

**POLITICS OF SPATIAL PLANNING AND REGIONAL INTEGRATION:  
REFLECTIONS ON THE PRO-URBANIZATION STRATEGY OF THE PEARL RIVER DELTA IN THE  
NEW MILLENNIUM**

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**ABSTRACT**

This paper is a political economic analysis of the Pearl River Delta's urbanization strategy for the 21st Century. The PRD, as the frontier of China's opening and reforms, has experienced rapid rural industrialization in the past two decades. The decentralized development of towns and villages in the PRD, although full of dynamism, also creates serious social and economic problems. The development model of the PRD has been challenged in increasingly fierce regional competition since the mid-1990s. Entering into the new millennium, the PRD has proposed an urbanization strategy to improve the investment environment and promote regional redevelopment. The Guangdong Provincial government has been aggressive in forging pro-urbanization policies, enhancing regional integration, and promoting reforms of the land system and rural collectives to facilitate urbanization. This paper begins by pointing out certain crucial changes in the discourse of modernization and urbanization in China. Through a political economic analysis of the PRD's urbanization policies and its decision-making and implementation process, this paper goes on to demonstrate the political and ideological function of spatial planning and regional integration in the PRD and beyond. Finally, this paper questions the effectiveness of these spatial plans — plans which from the very start exclude from consideration the millions of migrant workers, or 'floating populations' inhabiting the region.



*"Without modernized industry, how can we speak of a modernized national defense? With self-sufficiency and self-reliance as our primary goal, and obtaining outside aid only secondarily, we will eliminate superstition, and work independently and autonomously on industry, work on agriculture, work on the revolution in technique and the revolution in culture, bring down the slave mentality, bury dogmatism, earnestly study the good experiences of foreign countries, and certainly also research their bad experiences as a negative example -- this is our line."*

Mao Zedong, "Independent and Autonomous Construction," June 17, 1958

*"Participating in economic globalization has already become an essential avenue for a country or a region to increase its competitiveness and raise its level of development. This is an unavoidable trend of the times. This is not only true of nations, but also of different regions within each nation."*

Provincial Party Secretary of Guangdong, Zhang Dejiang, "The Power of Cooperation Across the Pearl River Delta," July 25, 2005

## **INTRODUCTION**

Guangdong Province has been "one step ahead" (Vogel, 1989) in China's reform and opening process since the late 1970s. Along with the development of Shenzhen, the first Special Economic Zone, thousands of industrial businesses have sprawled into traditionally agricultural areas of the province. After two decades of development, numerous industrialized cities and towns have made the Pearl River Delta (PRD) the most prosperous region of Guangdong. At present Guangdong contributes more than one third of the nation's imports and exports. This national manufacturing center, however, remains perturbed by its "rural" appearance. The landscape of the PRD predominantly features endless rows of factories, large and small, strip-developed along traffic arteries, or spreading out into agricultural plots. The majority of factory workshops are built on land owned by rural village collectives, traditionally beyond the reach of town planning and municipal infrastructure development. Located on serpentine alleys yet enclosed by walls, these factories have very little socio-economic interaction with the local communities which own the land. Thousands of workers from outside provinces flood in to staff factory assembly lines, while local people tend to subsist on the land rents. The striking proportion of the "floating population" in the region, usually reaching as much as ten times the local population, however, has resulted in increasing social tensions and given the PRD a reputation for high crime rates.

Two decades of rural industrialization have converted a significant portion of arable land into non-agricultural uses, and rural people seldom engage in farming activities anymore. And yet the extinction of rural villages has not resulted in the creation of "cities" either. Instead, what has emerged is a kind of rural-urban continuum characterized by significant industrial output and the deterioration of the environment and living conditions. As towns and cities across China launch various urban development projects to better their city images, Guangdong, although highly industrialized, has begun to feel embarrassed by their comparatively 'earthy' look. And as competition from the Yangtze Delta region becomes increasingly fierce, Guangdong's provincial government has begun to suspect that backwardness in urbanization has impeded the region's modernization. Thus, since 2000 "urbanization" has become a new spatial strategy for the rebranding and upgrading of the PRD. Transportation facilities and other infrastructural amenities have been constructed on a grand scale. Even more significant have

been a series of aggressive social policies which aim to transform rural villages into urban districts, and villagers into urbanites. Government authorities project that eight million rural villagers will switch to living and working as urban residents within 5 years as a result of these policies. Indeed, by 2004 Shenzhen had already declared itself the first city in China free of any rural villages.

This paper scrutinizes Guangdong's ongoing pro-urbanization projects with particular focus first on the making of The PRD Regional Plan, which aims to promote the integration and coordinated development of cities and towns in PRD; and second, on a series of urban social policies designed to transform villages into urban districts, and villagers into urbanites. I will begin by analyzing the ideology of these modernization projects. The paper will go on to detail the politics of planning and implementation of these policies, a process which encompasses the responses of different layers of state institutions—from the provincial level, to those of municipalities, towns, counties, villages, and brigades. I will go on to describe how rural shareholding reforms have been adopted as an institutional basis to make villages become urban. Finally, I will try to demonstrate how local governments have attempted to cope with existing socio-economic disparities by way of a new set of policies which displace and eventually reshape these social contradictions in new forms.

## **IN SEARCH OF MODERNIZATION**

### **Rural Industrialization and Changing Spatial Structure after the Economic Reforms**

Guangdong Province has been on the frontier of reform policies. Following the designation of Special Economic Zones of Shenzhen and Zhuhai in 1980, cities of the Pearl River Delta (PRD) all became “economic open zones” in the 1980s.<sup>28</sup> In the ensuing years, the PRD region began to experience a new round of industrialization and urbanization under the global division of labor one step ahead of other parts of the nation. Pushed by the rapid industrialization process, the urbanization rate of the PRD increased from 25.6% in the late 1970s to 72.65% in 2001, a rate much higher than the national average (37.7%). The number of towns has increased from 32 to 420.<sup>29</sup> In addition to the traditional provincial capitol city of Guangzhou, Shenzhen, Dongguan and Foshan have grown to be big cities with more than five millions of residents in just the past two decades. This unprecedented urban growth has drawn the attention of many international scholars since the 1980s. First of all, it is noted that economic development led by foreign capital (especially capital from Hong Kong) has dramatically changed the spatial structure of the PRD (Xu and Li, 1990; Sit and Yang, 1995, Sit and Yang, 1997, Lin, 1997). Scholars have accurately documented the spatial characteristics of the PRD region: an industrialization process triggered by cooperation between rural grassroots organizations and foreign capital did not lead to significant centralization in the large cities. Instead, economic activities are diffused in towns in-between larger cities (Sit and Yang, 1995; Sit and Yang 1997; Lin, 2001; Shen, 2001). Chinese people colloquially comment on this spatial feature by describing the PRD in these terms: “the cities don't look like cities, and villages aren't villages.” McGee's analysis of Desakota(1989, 1991), the peculiar spatial mixture of urban and rural in Indonesia, has inspired many scholars, who see parallels with the Chinese situation (Yan, et. al.1994). Empirical studies of “interlocking metropolitan regions” (Zhou, 1991) and

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<sup>28</sup> The designation of PRD economic open zones increased from 4 cities and 13 counties in 1985 to 7 cities and 21 counties in 1987, and finally 9 cities includes Guangzhou, Shenzhen, Foshan, Zhuhai, Jiangmen, Zhongshan, Dongguan, Huizhou, Zhaoqing in 1994. This paper follows the official boundary of PRD.

<sup>29</sup> Change of jurisdictional boundaries in the recent two years has reduced it to 360.

“semi-urbanization” (Zheng et al., 2003) have been conducted to support McGee’s hypothesis. The notion of Desakota, while successfully challenged the urban/rural dichotomy, does not offer any explanation of its formation (Tang and Chung, 2000 ; Jian, 2004). Because the PRD is the earliest region to adopt opening and reform policies, a huge amount of rural migrants from all over the country have flowed in to seek for employment. However, these migrants did not only enter large cities like Guangzhou or Shenzhen — instead, they have been absorbed into numerous villages and towns throughout the PRD region. These “rural” areas, obviously no longer agricultural, sometimes have a migrant population which outnumbers locals by a margin of ten times or more. Given this magnitude, we must discuss of the role of the state (Lin, 2001), local governments (Hsing, 1996, 1997; Wu, 1997, 2000; Kang, 2002; Hong, 2003), and the massive scale of migration and labor (Fan, 1996; Pun, 2005) to reveal the dynamics of this spatial transformation.

In addition to changing spatial structures, the division of labor between the PRD and Hong Kong is also a focus of research. For example, in a pattern called “front shop, back factory” (qiandian houchang), Hong Kong manufacturers have relocated their assembly lines to the PRD and retain marketing and management functions in Hong Kong (Kwok and So eds., 1995). Furthermore, under the influence of global city/world city system theory (Friedmann, 1995; Sassen, 1991; Scott, 1988), more and more scholars have speculated on the making of a greater PRD-Hong Kong-Macao city-region. (Woo, 1994; Chu, 1996; Yeung and Lo ,1996). For example, Castells has used Woo’s diagram of the major nodes and networks of the PRD metropolis to argue that the emerging megacity of Hong Kong-Shenzhen-Guangzhou-PRD-Macao-Zhuhai may best represent the new urban form of the 21st century (1996: 406). Concurrent with these heated discussion about the development of the PRD city-region, the Ministry of Construction started to organize the constitution of “The Pearl River Delta Regional Plan” (hereafter The PRD Regional Plan) in 2003. Furthermore, various efforts have been made to further promote the coalition of “the Greater PRD 9+2,” which covers the nine provinces of Guangdong, Guangxi, Hunan, Fujian, Jiangxi, Hainan, Sichuan, Yunnan, and Guizhou, plus the two Special Administrations of Hong Kong and Macao. While the linkages to Hong Kong and the world are the driving force for the PRD’s regional changes, it is also important to emphasize that towns and cities in the PRD have variegated development trajectories, and often diverge from that of Dongguan, which is characterized by the domination of foreign capital. For example, the prosperity of Shunde is based on their TVEs, and Nanhai is famous for its lively private sector. It would be prejudicial to view the PRD only from the perspective of global capital. Moreover, bottom-up institutional experiments with regard to land markets and rural cooperatives have been critical in reshaping local socio-economic structures (Fu, 2003; Jiang and Liu, 2004). This process has been seriously neglected in the English literature on this region. Therefore, it is necessary to redirect the attention of research on the PRD toward an emphasis on the region’s specific social political structure and policy evolutions.

In the wake of Deng Xiaoping’s tour to the south in 1992 and the subsequent expansion and acceleration of economic reforms, the PRD lost its distinction as the only open region in China. The 1990s witnessed the rise of Shanghai and the Yangzi River Delta. At the same time, cities in the PRD showed significant decline of their economic growth rates (Figure 1). In the first season of 2005, the industrial output of Guangdong was even surpassed by Shandong Province.<sup>30</sup> As competition from other cities and regions becomes increasingly fierce, the signs of capital flight are threatening the continuity of PRD’s high-speed growth. For example, according to an influential annual report which evaluates the

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<sup>30</sup> Shandong Statistics Information Net, 2005-7-20, [http://www.stats-sd.gov.cn/disp/tjfx/tjzldisp\\_new.asp?id=0101012005007](http://www.stats-sd.gov.cn/disp/tjfx/tjzldisp_new.asp?id=0101012005007)

investment environment and risks of China for Taiwanese investors,<sup>31</sup> the PRD has been constantly ranked lower than the Yangtze River Delta. What is worse is that major cities of the PRD like Dongguan, Shenzhen, and Foshan have been labeled the least recommended cities for investment. Declining economic indexes and a negative social image have begun to reveal an underlying crisis of the PRD's accumulation model. In a new wave of reconsideration of economic development based primarily on low costs and cheap labor, notions of modernization and urbanization have reemerged as the ideological basis for governments to improve the investment environment and promote regional upgrading and redevelopment. This paper will focus on the latest policies and how the state deals with the contradictions of these socio-economic transformations politically and ideologically.

### **The PRD's Urbanization Strategy for the 21st Century**

In 2003, the Provincial Party Secretary of Guangdong, Zhang Dejiang, addressed the Provincial Conference of People's Representatives in these terms: "Guangdong will aggressively promote urbanization. This is the major strategy for Guangdong to face challenges, seize opportunities, and speed up development" (Nanfang Daily, 2003-01-16). This statement, coming from the highest-ranking leader in Guangdong Province, triggered heated media coverage and popular discussions. In fact, the provincial government had already announced a policy called "Advisory on Speeding up Urban and Rural Construction and Promoting the Urbanization Process" in 2000. The provincial government issued a series of guidelines to support this pro-urbanization strategy, including the establishment of 270 central towns, redrawing urban administrative jurisdictions, and the reforms of the household registration system (see Table 1). "Guidelines for Urbanization and Development in Guangdong Province," announced in 2004, established targets for the PRD to reach an urbanization rate of 80% in 2010 (the target for the whole Guangdong province is 65%, and the estimated urbanization rate for China in 2010 is 47%). This means that approximately 8.3 million rural populations of Guangdong Province will be transferred to live and work in cities in the next four years. As for economic growth in the PRD, objectives include 7,000 USD of GDP per capita in 2010; and the tertiary sector accounting for a targeted 50% of GDP.

It is worth noting that as the provincial government markets its urbanization strategy, it has switched from earlier terms like *chengshihua* (urbanization) to what is now referred to as *chengzhenhua* (urban-town-ation), which in Chinese implies less about the centralization of cities but more about the development of towns. The provincial government explains the justification for such a term thus: because Guangdong province is large and densely populated, the east and west 'wings' as well as mountainous areas are lagging behind the development of the central core of the PRD. Given these circumstances, "urbantownation" is better suited to Guangdong's reality than "urbanization." In addition, the objectives of Guangdong province is to build an integral economic system including super large cities (Guangzhou and Shenzhen), large cities (populations over 500,000), medium cities (populations 200,000 to 500,000), and central towns. The key of this strategy is to establish a group of dynamic central towns which will upgrade the whole economic system. Therefore, Guangdong should promote "urbantownation" without hesitation (Nanfang Daily, 2003-01-16).

The transition from "urbanization" to "urbantownation" demonstrates China's hesitance about large cities as well as the difficulties of choosing a path of urbanization given the current rural-urban mixture and dispersed industrialization of the PRD. Interestingly, city-regions and world city system theories

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<sup>31</sup> Taiwan Electrical and Electronic Manufacturers' Association, Investigation of the Investment Environment and Risks in the Mainland China, 2002, 2003, 2004.

have been introduced by local officials to dissolve (or reshape) the small city/ big city dichotomy. Guangdong province has developed a strategy that emphasizes the construction of a PRD regional urban system. Its action plans start from the making of the PRD Regional Plan.<sup>32</sup> Under the direction of the Ministry of Construction and the Guangdong Provincial government, this Plan has been completed and is expected to be passed into law in 2007. In addition to this plan, a series of policies to promote the integration of the PRD and the surrounding 'greater PRD' are also being carried out as quickly as possible (Table 2).

### **The Politics of Integration and Planning**

If the establishment of 270 central towns is the core of the PRD's urbantownation strategy, how exactly will cooperation (*xietiao*) be possible between cities and towns? No step in this direction could be more concrete than the creation of the regional comprehensive transportation system proposed in the PRD Regional Plan (Rule No. 57). Planners who have traveled all over the PRD to study and collect local opinions, however, found that these cities and towns are less than enthusiastic about the construction of an inter-provincial or intercity railway system in southern China.<sup>33</sup> Some cities deliberately excluded the railway lines established by the Regional Plan from their own City General Plan (interview, 2005-11-29). Large scale transportation development is generally welcomed by China's local states. How on earth is it that cities and towns in the PRD are uninterested and even passively resisting infrastructural development of this kind?

The answer has to do with the bottom-up path of development in the PRD. Because of its status as the first open region, the majority of rural areas developed early on under *laissez faire* conditions. (The Special Economic Zones were exceptional in that they concentrated state resources, policies, and management.) Cities and towns had to mobilize their own resources and find their own way. In towns in which development is largely oriented by and toward foreign capital, personal networks with overseas Chinese played the most important role in forging local solutions (Leung, 1993; Lin, 1997; Smart and Smart, 1991; Smart, 2000). There have been conflicting views about the relations between local governments and foreign investors. Some scholars have used the phrase "blood is thicker than water" to illustrate the formation of a coalition between local bureaucrats and foreign investors (Hsing, 1996, 1997). "Strange bedfellows," on the other hand, has been used as a figure for the predatory role of local states (Wu, 1997, 2000). However, both views demonstrated the local state's strong powers and capacity to mobilize global and local resources to enhance local development. For Foshan, Shunde, and Nanhai, which are characterized by the prosperity of their TVEs, grassroots governments have played the leading role from the outset of the development, a model referred to as local corporatism (Oi, 1992, 1995, 1999; Walder, 1995). In the PRD's bottom-up development process, China's political and economic decentralization<sup>34</sup> has been most radically embodied. Cities have decentralized their power to the town government level in most administrative affairs including foreign trade, fixed assets investment, commercial administration, labor and personnel management, and so on. Even more significant is the

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<sup>32</sup> Its Chinese title: *Zhujiang sanjiaozhou chengzhen xietiao fazhan guihua*, literally means PRD Cities and Towns Coordinated Development Plan. In their English brochure, the Regional Plan is titled "Toward a Great Global Metropolitan Region."

<sup>33</sup> Including "3 horizontal and 7 vertical" inter provincial rail lines and "2 trunk lines, 3 connection lines, and 3 radial lines" constituting an intercity railway network. See the PRD Regional Plan.

<sup>34</sup> Devolution of power comes hand in hand with the conceding of economic incentives to the local level agents, a process called "*fangquan rangli*" (bestowing power, yielding interests) in Chinese. Many studies have demonstrated how fiscal reform becomes the institutional foundation of local growth (Wong, 1992; Oi, 1992, 1995, 1999; Wu and Zheng, 1995).

control of land in the hands of towns, villages, and villager groups. The development and transfer of rural collective land is in general beyond the supervision of the municipal governments. The conversion of land from agricultural to non-agricultural uses and the transfers of land use rights are decided by the communities which own the land. In addition to the land rent, the rural collectives charge a wide range of management fees of enterprises which locate in their villages. Take Liaobu Town's income structure in 2000 for example (Table 3). Land rent and all kind of fees paid by the enterprises make up the lion's share of local revenue. Subsidies and tax remissions from upper level governmental entities account for less than 20% of revenue. Therefore, villages and towns in the PRD tend to lower rents so as to attract investors and benefit from long term, stable income.

After two decades of development, villages and towns have developed strong autonomous powers, and, more importantly, formed their own local interest structure. In 2004, Guangdong Province has more than 1.3 million TVEs, which have employed 12.68 million workers and made 1,489 billion yuan of income (Guangdong Statistical Yearbook, 2005). Foshan, Dongguan, Zhongshan and Guangzhou have the most flourishing TVEs (Table 4). The collective assets of Foshan have been valued at 205 billion yuan in 2004. With such a great scale of collective economy, the redistribution issue has been the focus of social contradictions in economically prosperous areas. It is also against this backdrop that Guangzhou, Nanhai and Shunde have taken the lead in initiating rural share-holding reforms (Fu, 2003; Jiang and Liu, 2004). The PRD has experienced these contradictions for two decades. Resolutions also have to be forged step by step from bottom up. For example, in the establishment of rural shareholding cooperatives, be it on the Tianhe model or the Nanhai model, the key lies in the process that clarifies the individual's property rights with respect to collective assets (more see below). This reclamation of property rights cannot be achieved without protest on the part of villagers, and is facilitated by compromises on the part of some grassroots governments.<sup>35</sup> To a certain extent, there is also a self-empowerment process taking place in these rural communities. In other words, these self-made villages and towns have to use the same energy and creativity that have gained their economic growth to develop a new system to deal with their internal social and political tensions.

This recent history of decentralized, bottom-up development, although undeniably dynamic, has been blamed for the deterioration of environment, bad labor conditions, and lack of public services. In a time when the PRD is confronted with its social, economic and environmental crises, a condition of "under-urbanization" has been identified as lying at the core of these regional problems. Therefore, city and regional planning has reemerged as a means of state intervention to clean up the mess. Now the state favors particularly the notions of "integration," "coordination," "harmonization," and "comprehensive arrangement."<sup>36</sup> What is clearly evinced by The PRD Regional Plan is the ambition of the central state (Ministry of Construction) and the Guangdong provincial government to take back the power from towns and villages that are perceived to have run wild. For example, Chapter 6, "Policy Zones and Spatial Control" (Zhengce quhua he kongjian guanzhi), categorizes the whole province into a spatial management hierarchy. Grade 1, such as regional transportation lines and green space, is to be supervised and controlled by the provincial government via the means of legislation or administration. The municipal governments, on the other hand, are responsible for daily management and construction. In Chapter 8, "Major Action Plans," large projects such as the development of the Bay Area (the Pearl River Mouth), industrial intensification programs, and the development of new towns are all controlled

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<sup>35</sup> For example, the case of the Tianhe district in Guangzhou. See Fu, 2003.

<sup>36</sup> The PRD Regional Plan explains in the section "Why do we need this plan?": What the PRD lacks is "a high level, high standing point, macro, coordinated plan to integrate the region's development."

directly by the provincial government. However, towns and cities are in fact very sensitive to this restructuring of power. In a context in which local interests are distributed delicately among different power segments in a stabilized structure, it no longer seems so promising to draw a big pie of future interests simply by making major public construction plans.<sup>37</sup> That is to say, large construction is often linked to big plots of land, large size relocation, and various and major impacts on economy and life. Unless local people can take part in the planning process, there is no guarantee that a certain locality or group will necessarily benefit or be harmed by large-scale construction projects. In other words, if the local has no say in all these coordinated plans, it is very unlikely that they will be keen to be integrated, coordinated, and planned.

Along with increasing regional uneven development in China, the words “harmonization” and “coordination” are increasingly visible in government documents.<sup>38</sup> It is important, however, to question how exactly a regional gap can be harmonized? As I have mentioned, Mao’s recipe for demolishing urban-rural difference was to build rural communes and promote rural industrialization. Today, in Guangdong’s ambitious urbanization agenda, what kinds of policies are being introduced to alleviate uneven development? Flipping through all the relevant government documents, the prevalence of rhetorical slogans makes it almost impossible to see the real policy directions. One agenda item may be especially worthy of note. “The Guangdong Urbantownation Development Guidelines” of 2004 advocates aggressively promoting the relocation of labor-intensive industries to underdeveloped regions. The Guideline also emphasizes that the region needs to “further implement an outward-oriented strategy,” to seize the opportunities of CEPA,<sup>39</sup> and to promote the regionalization of the pan-PRD 9+2. The Guideline even proposed to speed up the “moving out “ (zou chu qu) strategy, to encourage outbound investment, and to participate more assertively in the international division of labor. In July 2005, when the party secretary of Guangdong attended the second Pan-PRD 9+2 Regional Cooperation Development Forum, he published an article titled “Pan- PRD Cooperation Fits the Trend of Economic Globalization and Regional Economic Integration of the Time” (Nanfang Daily, 2005-07-25). In other words, opening and regionalization have become mainstream policy. Regional cooperation has become a new faith. Yet why will regional cooperation create mutual benefit, and, how will it do so? What makes this government-led regional cooperation different from the division of labor between the PRD and Hong Kong in the previous stage of development? There seems to be no new solution here beyond relocating more and more labor-intensive industries to regions that are lagging behind.

Nonetheless, these new spatial plans and policies are redefining the hierarchy of power between different levels of administration. Influenced by the emerging notion that cities must be big and strong, cities have tried to expand their area of jurisdiction. For example, Panyu and Huadu, which used to be individual cities, were incorporated into Guangzhou as urban districts in 2000. Guangzhou has thus become a city of 7,400 square kilometers, larger than Shanghai, and has a population of ten million, rivaling Beijing. In 2002, Foshan merged with Nanhai, Shunde and Sanshui to make a greater Foshan Municipality. Huiyang merged with Huizhou, and together they have formed a new giant port city around Daya Bay. In China, changes in jurisdictional boundaries have been seen as an efficient device for breaking up administrative obstacles. These jurisdictional readjustments often involve reallocation of

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<sup>37</sup> Underdeveloped regions, however, tend to be easily lured by development pies.

<sup>38</sup> The Communist Party’s 16<sup>th</sup> Conference of the Central Commission in 2002 raised “5 coordinate” (5 *ge tongchou*): coordinate urban and rural development, coordinate regional development, coordinate economic and social development, coordinate human and nature harmonized development, coordinate domestic development and openness to the outside world.

<sup>39</sup> CEPA stands for Closer Economic Partnership Arrangement. It is a free trade agreement between Hong Kong and the Chinese mainland.

personnel and public finances, clearing the way for upper-level governments to strengthen their political power, reorganize resources, and launch new development programs. However, for a city like Shunde, which is proud of its local tradition and economic dynamism, this seemingly random merger with Foshan created a certain amount of local resentment.<sup>40</sup> Meanwhile, cities and urban districts which have been readjusted back and forth are also interested in redrawing the boundary of villages and towns under their jurisdiction to regain power and resources. For example, after being taken by Foshan, Nanhai immediately reconsolidated its villages and towns. In short, from the province to municipality to cities and towns, different levels of local governments are busy using this “remapping strategy” to assure themselves of a new hierarchy of power.

In terms of the development of built environment, governments have also emphasized the vital importance of physical planning. In 2003, Guangdong provincial government stipulated that 270 central towns had to complete their general plans in three years. The provincial government had allocated a special fund of 25 million yuan per year to help these towns to meet this requirement. Planning guidelines were also promulgated so as to specify the nature of the planning control system.<sup>41</sup> The provincial government even warned that those municipalities that failed to complete their general plans by 2005 would lose their status as central towns (Nanfang Daily 2003-07-26). This has led to the creation of a huge market for planners in Guangdong. It is shocking to learn how much money has been spent on the making of these town and city plans. Budgets sometimes balloon to 10 million yuan. One wonders why local governments are so generous in making provisions for planning. The truth is that the cost of the plans is paid for by sales of parcels of land. Planners have learned from their interactions with local governments that the real function of planning is to make agricultural land into construction sites by way of new plans. Once the plan has been effected, the local government is able to sell the land in question at a very high rate of return. In other words, planning is a good investment. In each general plan, the amount of land eligible for new construction is often the only issue that really concerns local governments. It is also the major battlefield for planners to come into conflict with their employers.<sup>42</sup> The role of planning as a technique of spatial management to improve environment and public services is often marginalized in the actual planning process.

## **THE SOCIAL PROJECT OF URBANIZATION AND ITS DISCONTENTS**

### **Reforms of the Rural Land System and Collective Ownership**

Guangdong’s ambitious urbanization strategy aims to transfer millions of rural people to jobs and lives in cities in the near future. In the words of the former governor of Guangdong, Lu Ruihua, the process of urbanizing rural villages involves not merely “rebar and concrete.” Instead, the key lies in “how to change peasants who enter the cities into modern people” (Nanfang Daily, 2003-01-16). In order to meet this objective, Guangdong has conducted bold experiments in the reform of the hukou (household registration) system, rural land markets, and rural collective ownership. Ultimately, Guangdong’s spatial

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<sup>40</sup> A senior planner notes that the local government of Shunde has been reluctant to participate in the making of the general plan for the new Foshan Municipality, interview, 2005-11-15.

<sup>41</sup> The Guideline stipulates a “three-zone, six-line” planning control system. Three-zone is a zoning system which demarcates non-construction zone, construction zone and controlled construction zone. Six lines include yellow line for urban construction area, red line for roads and transportation facilities, green line for ecological development, blue line for coastal lines, black lines for municipal public utilities, purple line for historical preservation.

<sup>42</sup> The planning projects that the author has participated in from Beijing to Sichuan, apply to this situation. A senior planner who has been leading the general plan for a PRD major city lately notes that the city forced the planning team to exaggerate the figure of their established areas, so that they could argue for more planned land for future development ( interview , 2005-11-29 ) .

strategy needs to function in collusion with social projects. The PRD's urban ambitions can only be fulfilled through a process of institutional transformation.

The urban-rural divide built into the framework of the household registration system under socialism has long been blamed for impeding urbanization and unfairly binding peasants to their villages without the freedom of mobility. In the Maoist period, an urban hukou was associated with secure employment, housing, food provision, medical care and pension, and good education. Rural people — 80 % of national population—were always envious of this form of 'urban welfare.' Surprisingly, in a time when the PRD governments are trying to transform villages into towns and cities, one of the largest obstacles is the rejection by rural populations of a shift to urban hukou. Why?

The answer is related to the binding relationship between systems of land ownership and the rural collective economy. Under China's land system, urban land is owned by the state, and rural land is owned by rural collectives. With the introduction of market mechanisms, rural land can be transferred among peasants during the land tenure. Urban land can be leased under a leasehold system. However, the conversion of agricultural land into urban uses must be effected through state requisition, which generally under-compensates peasants. Hence the rapid urbanization process has been accompanied by the creation of millions of displaced peasants who have lost their means of production forever. The sad and sometimes violent protests of landless peasants across the country have demonstrated the uneven impact on different groups of the urbanization process. Media pressure has pushed the central state to reform the land requisition policies, increase compensation, and mitigate the struggle and protest from the grassroots. Nonetheless and quite significantly, this nationwide picture of "landless peasants" does not necessarily apply to the PRD region.

What has happened in the PRD is that rural communities have spontaneously broken the rules, undermining the notion that land for new construction must be acquired through the state requisition process. The majority of enterprises, be they capitalized from abroad or locally owned, have been built on rural collective land. It is estimated that in the PRD, 50% of construction land is in fact owned by rural collectives (Yuegang Xinxi Daily, 2003-11-17). The cost of renting the land or factory workshops from the rural collectives is in general lower than leasing state-owned urban land. This has lowered the entry threshold for new enterprises and enhanced the rapid industrialization of the PRD. Rural communities, on the other hand, receive a huge amount of rental income, and therefore are able to share the benefits of industrialization. For example, in Dongguan, the per capita rural income reached 8,990 yuan in 2004, well above the national average of 2,936 yuan. Dongguan's high rural incomes certainly did not result from agricultural production. In fact, Dongguan's farmlands have been largely depleted in the past decade. From 1985 to 2000, arable land has decreased by 286.2 square kilometers. In the meantime, rural construction land has increased by 228.878 square kilometers (Zheng et al., 2003). This degree of land conversion clearly reveals that rural Dongguan is not rural anymore.

The PRD's rural collectives have enjoyed the increase of land rent in the process of rural industrialization. However, once rural villages are annexed to urban jurisdiction, rural land will be requisitioned as state-owned urban land in accordance with the prevailing land system. In order not to lose their status as land owners, rural communities resist urbanization policies. It is necessary to point out here that the PRD's characteristic land use pattern — the transfer of rural collective land to non-agricultural uses — is illegal. This informal market, however, has been triggered by the urgent demands of industrialization and urbanization, on the one hand, and the desire of rural communities to increase their income, on the

other. Cities and towns in the PRD therefore have created local systems of documentation in order to regulate the black land market. In 2005, the Guangdong provincial government announced the promulgation of a law entitled “Regulations for the Circulation of Use Rights of Collective Construction Land of Guangdong” (Guangdong sheng jiti jianshe yongdi shiyongquan liuzhuan guanlibanfa). This is the first case in China of the legalization of illegal transactions of rural lands via a provincial-level legislation. In effecting this legal change, the Guangdong provincial government has also legitimized the wealth created by the rural collectives through illegal uses and sales of their land. It is also a signal that the government will not take that collective asset away.

The land system and its reform also relates crucially to the redistribution of economic interests. A shareholding reform has been attempted in order to clarify rural property relations under the current framework of collective ownership. These experiment in institutional reform were first initiated in Tianhe, a locality whose rural lands were appropriated by Guangzhou to build a new city center. Nanhai followed in 1992. Because the Nanhai model is closely related to rural industrialization, it has been largely adopted in the PRD since the 1990s and since then become a model for similar reforms in Jiangsu and Beijing. As an institutional breakthrough, it is fair to say that Guangdong’s shareholding reform of rural collectives carries the same weight as the innovative restructuring of the household responsibility system in Anhui which helped inaugurate a new era of economic reform.

What, then, is the Nanhai model? It essentially converts an individual peasant’s land contract rights into shares in a land-owning cooperative. In practice, this shareholding reform was operated by village administrative units converting collective land and assets into shares in order to establish a cooperative organization. These cooperatives could then either rent their land or build factory buildings and rent the space. The villagers, as shareholders, would enjoy the right to share in the yields permanently. Rural collective land can be leased on a variety of terms, flexibly accommodating the different demands of different enterprises, and thus has aiding the promotion of local industrialization. According to Jiang and Liu’s long term research, in 2002, among Nanhai’s 150,000 mu of industrial land, almost half, or 73,000 mu, is leased by rural collectives (2004).

Villages and towns in the PRD have thus developed their own tradition of collective economic life and systems of redistribution. A variety of bonus payments distributed by rural collectives to villagers actually account for a significant portion of rural income of Guangdong.<sup>43</sup> There has not been, however, consistent adoption of the formal legal structures of the shareholding system. It was only after 2003, when the provincial government embarked on its efforts to promote further urbanization, that the shareholding system began to be seen as a necessary institutional support for the policy. Why? Once a new cooperative is formed and villagers have been assured of clear and inalienable property rights to the collective assets they have accumulated, an administrative affiliation at the village level is no longer necessary, thus clearing the way for the land to be taken under urban jurisdiction. Take Dongguan, for example. Agricultural output accounts for only 4% of the city’s GDP, yet 70% of the city’s population retains its rural hukou. The majority of industrial enterprises and economic activities are diffused across a wide, largely rural, area. In 2004, Dongguan announced its intention to complete rural shareholding reforms within 3 years and thus effect a transition from “villagers to residents” (cun gai ju) in 5 years. Clearly, shareholding reform has become the vanguard institutional arrangement in fulfilling the goal of

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<sup>43</sup> For example, in Dongguan’s governmental statistics, of the 10,855 *yuan* of average per capita rural income in 2003, 2,648 *yuan* is from “property income,” which generally covers shares and bonus from the rural collectives. This part of income has surpassed 2,019 *yuan* income from “household management,” which generally means agricultural income(<http://tj.dg.gov.cn/dgsweb/tjzl/200428.htm>).

urbanization. Suddenly all villages and towns, whether they need it or not, voluntarily or involuntarily, have been required to finish their shareholding reforms according to the timetable set by the municipality. Different levels of grassroots government, including counties, administrative villages, village groups, have been busy appraising their collective assets, making new rules and documents, forming new cooperative organizations, electing new boards, distributing shares to individuals. In many cases, the calculation and redistribution of shares creates new tension and a great deal of uneasiness.<sup>44</sup> Heated disagreements erupt as to how to define the property rights of women who have married out to other villages. By the end of 2004, 61 villages and 324 village groups had completed their shareholding reform in Dongguan (Nanfang Daily, 2004-12-07). This ambitious project to turn villagers into shareholders and urban residents is still being carried out all over Guangdong. The problem is this: in the localities that originated the shareholding system, institutional innovation was a means of solving specific local contradictions. Can this bottom-up reform be a general prescription for all grassroots communities? What impact will it create when the shareholding system is imposed from the top-down in very different contexts and communities? These questions call for follow-up and further observation.

### **Outsiders: Unsolved Contradiction**

Ironically, just as the provincial government is trying its best to transform their rural populations into urbanites, 20 million migrant workers in Guangdong cannot even obtain the hukou that would allow them to register as local residents. This means a great amount of migrants have been excluded from the region's various socio-spatial plans. These migrants, alternatively referred to as "outside population" (wailai renkou), "temporary population" (zanzhu renkou), "floating population" (liudong renkou), or "peasant workers" (nongmingong), mainly work in the manufacturing or service sectors. They account for 60% of the currently employed workforce of the PRD. The migration process renders them proletarian. They are workers in cities and towns. However, when the PRD launched its bold urbanization strategy, its various policies never really took into account this huge constituency — one which in many towns and cities greatly outnumbers local residents. During Guangdong's 2003 Conference of People's Representatives, some representatives suggested that people who have worked in Guangdong for six months be allowed to receive a local hukou. Lu Ruihua, then provincial Governor, replied: "We can only do it step by step. If we announce that we've opened up the hukou system, the population of Guangdong will soon grow by 100 or 200 million people." (Nanfang Daily, 2003-01-16). This is precisely the dilemma Guangdong faces, and the unacknowledged black hole of the PRD's urbanization strategy.

What this black hole indicates is that rural-urban contradictions in PRD are in flux. In the wake of rural industrialization, tensions between local residents and migrant workers has become more serious than those between urban and rural residents. The local/ other tension is manifested most clearly in terms of the issue of crime. Even though crime statistics are lacking,<sup>45</sup> Shenzhen, Dongguan, and Guangzhou have become notorious for the seriousness of their problems with urban crime. According to the Financial Times, in Shenzhen, which is directly adjacent to Hong Kong, there were 500 kidnappings in 2003. Kidnapping cases also increased from 41 in 2001 to 88 in 2003 in Dongguan (2005-11-25). When I visited Dongguan in the end of 2004 for research, a prominent feature of the streetscape were big banners proclaiming that "Robbers who are apprehended may be summarily executed" (qiangjie jubuzhe ke dangchang jibi). Theft and robbery have also badly harmed Guangzhou's image. During a

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<sup>44</sup> Field notes, Changan, Dongguan, Dec. 2004; Zhangmutou, Dongguan, July 2005.

<sup>45</sup> To the author's surprise, crime rate is absent in all governmental statistics.

council meeting, many people's representatives used their own experiences as crime victims to question the efficacy of the police department<sup>46</sup> (Nanfang Daily, 2005-03-27). And whenever there is discussion of crime, the spotlight is placed on the floating population. In replying to the queries of the people's representatives, the police department asserted that they will augment their management and surveillance of rental apartments and the floating populations who inhabit them, "because floating population accounts for 87% of these crimes, and this number is increasing" (Nanfang Dushi Press, 2005-03-29). The problem, of course, is that the unquestioned labeling of the floating population as crime suspects is itself one of the major roots of social tension. In 2003, Sun Zhigang, a college graduate from Wuhan who worked at a garment factory in the Tianhe District of Guangzhou, was arrested by the police for not having a temporary resident ID. During the detention, he was beaten to death. Partly because of his relatively high education background, Sun's death garnered national attention. Under tremendous media pressure, the State Council announced a new law to regulate the management as well provide assistance for the urban displaced and vagrants.<sup>47</sup> This new recognition of the human rights of the 'floating population' represents a real breakthrough in China. Even so, in Guangzhou, the tension between locals and outsiders has become increasingly visible in the wake of the Sun Zhigang incident.<sup>48</sup>

Another important indicator of this social tension is the crisis occasioned by escalating labor shortages since 2003. Over the past two decades, migrant workers have been the backbone of the formation of the PRD as a factory to the world. These workers, coming from the nation's wide rural hinterlands, typically returned to their hometowns only for the Chinese New Year Festival. Each year, this tradition would cause the mass movement of millions of people via trains and buses — a huge transportation nightmare. After the New Years holiday of 2003, many PRD enterprises started to note that workers were not reporting back for work. This phenomena was initially considered a temporary impact of the SARS epidemic. However, many workers failed to materialize even after the SARS crisis was over. After the New Year holiday of 2004, the labor shortage in the PRD became increasingly obvious. The media started to call it a "crisis of the shortage of peasant workers" (mingonghuang), claiming that there was a shortfall of 2 million workers in the PRD (Nanfang Dushi Press, 2004-08-03). This wave has continued on into 2005. In the regular after-holiday season, train passengers heading south to Guangzhou decreased by 10% over previous year. Some Dongguan enterprises complained that 20% of their workers had not come back after the winter break (Minyingjingji Press, 2005-2-2).

Clearly, the magnitude of this labor shortage deserves serious research. Suffice it to say here that this phenomenon has strongly shaken the unquestioned assumption that "China has an unlimited supply of cheap labor." In various discussions of the reasons why workers have not returned, the low wages and bad labor conditions of the PRD have been a focus of attention. According to a survey conducted by the Ministry of Labor and Social Protection, the monthly wage for new employees across 24 cities averaged 660 yuan. Wages in the Yangtze Delta area are 8.5% higher than the average, and urban Shenzhen is 5.4% higher than the average, yet Dongguan is 16.8% lower than average (Zhang, 2004). An investigation carried out by the General Labor Union of Guangdong also shows that the monthly wage of

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<sup>46</sup>Chen Yenwen, people's representative, addressed: there is an enterprise in the development zone which has 200 employees, and of them 49 have been robbed or stolen." Li Shuping, a female representative notes: I work in the Commercial Inspection Bureau in Zhujiang New Town. Here 80% of women have been mugged. I myself got mugged last year (Nanfang Dushi Press, 2005-03-27).

<sup>47</sup>For more information about the Sun Zhigang Accident, see the special report on sina.com: <http://news.sina.com.cn/z/sunshzs/index.shtml>

<sup>48</sup> Eighteen people, including police men, heads and staffs of the detention center, doctors and nurses, etc. were finally accused in the death of Sun. The leading suspect was even sentenced to death. The image of the police department was badly damaged. The locals rumored about the backlash of the polices. They are having even more negative attitude than before toward the floating population and have been reluctant to fight against crimes( Field note, 2005-11-15).

“peasant workers” has increased only 68 yuan in 12 years (Yangcheng Evening Press, 2005-01-20). This figure, after being widely circulated in different media, seems to have been commonly recognized as the reason for the labor shortage. As a result, cities in the PRD have been encouraged to raise their minimum wage standards. Meanwhile, 70 % of enterprises in the PRD have also increased their monthly wages. The raise ranged from 80 to 150 yuan (Xinhua Net, 2005-03-30). Many enterprises have also minimized previously enforced and discriminatory requirements of gender, age, and education background in their recruitment efforts. The reality that peasant workers are not unconditionally flowing into the PRD anymore has challenged the cheap labor model which has been backed by the institutional discrimination of the hukou system. For too long, peasant workers have been treated as a cheap labor force, and denied status as workers, as residents, and needless to say, as citizens. As peasant workers have begun to say no to the PRD, the crisis of the region’s development model has also been exposed. It is true that the PRD’s urbanization strategy endeavors to mitigate these problems by way of upgrading conditions in the region. Yet the problem remains: how to upgrade? And how could a plan that excludes millions of migrant workers from the outset serve as an adequate solution to the problem?

## **CONCLUSION**

The role of planning has experienced a radical transformation in the course of China’s transition from a command economy to a market-oriented economy. In the socialist period, the function of city planning was to facilitate state economic plans, mostly to implement site-plans for large industrial projects. In the reform era, the introduction of market mechanisms and the decentralization of political and economic power from the central to the local states has stimulated rapid growth in different localities. Various construction projects have raced forward before planners have had a chance to formulate city plans. The lack of new regulatory mechanisms on the market creates an anarchical pattern of land use, as is visibly represented by the chaotic skylines of scattered high-rise buildings in the city and the sprawl of industrial installations in the rural agricultural areas. It is a historical irony that “planning” was once the main principle of the command economy. China’s planners mock themselves by saying that the “dragon head” (longtou) of state planning has become a “dinosaur head” (konglongtou) in the present day. Furthermore, with the absence of planning and regulation, decisions about land management and construction have become bitter and sometimes bloody struggles between different power agents (Yeh and Wu, 1996; Po, 2001). A common saying which runs: “plans planned, blueprints drawn up on desks, and hung on the wall, amount to nothing compared to a politician’s call,” clearly bespeaks a crisis of the planning profession.

This paper, however, points out that planning has recently reappeared on the state agenda as a means of intervening in spatial development and solving the troubling social, economic and environment problems of the PRD. In other words, planning is being used as a device to fix or mitigate the consequences of an accumulation crisis. From this new spatial strategy has emerged keywords such as “integration,” “coordination,” and “harmonization.” The goal is to increase competitiveness of the PRD and achieve modernization. Through a political economic analysis of the PRD’s pro-urbanization policies since 2000, we have noted that different levels of the local governments from top to down are using various spatial strategies to regain power and resources. Planning has demonstrated the rationale of reestablishing an ‘integrated’ spatial order. In fact, Western planning discourses encompass and embody two core ideas: “rationality” and “democracy.” These notions are also key concepts, necessary for the legitimation of modernization discourse among China’s emerging elite class. However, in these modernization policies—here we have focused on pro-urbanization policies — there is a significant

absence of democracy. The provincial government has controlled the making, the distribution, the promotion and implementation of these policies. Although terms like openness and regional integration have prevailed in the texts of plans and policies, there has been lack of actual participation of different levels of local governments or grassroots communities, let alone migrant groups, in the planning process.

Given these realities one must ask whether these regional plans can ever be implemented? If so, how? What do terms like “urban-rural integration,” “regional harmonized development” really mean? Henri Lefebvre once criticized the regional plan of Paris in the 70s in these terms: “This famous redistribution to the so called regional metropolises has occurred, a mechanical method to balance on paper the influence of Paris in France” (1977: 350). At a moment (November 2005) when we have just witnessed serious rioting among migrant communities on the semi-rural suburban margins of Paris, Lefebvre’s reflection forces us to ask, what will be the outcome of the PRD’s urban system strategy in the new millennium? Besides the fact that it has helped intensify and concentrate state power, will it really change the PRD’s environment? Or will these efforts to further urbanize the region only remind us of Friedmann’s cautionary epitaph for the planning profession: “... the reason for planners’ failure to produce results would not so much be their inability to grasp the niceties of the implementation game, as the fact that their political role was to project ideal future images that might divert people’s attention from the ongoing struggles”(1982:37)?

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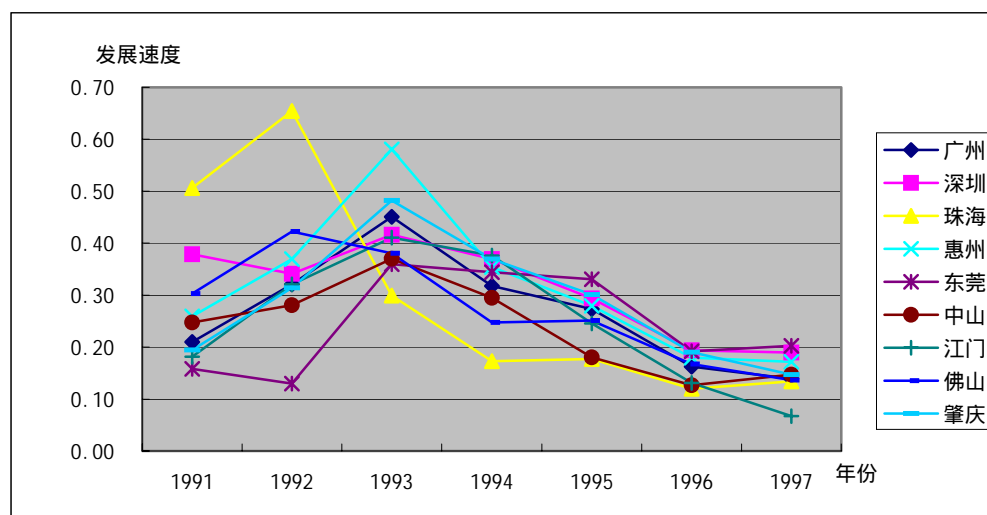
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**Figure 1. ECONOMIC GROWTH RATES OF PRD, 1993-1997**



Source: The PRD Regional Plan

**Table 1. PRO-URBANIZATION POLICIES OF GUANGDONG PROVINCE, 2000-2005**

| Year | Title of Document   |
|------|---|
| 2000 | Advisory on Speeding up Urban and Rural Construction and Urbanization   |
| 2000 | Advisory on Promoting of the Healthy Development of Small Towns   |
| 2001 | Notice of the Designation Standard and Rules of Central Towns   |
| 2001 | Advisory on the Review and Approval of the Size of Constriction Land for Central Towns  |
| 2001 | Notice of Communist Party Guangdong Provincial Commission and Guangdong Provincial Government on the Readjustment of Town and County Jurisdiction |
| 2001 | Notice on the Reform of Household Registration System of Guangdong  |
| 2001 | Notice on Guangdong Province Urbanization Tenth Five-Year Plan  |
| 2002 | Regulation of the Management of Land Use Rights Market of Guangdong Province  |
| 2003 | Notice of the Circulation of Rural Collective Construction Land   |
| 2003 | Advisory on Promoting Central Town Development  |
| 2003 | Management Rules of Compensation Fees of the Requisition of Rural Collective Lands of Guangdong Province  |
| 2004 | Guangdong Province Urbantownzation Development Guidelines   |
| 2004 | Policy Opinions on the Promotion of Urbantownzation   |
| 2005 | Guangdong Province Management Law of the Circulation of the Use Rights of the Collective Construction Land  |

Source: Organized by the author

**Table 2. PLANS AND POLICIES TO PROMOTION PRD REGIONAL INTEGRATION**

| Year | Title   | Covered areas  |
|------|---|--|
| 2003 | PRD Regional Plan                                       | The PRD region in Guangdong Province   |
| 2003 | CEPA (Closer Economic Partnership Arrangement)          | The Chinese mainland and Hong Kong, Macau  |
| 2004 | Agreement of the Pan PRD Regional Cooperation Framework | 9 + 2:Guangdong, Guangxi, Hunan, Fujian, Jiangxi, Hainan, Sichuan, Yunnan, and Guizhou, plus the two Special Administrations of Hong Kong and Macao. |
| 2004 | Pan PRD City Tourism Cooperation Agreement              | 14 Pan PRD cities includes Fuzhou, Changsha, Guangzhou, Haikou, Guilin, Guiyang, etc., plus Hong Kong.   |

Source: Organized by the author

**Table 3. REVENUE STRUCTURE OF LIAOBU TOWN, DONGGUAN, 2000**

|             | Municipal subsidies | Tax remission | TVEs profits | Management fees | Land leases | Rental income | others | Total   |
|-------------|---------------------|---------------|--------------|-----------------|-------------|---------------|--------|---------|
| (1000 Yuan) | 900                 | 160,000       | 9,730        | 25,100          | 48,100      | 20,680        | 1,540  | 130,160 |
| %           | 6.9%                | 12.3%         | 7.5%         | 19.3%           | 37%         | 15.8%         | 1.2%   | 100%    |

Source: Ouyang Nanjiang, 2003, cited from PRD Regional Plan, 2005.

**Table 4. TVE OF MAJOR CITIES OF GUANGDONG PROVINCE, 2004.**

| Cities      | number of TVEs |       | employment |         | 2004 market value<br>total assets(million yuan) |
|-------------|----------------|-------|------------|---------|---|
|             | 2003           | 2004  | 2003       | 2004    |   |
| Guangzhou * | 71599          | 53928 | 1093742    | 872818  | 146,302.00                                      |
| Shenzhen    | 68377          |       | 1565154    |         |   |
| Zhuhai      | 10032          | 10169 | 173923     | 174006  | 36,774.6  |
| Shantou *   | 25041          | 32707 | 519184     | 573593  | 77,101.34                                       |
| Foshan      | 70996          | 77713 | 907731     | 1050989 | 205,688.45                                      |
| Dongguan    | 58293          | 63957 | 1346261    | 2513687 | 184,930.32                                      |
| Zhongshan   | 49530          | 58599 | 914289     | 974415  | 152,392.57                                      |
| Zhenjiang * | 13708          | 14633 | 70114      | 73154   | 9,320.61  |
| Zhaoqing *  | 8661           | 8955  | 73272      | 78185   | 12,655.67                                       |
| Chaozhou *  | 6949           | 6321  | 56942      | 20680   | 6,081.26  |
| Chaoan      | 23634          | 30752 | 218729     | 267904  | 39,040.49                                       |

\* includes only the urban areas

Source: Guangdong Statistical Yearbook, 2005.