

The Evolution
of Regional Uneven
Development
in Jiangsu Province
Under China's
Growth-Oriented
State Ideology

The Evolution of Regional Uneven Development in Jiangsu Province Under China's Growth-Oriented State Ideology

By

Shutian Huang

Cambridge
Scholars
Publishing



The Evolution of Regional Uneven Development in Jiangsu Province
Under China's Growth-Oriented State Ideology

By Shutian Huang

This book first published 2016

Cambridge Scholars Publishing

Lady Stephenson Library, Newcastle upon Tyne, NE6 2PA, UK

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Copyright © 2016 by Shutian Huang

All rights for this book reserved. No part of this book may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the copyright owner.

ISBN (10): 1-4438-8589-4

ISBN (13): 978-1-4438-8589-8

TABLE OF CONTENTS

List of Figures and Tables	vii
Preface	viii
Professor Mark Goodwin	
Introduction	x
1. Introduction to the research objects and analytical stance	
2. The structure of the book	
Chapter I	1
Theoretical Background and Literature Review	
3. The renaissance of the city-regions and neo-liberal urbanism	
4. Deciphering urban growth beyond urban/local scales	
5. From functional specificity of sociospatial units to polymorphy of sociospatial relations/processes	
6. The conceptualisation of the state	
Chapter II	28
Methodology	
7. A general description of the methodology	
8. Methodological feasibility in the context of China	
Chapter III	36
Towards a Contextual Framework: Utilitarianism, Pragmatism and China's State Ideology	
9. From Mao's general will to Deng's growth-oriented state ideology	
10. The political-philosophical nature of China's growth-oriented state ideology: Utilitarianism with Chinese characteristics	
11. The political-philosophical nature of China's growth-oriented state ideology: Pragmatism with Chinese characteristics	
12. Chapter Summary	

Chapter IV	101
Case Study One: Changzhou City in the South of Jiangsu Province (Part 1)	
13. TVE-driven growth in the south of Jiangsu province	
14. Development zone-driven growth and inter-locality competitions	
Chapter V	157
Case Study One: Changzhou City in the South of Jiangsu Province (Part 2)	
15. State-led urbanisation-driven growth	
Chapter VI	184
Case Study Two: Nantong City in the North of Jiangsu Province	
16. Slow and inefficient rural industrialisation	
17. Restricted development zone-driven growth	
18. Urbanisation in Nantong city	
19. Mitigated regional unevenness and the case study of Haian county	
Chapter VII	227
Conclusion and Inspiration	
20. Summary of the findings	
21. A further note on my major analytical approach	
22. A reflection on China's economic reform in relation to the global trends of neo-liberalism	
23. Inspirations for prospective research and practice: the dialectic between institutions and resources	
Bibliography	245
Appendix 1	263
Appendix 2	264

LIST OF FIGURES AND TABLES

Figure 1.1: The satellite night view of Jiangsu province	xi
Figure 1.2: Wujin district.....	xx
Figure 1.3: Changzhou city	xxi
Figure 1.4: Haian county	xxii
Figure 1.5: Nantong city.....	xxii
Figure 4.1: The expressway in the high-tech zone of Changzhou	135
Figure 4.2: Factories in the high-tech zone of Changzhou	135
Figure 4.3: Football stadium in the high-tech zone of Changzhou	136
Figure 4.4: Factories in the high-tech zone of Wujin	137
Figure 4.5: Residential areas in the high-tech zone of Wujin.....	137
Table 4.1 The indicator system for evaluating Top 100 counties in China.....	114
Table 5.1 the composition of China's urban constructive land between 2004 and 2009	160
Table 5.2 A comparison between Changzhou city and Nantong city with respect to their urban land use compositions in 2006	161
Table 5.3: the comparison between the amounts and growth rates of local state incomes and resident incomes of Changzhou from 2005 to 2007	181
Table 6.1: 1993-2005, Nantong Investment structure analysis.....	196
Table 6.2: A comparison between Nantong and the three cities in the south in 2010 with respect to their respective labour market structure	206
Table 6.3: The comparison between the regional GDP of Nantong and the average of the south of Jiangsu province from 2003 to 2010	214
Table 6.4: The comparison between the gross state income of Nantong city and the average of the south of Jiangsu province from 2003 to 2010.....	214
Table 6.5: A comparison on the per capita GDP between Nantong and Changzhou	216

PREFACE

It is often remarked that the rest of the world is increasingly living in China's shadow. China is the world's fastest growing major economy, with the IMF estimating that the country has seen growth rates averaging 10% over the past 30 years. It now houses the world's largest manufacturing economy, and is the largest exporter of manufactured goods. With a population estimated at the beginning of 2015 to be 1.39 billion, China also has the world's fastest growing consumer market. Along with this increasing economic power has come geopolitical influence. China's sphere of influence is rapidly growing, especially in Africa and Latin America.

Yet our knowledge of China in the Global North is still somewhat sketchy, and we lack detailed insights and understandings of its recent development. This book by Dr Shutian Huang provides a major contribution to building this knowledge, especially by showing us the links between China's economic growth, urban expansion and uneven regional development. His research traces the underlying ideological logics and institutional dynamics, which have underpinned and shaped China's rapid economic growth. But crucially, he shows how China's economic reform and regional development cannot be understood as a systematic whole. Instead, the book argues that we need to concretely identify and articulate the dominant growth engines, economic patterns and political projects adopted by different localities at different stages of economic reform.

Shutian Huang's research does this by concentrating empirically on the province of Jiangsu, widely regarded as China's most developed province and the country's largest recipient of foreign direct investment over the past decade. He shows, however, that behind this aggregate picture of economic success and phenomenal growth at the scale of the province as a whole, there lies an uneven regional geography, especially between the north and south of the province. He provides a deeply nuanced account of China's reform period, splitting it into three distinct periods – the first driven by the rise of locally based township and village enterprises, the second based around development-zone growth, and the third centred on state-led urbanisation. He then shows how these three distinct periods, despite all being underpinned by a dominant growth-orientated state

ideology, have had different effects and outcomes in the north and south of Jiangsu province.

By addressing this specific concern with uneven economic and social development in one of China's most successful provinces, Shutian Huang's research opens up a set of far wider questions. His work provides an example of how the traditional struggles with the modern, how the domestic interacts with the global, and how the local/regional scale coordinates and conflicts with the central. Taken together, this research reveals how institutions, forces and actors interconnect and co-evolve in a dynamic and relational fashion within specific spatiotemporal horizons. In particular, Shutian Huang shows the key role played by what he labels as 'China's dominant institutional time' – a period of five years or less, within which most key political projects are situated, and within which most state officials work.

In turn, this rich empirical work allows an exploration and application of some key elements of recent sociospatial theory. The research draws on the conceptual and theoretical advances of Jessop, Brenner, Jones and MacLeod to argue that territories, places, scales, and networks are 'mutually constitutive and relationally intertwined dimensions of sociospatial relations' (Jessop, Brenner and Jones, 2008, 389). What shines out about the research in this book is the way that the empirical material enables these four dimensions of territory, place, scale and network to be explored in the context of contemporary China. We see how the economic and social development of different territories and places within Jiangsu province is 'relationally intertwined' with sets of political and economic forces operating at different scales and within wider networks. This research brings to life the conceptual framework advocated by Jessop et al., applies it to provide a deep understanding of the spatiotemporal dynamics of uneven regional development in China, and finishes by setting out some very salient policy implications drawn from the research findings.

Professor Mark Goodwin
University of Exeter

References

- Jessop, B., Brenner, N., Jones, M. (2008), "Theorizing sociospatial relations", *Environment and Planning D: Society and Space* 26 (3), pp. 389-401.

INTRODUCTION

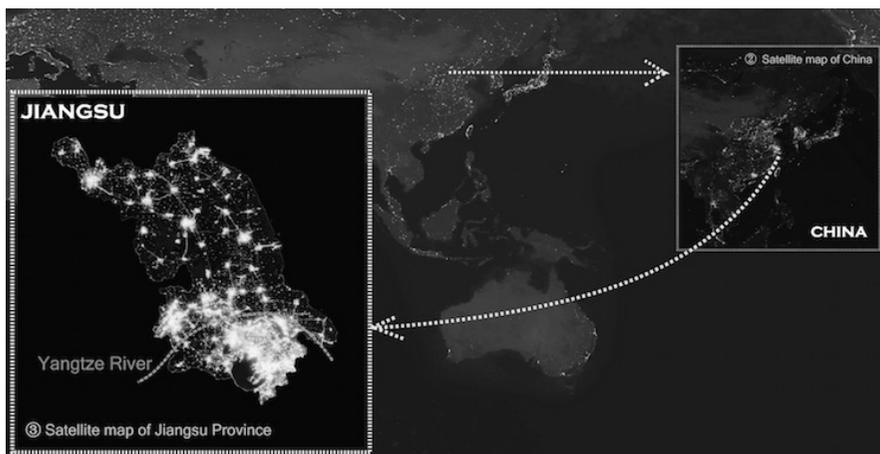
1. Introduction to the research objects and analytical stance

This book at first seeks to understand and evaluate the evolution of regional (uneven) development in Jiangsu province in China during China's economic reform era from the late 1970s to date. And, based upon such a case study, it wishes to clarify and decipher some fundamental ideological and institutional logics that have decisively shaped or guided China's 30-year economic reform.

Before clarifying the basic structure of this book, it is helpful to set out a brief introduction to the empirical case study areas. Jiangsu province, as one of the most developed regions in China, covers an area of 102.6 thousand sq. km. (which is quite close to the territory of England in terms of size), and has around 79 million residents. It can be seen from **Figure 1.1** that, whilst the south of Jiangsu is full of lights that reflect the prosperity in this region, the north of Jiangsu, on the contrary, is less developed, and the darkness suggests a lagged regional development in terms of industrialisation and urbanisation.

By referring to the north and the south of Jiangsu province, I am referring to the geographical demarcation made by the famous "Changjiang River", also known as the "Yangtze River", which is the third longest river in the world. In fact, not only does the Yangtze River regionally demarcate the south and north of Jiangsu province, it also runs across the whole territory of China, therefore acting as the conventional borderline that demarcates the south and north of China in both a geographical and a cultural sense (and occasionally in a political sense). This geographical divide complicates other factors that foster and sustain regional unevenness. As we shall see, such unevenness was not only shaped by, and subject to, path-dependencies of distinct socio-economic circumstances, but was also influenced by the path-shaping effects imposed by various domestic and extra-local relations and processes.

Figure 1.1: The satellite night view of Jiangsu province (NASA, 2012)



If we apply the borderline of the Yangtze River to demarcate the south and north of Jiangsu, the south geographically includes five cities, namely, Nanjing, which is the provincial capital city of Jiangsu, Zhenjiang, Changzhou, Wuxi, and Suzhou city. However, the south of Jiangsu in this research is more narrowly and conventionally defined, and thus only refers to the latter three cities, those of, Wuxi, Suzhou, and Changzhou city. It is commonly accepted culturally to label these three cities as one regional group within the south of Jiangsu. Moreover, these three cities not only share similar cultural and social origins and habits, but have also, since China's economic reform, possessed highly homogeneous local growth patterns, industrial structures and major state institutional arrangements and functions. Together they have contributed to the 'Southern Jiangsu Model' (Fei, 1984). Hence, the south of Jiangsu in this research will indicate the conventional regional grouping of Changzhou, Wuxi, and Suzhou city, unless explicitly stated otherwise.

In order to specifically study the evolution of regional unevenness between the south and the north, two city-regions (one in the south and another in the north) have been selected as the basis for detailed empirical research. They are Changzhou city in the south and Nantong city in the north. The socio-economic situations of these two city-regions will be outlined in more detail in later chapters.

The three decades of economic reform undertaken in China since the late 1970s have recently drawn worldwide attention, as China becomes an increasingly important and influential part of an integrated global

economic order. The consistent and rapid growth achieved by China has drawn admirers from both academic and political worlds, which have referred with varying degrees of praise to a so-called ‘China Model’ or a ‘Beijing Consensus’. But these discourses of a broad ‘model’ and ‘consensus’ may, on the one hand, disguise the reality of, and distort the research on, the developmental heterogeneities expressed across different spatial and temporal horizons of China’s economic reform. And, on the other hand, they are not capable of grasping the supra-logics that guided and shaped the actual Chinese experience.

The three decades of China’s economic reform since the late 1970s have drawn much global attention in recent years, with China gradually becoming an increasingly important and influential economy, to which the current global economic order is interdependently subject and susceptible. The rapid and sustained growth achieved by China has drawn many compliments such as the so-called ‘China Model’ and ‘Beijing Consensus’ which summarise and promote certain prominent respects of China’s economic reform. However, these references to a broad ‘model’ and ‘consensus’ may also disguise and distort developmental heterogeneities expressed across different spatial and temporal horizons of China’s economic reform.

It is further argued that, subject to path-dependencies of various types and degrees, China’s economic reform and regional development cannot be understood as a systematic whole. Instead, we need to concretely identify and articulate the different dominant growth engines, patterns and projects adopted by different localities in different periods of the economic reform. This analytical stance to some extent resonates with Zhang and Peck’s (2014) advocacy of looking more specifically into the heterogeneous particularities and regional styles of Chinese capitalist development, and also responds to the call of adopting a polymorphic, multidimensional perspective such as the ‘TPSN’ framework when studying current sociospatial relations and processes (Jessop, Brenner & Jones, 2008).

But this analytical stance of focusing on the evolution of regional development across certain concrete spatial and temporal horizons in China, does not lead to some sort of isolated local findings. Rather, there exists a set of fundamental ideological logics and institutional dynamics, the practices of which have commonly shaped and affected, in top-down and reflexive fashions, the institutional and industrial causalities of regional and local development in China. And, it is the critical enunciation of these supra-logics and institutions of China’s economic reform that will constitute the first key element of the analytical framework of this

research. In the second element, that is, the empirical case studies, the roles of these supra-logics in shaping socio-economic development at various local scales and across different temporal horizons, will be specifically elaborated. The presence of such supra-logics, which is subsequently referred to as China's growth-oriented state ideology, is in both an ontological and an analytical sense.

Briefly speaking, the ontological presence of China's growth-oriented state ideology mainly derives from the key political decision of using economic performance to replace the largely collapsed Communism and Maoism-oriented state ideology in the context of China's legitimation crisis after the Cultural Revolution. Although the political imaginary of claiming itself as a socialist country means that the party/state of China could only give a vaguely defined recognition and content to its growth-oriented state ideology, this quasi-state ideology does hold an 'ecological dominance' in Bob Jessop's (2000: 319) words, thereby acting as a superior system which exerts 'its developmental logic on other systems operating through structural coupling, strategic coordination and blind co-evolution to a greater extent than the latter can impose their respective logics on that system'.

As it shall be seen in later chapters, whilst local growth patterns have been essentially shaped by, and are subject to, this growth-oriented state ideology, central policies also have to yield to local practices, especially when the latter can better embody the growth orientation. Moreover, it is not only from the view of China's state institutions that the growth-oriented state ideology can be appreciated and conceived. The general public, even setting aside the institutional selectivities to which they may be subject, widely recognised and supported this ideology. The growth-oriented state ideology is in this way, to some extent, identical with 'a reasonably just *modus vivendi*' in Rawls' (2005: xl) sense, which constitutes an arrangement supported by all sides as it keeps the balance of forces and happens to be fair to each side in the context of given historical circumstances. But, just as Rawls (2005) observed, although a *modus vivendi* has the potential to become a stable overlapping consensus, its instability, nonetheless, distinguishes it from a stable consensus. China's growth-oriented state ideology has been arguably revealed to be unstable. It indeed keeps losing public consensus as regional and local uneven development and social injustice evolve in China.

From an analytical perspective, the present book does not merely serve to attain an empirical record of depicting regional (uneven) development in China. More importantly, it aims to critically elaborate and decipher those fundamental, decisive, ideological properties and their institutional

expressions, which have acted as supra-logics in promoting regional (uneven) development. This aim has strong practical relevance to the ideological constructions and institutional arrangements for China's prospective regional development. In other words, this book shows the ambition of clarifying the basic structural and strategic elements of China's economic reform and also presenting some key reflections on China's potential ideological and institutional development over the next 30 years. This attitude reverses Marx's observation that 'in politics, the Germans have thought what other nations have done' (Bottomore, 1964: 51, cf. Giddens, 1971). This observation, if reversed, leads to the conclusion that, in politics and economics, the Chinese have done what other countries have thought, especially during the century that has elapsed since the collapse of China's final dynasty.

As Giddens (1971: xiii) stated, while 'Marx initially shared the view that the rational criticism of existing institutions was sufficient to provoke the radical changes necessary to allow Germany to match, and to overtake the two other leading western European countries', Marx soon perceived that, 'this radical-critical posture merely preserved the typical German concern with theory to the exclusion of practice'. In an opposite situation to that of Germany, China's economic development during the last three decades has arguably been based on practice, to the exclusion of theory, with the purpose of allowing China to match, and to overtake, the leading Western developed countries. If viewing China's high, rapid and persistent growth in purely economic terms, China's emphasis on 'practice' has to some extent achieved the objective of holistically matching and overtaking many developed countries. This achievement, however, cannot conceal the severe costs and problems in terms of regional/local unevenness and socio-economic disparities. It is argued that China's practice-oriented experiences have now reached the stage where they need to be theoretically summarised and refined, in order to secure a long-term sustainable and just model of development. This corresponds with the notion of 'top-level design', which has been recently rather popularly used by many Chinese scholars and practitioners.¹ This notion was first invented by Liu He, the current Deputy Director of the National Development and Reform Commission of China, who is also leading the project of designing China's future development path, and is recognised as Chinese President Xi Jinping's core consultant and brainpower. According

¹ See, for example: Li, Y. N. (2013), 'Chinese economy in dual transition', Beijing: Renmin University of China Press. Notably, Li was the doctoral supervisor for China's current Premier Li Keqiang, and the master supervisor for China's current Vice-President Li Yuanchao.

to Liu He (2011), the notion of top-level design includes basic value-orientation, principal aims, and the order of achieving these aims; and the reason for calling for top-level design is that China's reform and development have now passed the stage of having extensive, non-strategic testing.

In a word, while presenting the evolution of regional (uneven) development in China, this book possesses an analytical ambition of critically reflecting on some key issues, which are of immediate importance to contemporary China as well as to prospective regional development in the near future. It demonstrates how uneven development within a given regional spatiotemporal fix is, in practice, revealed to be a 'complex synthesis of multiple determination'.² In this sense, it provides an example of how the traditional struggles with the modern, how the domestic interacts with the global, how the local/regional coordinates and conflicts with the central, and how all these institutions, forces and actors interconnect and co-evolve in a dynamic, relational fashion within a specified spatiotemporal fix so as to orchestrate regional (uneven) development in Jiangsu province.

2. The structure of the book

Apart from this introduction, there are seven chapters in this book. In chapter I, a series of contextual and theoretical reviews will be presented. These reviews mainly target two primary issues, namely, the renaissance of the cities in the era and context of neo-liberal globalisation, and the evolution from the functional specificity of sociospatial units to a multi-dimensional polymorphy of sociospatial relations and processes. It will build some rudimentary analytical and theoretical positions through reviewing these two issues to clarify one of the most basic research questions -- how to look at and analyse the vital parameter of the national state in a way that reflects both its own causal powers and behavioural logics, and its relations with, and influences on, actors and systems of different scales, places, territories and networks. In other words, this chapter, whilst critically reviewing the relevant literatures and practices, aims to conceptualise and justify some essential analytical parameters, positions and propensities used in this book. Moreover, it also explains why this book targets the sociospatial scale and site of the city-region as the empirical research objects, through which the developmental and institutional derivatives can be investigated. This leads to the discussions

² See: Marx (1857), cf: Jessop (1997).

about the TPSN framework, which will be heuristically and adaptively deployed in the later case study chapters.

Chapter II lays out a delineation of the methodology that is adopted for conducting primary and secondary research. Notably, in addition to those conventional policy research methodologies, such as library- and documentation-based analyses, the fieldwork conducted also involved access to a variety of internal political and policy documents that are usually confined to Chinese state officials.³ The latter case study chapters are also based on a series of interviews with various Chinese local officials, whose observations and opinions are measured against publically released official documents.

Chapter III sets out the key political and ideological contexts for this book. It deciphers the supra-logics and hegemonic projects of China's economic reform. It consists of two parts. The first part takes a historic-abstract approach to examine how the political philosophy and the forces underlying Mao's reign of virtue were reversed and replaced by China's growth-oriented state ideology. It is argued that, as the guiding logics of the pre- and post-reform state ideologies are contradictory, yet institutionally tangled in path-dependent terms, a brief glance at this essential transition of state ideology helps, from a holistic perspective, to outline some important ideological and institutional incentives and constraints, to which the regional (uneven) development in question has been subject. And, it is argued that, unlike the conventional alteration of political strategies and institutions, which does not change the fundamental property and pattern of state ideology and regime legitimacy, China's economic reform is triggered by a thorough alteration in its dominant state ideology, which politically reconstitutes the entire regime legitimacy. This in turn resulted in a substantial number of modifications to the objective, function, and structure of state institutions at various scales. In this sense, it is proposed that China's economic reform is guided by, and serves, the pragmatic consideration of how to restore and strengthen the authorities and functions of the party/state of the CPC (Communist Party of China), which had been severely vitiated by the Cultural Revolution.

The second part of Chapter III outlines and deciphers the two core ideas of China's growth-oriented state ideology, namely, utilitarianism and pragmatism, both with unique Chinese characteristics. The significance of utilitarianism and pragmatism to regional (uneven) development in China

³ It is notable that Ms. Gao Yu, a famous Chinese journalist, was recently arrested for leaking state secret documents to overseas websites. See: BBC News on May 8th, 2014: <http://www.bbc.co.uk/news/world-asia-china-27321241> (Accessed on May 14th, 2014).

has three key dimensions, namely: providing the core philosophical rationales for envisioning and formulating general, national developmental guidelines and strategies; constituting the ideological and political foundations and justifications for institutional expressions and practices at different scales; and, shaping and mobilising public recognition, and individual and collective behaviours, in accordance with the growth orientation.

Notably, it is argued that the institutional practices of China's utilitarianism and pragmatism revealed prominent spatial and temporal elements and effects at different scales during different periods. Thus, apart from political and philosophical analyses, the articulations of time-space relations in socio-economic systems and developments are also of importance to these critical readings of China's utilitarianism and pragmatism. In addition, the analyses and articulations of the two ideas are to be, though not in a highly precise fashion, embedded within a three-stage framework that largely reflects not only the evolution and transition of China's economic reform as a whole, but also those hegemonic growth patterns/engines of regional development during respective, separate periods. Suffice it to say that China's economic reform since the late 1970s is divided into three stages, those are: the first stage (the late 1970s – the earlier 1990s); the second stage (the mid-1990s – the earlier 2000s); and the third stage (the earlier 2000s – 2013).

Chapters IV, V, and VI present two empirical case studies that critically reflect, test, and corroborate the theoretical part of this book. In other words, these two case studies, in relation to the south and north of Jiangsu province, respectively serve to empirically demonstrate how China's growth-oriented state ideology has, in practice, resulted in, and interacted with, various socio-economic productive forces and processes, producing major impacts and outcomes in terms of regional (uneven) development at different local/regional scales. In geographical terms, these two case studies are based on the analyses of two county-level units and the municipality-level cities to which they belong. These refer to Changzhou city and its sub-area – Wujin district – which are located in the south of Jiangsu, and Nantong city and its sub-region – Haiyan county – which are located in the north. Due to the difference in the meaning of the term of 'county' between Chinese and English, we need to outline certain general information on the governance structure and the key considerations for choosing these two municipal-level cities and their respective counties as the research objects.

Generally speaking, there are a number of ways of scaling China's governance structure. For example, according to the official data of

China's National Statistical Bureau (2006, cf: Xu, 2010), there are five scales to the governance structure of China, which are, in order:

1. Central government and 2128 central state-owned enterprises;
2. 22 provinces, 5 autonomous regions, and 4 provincial-level municipalities;
3. 333 municipality-level units, which include 283 municipal-level cities;
4. 2862 county-level units, which include 374 county-level cities and 2488 other standard counties; and
5. 41636 town-level units.⁴

Cheung (2009: 63), in his outstanding analysis of the locality-competing system⁵ of China, proposes a seven layer-structure, according to which China consists of seven geographically determined layers, and each lower layer falls within its upper layer. As Cheung (2009: 63) states, 'The top layer is the country, then comes the provinces, the cities, the xians, the towns, the villages, and finally the households', and 'xian' here means county-level units/cities.

In a word, cities in Chinese are usually referred to as municipal-level cities or municipalities. A municipal-level city usually covers and regulates several municipal districts and county-level units. But it must be pointed out that the scaling of China's regional governance structure is in many aspects dynamic. This can be reflected by the rescaling practices, which emerged during different stages of the economic reform. Indeed, it is this dynamic of rescaling that constitutes a key incentive for local governments to promote economic performance. As Xu (2010: 24) observes, some county units with relatively better economic performance have been rescaled into municipal-level units since the mid-1980s. A more prevalent type of rescaling practice lies in the collinear upgrading of normal county-level units into county-level cities. During the period between 1994 and 1996, most normal county-level units in the south of Jiangsu province were rescaled into county-level cities thanks to their rather outstanding economic performance.

The institutional differences between a standard county-level unit and a county-level city can be contextually variable and complicated. In general terms, county-level cities usually possess more autonomous powers over matters such as personnel control, taxation and finance, and state approval

⁴ A governance structure/scale chart can be seen in Appendix 2.

⁵ This can also be referred to as inter-urban competition.

authority, whereas normal county-level units concentrate more on the governance and growth of rural areas and their population, and can be subject to more extensive and tighter controls from their municipalities. Furthermore, there also exists another type of rescaling practice that transforms a county-level city into a municipal district, although such practices are more restricted by central government. Local municipal governments seeking approval of this sort of rescaling usually aim to expand their urban territories in order to sustain urbanisation-driven growth. As we shall see, Jiangsu province became widely recognised as a successful pioneer of initiating such rescaling practice.

As regards the two cities and their sub-regions, it is helpful to set forth at the outset some general geographical and socio-economic information about them. In the south, Wujin district is located in the southern part of Changzhou city, and is widely known as one of the founding places of the so-called 'Southern Jiangsu Model' because of the blooming township and village enterprises (TVEs) during the 1980s and 1990s. Wujin covers 1242 sq. km., within which there are 22 subsidiary towns, two sub-districts, one national high-tech industrial development zone, one national export process zone, and one provincial development zone. The 'civic population'⁶ of Wujin is around 1 million, among 1.6 million permanent residents. Since the early 1990s, Wujin has been continuously ranked as one of the top 10 counties in China. After being rescaled into the municipal district of Changzhou city in 2012, Wujin was in the top six in an evaluation of the Top 100 most developed municipal districts in China. The annual regional GDP of Wujin in 2012 was about 153 billion RMB.⁷ The average annual incomes of urban residents and rural residents in Changzhou in 2012 were respectively 33587 RMB and 16890 RMB. Changzhou city has a total permanent residential population of 4.5 million, and covers 4385 km², consisting of five municipal districts and two county-level cities. By 2012, the urban area of Changzhou covered 461.79 sq. km., which was ranked as the 12th biggest by size among all municipal cities in China.⁸ Among the 13 municipal-level cities in Jiangsu province,

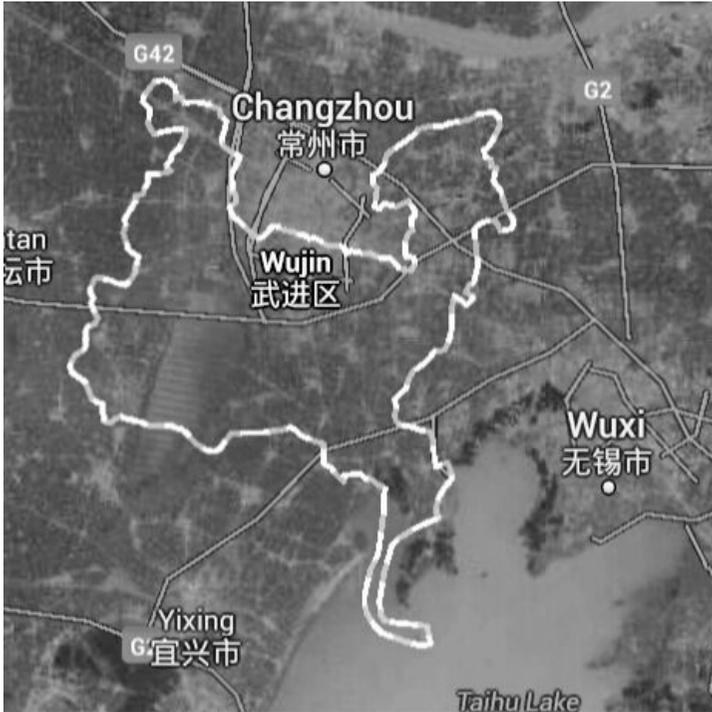
⁶ This refers to local residents with standard urban welfares and rights, whereas other residents (usually migrant labourers) do not enjoy same level of public goods and services.

⁷ A table of the average annual exchange rates between RMB and USD in a series of years is attached in the Appendix.

⁸ The territory of a municipal-level city in China usually covers both urban and rural areas. Although the whole territory of Changzhou city is relatively small, its urban area is notably larger than that of many cities that cover much larger territories.

Changzhou has the second smallest population and territory, indicating a high urbanisation rate. The annual regional GDP of Changzhou in 2012 was about 400 billion RMB, which was ranked as the 6th in Jiangsu province, and its annual per capita GDP of the same year was 85036 RMB, which was ranked as the 5th in Jiangsu.

Figure 1.2: Wujin district (Google Map 2014)



Regarding the selected city-region in the north, Haian county of Nantong city is located in the middle of northern Jiangsu province. Haian covers 1180 km², within which there are 10 towns/districts, including one national economic and technological development zone, one provincial new and high-tech zone, and one new county district. The total population of Haian is about 0.96 million, which is close to the civic population of Wujin. In 2012, the regional GDP of Haian reached 50.3 billion RMB, approximately one third of that of Wujin. Haian is famous for a variety of local specialities, which include silks and textiles, balloonfish, laver, and its architecture and construction industries. Since ancient times, Haian has

been seen as a pivotal place for transportation. Nantong city is located at the north of the Yangtze River Delta, opposite Shanghai. Nantong city covers 8001 km², almost twice as large as Changzhou city, and has a population of 7.3 million, which is about 1.7 times larger than that of Changzhou city. The municipality of Nantong governs two counties, three county-level cities, three municipal districts, and one national economic and technological development area. In 2012, the gross GDP and per capita GDP of Nantong were 455.8 billion RMB and 62506 RMB respectively, and the average annual incomes of urban and rural residents were respectively 28292 RMB and 13231 RMB.

Figure 1.3: Changzhou city (Google Map 2014)



Figure 1.4: Haian county (Google Map 2014)

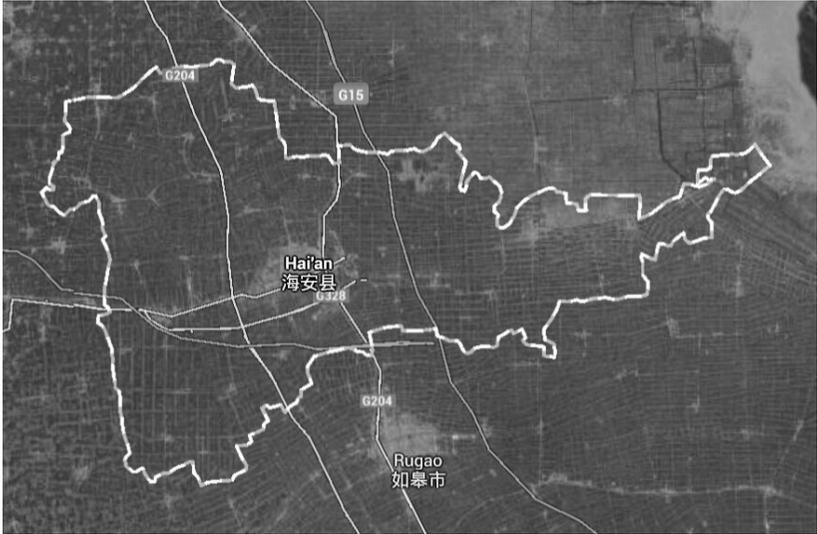
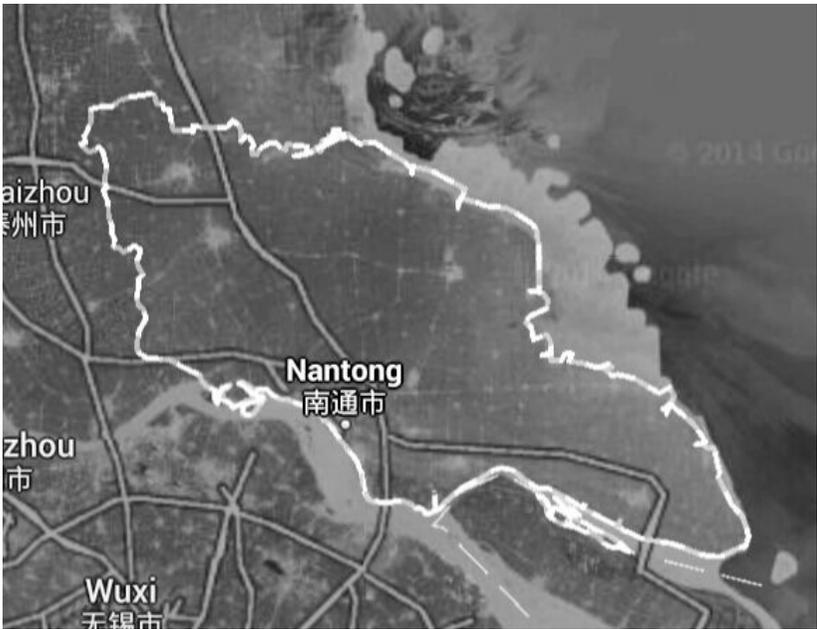


Figure 1.5: Nantong city (Google Map 2014)



As noted before, a three-stage framework is adopted in this book in order to put the relevant analyses into contexts that reflect the evolving regional (uneven) development as characterised by the major and hegemonic growth patterns/engines of respective different periods. This delineation is also applied in the case studies. Arguably, whilst the institutional and industrial tendencies within each stage are revealed, more often than not, to be of national phenomena, their respective features are particularly prominent and typical in the context of Jiangsu province. In brief, the first stage of China's economic reform in Jiangsu is characterised by the rise and blooming of TVEs, though largely in the south rather than across the whole province. The second stage witnessed the rise of development zone-driven growth at various local scales in both the south and north of Jiangsu. The extension of this growth pattern in turn led to rather intense inter-urban competition for inward investment, and entailed derivative urbanisation thanks to the industrial agglomerations that concentrated human, capital, and other resources in development zones. Finally, the third stage has seen a broken nexus between industrialisation and urbanisation, which is indicative of a local growth pattern that is driven by state-led urbanisation.

It is argued that all these characteristics of the regional (uneven) development in Jiangsu at respective stages were more or less critically shaped and affected by the growth-oriented state ideology and its institutional expressions, which are articulated in Chapter III. On the other hand, the case studies in Chapter IV, V, and VI also show how regional unevenness has evolved and been shaped across the relevant spatial and temporal horizons. It is under the growth-oriented state ideology that the path-dependent practices of all the major local growth patterns have led to the current developmental outcomes.

Finally, Chapter VII is both a conclusion to the book and a meta-evaluation of China's economic reform. Apart from summarising the key findings in this book, some key assumptions and views are proposed to inspire research and practice concerning future reform and development in China.

I have sought to sketch out the chief issues and objectives of this research. I believe that it will also be helpful to outline a set of key questions addressed here, as they may provide some sort of route map for reading this book. Generally speaking, there are three major questions that are addressed in this book. The first one asks: what is the nature and the effects of the growth-oriented state ideology and its critical institutional expressions/practices, in relation to uneven development at regional/local scales in the context of China's three decades of economic reform? In

order to address this, a historical perspective will be adopted at the beginning to explore the ideological and political fractures and continuities between the pre-reform state ideology and the guiding logics that have legitimatised and sustained the economic reform. This is then followed by more detailed political-philosophical analyses in order to decipher the strategic/structural dimensions and spatial/temporal effects of the growth-oriented state ideology. This question is largely addressed in Chapter III, and the findings are then critically applied and reflected in the two case studies that follow.

The second research question can be framed as: what are the dominant local growth patterns and dynamics underlying the regional (uneven) development in Jiangsu province during the respective stages of China's economic reform? The identification of these essential trends, institutions, strategies, and actors is partly processed through those theoretical analyses and deductions in Chapter III, and partly based upon the case studies. Thanks to the semi-authoritative nature of China's governance and growth models, it is relatively easy to confine the answers to this question to state institutions of different scales, and to those relational actors and actions, which are subject to state institutional capacities and selectivities, though in a reflexive fashion. In other words, this question involves a somewhat neo-institutionalist view, looking at the critical functions, capacities and orientations of local state institutions under those state-led local growth patterns, since the party/state, after all, has been the leading force throughout the economic reform.

The third question in some senses integrates the first two questions in a mutually resonating way. It asks: in what ways and to what extent has the developmental unevenness between the south and the north in Jiangsu been critically shaped by institutions and actors in different places, at different scales, and with different socio-economic networks, under the growth-oriented state ideology? And, it is hoped that the answers to this question can in some respects lead to a critical summary of China's 30-year reform experiences, which may inspire future regional development and research.

CHAPTER I

THEORETICAL BACKGROUND AND LITERATURE REVIEW

This chapter serves to provide a series of contextual and theoretical reviews, which articulate as well as justify certain phenomena and conceptions, on which the primary analytical body of this book is based. Two issues are to be addressed in particular: 1. the renaissance of cities and city-regions in the era of neo-liberal globalisation; and, 2. the analytical evolution from functional specificity of sociospatial units to multidimensional polymorphy of sociospatial relations and processes.

Since the early 1970s, we have witnessed a proliferation of debates and ‘turns’ in relation to the ontological and methodological foundations of articulating the dynamics and dimensions of modern sociospatial relations and restructurings. Alongside the decline of Atlantic Fordism and Spatial Keynesianism, and the subsequent rise of neo-liberalism and globalisation, there have been multifarious neo-liberalism-oriented restructurings and rescalings of state spatiality and socio-economic development. There are corresponding trends in sociospatial theories, which shift from delineating the relatively static, functional specificity of sociospatial units towards deciphering the dynamic, multidimensional polymorphy of sociospatial relations and processes. These two related trends and their implications for the present research will thus be critically reviewed.

The analysis of these two issues aims to build some rudimentary analytical and theoretical positions by clarifying how to look at, and analyse, the vital parameter of the national state in a way that reflects both its own causal powers and behavioural logics. It will also reflect its relations with, and influences on, actors and systems operating at different scales and in different places, territories and networks.

In addition, after reviewing the two issues above, a few words regarding the conceptualisation of the national state will be laid out with the aim of clarifying the roles and property of this significant parameter in the context of my research.

3. The renaissance of the city-regions and neo-liberal urbanism

Since the 1970s, the world has witnessed a wide-ranging and long-enduring neo-liberalisation process, which was, at the outset, initiated in response to the economic inefficiency of the Fordist growth regime and the accompanying political crises of Keynesian-welfarism (Peck, Theodore & Brenner, 2009). This process of neo-liberalisation did not proceed in a linear, consistent fashion. In practice, it triggered and brought about changes and transitions to both the structural and strategic dimensions of ‘state spatiality’.¹ Thanks to the rise of neo-liberalism and its later dominance in a wide range of fields at global scales, many countries have either actively or passively experienced an ‘institutional and scalar turn’ in relation to the changing strategic roles of the cities and the city-regions in the governance of sociospatial relations, processes, and economic development.

In a comparison with their positions as mere agencies and relays of national state institutions and policies within largely state-oriented, self-contained economies under the Fordist growth model and the Keynesian welfare regime, the cities and city-regions under the neo-liberalism trend have, from a *prima facie* view, institutionally gained and/or been endowed with enhanced roles. These take the form of, for example, more autonomous and expanded institutional and financial capacities, derived from a hollowing-out of the national state, to directly embed in and interact with increasingly globalised markets and mobilised capitals and resources with the purpose of securing their own endogenous growth, and promoting aggregate national competitiveness in the global economic arena (Jessop, 2000; Breathnach, 2010; Storper, 1997).

From a more practical perspective, the increasing importance of cities and city-regions reflects their vital positions as strengthened socio-economic clusters within network arrangements. These are compatible and complementary with the operational patterns of many leading sectors of contemporary capitalism, such as high-tech and financial service industries, which are both ‘organized as dense and intensely localized networks of producers with powerful endogenous growth mechanisms and with an increasingly global market reach’ (Scott, 2001: 820). Urban and

¹ The notion of ‘state spatiality’, according to Brenner (2004), refers to ‘both the geographical configuration of state’s territory and the spatial dimensions of the state’s intervention in socioeconomic processes within that territory’. cf. P. Breathnach (2010): 1180.

regional scales are thus recognised by, *inter alia*, new regionalism as vital supply-side growth machines in fostering and promoting social capital, innovation, learning and other forms of development (Logan & Molotch, 1987; Florida, 1991; Morgan, 1997; Storper, 1997; Scott, 2001).

In discussing the restructuring and rescaling effects of neo-liberalism on state spatiality, Jessop (2000, cf. MacLeod & Goodwin, 1999) argues that there have been three interrelated processes: ‘the denationalization of the state’, ‘the destatization of the political system’, and ‘the internationalization of policy regimes’, occurring in and through various scales and contributing to new forms of inter-urban competition, and thereby giving rise to so-called ‘entrepreneurial cities’. Notwithstanding the uneven and contradictory nature of the ongoing neo-liberalisation process, it is hardly deniable that the thematic tone of the contemporary era, in terms of development, has brought cities to the fore. They have become the key sites in and through which actors, forces and coalitions, with different forms and scales, can cooperate and conflict with each other as they seek objectives such as economic growth and political legitimation.

The growing prominence of the cities, however, does not necessarily result in any guaranteed outcome of economic prosperity and social cohesion.² Rather, many have argued that the resurgence of the entrepreneurial cities in terms of enhanced competitiveness is, more often than not, secured and sustained through a variety of multi-scaled uneven, selective processes. These are characterised by displacing and/or deferring the costs and expenses of securing growth and prosperity to other spatiotemporal horizons, as well as to certain marginalised social entities, groups and strata (Jessop, 2000, 2004; Peck, Theodore & Brenner, 2009; Harvey, 1989; Scott, 2001). The seeming triumph of neo-liberalism in sociospatial processes and relations at urban scales, as Scott (2001: 823) points out, leads to ‘greatly increased social inequalities and tensions within city-regions and exacerbating the discrepancies in growth rates and developmental potentials between them’.

While Scott’s observation is rightly indicative of the critical weakness in the philosophy of neo-liberal ideology, and of certain concrete-complex phenomena that were emerging and coalescing along with ongoing neo-liberalisation processes, there is clearly a missing link in both logical and practical senses in his observation, that is, a link between ideological assertions and practical outcomes. This link is embodied in the various institutions and policies for realising the neo-liberal assertions and rhetoric

² As Cox (2004) argued, the process of neoliberal urbanism does not compulsorily lead to the raising of all boats.

de jure, on the one hand, and, by *de facto* practices and outcomes of such institutions and policies, on the other. Whilst it is highly controversial and beyond the scope of this research to address whether the *raison d'être* of neo-liberalism *per se* may intrinsically lead to developmental unevenness and polarisation, neo-liberalism in practice is far more than a monolithic ideal-pattern standing alone. It is a process coevolving with and being distorted by polymorphic ideologies, institutions as well as movements. As Peck et al. (2009: 51) observed, rather than being a singular, ahistorical and 'fully actualized policy regime, ideological apparatus, or regulatory framework', the practical restructuring and rescaling projects of neo-liberalism, in relation to state spatiality and regional development, are contextually embedded and path-dependent. Furthermore, they appear as multi-dimensional, spatiotemporally specific and concrete-complex processes of sociospatial transformation, which are defined by Peck et al. (2009) as so-called 'actually existing neo-liberalisation'.

This conception of actually existing neo-liberalisation has two implications. First, in studying neo-liberalisation processes, in particular the trends and practices of neo-liberal urbanism in relation to the growing strategic importance of the cities, a multi-dimensional perspective must be adopted for approaching a systematic analysis of the logics and effects of a dominant state ideology, and of its institutional expressions at various scales and across different temporal horizons. This is in order to identify and decipher the institutional and individual causes and dynamics that shape and/or affect, in either a strategic or a contingent fashion, regional (uneven) development. This implication raises a further consideration as to the actual role and position of seemingly 'hollowing out' nation state institutions and strategies in the governance and promotion of city-oriented regional development. As this point will be addressed later in detail, suffice it to say here that any research on regional unevenness in the context of China especially requires a multi-dimensional view that goes beyond local and regional institutions and growth-led coalitions of forces for securing a proper and precise conceptualisation of, not only the causal mechanisms behind the uneven development at issue, but also the true strategic and structural dynamics underlying the vaguely defined 'China Model'. This to some extent echoes Neil Smith's (1984: xi) observation that 'one cannot probe too far into the logic of uneven development without realizing that something far more profound is at stake'. In addition, by recalling Neil Smith's (1984) critical theory of uneven development, which conceives of uneven development as a dialectic process continually and simultaneously shaped by the two contradictory tendencies/processes in terms of sociospatial differentiation and equalisation, it is necessary to

look at the different scales at which those processes take place in shaping uneven development. Such processes at different scales exert influence of different degrees on the shaping of uneven development. However, as we shall see, in the case of China, the state exerts a more active role on uneven development that goes beyond what Smith has articulated in his assumed ‘see-saw’ process of capital.

The second implication is that the practice under neo-liberal urbanism and new regionalism, in terms of inter-urban competition and restructuring of state spatiality, can be recognised as ‘an ongoing creative destruction of political-economic space at multiple geographical scales’ that both ‘exploits and produces sociospatial difference’ (Peck, et al., 2009: 50, 53). It is in this sense argued that urban and regional uneven development manifested by the rise of neo-liberal urbanism and new regionalism may result in a socio-economic outcome, which is not necessarily institutionally optimal and politically justifiable.

In brief, three practically and analytically intertwined phenomena, which are, on the one hand, indicative of certain contextual backgrounds and potential values, and, on the other hand, constitutive of the key researching objects of this book, can be highlighted. These are:

1. The rise of the cities and the city-regions as the key sites and stakes in restructuring and rescaling processes of state spatiality;
2. The immanent unevenness purported by and resulting from concrete-complex practices of neo-liberal urbanism and new regionalism which can be institutionally manifested in and through multifarious spatiotemporal horizons; and
3. The changing role of the nation state in the seemingly market-driven and city-oriented processes of spatial uneven development.

Notably, it is in particular the final point that critically reflects those distinctive politically constructed characters of the so-called ‘China Model’ and its entailed regional uneven development. The distinctive prominence of the roles of the nation state, in terms of dominant state ideologies and institutional expressions in shaping and governing regional development in China, triggers the need to frame a set of tailored analytical and methodological approaches distinct from those which, arguably, either ‘suffer from an underdeveloped notion of the state’ (MacLeod & Goodwin, 1999: 504) or provide ‘a poor framework through which to grasp the real connections between the regionalisation of business and governance and the changing role of the state’ (Lovering, 1999: 391). It is in this sense that a review of certain conventional

approaches on the governance of urban and regional development needs to be conducted with the aim of critically assessing the potential explanatory light they may shed on the analytical framework of this book.

4. Deciphering urban growth beyond urban/local scales

The proliferation of theoretical approaches for analysing and deciphering the institutional arrangements and growth mechanisms that lead to economic success of some cities and city-regions reflects concrete trends such as the process of denationalisation and the rise of entrepreneurial cities/learning zones, all of which are proceeding in and through the context of neo-liberal-oriented globalisation. While these trends and practices, as well as their factual consequences, may be highly empirically observable, they are 'contingent upon particular contexts, structures and agencies' (MacLeod & Goodwin: 506). Such contingency is, on the one hand, indicative of high degrees of analytical and applicable limits inherent in those approaches, which base their explanatory approach to regional uneven development exclusively on the insights from empirically generalised, but not generalisable, trends. On the other hand, it is also suggestive of the need to develop a new analytical approach that embraces, in a systematic, coherent fashion, not only global tendencies and local states, but also other strategic/structural actors such as dominant state ideologies, institutions and state strategies, in order to delineate and decipher a more real reality.

There has been, arguably, a growth-oriented political consensus at urban and regional scales purported by many conceptual approaches that focus on the roles of local economic development and local political-economic alignment in the discourses of urban politics and governance. For example, as Logan and Molotch (1987: 50, 51) have argued, 'one issue consistently generates consensus among local elite groups and separates them from people who use the city principally as a place to live and work: the issue of growth'. This seeming platitude of growth is distinguished from its old sense under the Fordist-Keynesian growth regime in two respects.

First, there is a strengthened diversity of participation at urban and regional scales in the governance of economic development, characterised by the rise of so-called urban privatism (Peck, 1995). According to 'urban regime' theory, which is rooted in US experiences and analyses, there exists, beyond the capacity and catch of formal government mechanisms, a *de facto* regime constituted by an informal public-private partnership between local governments and local business elites who cooperate and