Laying Siege to the Villages: Lessons from Shenzhen

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1. Laying Siege to the Villages: Informal Urbanization in Shenzhen

Although Shenzhen is famous for its “urban villages” or “villages in the city” (城中村 chengzhongcun, nevertheless, in 2004 Shenzhen became the first Chinese city without villages. Full stop. This fact bears repeating: legally, there are no villages in Shenzhen. As of 2007, Shenzhen Municipality had a five-tiered bureaucracy consisting of the municipality (市 shi), districts (区 shiqu), new districts (新区 xinqu), sub-districts or streets (街道 jiedao), and communities (社区 shequ). Since 2010, the Districts have been known as the inner districts and outer districts, reflecting when they were incorporated into the Shenzhen Special Economic Zone (SEZ) (Map 1).

MAP 1: SHENZHEN MUNICIPALITY, 2013

Under Mao, rural areas were China’s revolutionary heart and “villages surrounded the city (农村围绕城市)” was an explicit political, economic, and social strategy for revolutionary change. The Mandarin expression “surrounds (围绕)” can also be translated as “lays siege to”, highlighting the rural basis of the Chinese Revolution. Early Chinese Communists had followed the Russian example and entered cities to organize workers. However, when Nationalist forces led by Generalissimo Chiang Kai-shek violently suppressed Communist organizations in Chinese cities the Communists retreated to the countryside. Moreover, communists and local people identified colonial ports such as Hong Kong with the proliferation of traitors, parasitic merchants, and corrupt officials. Consequently,
while Marx claimed that modern history was the urbanization of the countryside, the Chinese revolution aimed to re-occupy and purify the cities. Beginning in 1927 until the occupation of Beijing in 1949, the Communists organized rural resistance to both Japanese invaders and Nationalist hegemony, literally surrounding the cities with an estimated 5 million rural soldiers.

The establishment of Shenzhen signaled the beginning of a new era in Chinese history – “cities surround the villages (城市围村)”. Historically, there were legally constituted villages in Shenzhen. The present ambiguity over the status of villages and villagers is a result of contradictions between Maoist economic planning and post-Mao liberalization policies. Under Mao, the country was segregated into rural and urban areas. In rural areas, villages were designated production teams and organized into work brigades that were administered by communes. Communes had to meet agricultural production quotas that financed industrial urbanization and socialist welfare policies in cities, which were tellingly defined as “not-agrarian (非农 feinong)”. Importantly, the hukou or household registration policy literally kept people in place – the allocation of food, housing, jobs, and social welfare took place through hukou status. Food and grain coupons were city-specific, for example, and a Shanghai meat coupon could not be legally exchanged in a neighboring city, let alone Beijing. In rural areas, however, communes and production brigades provided neither food coupons nor housing to members. Instead, brigade members produced their own food (usually what was leftover after production quotas had been met) and built their own homes or rural dormitories as they were known in the Maoist system.

In 1979, when the Guangdong Provincial Government elevated Bao’an County to Shenzhen Municipality, the area was rural, and the majority of its 300,000 residents had household registration in one of 21 communes, which were further organized into 207 production brigades. However, hukou status notwithstanding, the integration of brigades and teams had not been complete and members continued to identify with traditional village identities. Although the names of Shenzhen’s current districts were the names of ten of the larger communes, for example, with the exception of Guangming, they were also historically the names of large villages that had been the headquarters for communes. In 1980, the Central government further liberalized economic policy in Shenzhen by establishing the area that bordered Hong Kong as a Special Economic Zone (SEZ). This internal border was known as “the second line”, in contrast to the Sino-British border at Hong Kong or “the first line”. The re-designation legalized industrial manufacturing and foreign investment (primarily from Hong Kong) in the new SEZ. Outside the second line, Shenzhen Municipality established New Bao’an County, which was still legally rural and administered through collective institutions.

The elevation of Bao’an County to Shenzhen Municipality created an anomalous situation within Socialist China because the administrative division of Shenzhen into the SEZ and New Bao’an County only legalized new economic measures; it did not transfer traditional land rights from brigades and teams to the new municipal government. Instead, the first task of urban work units that came to the SEZ was to negotiate the equitable transfer of land rights from the collectives to the urban state apparatus. The goal was to insure that rural workers would continue to have space for housing and enough land to ensure agricultural livelihoods. And this is where historical village identities reasserted themselves. In theory, the urban work units negotiated with brigade and team leaders to transfer the administration of land from the rural to the urban sector of the state apparatus. In turn, the brigades and teams would continue to produce food for the new urban settlements. In practice, however, brigade and team leaders acted
on behalf of their natal villages and co-villagers, asserting a pre-revolutionary social identity.

The legal slippage between collective identity within China’s rural state apparatus and collective identity through membership in a traditional village arose because although the Constitution and subsequent Land Law of 1986 stated that rural farmland belonged to the collective, neither document went so far as to define what a collective actually was in law. Indeed, the difference between rural and urban property rights has been the foundation for post-Mao reforms, first in Shenzhen and then throughout the country. In 1982, the amended Constitution formally outlined the different property rights under rural and urban government. According to Article 8 of the Chinese Constitution:

Rural people's communes, agricultural producers' co-operatives, and other forms of co-operative economy such as producers' supply and marketing, credit and consumers co-operatives, belong to the sector of socialist economy under collective ownership by the working people. Working people who are members of rural economic collectives have the right, within the limits prescribed by law, to farm private plots of cropland and hilly land, engage in household sideline production and raise privately owned livestock. The various forms of co-operative economy in the cities and towns, such as those in the handicraft, industrial, building, transport, commercial and service trades, all belong to the sector of socialist economy under collective ownership by the working people. The state protects the lawful rights and interests of the urban and rural economic collectives and encourages, guides and helps the growth of the collective economy.¹

In contrast, according to Article 10, land in cities is owned by the State:

Land in the rural and suburban areas is owned by collectives except for those portions which belong to the state in accordance with the law; house sites and private plots of cropland and hilly land are also owned by collectives. The state may in the public interest take over land for its use in accordance with the law. No organization or individual may appropriate, buy, sell or lease land, or unlawfully transfer land in other ways. All organizations and individuals who use land must make rational use of the land.²

The contradiction between the fact that villages no longer have legal status in Shenzhen and their traditional claims to land rights and social status – both of which are recognized by Shenzhen officials and residents – has constituted a serious political challenge for Shenzhen officials, who have viewed the villages as impediments to “normal (正常)” urbanization. Officials have defined “normal” urbanization with respect to the Shenzhen’s Comprehensive Urban Plan, which has already gone through four editions (1982, 1986, 1996, and 2010). In other words, “normal” urbanization has referred either to formal urbanization or informal urbanization that has secured legal recognition. In contrast, Shenzhen’s urban villages emerged informally as local residents not only built rental properties to house the city’s booming migrant population, but also developed corporate industrial parks, commercial recreational and entertainment centers, and shopping streets. As of January 2013, for example, it was estimated that half

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² Ibid.
³ Meisner, Maurice J (1982) "Utopian Socialist Themes in Maoism: The
of Shenzhen’s 15 million registered inhabitants lived in the villages. Moreover, these densely inhabited settlements also provided the physical infrastructure that has sustained the city’s extensive grey economy, including piecework manufacturing, spas and massage parlors, and cheap consumer goods. In Shenzhen, urban villages have been the architectural form through which migrants and low-status citizens have claimed rights to the city. Importantly, informal urbanization in the villages has occurred both in dialogue with and in opposition to formally planned urbanization. On the one hand, informal urbanization in Shenzhen urban villages has ameliorated many of the more serious manifestations of urban blight that plague other boomtowns. Unlike Brazilian favelas, for example, Shenzhen urban villages are not located at the edge of the city, but rather distributed throughout the entire city and many urban villages occupy prime real estate. Consequently, Shenzhen’s urban villages have been integrated into the city’s infrastructure grid and receive water, electricity, and also have access to cheap and convenient public transportation. Moreover, as Shenzhen has liberalized its hukou laws, urban villages have also been where migrants have access to social services, including schools and medical clinics. Thus, Shenzhen’s urban villages have provided informal solutions to boomtown conditions. On the other hand, the lack of formal legal status of urban villages and by extension the residents of urban villages has allowed the Municipality to ignore residents’ rights to the city via the convenience of centrally located low-income neighborhoods. In fact, the ambiguous status of urban villages became even more vexed in 2007, when the Shenzhen government initiated a plan to renovate urban villages. It has been widely assumed that the government promulgated the new plan in order to benefit from the real estate value of urban village settlements. Critically, the Municipality’s plans for urban renovation compensated original villagers while ignoring the resettlement needs of migrant residents. Thus, the status of at least half of Shenzhen’s population suddenly entered into public discourse as it has become apparent that although the urban villages resulted from informal practices, nevertheless, they have been the basis for the city’s boom.

Each of the sections in this essay explores the social antagonisms that have emerged through the transformation of Bao'an County into Shenzhen Municipality via informal urbanization in the villages. In addition, I have included annotated maps and photographs that illustrate the spatial and social forms of these different contradictions have taken. With respect to recent Chinese history, this level of specificity aims to make salient how Shenzhen enabled national leaders to reform Mao’s rural revolution. With respect to contemporary research on megal-cities, this essay draws attention to the ways in which architectural forms have facilitated neoliberal urbanisms that exclude the poor from desired futures.

2. Concentric Occupations: The Nantou Peninsula

The built environment of Shenzhen urban villages references three historic moments – late Qing and Nationalist-era rural society, Maoist collectivization, and post Mao reforms. Spatially, this history has been expressed as concentric occupations, with the oldest sections being first appropriated and then surrounded by newer developments. In turn, older settlements have been downgraded and converted into low-income neighborhoods. Locally, this process has been called, “cities surround the countryside”, which not only resonates ironically in post Mao China, but also identifies poverty with rural status. Maoist theory and practice had identified cities with all that was foreign and reactionary,
and villages with all that was truly national and revolutionary. In contrast, the elevation of Bao'an County to Shenzhen Municipality began the administrative transvaluation of the rural-urban relations, which was formalized in 1982 Chinese Constitution.

Over 1,000 years ago, salt fields were developed in the Shenzhen-Hong Kong area, and the yamen for the local salt intendant was located on the Nantou Peninsula. The area was also famous for its oyster and pearl production. The peninsula provided protected harbors and access to Guangzhou via the Pearl River. During the Ming dynasty, the Shenzhen-Hong Kong area was called Xin’an County and Nantou City was designated its County Seat. Located on the southeastern banks of the Pearl River, Xin’an was historically poorer than the counties on the eastern banks. Nevertheless, the harbors of the Pearl River’s eastern coastline were significantly deeper than those on the western coastline. Consequently, Chinese maritime access to the South China Sea traditionally went through Humen (in neighboring Dongguan) and Nantou. Indeed, Zheng He’s fleet stopped at the Tianhou Temple in Chiwan Harbor on their voyages of exploration (1405-1433), which took the Ming explorer as far as Africa. After the Ming ban on ocean travel made it possible for pirates to control the South China Sea, Guangzhou remained the southern gate to China and the ports on the eastern coast of the Pearl River became even more coveted by international traders (map 2).

**MAP 2: XIN’AN COUNTY SEAT IN THE REIGN OF THE KANGXI EMPEROR (1661-1722)**

![Map showing Xin'an County Seat](image)

By the late 18th Century, Guangzhou had not only become an important financial center, but also the center of opium trade. The first Opium War ignited

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when Lin Zexu dumped the opium stocks of British traders in the Pearl River. In turn, the traders successfully pressured the British government to use military means to secure compensation for their losses. China’s defeat in the Opium Wars resulted in British colonialization of southern Xin’an, including Hong Kong Island, the Kowloon Peninsula and the New Territories. The Sino-British border was drawn along the Shenzhen River and passed just south of Shenzhen Market (map 3). The laying of the Kowloon-Canton Railway in 1913 further shifted the flow of goods and people toward Hong Kong and away from Nantou. Small-scale trade between settlements on the Pearl River continued, although Nantou no longer played a dominant role in the regional political-economy. Instead, Shenzhen Market, the first station on the Chinese side of the KCR became the political and economic center of Xin’an County, which was renamed Bao’an at the start of the Nationalist era.

MAP 3: RIPARIAN TRADE ROUTES, NANTOU CITY, AND BRITISH INCURSIONS

In fact, the establishment of Shenzhen explicitly invoked colonial history, making the return of Hong Kong to Chinese sovereignty one of the key political impulses behind economic liberalization. Maoist modernization of Nantou, for example, included a two-lane road (today known as New South Road), which was laid parallel to the ancient South Gate Road and connected the peninsula villages to the national railroad and highway system. In the post Mao-era, however, state investment has aimed to urbanize the area, rather than to integrate rural settlements into the state apparatus. Land reclamation of Pearl River coastline gives the clearest indication of the scale and ambition of these plans – replacing Hong Kong and possibly even Guangzhou in the global organization of South China trade.
The reform-era transformation of the Nantou Peninsula illustrates the broad contours and social contradictions that have characterized “cities surround the countryside”. During the Ming Dynasty, a pounded earth wall enclosed Nantou, but by the time of the first Opium War, the wall had crumbled into disuse and only the southern and eastern gates still stood. A road stretched from the decrepit Southern Gate and along the coast of the Pearl River to Nanshan Village, which was located at the foot of Nanshan Mountain. Between Nantou Old City and Nanshan Village six villages – Guankou, Yongxia, Tianxia, Xiangnan, Beitou, and Nanyuan – claimed land that included access to the Pearl River, a portion of South Gate Road that they identified as Village Main Street, and farmlands that extended inland. However, through land reclamation and the emplacement of a grid of four- and six-lane roads, such as Qianhai Thoroughfare, Shenzhen’s rural origins have been surrounded and isolated South Gate Street neighborhoods from the larger city. This selection of photos walks the viewer through the old village remnants of South Gate Street, highlighting the social stratification that occurred when cities surrounded the countryside (map 4).

**MAP 4: CITIES SURROUND THE COUNTRY: THE NANTOU PENINSULA**

3. Neo-Liberalizing the Bamboo Curtain: Luohu and Dongmen

Two factors – political and economic – motivated the 1953 decision to move the Bao’an County Seat from its historical site at Nantou, on the Pearl River to Caiwuwei, a village located next to Shenzhen Old Town and the first station on the Chinese side of the Kowloon-Canton Railway (KCR). Politically, Shenzhen Market was located at the actual Sino-British border and this is where the Chinese military was stationed after England supported the American action in Korea. This border became metaphorically known as the Bamboo Curtain, a reference to the Cold War Iron Curtain that split Europe into Capitalist and Communist blocks. Luohu Bridge was the southern entry point into the People’s Republic. Beginning in 1955, it is estimated that between 1 and 2.5 million Mainlanders attempted to
escape through Bao’an to Hong Kong, with mass exoduses occurring in 1957, 1962, 1972, and 1979. Economically, the Shenzhen train station connected the area to the national railway system. The socialist planned economy relied on an extensive railway system to transform the scale of the Chinese economy from a traditional economy of peasants to a modern economy based on mass transfers of goods and people. In addition, the location of the new County seat also facilitated processing of foodstuffs that were sold for hard currency in Hong Kong via the Wenjing Crossing (map 4).

**MAP 4: BAO’AN COUNTY SEAT AND LUOHU TRAIN STATION AREA, CIRCA 1978**

The establishment of the Shenzhen Special Economic Zone in 1980 was also motivated to take advantage of proximity to Hong Kong to achieve national goals. The earliest plan for the Shenzhen SEZ was to develop the 50-km² area that extended east and west from the KCR railway tracks, upgrading extant roads and developing the rice paddies and Lychee orchards that surrounded the County headquarters, commercial area of Old Town, and extant villages. Two of the most important decisions were to restructure the traffic flow of the area. First, the railroad tracks that traversed County Headquarters were removed. Industrial Parks were built along the remaining extension line and the northern portion of the railroad. Second, the area’s main road, Jiefang was widened west beyond County Headquarters and east near Huangbeiling. The stretch of Liberation that traversed Old Town remained intact. Instead, the People’s Engineering Corps lay a segment of new road that went around the southern border of Old Town or Dongmen, connecting the newly widened sections of Jiefang Road. This new road was called Shennan Thoroughfare and its layout informed all subsequent urbanization of the area. Subsequent development either followed the railroad north toward Buji or west toward Guangzhou.

Villages immediately adjacent to Luohu Bridge, Wenjing Crossing, County Headquarters, and the KCR railroad tracks boomed. In 1980, the villages had four primary sources of revenue – monetary compensation for land rights transfer
from collectives to the state; profits from agricultural produce sold to the immigrants; rental properties, and; contraband goods that were smuggled into Shenzhen and sold in either the village market or a stall in Dongmen. However, very quickly the villages also built leisure facilities and commercial areas that targeted Hong Kong day-trippers, who enjoyed services and bought products at prices well below Hong Kong rates. Indeed, by Deng Xiaoping’s 1984 tour of the SEZ, the Luohu Villages had become the symbol of “Small Prosperity (xiaokang),” the material quality of their homes, furniture, and income even surpassing that of workers in state-owned industries, let alone the rest of China.

The most famous Luohu Village was Yumin or Fishing Village, which held an important place in both national Chinese and local Shenzhen symbolic geography for three reasons. First, the name “Fisher People Village” indicates the ongoing smoothing of local hierarchy and integration of Dan households into first Bao’an County and then the city. Yumin Villagers were ethnically 蛋家 (Literally “Egg Households”), the group of South Chinese fishermen who did not have land settlement rights. Historically, local governments did not permit Dan to wear shoes when they came ashore, to use red lanterns at wedding ceremonies, to marry land villagers, or to participate in the imperial examination. Under Mao, the Dan had been given land from Caiwuwei Village (location of Baoan County headquarters), moving onshore to build homes.

Second, Yumin Village was one of the first villages to take advantage of reforms, but not in the form of the Household Responsibility system, but rather as a collective. In 1979 – even before the official establishment of the SEZ, Yumin Village Head, Deng Zhibiao organized the purchase of tractors to build increase the size of Yumin fish farms by converting all unused land into fisheries, increasing production from several to over 100 mu. According to Deng Zhibiao’s calculations, at the time one mu of fish produced several thousand yuan. Within a year, the village had saved enough money to collectively build 2-3 story private homes as well as factories. Yumin Village thus had the distinction of being the first “10,000 yuan village” in the country. When Deng Xiaoping visited Shenzhen in 1984, he was taken to view one of the small 2-3 story houses that the villagers had built and shown a modern parlor, complete with tv, curtains, and new furniture. In news reports about Deng’s 1984 Southern Tour, Yumin Village was mistaken for Shenzhen’s “original settlement” and the myth that Shenzhen was once upon a time a small fishing village embedded itself in future reports about the city.

Third, Yumin Village’s location meant that they were positioned to develop rental properties for the massive influx of Shenzhen migrants. Even as Deng Xiaoping was pushing through reforms to the 14 coastal cities, by the late 1980s and early 1990s, Yumin villagers were razing the original private homes and putting up 6-8 story handshake buildings to take advantage of rental opportunities. After all, Yumin Village was conveniently located next to the train station. Consequently, in 2,000 when Luohu began to negotiate village renovation with Yumin Village the stakes had been raised significantly. At the end of the process in 2004, Yumin Village had been rebuilt as an upscale residential area, under a single village owned property management company. The New Village consisted of eleven 12-story buildings and one 20-story multi-purpose building. Each village household was given 30 units within the new complex.

Importantly, Yumin was only one of the Luohu area villages. Each of the other villages – Caiwuwei, Hubei, and Xixiang, for example, underwent similar transformations with one important exception. Unlike Yumin, Caiwuwei, Hubei and Xixiang had histories that stretched into the Ming-Qing dynasties. This meant their land holdings were not only more extensive than Yumin, but also gave them
a stronger bargaining position vis-à-vis the state apparatus. Moreover, since the 2007 decision to make urban villages the focus of urban renewal, the Luohu villages have been the sites of the strongest popular resistance to upgrading for two reasons. First, as of 2013, the villages remained the cheapest and most convenient housing option for the working poor. Secondly, the older sections of the villages represented the history of Shenzhen, both ancient and contemporary. Over thirty years after the establishment of the SEZ, Luohu has become an object of nostalgia for many early migrants, second generation Shenzheners and young professionals. Not unexpectedly, perhaps, villagers themselves have been willing to sell their housing rights to the highest bidder, while low-income families have viewed the villages as gateways to better living conditions in one of Shenzhen’s formal housing estates.

This selection of images illustrates the density and diversity of settlement in and around the Luohu Villages. In particular, I draw attention to four generations of construction and reconstruction – formal and informal – of Old Shenzhen. This comparison makes salient the forms of inequality that have driven and been exacerbated through post Cold War neo-liberalization of the Bamboo Curtain.

4. Informal Urbanization in the Outer Districts: National Highway 107

Shenzhen township and village enterprises (TVEs) in the outer districts (formerly New Bao’an County) were quick to take advantage of reform policies. By 1985, village-teams, township brigades, and the recently re-established Bao’an County government had already registered over 50 industrial parks (Map 5).

MAP 5: INDUSTRIAL URBANIZATION IN NEW BAO’AN COUNTY, 1985

Nevertheless, this massive social restructuring occurred outside and despite municipal urban planning (Map 6). A comparison of these two maps reveals three important features of informal urbanization in Shenzhen. First, the total area of
Shenzhen’s informal industrial urbanization was over four times greater than planned urbanization in inner districts (original SEZ). Second, urbanization in the outer districts occurred outside official urban planning. Moreover, the density of industrialization along National Highway 107 becomes on the 1986 Plan an incomplete red thread. Indeed, as targets of urban planning, the outer districts did not appear in official maps until the release of the 1996 Shenzhen Comprehensive Plan. Third, the scale of development in the outer districts indicates the high level of informal organization in the villages. Informal urbanization did not arise sui generis, but through the redeployment of TVEs, which did not only represent the economic interests of the collective but also traditional identities and social constituencies.

MAP 6: 1986 MASTER PLAN FOR THE SHENZHEN SPECIAL ECONOMIC ZONE TRANSPOSED ONTO THE 2013 SHENZHEN MUNICIPAL MAP

In addition to the New Bao’an County TVEs, the outer districts also saw the development of private stock companies formed by alliances between individual villagers and investors, often from Hong Kong or an Overseas Chinese community. The diversity of ownership, notwithstanding, all of these enterprises engaged in low-tech labor-intensive assembly manufacturing. The factories themselves were long, concrete buildings, usually 4-6 stories in height. These buildings usually had electricity and water hook-ups, and depending on the complexity of assembly, individual tables for detail work. Outside firms contracted a TVE to assemble a product according to spec. Earliest manufactured goods included textiles, toys, and cheap electronics. These early industrial parks also included 4-6 story dormitories for migrant workers. Dorm rooms were narrow, and fitted with four bunk beds. Opposite the door was a small window, while along the remaining walls two bunk beds were placed back-to-back. There was enough space between the bunk beds for residents to walk to their bed. Consequently, most conversations occurred sitting on a bed or outside on the lawn. Importantly, these factory complexes were built either along National Road 107 or the railway, along which goods were transported to the port of Hong Kong, where in turn the goods were shipped overseas.
In the early 1980s, when the Shenzhen TVEs opened, there were no other manufacturing jobs available to rural workers, who were still tied to collectives and mandatory agricultural production quotas through 

\[ \text{hukou} \] status. This meant that the Shenzhen TVEs had labor reserves throughout Guangdong and neighboring provinces, where rural workers who were effectively excluded from wage labor. The number of migrants who took advantage of these opportunities constituted the Shenzhen population boom, transforming the landscape in three important ways. First, more people came than there were jobs and by extension, dormitory space. This created an immediate need for rental properties. Second, the increasing population also needed food and social services, which in turn created more jobs for migrants across sectors, but primarily in construction and service industries. Third, urban construction this area was largely informal. By the time that Shenzhen Municipality had annexed New Bao’an County in 1990, local collectives had emerged as the \textit{de facto} urban planners in the outer districts. Moreover, when considered in terms of population and territory, urbanization in the outer districts constituted the primary form of urbanization in Shenzhen. Moreover, by the mid-1990s, many domestic and international companies chose to rent use rights from the collectives and build campuses in the other Districts, especially Longgang near the railway. As of 2013, high profile electronics manufacturers in Shenzhen included Foxconn, Tencent, and Huawei.

The fuzzy nature of ownership rights over-determined the haphazard direction of urbanization in the outer districts. Indeed, throughout Shenzhen, the foresight of a collective leader and the willingness of members to coordinate development has shaped the quality of life in specific villages. In the post Mao era, land ownership rights belonged to the collective, while “use rights” were delegated to members of the community. This slippage provide a brief window of opportunity for individual villagers to engage in individual profit-seeking activities, however, the most successful enterprises belonged to the county, townships, and villages that expropriated use rights by exerting their ownership rights. Indeed, conflicts between Shenzhen Municipality and its “urban villages” have also arisen due to the distinction between ownership and use rights. As of 1992 in the inner districts and 2004 in the outer districts, Shenzhen Municipality owned all land within its borders. However, through housing and industrial parks, the collectives continued to exercise use rights. Indeed, since 1992 and 2004, villages and developers have been negotiating compensation for transferring these rights; Shenzhen Municipality has mediated these transfers through its Master Plans.

This selection of images walks the reader along National Highway 107, highlighting both the scale of industrialization that has occurred in Shenzhen’s outer districts as well as the forms of commercial and residential urbanization that this industrialization has funded.

5. Baishizhou: Neighborhoods for the Working Poor

As of 2013, Baishizhou was the largest of the so-called urban villages in Shenzhen’s inner districts. With respect to the overall layout of Shenzhen, Baishizhou occupied both the southern and northern sides of Shennan Middle Road, at peripheries of both Luohu (moving west) and the Nantou Peninsula (moving north), making it one of the most centrally located transit centers in the inner districts (map 7). As of 2013, Baishizhou had a total area of 7.4 km\(^2\) and an estimated population of 140,000 residents, of whom roughly 20,000 held Shenzhen \text{hukou} and 1,880 were locals. The population density of Baishizhou had breached 18,900 people per square kilometer, more twice that of municipal average of 7,500 people per square kilometer, a statistic which in 2012 had made Shenzhen the fifth most densely populated city on the planet. There were 2,340 low and mid-rise buildings in the area, with an estimated 35,000 units. Monthly
rents ranged from 700 to 3,000 rmb, which were significantly cheaper than in neighboring Overseas Chinese Town (OCT) or nearby housing estates, where a “cheap” apartment could rent for 4,000 rmb.

Map 7: Location of Baishizhou, 1996 Master Plan

Many of the garbage collectors for the area live in the cheapest rentals, rural Mao-era dormitories where it is possible for three workers to share a 30 m² dorm room for 200 rmb a head, plus electricity and water. Old Cai, for example, was 65 years old, when interviewed. He came to Shenzhen after retirement because his monthly pension is 40 rmb per month, but he and his wife need 20,000 rmb annually, or about 1,700 a month to meet their expenses. In Baishizhou, he makes a living collecting and reselling cardboard boxes and other garbage. He says he can save money this way because although there’s no real profit, he makes enough to support himself and to bring a little home for Chinese New Year. However, the diversity of Baishizhou residents also includes working families who have lived in the area since migrating to Shenzhen over twenty years ago and young professionals who are sharing their first flat independent of their families. One family from Sichuan, for example, rents a 60 m² two bedroom apartment for 1,700 rmb a month, which the husband, his wife, her mother-in-law, and their two children share. During the day, the parents work at one of the OCT themeparks, while the mother-in-law takes care of the children and housework. In addition, many of Shenzhen’s young designers and architects who work in the OCT Loft, a renovated factory area for creative industry live in higher-end handshake buildings, which sometimes include parking space for a car.

In addition to rental properties, the first floor of most Baishizhou buildings was used for commercial purposes and the area boasted several commercial streets, at least two night markets and entertainment areas, in addition to independent vendors and office space for independent carpenters, builders, and handymen. There was an elementary school and several nursery schools. Moreover, in between two of the abandoned factories of the Shahe Industrial Park enterprising migrants have set up the Baishizhou Pedestrian Street, which mimics the Dongmen Walking Street. There are food stalls and toy vendors, and several juvenile rides.
Clearly, using the term “village” to describe this level of settlement density and diversity is misleading – Baishizhou is a vibrant urban area composed of five neighborhoods – Baishizhou, Shangbaishi, Xiabaishi, Xintang and Tangtou, which under Mao had been organized into a state-owned agricultural collective, Shahe Farm. In the early 1980s, 12.5 km$^2$ area of the Shahe Farm was partitioned into two enterprise areas – Overseas Chinese Town in the eastern section and Shahe Enterprises in the western section. In the mid-1980s, both OCT and Shahe built factories for assembly manufacturing. However, the management teams and access to investment capital were significantly different. OCT was a state-owned enterprise and its management team educated professionals from China’s major cities. In contrast, the former collective leaders managed Shahe and its development. In the post Tian’anmen era when Shenzhen’s low-tech low cost manufacturing had ceased to be as profitable as during the 1980s, OCT developed themeparks – Splendid China, Window of the World, and Happy Valley – to stimulate the economy. In turn, this investment also enhanced the rental value of the area and drove the redevelopment of the former industrial park into a Soho like creative area.

This selection of images walks the reader through Baishizhou, illustrating both the contradictions between formal and informal urbanization in Shenzhen and the creative potential of the city’s informal neighborhoods.

6. Ruralization: The Ideology of Global Inequality

This essay has aimed to show that Shenzhen’s so-called urban villages are in fact urban neighborhoods that grew out of previous rural settlements through rapid industrial urbanization. Nevertheless, the designation of “rural” or “village” still clings to these neighborhoods, making them the target of renovation projects and ongoing calls for upgrades. In turn, these calls justify razing neighborhoods and displacing the working poor with upper and upper middle class residential and commercial areas. Recently, Caiwuwei was razed and rebuilt as the KK 100 Mall, while Dachong was razed and as of 2013 a new development under construction. Hubei, the old commercial center in Luohu has been designated as the next major area to be razed, while in late 2012, the Shenzhen Government and Lujing Developers announced their intention to raze and rebuild Baishizhou as a centrally located luxury development.

In Shenzhen, ruralization is primarily an ideological practice through which neighborhoods for the working poor and low-income families have been created by denying the urbanity of these neighborhoods and their residents. In this practice, the city’s rural history is invoked to demonstrate that neighborhoods which grew out of villages are continuations of the village, rather than the results of informal urbanization. Indeed, there are few actual remains of Shenzhen’s rural past. Instead, the target of official rural renovation projects are in fact the informal housing and industrial parks that were built roughly between the mid 1980s through 2004/5, when the municipal government began actively preventing informal construction.

All this to make a very simple point. When we speak of rural urbanization in Shenzhen, we are – to redeploy Maoist language – speaking of the process through which “the wealthy lay siege to poor neighborhoods” or more simply, gentrification with Chinese characteristics.