

# GLOBALIZATION AND EMERGING OFFICE AND COMMERCIAL LANDSCAPES IN SHANGHAI<sup>1</sup>

*Jiaping Wu*<sup>2</sup>

**School of Humanities and Communication  
Central Queensland University  
Rockhampton, Australia**

*Abstract:* Office and commercial infrastructure in urban China largely disappeared during the period of central planning between 1949 and 1978. The role of downtown areas in China's cities, however, has been reinvented as a result of China's global integration. In Shanghai, comprehensive planning efforts were made for the renovation of the CBD and the restructuring of the inner city. This article examines the emergence of office and commercial landscapes by linking planning implementation to broad market transition. It argues that the emergence of office and commercial centers in Shanghai can be viewed as the result of market forces as well as discretionary implementation of city comprehensive plans by local governments in the inner city—in response to global integration on the one hand and investor interests on the other. [Key words: globalization, urban planning, office and commercial space, Shanghai.]

## INTRODUCTION

After many years of relative decline as a result of the boom in private car use, the central areas of cities have undergone a renaissance since the 1990s. Re-centralization has occurred throughout the world, in part due to economic globalization. The location of “key command and control functions” (Sassen, 1996a) and other producer services assigned to cities in the new international division of labor (Friedmann, 1986) have tended to be disproportionately concentrated in central business districts (CBD) of cities (Moulaert et al, 1996; Borja and Castells, 1997). This has created a new sectoral mix within the city's economic base and new patterns of service production and consumption as demonstrated by the emergence of high-rise office complexes, secondary business centers, specialized service clusters, and new retail landscapes (Marcuse and van Kempen, 2000). This aspect of urban restructuring is most prominent in cities in advanced economies such as New York, London, and Los Angeles (Hall, 2000; Soja, 2000), but increasingly the phenomenon is occurring in dynamic, rapidly growing Asia-Pacific cities. Urban restructuring of these emerging cities has, to some extent, assumed features of those in advanced economies but also has its own distinguishing features (Preston, 1998; Hutton, 2004; Sun and Bo, 2009). Understanding the relationships between global integration, growth of service

---

<sup>1</sup>I wish to acknowledge constructive comments from a co-editor and five anonymous referees. Comments also were received from Tony Barnes, Mark Wang, Denis Cryle, and Barbara Webster at various stages in the writing of this paper. Responsibility for errors and omissions remains that of the author.

<sup>2</sup>Correspondence concerning this article should be addressed to Jiaping Wu, School of Humanities and Communication, Central Queensland University, Rockhampton, QLD 4701, Australia; telephone: +61-7- 4930-9205; fax: +61-7-4930-9604; email: j.wu@cqu.edu.au

industries, and reconfiguration of urban structure in these cities is of growing interest to planners and urban scholars.

Development in China's inner cities declined for different reasons during the period of central planning between 1949 and 1978. The command economy rejected market-driven distribution of investment. Investment was directed to "productive" (manufacturing) activities and consumption-related infrastructure was ignored. This led to high industrial densities in existing urban areas while commercial facilities disappeared. Before 1990, it was not possible to identify a CBD within China's cities (Yan, 1995). The inner city of Shanghai, which had been the most prosperous shopping area and financial center in East Asia prior to 1949, was transformed into a location accommodating manufacturing activities and housing the workers employed in them (Ning and Yan, 1995). It "did not have shopping centres until the late 1990s" (Wang and Zhang, 2005, p. 65).

Urban space in China has undergone dramatic changes since economic reform and adoption of an open door policy at the end of the 1970s. Economic reform, in particular marketization of urban land and housing distribution, has seen the creation of urban social and spatial systems markedly different from those of the socialist urban planning tradition (Yeh and Wu, 1996, 1999). The arrival of global capital flows has been one of the most important factors redirecting Chinese metropolitan development, particularly in those cities attracting huge concentrations of foreign direct investment (FDI). China has been the second largest FDI recipient in the world since 1993 and became the largest recipient after overtaking the U.S. in 2003. Shanghai has been one of the leading destinations of FDI in China since the mid-1990s. Associated with the development of global economic activities are the promotion of space (Wu, 2000, 2003) and the remaking of metropolitan areas (Wu, 2008; McGee et al., 2007), including functional integration into the global urban system (Shi and Hamnett, 2002; Yusuf and Wu, 2002). There is a sizeable body of knowledge regarding the inflow of FDI into China and the consequent emergence of Shanghai in the global urban system. However, to date there has been little scholarly attention paid to the interrelation between global integration and development of office and commercial (O&C) spaces in Shanghai or other Chinese cities.

Global capital flows making their way to foreign locations have become a major factor in shaping both global urban networks and the internal restructuring of cities. Municipal governments have been coerced into adopting a more innovative and entrepreneurial approach not only to encourage industries to stay but also to promote an image of being attractive locations for global economic activities (Kelly, 1999; Short and Kim, 1999). In China, a neoliberal policy shift "from government to market forces and partnership-based forms of governance" (Jessop, 2002, p. 454) has encouraged a change in the role of government, in particular from resource allocation to development of spatial strategies for channeling global capital toward specific areas of development. Local governments have turned from passive reliance on central allocation to negotiating preferential policy treatment and competing for favorable market position, especially in terms of resources for local development projects (Zhu, 2004).

Urban development in Shanghai has typified the process of decentralisation and highlights the dynamics of land market reform and concentration of foreign investment. Local governments below the municipal level have been increasingly delegated responsibility for their own expenditure and for seeking financial resources from outside the central planning system, as well as actively engaging with the business sector to undertake urban devel-

opment. Inward FDI is particularly significant, and the ensuing intense competition has involved all levels of government from municipal to district and subdistrict (street office, the lowest-level political division in urban areas of China; Zhang, 2002). In the inner city, a number of high-profile O&C projects have been planned and developed to attract foreign investment and create local images within the city. These include state projects such as the planning and development of the Pudong New Area (PNA), which attempts to recast Shanghai within the global economy.

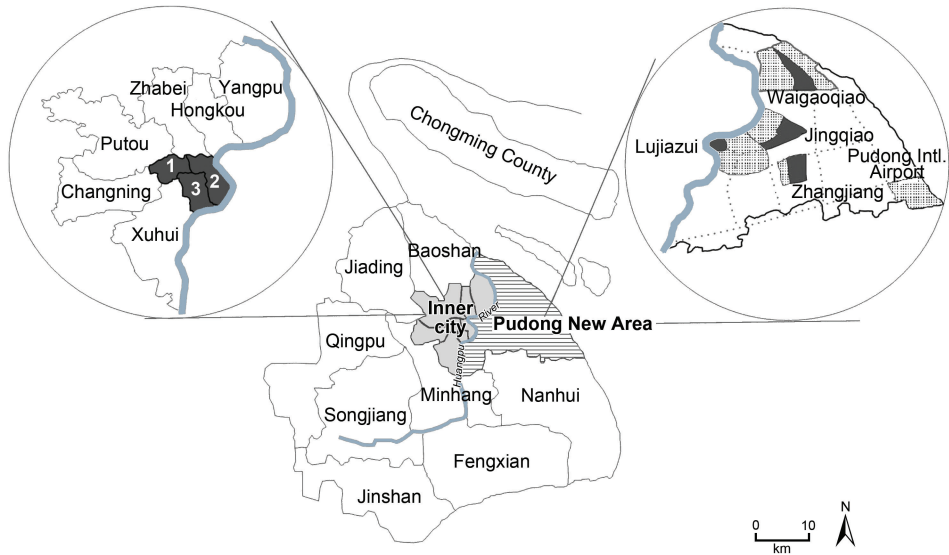
Compared to central allocation, foreign investments are made to maximize profit potential, and foreign firms choose to locate in particular places for their own reasons (Zhu et al, 2006; Wu and Barnes, 2008). The footloose nature of global capital “creates a space that goes beyond the regulatory umbrella of the state” (Robinson, 2009, p.20). This raises questions about the role FDI has played alongside planning authorities in the development of the city. For instance, how does each level of government, from central to sub-municipal, exercise its power to manipulate economic forces (FDI in this case) in producing O&C spaces? How have the interests of foreign investors and local planning authorities worked in tandem to produce O&C spaces and what role has FDI played in the realization of projects designated by different levels of government in Shanghai? Answers to such questions are fundamental to understanding both the spatial transformation of Shanghai and, more generally, the urban impact of FDI in Chinese cities.

This article examines these questions and some broader issues of how FDI has reshaped the inner city of Shanghai and influenced where service activities have located within the city. It is basically a qualitative study using case studies, document and policy reviews, as well as field observations. Data were collected from Shanghai statistical yearbooks, interviews, and site surveys undertaken during two field trips in 2004 and 2006. Key analytical approaches are shaped by two perspectives. From a planning viewpoint, the study emphasizes the interplay of market dynamics and inter-governmental relations in determining the implementation of metropolitan urban plans. From a practical perspective, the paper illustrates how the production of O&C spaces has been shaped by the dynamic interrelations between governments and foreign investors in the city. The two perspectives are synergized through three case studies that link changes in the detailed land use plan on the ground to the broader transition of policy and political context in the production of O&C spaces in the city.

The article is organized as follows. A first section briefly reviews the development of the inner city of Shanghai, while a second deals with changes that have occurred in urban planning and the urban economy and have in turn produced changes in the built environment of the inner city. A third section discusses the role and nature of FDI in that process. The interplay between FDI and urban planning in the production of O&C centers is further examined in a fourth section through case studies of particular areas.

### SHANGHAI'S INNER CITY: HISTORICAL CONTEXT

Before 1949, Shanghai was considered one of the strongest and most vibrant shopping centers in Asia. The city's CBD developed from foreign settlements and focused on the Bund and Henan Middle Road, where a huge block of European architecture and modern urban infrastructure was constructed and over 20 foreign banks and nearly 60 Shanghai-based banks operated in the early 20th century (Zhang, 1990). Between the 1950s and 1970s a series of programs reshaped the city within a socialist planning framework that



**Fig. 1.** Structural characteristics (urban districts and rural counties) of the city of Shanghai. Legend: 1 = Jingan district; 2 = Huangpu district; 3 = Luwan district.

promoted the city's self-reliance through self-contained neighborhoods (Kwok, 1981). Central allocation and decision-making from Beijing dominated China's urban development during the centrally planned period. Local government revenue and expenditure were tightly controlled. Local governments collected revenue, but remitted almost all of the funds to the central government. The State Economic Planning Commission allocated capital according to the targets specified in the nation's five-year plans through various ministries. The key commitment at all levels of governments was to accelerate economic growth, so a major proportion of investment was allocated to the "productive" sectors at the expense of those devoted to "consumption." Between 1950 and 1978, financial resources from Beijing accounted for over 85% of fixed asset investment in Shanghai. This was disproportionately concentrated in the productive sector (SBS, 1981).

Two important spatial consequences of this allocation existed for the city. One was the extension of metropolitan boundaries to absorb a large part of the city's rural hinterland, increasing the metropolitan area from 590 km<sup>2</sup> in 1950 to 6,430 km<sup>2</sup>—consisting of 10 urban districts and 10 rural counties—by 1978. The city's built-up area increased slightly, from 83 to 140 km<sup>2</sup> during the same period. Most of these changes occurred in the 1950s, as there was little change from 1960 to 1978. For consistency, the 10 urban districts are referred to as the "inner city" in this paper (see Fig. 1), encompassing the downtown area of Hongpu,<sup>3</sup> Jingan, and Luwan districts and a zone consisting of Changning, Xuhui, Putou, Hongkou, Yangpu, and Zhabei districts that became predominantly industrialized and urbanized during the socialist planning period.

<sup>3</sup>The Huangpu district annexed the Nanshi district in 2000.

A second development was the use of formerly residential and commercial buildings in the downtown area to accommodate “productive” activities. The impact on the inner-city built environment was that commercial floor space decreased substantially while the proportion of manufacturing space in total floor area increased from 20.2% in 1960 to 29.4% in 1978. O&C land use decreased from 8.5% of total floor area to 5.2% over the same period. The 140 km<sup>2</sup> built-up area contained 5.57 million people and over 10,000 production sites in 1978 (SBS, 1981). The commercial distinction of “central business center,” which had developed in colonial times, thus had considerably diminished as social, economic, and spatial systems became homogenized.

### CHANGING PLANNING ARRANGEMENTS AND IMPLEMENTATION

The three decades of socialist planning and development were characterized by both high industrial and population densities and a shortage of urban infrastructure in Shanghai’s inner city. In an effort to better manage the development of infrastructure to meet the growing population and industrial needs, the Shanghai government created a comprehensive metropolitan plan in the early 1980s that was approved by Beijing in 1986. A salient feature of the 1986 plan was to establish a spatial system whereby the inner city was organized into two zones—an urban core and an “extended” zone. The urban core was located on the west bank of the Huangpu River and stretched beyond the downtown area to cover 93 km<sup>2</sup>. The People’s Square was designated as the city center, while several ancillary urban centers were proposed on both the north and south banks of the Suzhou River. The “extended” zone served as the rural-urban interface outside the urban core, covering about 200 km<sup>2</sup>. It was necessary to accommodate the growing number of manufacturing workers relocated as a result of the restructuring of the inner city as well as the overall urban expansion. Nine other suburban centers were proposed: six in Puxi (west of the Huangpu River) and three in Pudong (east of the Huangpu River).

To ensure that development progressed according to the urban plans, a new urban planning regime was introduced, based on the 1984 Planning Ordinance and later the 1989 Planning Act. This legislation was enacted to guarantee that the urban metropolitan plan would be translated into detailed land use plans and result in spatial production. Under the new arrangement, all developmental projects proposed for the planned area of the city were required to register with the local urban planning authority. Planning goals were to be implemented via two avenues. On the one hand, all land development proposals were to have detailed land use plans with technical criteria for development and all proposals were to meet zoning requirements that had been determined for all land plots. On the other, all projects, including new developments and changes of land use, were to obtain planning permits before development could proceed. These permits identified the boundaries of areas for proposed land uses and certified that the development project conformed to the urban plans and met the technical criteria for the site. In principle, development could only occur when the criteria for assessment and the detailed plan were in accordance with each other.

The implementation of urban planning is significant for urban land use and is affected by the actions of both local governments and investors. Having the “right vision” does not necessarily guarantee that it will materialize. The realization of such a vision depends largely on the dynamic change of the city’s position in regional, national, and global

political economic systems as well as a commitment from governments and private investors (Logan and Molotch, 1987). In China, uncertainty about “vision” was further complicated by two interweaving episodes of reform: (1) a gradual transition from a centrally planned regime to a market-oriented economy, whereby market mechanisms, in particular for urban land use, were gradually introduced; and (2) a transition from isolation to an open door policy, allowing progressive integration into the global economy (Lin, 2004). These transitions, labeled “groping for stones to cross the river” (*mozhe shitou guohe*), are spatial in nature. At the early stage of the reform, both the adoption of the open door policy and the application of a land market were confined to particular places for economic and political reasons (Sung, 1991; Shirk, 1994). Policy application has been decentralized and expanded in scope, but has not been uniformly granted across space. This suggests that the implementation of Shanghai’s urban plan has been affected or determined by the interplay of these transitions and that intergovernmental relations have been formed around different development issues in the city.

At a strategic level, newly created development zones to accommodate growing FDI and global activities needed to be installed in Shanghai in order to progressively reposition the city and China within the global economy. Three Economic and Technological Development Zones (ETDZs) were first established in the Minhang, Hongqiao, and Caohejing areas in Puxi by the central government in the middle of 1980s. The designation of the PNA, consisting of 522 km<sup>2</sup> on the east side of the Huangpu River, as a Special Economic Zone (SEZ) by the central government in 1990 was most significant, as it shifted the loci of development from the west bank of the Huangpu River to the east. In Pudong, preferential policies to attract FDI were granted and an intensive urban infrastructure was built, focusing on the links between the old city and four newly created FDI-themed zones—the Lujiazui Finance and Trade Zone, the Jinqiao Export Processing Zone, the Waigaoqiao Free Trade Zone, and the Zhangjiang Hi-Tech Park. Following similar strategies, various levels of government have designated a number of targeted development zones with diverse labels and industrial specializations since the 1990s (Wei and Leung, 2005; Wu, 2008). In response, the comprehensive metropolitan plan was modified. Innovation in the planning of the inner city has been re-emphasized, including a proposal for redefining the CBD so that it formally encompasses both banks of Huangpu River (Wu and Barnes, 2008).

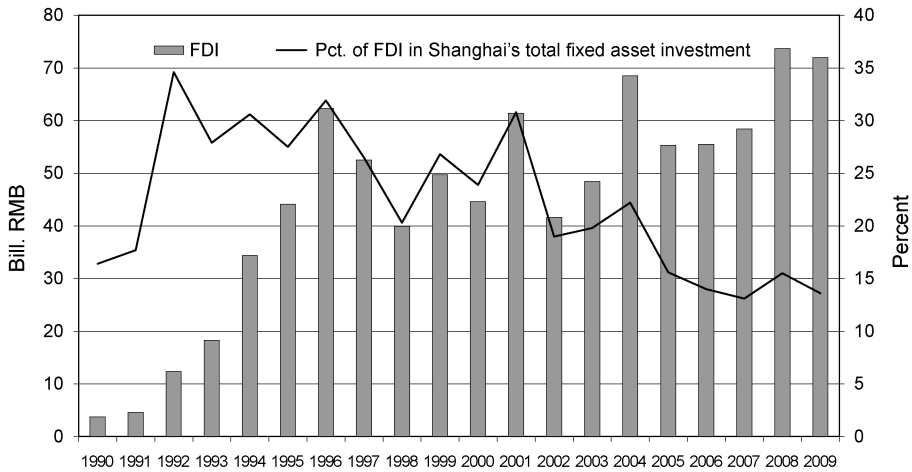
At a practical level, the introduction of a land market during the 1990s was central in the turn toward the market orientation of spatial production in urban China, which has reshaped relations between governments and reprised the distributive role of urban land use. Although the nature and structure of the land market reform in China is a contentious matter (Haila, 2007; Xu et al., 2009; Zhu, 2009), the evident change in resources for financing and the approach of governments to manipulating urban development since the introduction of the land market is incontestable (Lin and Ho, 2005). The land economy has become the major sector of the urban economy and land-related revenue has been the key source of local revenue. Estimates are that it varied from 30% to 70% of local total revenue for many municipalities in the 1990s (Ho and Lin, 2003; Hsing, 2006). As in other cities in China, selling rights to the use of urban land has become a major tool used by local governments to finance urban development in Shanghai (Yan and Chang, 2007). In terms of the development of O&C space, the capitalization of land use has forced manufacturing activities to shut down and move out of the inner city, thus making room for a “new urban

economic core of banking and service activities” (Sassen, 2000, p. 59) and the provision of office facilities (McGee et al., 2007).

Land market reform has combined with the adoption of the open door policy as the market transfer of land use rights was initially confined to the development zones. These zones have since become the most effective way of producing land for sale (in preference to the cost of developing land in built-up areas). In addition, due to the limited market operations and private investment that existed previously, the opportunities created by the development zones met the requirements of foreign investors seeking risk minimization and confidence in local markets (Nelson, 1977). As a result, the concentration of FDI responded well to development zone policy, especially those designed by the central government (Wu and Radbone, 2005). By 1999, the seven ETDZs (the four themed zones in Pudong and the three ETDZs in Puxi) together attracted 35.7% of the city’s total FDI (Shanghai Foreign Trade and Relation Commission, 2000). The areas with concentrated foreign capital immediately became the first example of a “development catalyst” (Fromhold-Eisebith, 2002; Thompson, 2002), attracting further foreign and domestic investment alike. With foreign investors’ knowledge of the local market growing, the concentration of foreign firms—especially those supported by service-oriented foreign investment—has spread beyond the boundaries of designated development zones (Wu and Barnes, 2008) to areas that can potentially maximize their profits. In turn, this has helped to set spatial market parameters (e.g., clusters of private investment) in the city.

To reflect this important change, the municipal government has adopted a pragmatic strategy of allowing lower levels of government to implement the urban plan. The authority for urban planning implementation has been decentralized, so that the municipality has been made responsible only for arterial roads, preparing comprehensive plans, and supervising enforcement of regulations. Planning authorities at the district level have been authorized to prepare all detailed plans for their territories, excluding the regions labeled as “important areas” by the municipal planning authority, for example, the Bund within the downtown area. The district governments have even been authorized to negotiate with foreign investors on the transfer of land use rights (Yan and Chang, 2007) and to offer incentive packages including the alteration of “pre-determined land use particulars” specified in the urban land use plan (Zhu, 2008). Accommodating developers’ interests has become common practice in land use planning (Zhu, 2004, 2005). As a result, local governments at district level have begun to exercise discretion in the implementation of urban planning and to initiate new development within their jurisdictions in accordance with the interests of foreign investors and their own political and economic agendas.

While numerous development zones targeting manufacturing FDI have been established in the suburbs, local governments in the inner city have endeavored to create a favorable transactional environment for attracting service FDI through the planning and development of O&C projects, repositioning their locales in the context of rapidly changing metropolitan, national, and global competition. In addition to the renovation of the Bund and the development of Hongqiao ETDZ, a number of flagship O&C projects have been proposed, including the planning of the Xujiahui Commercial City (1996), the Middle Huaihai Road (1994), and the Shanghai Everbright City (SEC) (1994). Most important and far-reaching is the planning and development of the Lujiazui Finance and Trade Zone, the only such zone in China to establish a specific image of Shanghai as a prime site for foreign investment. Development corporations have been established to mobilize resources for planning



**Fig. 2.** Growth of FDI and its share of total fixed asset investment in Shanghai, 1990–2009. *Source:* Compiled by author from SBS (1996, 2001, 2006, 2010).

implementation and to manage planned areas for achieving the best interests of government and private investors alike.

#### FDI GROWTH AND CHANGING THE INNER-CITY BUILT ENVIRONMENT

Over the past three decades a huge amount of FDI has flowed into Shanghai. By the end of 2009, the city's cumulative FDI since 1981 totaled US\$115 billion in over 55,600 projects. The investment structure of FDI has changed over time, so that service-oriented investment increased from 36.3% in 2001 to 72.3% of the total in 2009, accounting for 55.3% of the city's cumulative FDI since 1981 (SBS, 2001, 2006, 2010). Over one-third of Shanghai's FDI now comes from the advanced industrialized economies, compared with one quarter of inward FDI for China as a whole. Utilization of foreign capital has been a significant force driving urban transformation since the 1990s. As a proportion of the city's total fixed asset investment, FDI increased from 16.4% in 1990 to 31.8% 1996 (Fig. 2). Its importance, however, has declined somewhat since 2001 (SBS, 2001, 2006, 2010), perhaps because of the increased intensity of domestic investment.

Spatially, the PNA has played a dominant role, attracting one-third of the city's total FDI since the mid- 1990s. The nine inner districts attracted 40.5% of the total FDI, of which 46% went to the downtown area. The distribution of service FDI was concentrated overwhelmingly in the inner city, which contributed to the growth of O&C spaces from both the supply and demand sides. In the early 1980s, "there were not any commercial office spaces for sale or for rent in the market" in Shanghai (Zhu et al, 2006, p. 467). This has been accelerated by the growth of the domestic service sector, whose share in the city's total employment increased from 22% in 1980, to 30% in 1990 and 55.6% in 2009 (SBS, 2001, 2010). The demand for O&C space has presented a great opportunity for foreign investors in the city. Investment in the hotel industry, for example, increased from 51% of the city's total FDI in 1986 to 71% in 1988 (SBS, 2000) and remains a major sector today.



**TABLE 1. GROWTH OF O&C SPACES IN SHANGHAI, 1980–2009 (MILL. M<sup>2</sup>)**

Type of space	1980	1990	1995	2000	2005	2009
Office space	3.37	5.99	9.55	24.16	43.34	59.70
Retail space	2.43	4.03	5.62	11.91	32.41	50.88

*Source:* Compiled by author from SBS, 1981, 1996, 2001, 2006, and 2010.

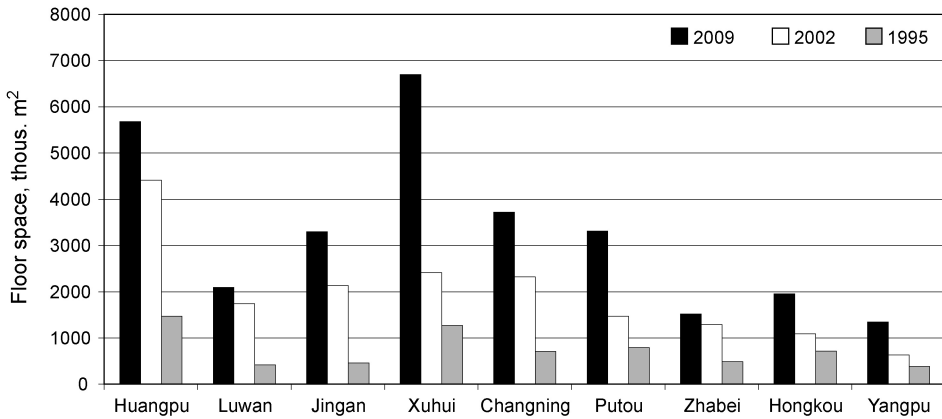
On the supply side, the transfer of land use rights in Shanghai's land market was divided into two categories in the 1990s: sales to domestic and to foreign investors. The latter accounted for 79% of the total area of land sold between 1993 and 1998 (SBS, 2000). Foreign investment involved the development of nearly 2,000 parcels of urban land totaling 47 million m<sup>2</sup> of floor space. Two-thirds of the newly developed O&C floor space was also leased to foreign investors (SBS, 2000). In response to the rapid growth of FDI, office space in Shanghai quadrupled during the 1990s (Table 1). Growth has become much more rapid since the turn of 21st century. Over 35.5 and 39 million m<sup>2</sup> of office and retail space, respectively, were added during the period between 2000 and 2009 (SBS, 2006, 2010).

Office buildings have become the dominant image of the urban economy in Shanghai, with PNA emerging as the largest O&C center in the city. The O&C floor space in PNA increased from about 10% of the city's total in 1995 to 31.1% in 2009. Office space in Huangpu district increased more than threefold, while the planning and consequent accumulation of the huge amount of FDI in Xuhui and Changning districts resulted in those districts acquiring five million and three million m<sup>2</sup> of office space, respectively, during the period between 1995 and 2009 (see Fig. 3A). While enormous growth in Xuhui district occurred in the seven years to 2009, the major increase in the downtown area was between 1995 and 2002. The top three districts of Xuhui, Huangpu, and Changning together accounted for 54.3% of total office space in the inner city in Puxi.

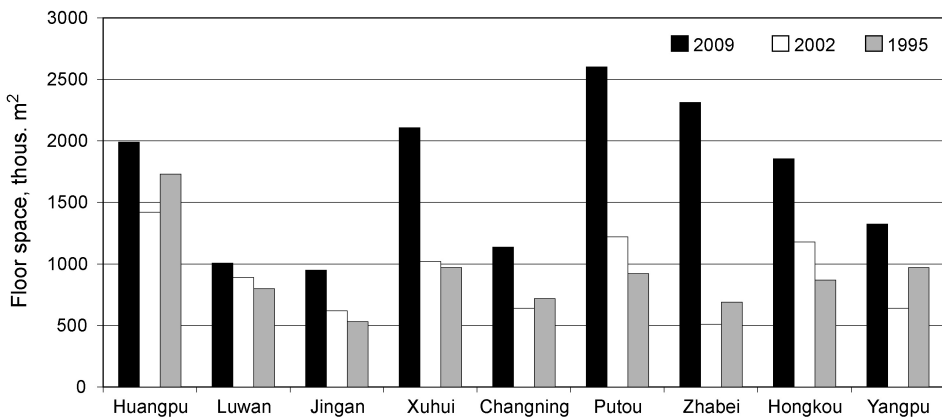
In 1995, the distribution of office and retail space in Shanghai was closely interrelated ( $r = 0.839$ ) and concentrated in Huangpu, Xuhui, and Putou districts. Since then, the growth of the two types of space has become differentiated ( $r = 0.234$  in 2009). Whereas Huangpu remains important for retail space, growth has predominantly concentrated in the districts of Putou, Zhabei, and Hongkou (Fig. 3B); of the total retail space in the inner city in Puxi, the share of these three districts together increased from 30% in 1995 to 44.3% in 2009. This separation shows the distributive force of the land use market at work. At the same time, whereas the development of domestic wholesale and retailing spaces directly relates to the agglomeration of population, the growth of office space has increasingly been devoted to hosting financial and other producer services, as it has in other global cities (Sassen, 1996b). A survey showed that foreign investors comprised 55.7% of office space users in the city in 1999 (SBS, 2000). A policy was also introduced that encouraged retail industries to develop outside the downtown area (Wang and Zhang, 2005).

The increase of office buildings has transformed the landscape of the inner city, in particular the downtown area centered on the commercial streets of East Nanjing Road, the Bund, and Middle Huaihai Road. The Bund along the Huangpu River has been widened to allow increased transportation and pedestrian movement, and large foreign and domestic banks and insurance companies have replaced the government institutions that formerly

## A. Growth and distribution of office space



## B. Growth and distribution of retail space



**Fig. 3.** Growth of office (A) and retail space (B) in inner-city Shanghai, 1995, 2002, and 2009. *Source:* Compiled by author from SBS (1996, 2006, 2010).

occupied most of the buildings. In 1999, East Nanjing Road was transformed into a multi-functional commercial area, the Pedestrian Shopping Mall. Table 2 shows that, in terms of both absolute floor area and percentage of total area, O&C spaces in the downtown area grew markedly while the proportion of manufacturing building declined—from 18.6% in 1995 to 5.3% in 2009. O&C spaces accounted for 23% of total floor space in 2009. Changes in building use over the 1995–2009 period in the rest of the inner city resembled those of the downtown area in many respects. Like the downtown area, both absolute floor area and proportion of total floor space used for manufacturing dropped, even though there was only a 10% drop in actual manufacturing space. Also like the downtown area, office space increased, but not to the same extent. The proportion of building space devoted to

**TABLE 2.** CHANGE IN BUILDING USE PATTERNS IN SHANGHAI'S INNER CITY, 1995 AND 2009

Patterns	Downtown area				The rest of inner city			
	1995		2009		1995		2009	
	Mill. m <sup>2</sup>	Pct.	Mill. m <sup>2</sup>	Pct.	Mill. m <sup>2</sup>	Pct.	Mill. m <sup>2</sup>	Pct.
Housing	16.51	54.2	24.29	50.6	66.23	53.6	149.57	62.8
Offices	2.53	8.3	11.07	23.0	4.38	3.5	18.55	7.8
Shops	1.5	4.9	3.94	8.2	2.52	2.0	11.34	4.8
Factories	5.47	18.6	2.59	5.3	31.34	26.3	28.11	11.8
Other	4.46	14.6	6.20	12.9	19.07	15.8	30.49	12.8
Total floor space	30.47	100.0	48.03	100.0	123.54	100.0	238.22	100.0

*Source:* Compiled by author from SBS, 1996, 2010.

housing increased by 9.2 percentage points in the inner-city area outside the downtown compared with a 3.6 percentage-point decline in the downtown area.

#### EMERGING COMMERCIAL AND OFFICE CENTERS

The rapid transformation of the O&C landscape of Shanghai's inner city has been astonishing. Figure 4 depicts the emerging O&C centers in Shanghai categorized in terms of both their relative importance in planning documents and building volumes achieved by 2006. A new CBD spans the Huangpu River and a series of suburban centers has emerged since the late 1990s. These include, in particular, the Hongqiao office center, the area of Middle Huaihai Road, the Xujiahui Commercial City, the area along West Nanjing road in Jingan district, Shanghai Everbright City, and the area around Wuning Road in Putou district (Fig. 4). Each has immense clusters of high-rise buildings.

These complexes are characterized by the emergence of new office buildings. The first few floors of some high-rise complexes are reserved for retailing, with major department stores, variety stores, as well as apparel and local convenience stores practically duplicating the shopping available in the CBD. The higher levels are used exclusively for offices. The emergence of these centers on the one hand can be attributed to the historical development of particular places reinforced by recent urban planning efforts. On the other, FDI has become an important means of funding recent development. The consequence of this for urban space can be compromises between the varying interests of financial investors on the one hand and the goals of the planned projects on the other. The remainder of this section provides three case studies to illustrate the details of planning implementation and the development of these different urban centers within Shanghai.

##### *Case 1: Hongqiao*

Hongqiao, located 6.5 km from the city center and five km from Hongqiao Airport, was the first specialized center for office space to emerge in Shanghai, even before the full

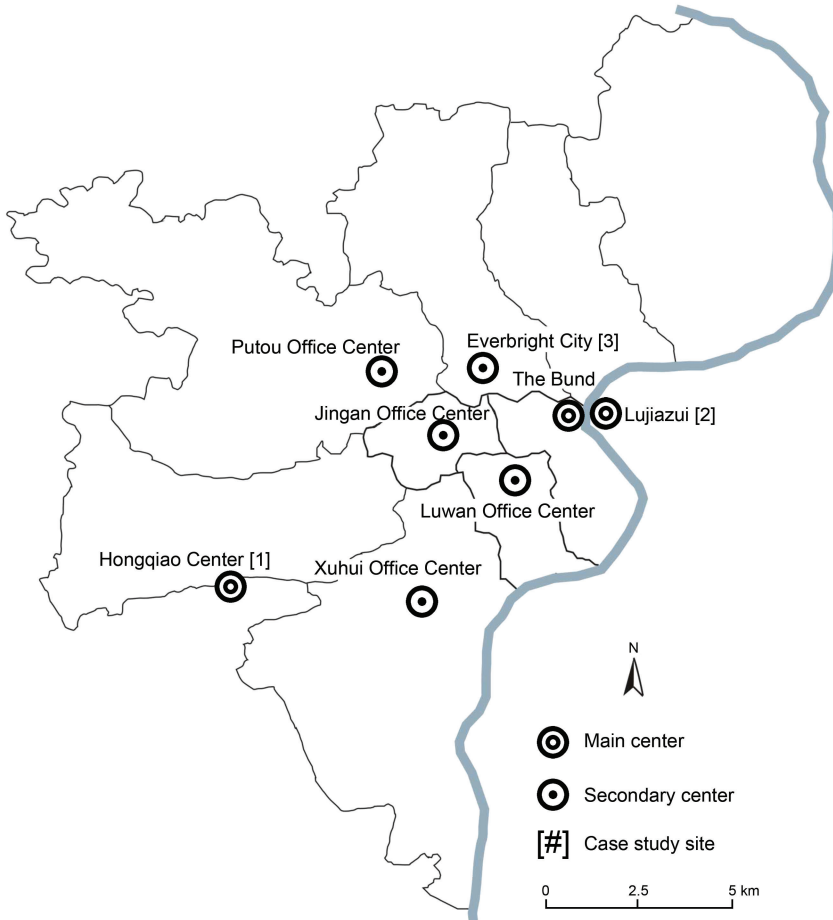
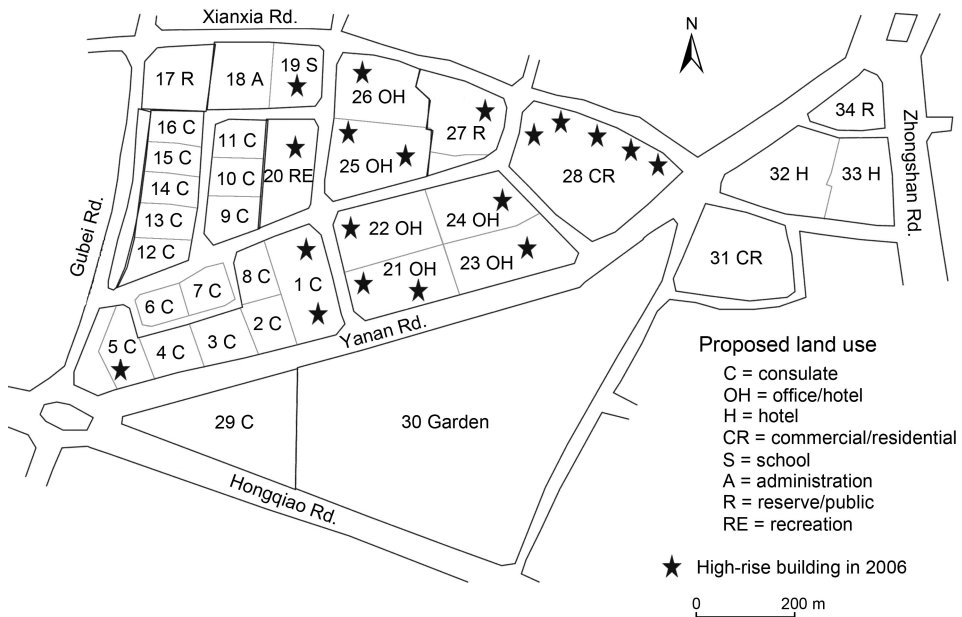


Fig. 4. Location of major business and office centers in Shanghai.

development of the downtown area. Before 1984 it was predominantly rural in character and under village administration. The emergence of Hongqiao as a center for office space in essence was the consequence of the combined effects of the adoption of the open door policy and reforms of the urban planning regime, and provides a good example of how the open door policy and substantial FDI can significantly influence, even overturn, the intent of detailed regulatory planning.

In 1982, the Hongqiao area was proposed as a “foreign consulate area” and major land plots were devoted to consular buildings. In the Hongqiao New Village regulatory plan (see Fig. 5), many urban planning experiments, such as the delineation of land uses and controls over the plot ratio and the height of buildings, were employed for the first time in Shanghai (SIUPD, 1982). The land use of each plot was precisely designated; for example, plot numbers 1–16 were planned for consular buildings. The height of the buildings was stipulated to be no more than 14 m. An international primary school was proposed at plot



**Fig. 5.** Hongqiao New Village Plan and emerging high-rise buildings in Hongqiao area. *Source:* Planned land use map reproduced from SIUPD (1982).

number 19, where the building height was restricted to no more than 20 m. Plot number 20 was proposed for recreation use, and plots 21–27 were planned for office and hotel buildings, and plots 28 and 31 for residential purpose. The total office space for the areas was to be only 0.14 million m<sup>2</sup>.

However, little real development took place until the area was designated as an ETDZ by the central government in 1986, granting preferential policy to attract FDI. The key measure in implementation of the policy was establishment of the Hongqiao Development Corporation joint venture between the Shanghai municipality and investors from Hong Kong. The main role of the Development Corporation in the 1990s was to coordinate government agencies at different levels and, in particular, to facilitate and manage land development in the planned area. The interests of both foreign investors (who sought the maximum profits from the development of each land plot) and the government (which was keen to improve local O&C spaces) were effectively motivated by the desire to introduce a market for land use rights, which resulted in eventual land uses (and planning requirements and restrictions) that were significantly different from those originally intended.

The process started with the transfer of land use rights for plot number 26. This was put up for tender in Hong Kong in 1988 after the urban planning requirements were amended. This was the city's first transfer of land use rights through the market since 1949. Since 1988, use rights of many plots of land within the planned area have been transferred in this manner. Actually, almost all proposed land uses were altered before or after the land was put on the market. For example, plot numbers 2–8 and 29 were changed to office use in 1989. The allowable height of the buildings was raised from 14 m to 100 m, although

the actual height of one building in the plot, the Shanghai Global Trade Center, eventually reached 140 m. The proposed international primary school for plot 19 was also ignored. As a whole, the originally proposed land uses in 60% of the plots and over 80% of the planning requirements in all developed land were altered. In effect, the concept of developing Hongqiao as a consulate center was abandoned.

Hongqiao has since emerged as a high-rise-dominated, FDI-oriented office center (with a few foreign consulates notwithstanding), second only to the CBD in office space with a total building floor space of 2.6 million m<sup>2</sup>. In 2006, 19 high-rise complexes were completed, almost all of them developed by government-foreign joint ventures or sole foreign-investor-owned ventures (including investors from Hong Kong). Half of the buildings reached over 100 m in height with a total of 1.7 million m<sup>2</sup> of floor space. Contrary to the intent of the original government plan, the emergence of the Hongqiao office center resulted from a long-lasting collaboration between foreign investors and local authorities that was made possible by the inevitable relaxation of planning controls which itself was a consequence of the open door policy.

### *Case 2: Lujiazui Area*

The most significant change has been the planning and renovation of Shanghai's former CBD. The old CBD area, centered on East Nanjing Road and the Bund, is one of oldest parts of the city. It has been designated as having historical heritage status to preserve its typical European Neoclassical and eclectic architectural styles. Therefore this part of the city now has little potential for further development. To compensate for the limited capacity for expansion of the old CBD, in 1991 a new extension was proposed for the Lujiazui area in PNA, an area of 1.7 km<sup>2</sup> across the Huangpu River opposite the Bund. It was envisaged as accommodating the regional headquarters of multinational corporations, international organizations, agencies of provinces in the valley and delta of the Yangtze River, as well as attracting other producer services such as finance, insurance, consulting, legal services, and marketing.

Central authorities have taken a close interest in the planning and development of Lujiazui area. It was designated as the only Financial and Trade Zone in China in 1993, being granted preferential policies to encourage foreign financial institutions and companies to establish their offices there. It was envisaged as a key device symbolizing the open-door commitment of the Chinese Communist Party after the Tiananman Square incident of 1989. The Pudong project would "provide perfect symbols at home and abroad that China was forging ahead with reform" (Yatsko, 2001, p. 22). For Deng Xiaoping, the architect-general of China's reforms, it "must be accomplished with no alteration" (*Wenhui Daily*, 2007, p. 1). Compared to other SEZs and ETDZs, much more generous preferential policies were specifically granted to Pudong to utilize FDI. For instance, Pudong was allowed to invest in tertiary industries then blocked from FDI in other areas, and foreign investors were permitted to buy the use rights to large tracts of land at a 20% discount (Yeh, 1996). However, the Tiananman Square event was a setback in attracting foreign investment. In that year, FDI flow into Shanghai fell sharply to less than half that of 1988 (SBS, 2001).

The strategic importance of Pudong to China's central government in Beijing resulted in strict control of planning implementation so that the unpredictable development that occurred in the Hongqiao ETDZ would not be repeated. The Lujiazui Development

Corporation was created to manage land circulation of the planned area in financial markets, thereby generating important start-up funding for the area's development. However, it has attracted little foreign capital because of the lack of "planning advantages" for foreign investors. The cumulative projects and amount of FDI in PNA increased to 11,800 projects and US\$39.1 billion, respectively, by 2006. Of these, only 28 projects—less than 15% of Pudong's FDI—chose to locate at Lujiazui (PBS, 2007). Land development in the Lujiazui area has been dominated by partnerships between the Lujiazui Development Corporation and agencies of the Chinese government at the central and municipal levels and from other provinces and cities. Lujiazui attracted 57.7% and 71.6% of the funding that the central and municipal governments invested in PNA (PBS, 2007).

Despite the limited FDI in Lujiazui, major planned high-rise buildings have been erected and a globally oriented financial center has been physically laid out. These totaled 8.25 million m<sup>2</sup> of floor space, 70% of which was office space. Some buildings, such as the Oriental Pearl Tower and Jingmao Plaza, form new icons for the city. The world's first commercial Maglev rail line now connects Pudong International Airport to Lujiazui. However, with only a few foreign firms, the new CBD of Shanghai remains as little more than a showcase rather than being a real financial quarter or the headquarters cluster of international financial institutions and multinational corporations. Similarly, the recent planning and development of Expo 2010, located 6 km south of Lujiazui, is another initiative that has successfully transformed an old industrialized area across the Huangpu River into a new city icon. As part of efforts to reinforce the city's competitive position in the global economy, the Expo has demonstrated that the government's commitment (both at the central and municipal levels) and the production of globalized space are connected.

### *Case 3: Shanghai Everbright City*

The development of Shanghai Everbright City (SEC) in Zhabei district is another interesting example. Before the Shanghai SEC project was launched, the region was a slum. Three quarters of all buildings were badly constructed, crowded shanties that were erected during the 1930s.

Between 1992 and 1993, the Shanghai Land Administration Bureau transferred the use rights to 115,000 m<sup>2</sup> of land to foreign developers. A total of 0.82 million m<sup>2</sup> of floor space was proposed. This became the largest FDI-funded urban redevelopment program in Shanghai during the 1990s. Almost as an afterthought to the rapidly emerging development in the area, in 1993 the Zhabei district government and Shanghai Institute of Urban Planning & Design developed the "Master Plan of SEC." The Plan was drawn up after most land use rights in the area had been transferred and the region's direction was already structured by many key foreign investment-driven projects. Therefore, the Plan had to accept, and adapt to, the FDI-led urban development. Development of the area has been exceptionally rapid, possibly in part due to the pragmatic compromises made in the Plan. By the end of 2006, nearly three million m<sup>2</sup> of floor space had been built, two-thirds of which was devoted to commercial and retail. In terms of retail and commercial space, the development raised Zhabei to the second largest of Shanghai's nine inner-city districts in 2009, compared with a ranking of eighth in 1995 (Fig. 3). The locality has now emerged as one of the four largest commercial centers in the city. The 35-storey, 143 m "City of the City" complex and 127 m Information Plaza have become the new symbols of the area.

## CONCLUSIONS

Global integration has become increasingly important as an instrument of urban growth and change. The interaction and interplay between global imperatives (exhibited through the locational preferences of foreign capital) and progressive planning experimentation in inner-city Shanghai identified in this paper is mirrored by the rapid growth and progress of many emerging cities in developing economies. O&C spaces in these cities have substantially changed as a consequence of global integration. Details of the key drivers of growth and their mode of interaction vary from place to place but almost always include some common significant factors such as global capital, politics, governance, policy, and planning implementation.

During the period of central planning, Beijing-based economic ministries had absolute power to determine the level and nature of urban growth, with control over all resources associated with production and consumption, as well as complete authority over building use. Urban areas and industries received investment only if they were called for in the central plan. Local governments and intra-urban differences in socioeconomic endowments had little influence. Investment priorities were set to pursue the twin goals of productivity and social-spatial equity. The commercial infrastructure of the inner city became largely irrelevant and was almost entirely ignored.

With the rapid emergence of a global economy, Shanghai has experienced huge underlying structural change over recent decades. The concentration of service FDI initiatives, as both an essential source of funds and users of new infrastructure, has brought about a boom in commercial activities and office space in the inner city of Shanghai. The socialist pursuit of industrial dominance and social-spatial equity has been replaced by development patterns that are responsive to the interests of global forces and to local competition for economic development, facilitated by an urban politics based on adoption of the open door policy and the capitalization of urban land use. Inner-city commercial infrastructure has reappeared and the homogenized, industry-oriented structure of the central planning period has dissolved.

Office and retail buildings have become the dominant image of Shanghai's urban economy, and a multi-centric structure of the inner city has emerged. Spatially, an increase in the availability of office space has accommodated regional and global economic activities, the development of which has become increasingly separated from retail space. This is reflected in differential links to the global economy. In terms of urban planning, the location, function, and physical appearance of the centers are significantly different from those proposed in the original comprehensive plan. In these transformations, the concentration of FDI has played a key role. At the same time, each level of the government, from central to municipal and urban district, has played a different role in the functioning of the centers but has similarly facilitated the planning and development of O&C projects. The actual development in some of these planned projects is more reflective of global capital interests and the workings of land markets than of the precepts of formal plans, whereas others operate under planning control. As such, they reflect investor interests, consumer preferences and, *inter alia*, the vicissitudes of political need at a given point in time. Land use regulation has scarcely warranted the label "regulation" because it is so irregular, so flexible, and so adaptable to market demand and political pressure. It is more like "nominal guidelines" than regularizing control. Except for the Lujiazui area, urban



planning has generally played a significant, but insufficient, role in the development of these centers. The example of the early development of SEC illustrates the impact that a high concentration of FDI can have on the emergence of a center, even though there were no planning intentions for such development to occur. On the other hand, the development of the Hongqiao office center demonstrates a process of continuous negotiations and compromises between local planning authorities and foreign capital, presumably to the mutual advantage of both but not the complete satisfaction of either.

The development of the new part of the Lujiazui CBD provides a contrast between planning process and outcome. Interestingly, as a national image-building project for attracting foreign investors, foreign capital itself played a limited role, which also to some extent contradicted the decentralized planning process. It is in part because of Lujiazui's strategic importance and in part for political reasons that the planning and development of the project was under the strict control of the central and municipal governments. However, the planning and development of Lujiazui CBD would have been difficult, if not impossible, without funding deriving from capitalization of the planned area and financial support from the central and municipal governments—the financial capacity of which has, ironically, grown rapidly as a result of fiscal and planning decentralization. This example demonstrates the special role the central state can usefully play in China's urban transition—exercising its political power in organizing and restructuring territorial conditions under which capital accumulation occurs. In these case studies, the similar importance of global forces to O&C development has also been noted, but the course and intensity of the interplay between governments and foreign investment has varied. While engaging with each other, both government regulators and foreign investors have influenced and constructed, shaped and reshaped one another. As a trend, local control of O&C development and urban planning has declined. The dispossession of the right of local authorities to enforce their commands and keep their promises suggests that, for ordinary people, the benefits of such development remain open to question.

#### REFERENCES

- Borja, J. and Castells, M., 1997, *Local and Global: The Management of Cities in the Information Age*. London, UK: Earthscan Publications Limited.
- Friedmann, J., 1986, The world city hypothesis. *Development and Change*, Vol. 17, 69–83.
- Fromhold-Eisebith, M., 2002, Regional cycle of learning: foreign multinationals as agents of technological upgrading in less developed countries. *Environment and Planning A*, Vol. 34, 2155–2173.
- Haila, A., 2007, The market as the new emperor. *International Journal of Urban And Regional Research*, Vol. 31, 3–20.
- Hall, P., 2000, The centenary of modern planning. In R. Freestone, editor, *Urban Planning in a Changing World: The Twentieth Century Experience*. London, UK: Spon, 20–39.
- Ho, S. P. S. and Lin, G. C. S., 2003, Emerging land markets in rural and urban China: Policies and practices. *The China Quarterly*, Vol. 175, 681–707.
- Hsing, Y.-T., 2006, Land and territorial politics in urban China. *The China Quarterly*, Vol. 187, 575–591.

- Hutton, A., 2004, Service industries, globalization, and urban restructuring within the Asia-Pacific: New development trajectories and planning responses. *Progress in Planning*, Vol. 61, 1–74.
- Jessop, B., 2002, Liberalism, neoliberalism, and urban governance: A state-theoretical perspective. *Antipode*, Vol. 34, 452–472.
- Kelly, P. F., 1999, The geographies and politics of globalization. *Progress in Human Geography*, Vol. 23, 379–400.
- Kwok, W., 1981, Trends of urban planning and development in China. In C. Ma and E. Hanten, editors, *Urban Development in Modern China*. Boulder, CO: Westview Press, 147–193.
- Lin, G. C. S., 2004, Toward a post-socialist city? Economic tertiarization and urban reformation in the Guangzhou Metropolis, China. *Eurasian Geography and Economics*, Vol. 45, 18–44.
- Lin, G. C. S and Ho, S. P. S., 2005, The state, land system, and land development processes in contemporary China. *Annals of the Association of American Geographers*, Vol. 95, 411–436.
- Logan, J. R. and Molotch, H., 1987, *Urban Fortunes: The Political Economy of Place*. Berkeley, CA: University of California Press.
- Marcuse, P. and Van Kempen, R., 2000, *Globalizing Cities: A New Spatial Order?* Oxford, UK: Blackwell.
- McGee, T., Lin, G. C. S., Marton, A., Wang, M., and Wu, J., 2007, *China's Urban Space: Development under Market Socialism*. London, UK: Routledge.
- Moulaert, F., Scott, A. J., and Farcy, H., 1996, Producer services and the formation of urban space. In F. Moulaert and A. J. Scott, editors, *Cities, Enterprises, and Society on the Eve of the 21st Century*. London, UK: Pinter, 97–112.
- Nelson, R. H., 1977, *Zoning and property rights: An analysis of the American system of land use regulation*. Cambridge, MA: MIT Press.
- Ning, Y. and Yan, Z., 1995, The changing industrial and spatial structure in Shanghai. *Urban Geography*, Vol. 16, 577–594.
- Preston, W., 1998, *Pacific Asia in the Global System*. Oxford, UK: Blackwell.
- Pudong Bureau of Statistics (PBS), 2007, *Pu dong tong ji nian jian 2006 (Pudong Statistical Yearbook 2006)*. Beijing, China: Chinese Statistical Press.
- Robinson, W. I., 2009, Saskia Sassen and the sociology of globalization: A critical appraisal. *Sociological Analysis*, Vol. 3, 5–29.
- Sassen, S., 1996a, *The Global City*. Princeton, NJ: Princeton University Press.
- Sassen, S., 1996b, Rebuilding the global city: Economy, ethnicity, and space. In A. D. King, editor, *Re-presenting the City: Ethnicity, Capital and Culture in the 21st Century*. Washington, DC: New York University Press.
- Sassen, S., 2000, *Cities in a World Economy*. Thousand Oaks, CA: Pine Forge Press (2nd ed.).
- Shanghai Bureau of Statistics (SBS), 1981, *Shang hai tong ji nian jian 1980 (Shanghai Statistical Yearbook 1980)*. Beijing, China: China Statistical Press.
- Shanghai Bureau of Statistics (SBS), 1996, *Shang hai tong ji nian jian 1995 (Shanghai Statistical Yearbook 1995)*. Beijing, China: China Statistical Press.
- Shanghai Bureau of Statistics (SBS), 2000, *Shang hai tu di shi chang 1999 (Shanghai Land Market 1999)* Beijing, China: China Statistical Press.

- Shanghai Bureau of Statistics (SBS), 2001, *Shang hai tong ji nian jian 2000 (Shanghai Statistical Yearbook 2000)*. Beijing, China: China Statistical Press.
- Shanghai Bureau of Statistics (SBS), 2006, *Shang hai tong ji nian jian 2005 (Shanghai Statistical Yearbook 2005)*. Beijing, China: China Statistical Press.
- Shanghai Bureau of Statistics (SBS), 2010, *Shang hai tong ji nian jian 2009 (Shanghai Statistical Yearbook 2009)*. Beijing, China: China Statistical Press.
- Shanghai Foreign Trade and Relation Commission, 2000, *Shang hai dui wai mao yi tong ji nian jian 1999 (Almanac of Shanghai Foreign Trade Yearbook 1999)*. Shanghai, China: Shanghai Social Science Press.
- Shanghai Institute of Urban Planning & Design (SIUPD), 1982, Hong qiao xin qu xiang xi gui hau (A Regulatory Plan for Hongqiao New Village), unpublished document.
- Shi, Y. and Hamnett, C., 2002, The potential and prospect for global cities in China: In the context of the world system. *Geoforum*, Vol. 33, 212–135.
- Shirk, S. L., 1994, *How China Opened its Door: The Political Success of the PRC's Foreign Trade and Investment Reforms*. Washington, DC: Brookings Institution Press.
- Short, R. and Kim, H., 1999, *Globalization and the City*. Essex, UK: Longman.
- Soja, E., 2000, *Postmetropolis: Critical Studies of Cities and Regions*. London, UK: Blackwell.
- Sun, S. H. and Bo, Q., 2009, The spatial distribution of producer services in Shanghai. *Urban Studies*, Vol. 46, 877–896.
- Sung, Y. W., 1991, *China-Hong Kong Connection: The Key to China's Open-Door Policy*. Cambridge, UK: Cambridge University Press.
- Thompson, E. R., 2002, Clustering of foreign direct investment and enhanced technology transfer: Evidence from Hong Kong garment firms in China. *World Development*, Vol. 30, 873–889.
- Wang, S. and Zhang, Y., 2005, The new retail economy of Shanghai. *Growth and Change*, Vol. 36, 41–73.
- Wei, Y. D. and Leung, C. K., 2005, Development zones, foreign investment, and global city formation in Shanghai. *Growth and Change*, Vol. 36, 16–40.
- Wu, F., 2000, The global and local dimensions of place-making: Remaking Shanghai as a world city. *Urban Studies*, Vol. 37, 1359–1377.
- Wu, F., 2003, Globalisation, place promotion, and urban development in Shanghai. *Journal of Urban Affairs*, Vol. 25, 55–78.
- Wu, J., 2008, The peri-urbanisation of Shanghai: Planning, growth pattern, and sustainable development. *Asia Pacific Viewpoint*, Vol. 49, 244–253.
- Wu, J. and Barnes, T., 2008, Local planning and global implementation: Foreign investment and urban development in Pudong, Shanghai. *Habitat International*, Vol. 32, 364–374.
- Wu, J. and Radbone, I., 2005, Global integration and the intra-urban determinants of FDI in Shanghai. *Cities*, Vol. 22, 275–286.
- Xu, J., Yeh, A., and Wu, F., 2009, Land commodification: New land development and politics in China since the late 1990s. *International Journal of Urban and Regional Research*, Vol. 33, 890–913.
- Yan, P., 1995, Chinese urban geography since the late 1970s. *Urban Geography*, Vol. 16, 469–492.

- Yang, Y.-R. and Chang, C.-H., 2007, An urban regeneration regime in China: A case study of urban redevelopment in Shanghai's Taipingqiao area. *Urban Studies*, Vol. 44, 1809–1826.
- Yatsko, P., 2001, *New Shanghai: The Rocky Rebirth of China's Legendary City*. New York, NY: John Wiley & Sons.
- Yeh, A. G., 1996, Pudong: Remaking Shanghai as a world city. In Y. M. Yeung and Y. Sung, editors, *Shanghai: Transformation and Modernisation under China's Open Door Policy*. Hong Kong: Hong Kong University Press, 273–298.
- Yeh, A. G. O. and Wu, F., 1996, The new land development process and urban development in Chinese cities. *International Journal of Urban and Regional Research*, Vol. 20, 330–353.
- Yeh, A. G. O. and Wu, F., 1999, The transformation of the urban planning system in China from a centrally-planned to transitional economy. *Progress in Planning*, Vol. 51, 167–252.
- Yusuf, S. and Wu, W., 2002, Pathways to a world city: Shanghai rising in an era of globalisation. *Urban Studies*, Vol.39, 1213–1240.
- Zhang, T., 2002, Urban development and a socialist pro-growth coalition in Shanghai. *Urban Affairs Review*, Vol. 37, 475–499.
- Zhang, Z., 1990, *Dang dais shang hai yan jiu (A Study of Modern Shanghai)*. Shanghai, China: Shanghai People's Press.
- Zhu, J., 2004, Local developmental state and order in China's urban development during transition. *International Journal of Urban And Regional Research*, Vol. 28, 424–447.
- Zhu, J., 2005, A transitional institution for the emerging land market in urban China. *Urban Studies*, Vol. 42, 1369–90.
- Zhu, J., 2008, China's urban developmental planning in rapid urbanization: Resource mobilization and responsiveness to market change. In T. L. Harper, A. G. O. Yeh, and H. Costa, editors, *Dialogues in Urban and Regional Planning*. New York, NY: Routledge, 76–105.
- Zhu, J., 2009, Anne Haila's "The market as the new emperor". *International Journal of Urban and Regional Research*, Vol. 33, 555–557.
- Zhu, J., Sim, L. and Zhang, X., 2006, Global real estate investments and local cultural capital in the making of Shanghai's new office locations. *Habitat International*, Vol. 30, 462–481.