass or fingerprint. In addition, security has the right to refuse visitors, who attempt to enter the neighbourhood without appropriate reasons. As a security staff person commented, “You know, even potential house buyers are required to provide at least 2 million funds certificate in order to have a viewing access. Our homeowners include television stars, celebrities, basketball players and some entrepreneurs. If their privacy is violated and they get angry, we will be fired by our boss as well” (Interview with a security leader from Master-Land Villas, 19 June 2015).

In terms of the economy, district government, developers, and financial institutions are interested in developing high-end residential projects. Driven by political achievement and fiscal income, municipal and district governments enthusiastically keep on selling suburban land. House buyers aim to sustain their capital value by seeking and
purchasing high-quality housing in suburbs. Thus, the combination of the above factors leads to the development of suburban communities. Furthermore, high-end suburban residential development brings huge profits from land development, leading to a lack of supply of housing for young families.

Banks and financial institutions lend money to developers to get profits. Credit is a major source of funding for suburban residential development. Mortgages are low risk, which increases housing prices. As explained by a real estate developer:

In fact, the government encourages us to develop high-end communities. They are more willing to sell the land to a high-price project, which helps boost the price of surrounding land. Sometimes, we have to promise the government the lowest housing price in our residential project; otherwise, they will not lease the land. The aim of government is to raise the land price and get more profit in the further process of land leasing. We cooperate with a selected bank and help house buyers to get a mortgage from this selected bank, and the bank is willing to lend money to us for high-end residential development, as they get more profits from both sides. (Interview with the manager of a real estate company, 30 January 2015).

Commodity Housing Apartments for the Middle Class
Besides luxury residential projects, most properties in the suburbs are for homebuyers who want to have a new home to settle into before marriage. Jiangning attracts a large number of migrants, who come to Nanjing for better jobs. Many universities have set up their campuses in Jiangning in order to expand their space. An industry park was established in 2005 by the district government, which aimed to serve new entrepreneurs by providing low-rent offices and a tax-free strategy to encourage young talents to establish their businesses in Jiangning. Thus, suburban apartments have become the most common residential type, accounting for about 56 per cent of the total number of suburban homes in Nanjing. The housing projects are mainly developed as mid- and high-rise apartments with facilities. The number of residents of a gated community range from hundreds to thousands. The level of social class diversity in these suburban apartments project varies based on housing prices. More importantly, smaller apartments with an affordable housing price became attractive to those who are not married but wish to buy properties, as the timing of marriage in China is becoming delayed in general. For instance, developers used different strategies
to create a community with different housing types and facilities in different phases. Their primary aim was to create a “high-profile” and self-contained “livable” suburban community. A real estate salesman commented: “The smaller size, one or two-bedroom apartment, is our best-selling type. The price for each property has already covered the furnishings and decoration. This development project is for young families, so we provide a living room larger than other similar properties in the market. The living room can be divided as part of your working area or you can invite your friends to your house to have a party on the weekend. Meanwhile, a twenty-four-hour steward will be in the luxury lobby for any assistance needed” (Interview with a real estate salesman from Vanke Real Estate, 8 November 2015).

Suburban land remains cheaper than land in the inner city of Nanjing. The comparatively low cost gives young couples a chance to upgrade their housing by moving to the suburbs. Before 1995 in Nanjing, many

Figure 16.3. The middle-class gated community of Vanke Paradiso in the new town of Jiangning, Nanjing

Photo by Tianke Zhu.
developers were invited by the district government to develop second homes, which produced an impression that Jiangning was a rural place without sufficient urban facilities. To advertise suburban apartments to young families, developers created a discourse of “community” that gave an image of new homes for young couples and established property management teams to provide all ranges of service to suit young homebuyers’ needs, in order to meet their concerns about moving out of the urban centre. A twenty-six-year-old homeowner noted appreciatively: “My husband and I moved here two years ago after marriage, the price was 10,000 Yuan per square metre which is affordable for both of us. We decided to move here because the new home has already been furnished by developers, which saved a lot of money for us!” (Interview with female homeowner, 4 November 2015).

As the Chinese urban population experienced a “consumer revolution” thanks to rising income (Davis 2000), they desired to improve their housing conditions. Thus, developers tried to provide services in commodity housing estates in the suburbs to attract young families to move out of the city. The local government is responsible for infrastructure provision – for example, roads for commuting (Lin 2007). Young to middle-aged couples, sophisticated-looking middle-class professionals, seek to own a stylish home in the city, ensuring life quality and family stability. Young families represent a growing middle class with stable incomes and strong ability to pay a mortgage. They purchase a property to become a member of the homeowner class. Rising house prices attract them to own property as young as possible in order to secure their lives. With the traditional belief that owning a home means owning security, young Chinese couples tend to save to purchase a home. Migrants from other cities want to buy a property to change their hukou (residential registration) in Nanjing to gain access to social welfare benefits and the right to attend local schools.

Housing for Relocated Households
Rapid suburban residential development still leads to insufficient housing supply. On the one hand, developers intend to attract more middle-class residents by providing high-quality suburban apartments in order to maintain the growth of the housing market; on the other hand, government aims to transfer industries into suburbs to increase population concentration. In this process, both migrants and existing suburban residents experience the increasing living costs of suburban life.
However, poverty has also emerged in the Chinese suburbs. In Nanjing, the municipal government began to redevelop existing settlements in the peripheral area by relocating residents to new towns. A vast number of rural settlements were demolished to develop infrastructure and public facilities. The strategy was to replace old buildings with new homes in the area and compensate via equal housing area based on the number of family members in the new residential development. Two methods were used. One was to relocate residents into a community that was built for rehousing. The other was to relocate them to a commodity housing estate to live with ordinary house buyers. The land in the town centre was developed for commercial uses. Furthermore, the local government also changed the rural hukou of local residents to urban hukou to make them have access to social welfare, in order to facilitate the relocation process. Most local residents were compensated with more than one house by relocation. Their vacant houses were rented out to migrants and young graduates. Apartments with two or three bedrooms were often subdivided and leased to several migrant families separately. This type of rental is called qunzun (literally, co-renting), and has become a way for migrants to find low-cost rental housing in the suburbs.

Because large numbers of vacant suburban apartments were rented out to migrants, housing conditions declined. Some suburban rehousing areas became poor neighbourhoods. The district government realized that the previous policy of concentrating relocated residents in the same neighbourhood and a compensation policy based on the number of household members were inappropriate. There is also another, hidden, reason. On the one hand, as land prices increased it was difficult to build large-scale rehousing enclaves because of the high cost of construction. On the other hand, large-scale resettlement enclaves led to the decline of land prices in the surrounding areas. In the case of Jiangning, most developers were required by the local government to accommodate a certain number of relocated residents in their new commodity housing projects in order to implement land leasing. Therefore, the recent suburban apartment community in Jiangning emerged as a heterogeneous social area composed of both homebuyers and relocated householders. Driven by profit, developers usually provide apartment buildings for relocated residents, with a higher density than other commodity housing projects within the same neighbourhood. It became common to see mixed types of housing in the same community, with high-level condominiums and mid-level apartments. In order to
maintain community quality, the façades of relocation apartments and commodity apartments are similar, but the interior furnishings and layout are different. As social diversity is strongly suggested by the master plans, developers increasingly promoted their housing projects by using phrases such as “high-end community,” “international community,” “bourgeois communities,” etc., even though the development concentrated many relocated residents. The structure of the population is heterogeneous. This development strategy is widely used in newly built suburban apartment communities to reduce the negative impacts of a heterogeneous suburban living environment.

Conflicts can arise between commodity housing owners and relocated households in the same neighbourhood. Some developers have to build another gate inside the neighbourhood to separate the sections of commodity housing from the rehousing area, and even apply different property management fees. This method is also used in estates with

Figure 16.4. The estate of Tiandi new town for relocated households in Jiangning, Nanjing

Photo by Tianke Zhu.
mid-level apartments and villa-type housing. Developers tend to apply different themes to each residential cluster or use different phases of development to reduce the impact of diverse housing types within the same estate, while in fact the demand for homogeneous living by young property buyers has increased. In addition to a better living environment, young home buyers choose to move to Jiangning because of the expectation of increasing property values in the China’s growing housing market. The residents of gated communities have a strong sense of property rights and care about their new settlements: “I strongly feel that my property value will be decreased if relocated households do not care about the environment of community” (Interview with an angry female homeowner, 25 October 2015).

Furthermore, marketing also targets young children, because they spend a lot of money and have an influence over their parents’ expenditure. Parents want the best for their children. They prefer a socially homogenous environment in the suburbs and regard this as a necessary condition for their moving to the suburbs. Although developers want to build suburban communities for residents with similar social backgrounds and preferences, the mode of suburban development means that the Chinese suburbs have heterogeneous living styles.

**Conclusion**

Chinese suburbs are heterogeneous places. This chapter has described the development of large-scale suburban estates in a new suburban district of Nanjing, China. Through a systematic scrutiny of diverse suburban residential types, we have selected representative residential neighbourhoods for an in-depth study. The roles of the state and market were mapped along with the residential typology. For each category, we have attempted to reveal how the residents eventually landed in these estates. The governance of these estates continues to reflect how they were initially built, leading to quite different suburban worlds. We argue that the theoretical generalization of the modalities and mechanisms of suburban governance (Ekers et al. 2012) must be enriched through unpacking the typology of suburban residential spaces at a much finer scale. It has been shown that both suburban patterns and population compositions are more diverse than what is traditionally imagined. However, the diversity of spatial forms of suburban residences varies with market demand, residential preferences, and consumption. It was also found that the diversity of suburban population
composition varies with distance from the central city and the income levels of the residential neighbourhoods. The diverse features of suburban residential development also can be found in the motivations of various groups.

NOTE

1 The image shows relocation housing mixed into a suburban commodity residential community in Jiangning, contrasting the extreme high density with other less dense forms. At the same time, the project contains a large number of co-renting housing units.

REFERENCES


