

BEIJING

“HUMANISTIC CITY”

In this volume, Beijing which is the capital city of the most populous country of the world has been examined in detail from a globalisation perspective.

Beijing is located at the north of China. With its 19 million population, it is the second largest city of the country. Beijing is one of the four cities which the national government (Communist Party of China) controls directly in China. It is the political, cultural and educational centre of the country as well as a rich, well-developed and vibrant city.

Before focusing on Beijing specifically, let's first look at the globalisation and liberalisation adventure of China.



National Emblem of People's Republic of China ►

China, which was involved in the United Nations (UN) in 1971, started its market-based economic reforms in 1978. The national government followed a mixed economy model (i.e. a mixture of the planned economy and the market economy) which was titled 'market socialism'. After this date, economic reforms, capital formation and structural changes were carried on progressively and systematically by the government. Five-year development plans for the country and twenty-year master plans for Chinese cities were prepared; these plans were applied strictly. Particu-

larly, master plans played a role to promote Chinese cities connecting with the global urban system, and supporting infrastructure for the development of the world's factory (Chaolin, et.al., 2010). China decided to be a member of many formal and informal international associations in this process such as World Trade Organisation (WTO), Asia-Pacific Economic Cooperation (APEC), BRICS, The Shanghai Cooperation Organisation, G-20 and The Chinese-funded Africa Union (AU). As a result of all these efforts, the country became modernized; it has been integrated

Foreign direct investment (FDI) overview, selected years
(Millions of dollars and percentages)

FDI flows	1996-2004	2006-2007	2008	2009	2010	as a percentage of gross fixed capital formation			
	(Annual average)	(Annual average)				1996-2004 (Annual average)	2008	2009	2010
China									
Inward	46 475	76 213	108 312	95 000	105 735	10.6	5.8	4.3	4.1
Outward	2 976	18 630	52 150	58 530	68 000	0.7	2.8	2.6	2.6
Memorandum									
India									
Inward	3 789	17 766	42 546	35 649	24 640	3.1	9.7	8.2	4.5
Outward	824	11 501	19 397	15 929	14 020	0.7	4.4	3.7	2.7
United States									
Inward	144 133	185 952	306 366	152 892	228 249	8.0	11.8	7.4	10.8
Outward	143 937	211 034	308 290	282 686	328 905	8.0	11.9	13.6	15.5
East Asia									
Inward	75 024	133 006	185 253	161 096	188 291	10.4	8.2	6.3	6.2
Outward	36 917	83 899	133 173	142 941	174 283	5.1	5.9	5.6	5.7
Asia and Oceania									
Inward	114 430	280 407	377 857	309 414	359 357	9.5	10.2	7.9	7.6
Outward	50 403	153 170	218 500	219 579	244 650	4.2	5.9	5.6	5.2
Developing economies									
Inward	199 794	444 940	658 002	510 578	573 568	11.8	13.4	10.2	9.6
Outward	74 301	214 332	308 891	270 750	327 564	4.5	6.3	5.5	5.5
World									
Inward	718 542	1 471 784	1 744 101	1 185 030	1 243 671	9.8	12.5	9.5	9.1
Outward	703 779	1 487 426	1 910 509	1 170 527	1 323 337	9.6	13.7	9.4	9.7



with the world economic system and its economy grew dramatically.

China was considered as 'the factory of the world' exactly after 1992 by global capitalists. Because of cheap land prices and labor market, open technology and product markets, many global companies established their manufacturing factories at the south-east coastal region of the country. Almost every kind of commodity (for example electronics, textiles, electric equipment, garment, leather products, metal products, transport equipment, chemicals, machinery, plastics) started to be produced for the world in the factories of China in the 1990s and the 2000s.

Foreign direct investment inflows increased regularly during the globalisation process in the country. In 2010, \$105.7 million foreign direct capital entered in China where it was only \$46.4 million in 2004. Global investors especially came from Hong Kong, Thailand,

Philippines, Malaysia, Indonesia, Japan and United States to China in the last 30 years (Ali and Guo, 2005).

In addition to global investors, foreign tourists have also showed huge attention to the country in recent years. In 2010, China attracted about 56 million tourists and became the world's third-biggest tourist attraction centre in 2010. Four million of these tourists visited Beijing; the Beijing International Airport became the Asia's busiest and the world's second-busiest airport in use. International sport organisations and trade fairs which China hosted (such as 4th World Conference on Women in 1995, 3rd China International Logistics Expo in 2007, Olympic Games 2008, 16th Asian Games in 2010, 26th World University Games in 2011, Canton Fairs, Chongqing High-Tech Fairs, China International Military-Civilian Scientific Expos and so on) played a key role in the increase of the global concern with the country. ▶

Beijing's Urban Sprawl



Most of international articles regarding China mostly talk about possible impacts which 'Superpower China' will make to the world's political and economic system in the near future. Some journalists and scholars assert that China is an uncontrollable power which can be a threat for the world. Well, this issue may be argued but in addition to the impact of Superpower China on the world's economic and political system, the impact of 30-year globalisation process on China should also be discussed. It could be said that China gained huge economic advantage in its globalisation process but it also gained some disadvantages in social, spatial and environmental terms. Summarizing the negative impacts of the globalisation process on China:

Due to the rapid industrialization process, 103 million Chinese migrated from rural areas to urban areas between 1990 and 2005 in China (McKinsey report, March 2009). The number of urbanists, whose counted 172 million in 1978, rose to 577 million in 2005. It is predicted that this number will get over 1 billion in 2025. This means that the 64% of the country's total population will be living in cities (McKinsey report, March 2009); so the first negative impact is the breakdown of the urban-rural balance in the country. Regarding this issue, dependant on the urban sprawl phenomenon, it is calculated that the size of the arable land will drop the 7% of the country's total area in 2025 (Wired, 2008). This means that the country can

be dependant to other countries in terms of food production and provision in the future; food prices are increasing rapidly today (the National Statistics Bureau, 2009).

The second negative impact is the air and water pollution. China's air, lakes and rivers were polluted very much as a result of intensive and regular industrial and agricultural wastes in solid, liquid and gas forms. According to World Bank 2007 Report, an estimated 350.000-400.000 people died prematurely from outdoor air pollution in the country up to now. More importantly, the 90% of Chinese cities' underground water is contaminated today so finding clean drinkable water in the country can be a big problem in the next years (Asia Water Project, 2007).

The third negative impact is the spatial inequality. Urbanisation, which was seen the positive factor of economic development in the globalisation process, increased spatial inequalities significantly in the country. On one hand, very rich people who constitute the 10% of the country's total population are living at the west and south regions of China today. On the other hand, many Chinese are living without benefiting from the economic growth and prosperity of the country at the inner regions (Gajwani, et.al., 2006).

It should be stated that the national government is aware of the country's all problems related to the globalisation and industrialisation processes. In the national development plans which were prepared after the 2000s, it was strongly stressed that the government will attach much more importance to social and environmental development issues together with economic development issues in the country. In this context, the government worked for sustaining the economic growth while recovering ecology, living and production spaces in the last 10 years. Again, the government invested very much in renewable energy technologies. The government also targeted to transform the Chinese industrial society into knowledge society in these plans.

Pollution in Beijing



The international society offers some criticisms to the national government's applications in China. Main criticisms are made about democracy, human rights and freedom issues. The government is gradually closing to a more moderate line in many fields but it still carries an authoritarian treatment with heavy restrictions on some issues such as: 'freedom of speech, freedom of the press, the right to a fair trial, freedom of religion, universal suffrage and property rights'.

The impact of global concern for Beijing: Analysis

Beijing is going on the way of developing into an international knowledge city in the context of the government's knowledge society vision. The number of universities, science and technology parks and industrial investment clusters which are mainly focused on aerospace, logistics, air transport, IT, telecommunication, science and high technology, automotive, chemicals, construction, natural resources and mining issues is increasing in the city (For example, Tianzhu Airport Industrial Zone, Beijing Auto Industry Cluster, Beijing Changping Xiaotangshan Industrial Park, Zhongguancun Science and Technology Park, Beijing Fangshan Industrial Park, Beijing University of Chemical Technology, Tongzhou Industry Cluster, Peking University, Tsinghua University, Renmin University and Beijing Normal University and so on). Today, there is more than 80 regular higher education institutions and more than 120 science and technology research parks in Beijing. The Beijing Investment Promotion Bureau is showing huge international efforts to attract foreign investors into these institutions and parks to make them built, developed and managed in the best way. Again, the national government is planning to employ many foreign researchers/experts in these excellence centres.

It should be noted that every year, many international activities (seminars, exhibitions, technology courses, fairs and conferences) in science and technology fields are organized in the city. These universities, parks and clusters will attract many local and foreign highly-skilled and highly-educated people to the city

for living and working purposes. Therefore, the number of foreigners on Beijing streets will increase in the next years. From now on, the Beijing Municipality started to create recreational areas for current and prospective expats with high-life standards (For example, Dayangshan National Forest Park, Hot Spring recreation centre, Nine-dragon amusement park, Beijing Changping International Exhibition and Conference Centre and so on). Accordingly, in the context of the city's internationalization vision, living standards and urban infrastructure/ service quality will rise significantly in the near future.

A matter should be stressed at this point. Beijing will be a more liveable city in the future; but for whom? The answer of this question is important because most of Beijingers who are living in the city today have no chance to find a position for themselves in the city's future planned socio-economic structure. Beijing is developing into an inappropriate place for the people (peasants) who are living at suburbs. The question is: 'Will these people be forced to migrate to another city in the context of 'the municipality's internationalisation efforts' or 'Will they be employed in a way in city's suitable sectors such as tourism or agriculture?'

From a point of view, looking at applied strict restriction policies against urban population growth and at governmental efforts to attract new skilled labour into the city, it should be said that Beijingers may be under a gentrification threat in the next



years. From another point of view, Beijingers may not be subject to a gentrification threat. First reason, the municipality supports agricultural activities which are conducted at urban suburbs via varied programs such as Cities Farming for the Future Programme (RUAF-CFF). The municipality considers that urban farming can be a good caution against the country's future food scarcity problem as well as it can be a good way to increase tourism in the city through agro-tourism or recreational agriculture. Second reason, there is also a possibility that the city will not be able to provide enough comfortable and free environment for highly-skilled and highly-educated foreigners to live and work; because some problems, which can not be solved easily in the short-run, exist in Beijing (for example, urban crowds, unfriendly local people against foreigners, poor democracy, human rights and freedom, dust storms coming from the Gobi Desert). These chronic problems may fail the government's highly-skilled foreign labour attraction policy.

In the context of the Greater Beijing Plan 2004-2020, the Beijing Municipality takes some measures to solve urban problems which emerged during the 30-year globalisation process. First, industrial areas which are located in inner city areas are moved out of the city. Second, the current "one centre" layout model is changed with a "multi-centre" one. Third, a green belt (western ecological belt) and a development belt (eastern development belt) are designed in



the city to stop urban sprawl. Fourth, with regard to the desertification problem which threatens Beijing, deforestation efforts are carried on regularly to keep the city green. Fifth, clean drinkable water is brought from South to the North for Beijingers. Final, to decentralize urban population and to ensure regional spatial development in a balanced way, new satellite towns are developed in the city. These satellite towns are planned and designed as sustainable, liveable and energy-efficient places. Most probably, all these effective initiatives/applications will reduce the city's current urban problems in the future.

The control of Beijing's property market is shifting from public sector to private sector, today. Property prices and rents are increased regularly by property market players. The municipality is now following strict policies to reduce property prices and rents (e.g. purchase quota, property tax, subsidy housing and financing restriction policies). It should be emphasized here that Beijing's urban land mostly belong to the municipality as a monopoly. Using this advantage, the municipality brought a limitation to land prices. Thanks to these policies and the municipality's monopoly power, the prices and rents have been placed partly under control in the city (Beijing Property Market Watch, July 2011).

The municipality is forced to open more urban lands for new developments due to the huge need for new residential and commercial units and to the corruption factor in the public sector. Year to year, available urban public land stock is diminishing. Considering that the national government will carry on deregulations and liberal reforms regarding the country's property market in the next years, it should be said that the monopoly power and authority of the municipality over the urban land will be lost gradually in the future while the power and authority of private sector on the urban land will be increased. Property prices and rents will then not be placed under control easily in the future.

All investors are buying the city's properties and lands for commercial purposes, not to build units for themselves to live and work in. In other words, their

main purpose is to make profit from the transaction of the city's commodities in the short or long run. These investors expect always an increase on property prices and rents to gain more profit. It is a possibility that powerful property market actors will connive at speculations to grow the Beijing property market; because they need always commercial actions to survive. Therefore, it is inevitable that property prices and rents will increase gradually in Beijing; so property booms and busts may emerge in the city's property market in the future. Boom and busts may be seen as a good profit opportunity for global investors however property busts are bad for Beijingers who are not homeowners. In line with this, the municipality should work hard for increasing homeownership in the city before the property market actors was empowered significantly and before they placed the market under their own control. In this way, Beijingers may be affected less seriously from future sectorial crisis.

Beijing is opening to the world rapidly and it is developing into an international cultural centre. A beautiful socio-cultural environment is created which will attract global visitors into the city. The number of modern cultural activity areas such as Grand National Theatre, China Central Television Headquarters, Capital Museum, National Museum, National Stadium, National Gymnasium ve National Swimming Centre is increasing. When the city's historical city centre which includes very valuable world heritages like The Great Wall of China, Forbidden City, Summer Palace and Temple of Heaven has been renovated, the city will be a more attractive place for tourists. Foreign visitors will probably change the socio-cultural structure of the Beijing society. Increasing interactions between local people and foreigners will change the established mind-set of Beijingers, that is 'us versus them'. This means that Beijingers will start to show more interest, amity and respect to other people who are out of their personal social network.

In conclusion, very successful urban planning policies and practices have been performed in the city by the



Beijing Municipality recently. If the city governors embrace a democracy culture, show more respect to citizens' human rights and provide freedoms, Beijing can be a good and an inspiring model for the world's other metropolitan cities. I would like to complete my essay with the words of Confucius: 'Do not impose on others what you yourself do not desire'.

Notes:

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