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Contesting speculative urbanisation and strategising discontents

ABSTRACT

This paper explains what the production of speculative urbanisation in mainland China means for strategising emergent discontents therein. It is argued that China's urbanisation is a political and ideological project by the Party State, producing urban-oriented accumulation through the commingling of the labour-intensive industrial production with heavy investment in the built environment. Therefore, for any progressive movements to be formed, it becomes imperative to imagine and establish cross-class alliances to claim the right to the city (or the right to the urban, given the limitations of the city as an analytical unit). Because of the nature of urbanisation, the alliances would need to involve not only industrial workers and urban inhabitants but also village farmers whose lands are expropriated to accommodate investments to produce the urban as well as ethnic minorities in autonomous regions whose cities are appropriated and restructured to produce Han-dominated cities. Education emerges as an important strategy for the discontent who need to understand how the fate of urban inhabitants is knitted tightly with the fate of workers, villagers and others who are subject to the exploitation of the urban-oriented accumulation.

Clearly, everyday domicide is as systematic and widespread as the pursuit of economic interest. It has affected and will continue to affect large numbers of mostly powerless people, especially in the developing world. The murder of homes is an intentional act. Domicide violates and terrorizes its victims as bulldozers and cranes reduce their homes to rubble. It severs its victims' lifetime attachment to homes and community and deprives them of the built environment that has shaped their tradition and identity. It also wounds their sense of dignity. Everyday domicide, in other words, in many ways cruelly redefines the existence of its victims and severely diminishes, if not destroys, the quality of their lives. Considering all of the immediate and lingering damage it causes, perhaps it is time to think of domicide as something beyond mere 'moral evil' (Shao, 2013, p.28)

In her latest book on displacement in Shanghai, Qin Shao vividly reports the disastrous effects of China's urban development that evicts people from their homes, demolishes long-established communities and impairs people's psychological well-being. While her findings are largely based on the city of Shanghai, the stories of uprooted families and flattened dwellings are reminiscent of millions of other similar cases around the world. In China, such traumatising human consequences have been facilitated and exacerbated largely by the Chinese state's drive to transform its nation into an urban society, resulting in the country's own version of 'urban revolution'.

China's urbanisation as a political and ideological project

China's urbanisation is a political project that receives the utmost attention from the top leadership. When China's new Party leadership came to power in late 2012, a strong emphasis was placed on sustaining the country's stride to urbanise. It was openly claimed that China would achieve a 60% urbanisation rate by the year 2020 and 70% by 2030 as part of realising the China Dream (Kuhn, 2013). This was equated with the addition of another 300 million urbanites by 2030. Obviously, this does not mean that all 300 million rural villagers are to migrate to existing cities. It is expected that this addition would occur through the further expansion of small and

medium-sized cities, townships and counties and through the conversion of rural villagers into urban citizens and their relocation from original villages (as was the case in Chongqing). Measured by the share of urban residents in the nation's total population, and official enumeration of urban population obviously faces all sorts of limitations and errors (see Brenner and Schmid, 2014). However, what is important is not its accuracy nor the possibility of putting this into reality, but the political statement of aspiration by the Party State that proclaims the Party State's commitment to continue with the state efforts to maintain the extant processes of urban-oriented accumulation.

China's urbanisation is also an ideological project that envisages the urban as the most desirable status quo for the country and population. Vertical landscape resulting from the amassing of state-of-the-art skyscrapers and high-rise estates becomes the representation of China's newly found modernity and the symbol of its latest economic success as well as global prominence. The 2010 World Expo held in Shanghai vividly exhibited this urban-oriented political rhetoric. While the Shanghai Expo's official English slogan was 'Better City, Better Life', the Chinese slogan targeting its domestic audience had a completely different nuance: It read '*Chengshi, rang shenghuo geng meihao*', which can be literally translated into English as 'City makes (your) life happier' (see Figure 1). While the slogan in English was emphasising the importance of improved urban management, the slogan in Chinese was simply an emphasis on the 'city living' itself. In other words, all that is required for a happy life is to live in cities. The question is: who does China's urbanisation truly benefit and

who loses?

Figure 1: The slogans of the 2010 Shanghai World Expo (Photographed in 2010 by Hyun Bang Shin)

China's urban revolution comes with large-scale population sorting and displacement. Existing major mega-cities like Beijing and Shanghai go through the redevelopment of its inner-city cores as part of their attempts to convert the space into a higher and better use and to transform the cities into 'world cities': this endeavour involves the attraction of particular types of urbanites (highly skilled professionals and expats) and the displacement of low-skilled workers and low-end service industries. One of the two inner-city districts, which accommodate the new CBD was announcing in 2012 that it would aim to displace 100,000 residents from the district by 2015, with the long-term goal of a 30% population reduction in the next 30 years (Jin, 2012). The aim was to transform the urban space to attract highly skilled migrant workers

including expats and to get rid of low-skilled workers and the poor who do not conform to the 'world-class' urban image.

Speculative urbanisation: the reinforcing interaction between the primary and secondary circuits of accumulation

China's urbanisation produces urban-oriented speculative accumulation that is centred on the commingling of the labour-intensive industrial production with heavy investment in the built environment (e.g. high-speed rail networks, airports and metro construction as well as commercial real estate projects). The Chinese central and local states have been particularly proactive in making sure that these processes are mutually reinforcing, ensuring that productive investments in the built environment are made as a means to facilitate the primary industrial production. The investment in fixed assets has been a quick speculative solution to ensuring GDP growth at both local and national scales. According to government statistical yearbooks, real estate construction has also been growing phenomenally, accounting for more than half of the fixed asset investments in major cities like Beijing in the 2000s (see also Shin, 2009, pp.128-130). The speculative urbanism is also spreading to other second and third tier cities and to counties that try to emulate the kind of urbanism originally centred on the eastern coastal region.

In this regard, China's urban revolution differs from the experiences of the post-industrial West that has seen the ascendancy of the secondary circuit of capital accumulation in place of the declining industrial production (see Harvey, 1978 and Lefebvre, 2003). Henri Lefebvre states, "As the principal circuit, that of industrial production, backs off from expansion and flows into 'property', capital invests in the secondary sector of real estate. Speculation henceforth becomes the principal source, the almost exclusive arena of formation and realization of surplus value... The secondary circuit thus supplants the primary circuit and by dent becomes essential" (Lefebvre, 2003, p.160). For China, it is not simply the over-accumulation in the primary circuit of industrial production which facilitates the channelling of fixed asset investment into the secondary circuit of built environment. Both circuits reinforce each other's advancement, while the state monopoly of financial instruments

provide governments and state (and state-affiliated) enterprises the possibility of tapping into the necessary finances.

China's domestic regional disparities are turned into advantages for capital to further exploit surplus labour. In discussing the logics behind the emergence of East Asia and China from a geopolitical perspective, Giovanni Arrighi (2009) refers to the ways in which the United States-led reconfiguration of East Asian geopolitical economy resulted in the establishment of vertical integration of firms in low-cost labour-intensive production network, initially led by Japanese firms that exploited its former colonies such as South Korea and Taiwan, and later adopted by the East Asian tiger economies to 'snowball' such practices to other Asian and Chinese economies as the labour costs of initial recipients of such production facilities rose (Arrighi, 2009). China's rise and export-oriented industrialisation based on low-cost labour-intensive industries is the process of internalising this snowballing process. Labour exploitation therefore occurs to ensure the capping of labour costs in industrial production as much as possible. For the foreseeable future, this internal snowballing process of industrial relocation seems likely to continue given the huge geographical scale of China, but obviously this will face greater frictions as years go by.

Therefore, China's uneven development fuels this process of commingling the primary circuit of industrial production with the investment in the built environment. This is epitomised by the gradual infiltration of Foxconn, the Taiwanese electronic goods manufacturer, into the central region. Foxconn, which is known to be the world's largest contract electronics manufacturer, has been expanding its factory basis from the Guangdong province to other locations in the central region, where land and labour supply can be acquired more cheaply (Pun and Chan, 2012). The expansion is facilitated by the intervention of entrepreneurial local states that ensure the timely provision of land and infrastructure to accommodate both workers and capitalists. Local states in particular also ensure that capital enjoys access to pacified and disciplined workers as much as possible. Such investments in both production facilities, infrastructure and housing occur not only within existing cities, but also in urban peripheries and rural villages as well as in special zones of exception, combined

together to produce the urban. The city as the container does not become a meaningful unit of analysis, as this process of accumulation through the secondary circuit does not limit itself to existing urban (administrative) boundaries but spills over onto peripheries (see also Brenner and Schmid, 2014; Merrifield, 2013). The urban is also created in rural and suburban areas as well as the rural is reborn in urban counterparts (see Keil, 2013). In this way, China is urbanising as urbanism spreads to inner regions away from the eastern coastal centre. It does this by taking advantage of the geographical uneven development of production and reproduction of labour power, while controlling for demand (for urban citizens) and for supply (proletarianisation to continue to supply cheap labour). China's construction of capitalism therefore is the urbanisation process itself.

The right to the urban as a political project

As the built environment has become both the end and the means of capital accumulation, the right to the city remains important in China as a political project (Shin, 2013). While some critics may discuss the limitations of the right to the city (or right to the urban, given the limitations of the city as an analytical unit) to become an effective mobilisation principle for urban social movements, it still remains an important conceptual framework in China's urbanisation, as the country sees the significant position of the secondary circuit of accumulation heavily controlled and manipulated by the state and capital. In this process of urban accumulation, urban spaces, old and new, increasingly embody the rapidly exacerbating inequalities in society. While the fruits of accumulation benefit the top officials, overseas investors and domestic industrialists as well as the emerging middle class populace, the masses—including rural villagers—experience dispossession of their lands as local governments carry out land-grabbing to put this land into industrial and commercial use. Homes are flattened as part of land assembled to make ways for more lucrative sources of revenue for local governments, who also aspire to promote 'world-city' landscapes. Workers, most of whom consist of migrants from rural hinterlands, face harsh working environments, poor job securities and suppressed wages. Affluence rises in major cities as centres of accumulation, but the pace of wealth accumulation

alienates those who produce it.

Figure 2: Flattened former rural village in Guangzhou (Photograph by Hyun Bang Shin, 2010)

China's unequal processes of urbanisation and accumulation therefore indicate that there is a strong urgency for the country's masses to claim the right to the urban. It is going to be a revolutionary project to organise the urban according to inhabitants' need and desire, aiming at taking the power from the state and capital that produce the urban in their own taste (see Marcuse, 2009). Claiming the right to the urban is also inevitably a political project as it only has any chance of seeing any kind of success when disparate classes experiencing exclusion and deprivation come together across regions, which the Chinese state endeavours to stop from emerging. Here, for grassroots organisations, jumping up the scale to overcome spatial isolation is very

important (Smith, 1992). So are the efforts of regional, national and transnational organisations to link up with grassroots organisations to contextualise and embed universal agendas in concrete realities.

Constraints on claiming the right to the urban

In China, claiming the right to the urban faces huge constraints for a number of reasons. First, claiming the right to the urban directly challenges the state that sees urbanisation as the fundamental basis of the country's development and economic engine, for the reasons explained above. Second, the authoritarian Chinese state is highly sensitive to any bottom-up struggles to form cross-class and cross-regional alliances to challenge authority (see Shin, 2013 for more detailed discussions). While various socio-economic reform policies have been designed and put into practice, political reform is deeply lagging behind. While some measures have emerged to enhance local democracy (e.g. village and urban community election), democratic experiments still remain isolated and heavily influenced by the Party State. Third, as China's urbanisation is also regarded by the state as a nationalist project built on the rise of China's geopolitical power, rights claimants may be seen as hindrance to societal progress and national prestige. Socio-economic inequalities and regional disparities are often glued over by the logics of nationalism (e.g. China Dream) that is increasingly replacing socialism as the ideological basis of running the country by the Party State. In this regard, the voices of discontent (including voices of separatism in the Western region) are suppressed in order to ensure the stability of the country, and nationalism acts as a means to justify the Party State's intervention in society (see Shin, 2012).

More recently, the state project to build a middle class society provides an ambiguous but not so promising situation for any claim on the right to the urban by the masses. When the director of the Research Office of the State Council was reporting on the size of China's middle class in 2007, it was estimated at about 6.5%, enjoying an annual household income between 60,000 and 500,000 yuan (China Daily, 2007). According to the China Statistical Yearbook, the bottom threshold of the household disposable income in 2006 refers to mostly the highest income decile group that the

government was envisaging as being the middle class. The middle class that the Chinese Party State envisages is clearly the most affluent in China's urbanising society, whose lives are detached from the masses. While the middle class (including managerial personnel, professionals and office workers—see Chen, 2013 for this occupation-based classification) is known to be advocating individual rights, a recent study by Jian Chen (2013) finds that China's middle class populace tends to endorse state policies and feel reluctant to the expansion of democratic rights such as the right to politically mobilise and launch popular protests unsanctioned by the state. On the other hand, what turns out to be more progressive is the lower class, that includes blue-collar industrial and service sector workers, the small-scale self-employed, the unemployed, retirees and college students. Nurtured by the state and being the major beneficiaries of the state-led urban accumulation and economic development, China's middle class populace is unlikely to be an agent of social change; for as long as the state protects their wealth and ensures their current economic position, they would be unlikely to join up with the rest of the society in what Andy Merrifield (2011) refers to as "crowd politics".

Strategising discontents

Let me conclude. I have argued in this essay that China's speculative urbanisation is both an ideological and a political project that disrupts and/or destroys the lives of the masses, while it is the few that benefits from it. As the state and capital proceed with their heavy investment in fixed assets and rewrite the built environment, displacement becomes the norm for villagers and urbanites. As China's urbanisation hinges on the primary circuit of industrial production as much as it does on the secondary circuit of built environment, there is a potential for workers' struggles to form an alliance with urban inhabitants' struggles to protect their neighbourhoods and communities. In other words, China's particular trajectory of urbanisation requires the right to the urban struggles to be inclusive of the struggles by the new working class, who are fighting for their access to the 'redistribution' of surplus value and for their 'recognition' as legitimate citizens and not simply migrants (Han, 2013; see Laclau and Mouffe, 2001 for the emphasis on 'redistribution' and 'recognition'). The cross-

class alliances of the type above, which had emerged and prompted the brutal oppression in 1989, would be something that may not be established in the near future but remains to be a political imperative if the hegemony of the dominant interests is to be subverted. The alliance is in need of further inclusion of village farmers whose lands are expropriated to accommodate investments to produce the urban, and of ethnic minorities in autonomous regions such as Tibet and Xinjiang whose cities are appropriated and restructured to produce Han-dominated cities.

What else is to be done to challenge the state and capital in China? Here, I refer to the proposition of Ernesto Laclau and Chantal Mouffe who wrote in November 2000 for their preface to the second edition of Hegemony and Socialist Strategy:

> To be sure, we have begun to see the emergence of a series of resistances to the transnational corporations' attempt to impose their power over the entire planet. But without a vision about what could be a different way of organizing social relations, one which restores the centrality of politics over the tyranny of market forces, those movements will remain of a defensive nature. If one is to build a chain of equivalences among democratic struggles, one needs to establish a frontier and define an adversary, but this is not enough. One also needs to know for what one is fighting, what kind of society one wants to establish. This requires from the Left an adequate grasp of the nature of power relations, and the dynamics of politics. What is at stake is the building of a new hegemony. So our motto is: 'Back to the hegemonic struggle' (Laclau and Mouffe, 2001, p.xix)

It will be important for the discontented to educate themselves and others to reveal the underlying logics of China's capital accumulation, how it produces a hybrid of developmental statism and neoliberalism, how it evades the Chinese state's own legitimacy (by constantly deviating from the socialist principles and by producing prosperity at the expense of the masses' economic hardship), and how the fate of urban inhabitants is knitted tightly with the fate of workers, villagers and others

subject to the exploitation of the urban-oriented accumulation.

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