

## Keynote Speech: Peter P Ross

### ‘Learning from China’

#### 1. **The world is changing extremely rapidly, far more quickly than ever before.**

The change that is currently taking place in the world is without precedent. A few examples will serve to remind us of the rate of change.

General world population is increasing at a rate never seen before: in 1950 the total population of the world stood at somewhat less than 2.5 billion, by 2000 it had grown to just over 6 billion, and by 2050 it is expected to be closer to 9 billion. Even in the time of expansion following the European and American industrial revolution in the 18<sup>th</sup> and 19<sup>th</sup> century, growth rates like this were unknown. Before about 1920 the graph showing world population growth rises smoothly, the drama comes after 1950.

Wealth creation figures show, perhaps not surprisingly, a very similar pattern, but the change of pace is even more dramatic: between 1750 and 1900 world real GDP increased perhaps fourfold, it took to 1920 for it to double again. Since 1950 there has been at least a 600% growth in world real GDP.

These changes have been shown dramatically in the rise of cities: in 1950 the biggest city in the world was New York, with a population of 12.3 million; a further six cities - London, Tokyo, Paris, Moscow, Shanghai and Essen - had populations over 5 million. Today there are almost 40 cities with a population of that size or more. Another 17 are expected to join their ranks by 2015.

Between them the World Bank and the United Nations remind us that:

- Half the world population is expected to live in urban areas by 2007, and that the proportion is projected to attain 60 per cent by 2030.
- Almost all of the world population increase expected during 2000-2030 will be absorbed by the urban areas of the less developed regions, and that the developing world's cities are expanding by 80 million people per year.

With this growth in the importance of cities, and with changes in the technological base of economies, has come a shift in government arrangements, with increasing power and responsibilities being given to local levels.

Tim Cambell of the World Bank Institute reminded attendees at a 2002 conference in Dalian, China, that in recent years over 70 countries had adopted decentralisation measures; and that cities are increasingly:

- transmitting ideas to each other;
- operating in a more competitive and more transparent world;
- competing for good ideas;
- sharpening their identities and seeking to acquire greater coherence of resources; and
- looking for sustainable pathways forward

In this context it is not surprising that support programmes of organisations such as the EU and the UNDP are placing an emphasis on international co-operation in such matters.

This conference too will play such a role. As we engage in the issues involved I believe that it is important to remember that perceptions of the subject can vary from one part of the world to another for urban planners, law-makers, and for citizens.

I recently had the opportunity over several years to directly compare European and Chinese ways of looking at the issues, and to be part of a process that had to draw practical lessons for real schemes in a real world. I hope that the lessons I learned from that specific interface have a wider relevance in the international dialogue of which this Congress is part.

## 2. **The view from Europe can be limiting.**

Looking at the situation solely from a European perspective it is easy to underestimate or misunderstand what is happening in the world.

Europe directly experiences only limited impacts from the changes taking place. Change in Europe is relatively very slow, with a population increase of less than 1% per year. Cities are under control, infrastructure investment is frequently beyond what is strictly necessary, advances are being made in environmental protection and even rectification, and governance mechanisms are evolving in line with social and economic changes.

It is worth noting that of the ten largest world cities in 1950 three were in Europe, with the largest, London, at number two. Now none are in the top ten, and London, still the largest European city, lies at number 27, a quarter the size of the largest city agglomeration in the world: Tokyo.

The point of these statistics for residents and planners of European cities is that by and large the growth is over. The problems are the different ones of maintaining and renewing established cities and communities.

The switch to increasing levels of city power has also been relatively smooth in Europe, with EU and national mechanisms favouring initiatives increasingly designed

to aid the competitiveness of individual cities; from Glasgow to Naples, from Bilbao to Prague. Governmental mechanisms are increasingly sophisticatedly divided between cities, regions, countries and the EU itself.

It is to their credit that there are many in Europe, citizens and professionals, no doubt represented at this Congress, who in spite of the currently well favoured position of Europe, are not limited in their mental framework by this relative level of local comfort. They see world resource usage out of control, widening regional imbalances, growing environmental damage, increasingly unlivable cities, economic degradation, significant issues of governance, and conflict - both potential and actual.

They also see a world in which particularity of place is being eroded. Where beverages are sold in the same containers with the same logo across the world; where urban form is universally assuming a standard profile.

The picture of a corporate logo standing proud in a sea of urban squalor has become a cliché, as has the view of uniform sub-modernist apartment blocks for the wealthy dominating rows of desperate shanties.

I believe both the complacent and the concerned Europeans would benefit by seeing the current changes from a different perspective. The former would become less comfortable, the latter less pessimistic, and both perhaps less centred on specifically European concerns.

To use the words of Antonio Gramsci, written when Europe was slow to identify one of its own major crises in the last century: "We must turn our faces resolutely to the world as it actually is"

### **3. Looking at the world from China**

Viewing the world from China reveals a very different history to the one Europeans are used to.

China is an old and independent society: it has had a continuous record of strong central administration, broken only occasionally by civil war and invasion, for over 2000 years. It has for most of that period been entirely independent of the rest of the world. It has developed its own identity, and shaped its own future. It has looked elsewhere when it has needed to, but has by and large not sought to impose its own systems - economic or governmental - outside its traditional immediate sphere of influence.

Nor has intense urbanisation come as a surprise to China. In 2000 years of continuous development cities, have grown at a steady pace. Already by AD 800 its then capital, now known as Xi'an, had a population of over 2 million, greater than the then combined population of Germany and Scandinavia.

This different perspective comes even more sharply into focus when we look at some current matters, as revealed by both national and international official organisations.

China has a fifth of the world population, it has a similar size to the USA, but a population five times as large. Its rate of urbanisation is considerably faster than even the world rate. In 1978 18% of its population was urban, now it is something like 40%. In the World there are now 387 cities with over 1 million inhabitants, 90 of them are in China.

In 1990 China was the 15th largest trading nation in the world. By 1994 it was the 11th; by 1997 it was the fourth. Now it is the second or third, depending how the figures are calculated. It is the sixth largest economy in the world, being just behind France, but above Italy.

The Chinese GDP growth rate was at 8.5% last year. According to the World Bank this represents a decline from the annual average for 1990 to 2002, which stood at 9.7%. This latter figure can be directly compared with a world average annual growth in GDP of 2.7% in the same period; the USA was slightly above the world average, no European economy matched the world average.

Over 400 companies of the world's top 500 have invested in China, being part of a total inward investment, in 2000 alone, of over 300 billion US dollars.

According to the World Tourism Organisation China has become a top tourism destination, currently lying fourth in world order for the number of visiting foreign visitors, and expected to become number one in world ranking by 2020.

Private consumption in China has risen fivefold between 1990 and 2002, it is by far the single largest market for a variety of goods, and the single largest producer for many. There are currently over 300 million mobile phones in China, more than in any other country in the world.

The impact on our world, on our view of the future, and on the issues to be discussed at this congress is overwhelming.

In recent years over one hundred million people in China have left the countryside to find work in towns and cities - it is the biggest human migration in history.

There are now over 20,000 urban centres in China, with a total population of 480 million. 600 entirely new towns and cities are to be built by 2011.

As the Vice Minister for Construction said in 2003: “Promoting urbanisation is an important mission for the Chinese Government”

China considers the development of new infrastructures a priority for its growth. Throughout China 700 projects covering roads, water, gas and waste were opened up to foreign investment in 2003. Beijing alone plans to put 230 billion RMB into the construction of city infrastructure between in the next four years; 10 new subway lines will be built in Beijing before 2008, and private investment of \$10 billion is currently being sought through BOT schemes

In 2003 in the country as a whole 4,629 km of new highways were built, bringing the total figure up to 29 800 km. By the year 2010 this figure will have doubled. In 2003 Shanghai saw the opening of the world’s second largest road tunnel, the completion of the outer ring road, the start of the mid-ring road, and the opening of the Maglev very high speed link to the airport - 30 km covered in 8 minutes. Nationally recently approved plans intend four high speed rail links north - south, and four east - west, providing a basic grid covering the whole country.

It is not just the numbers that are important to us here, now - it is also the issues that are being dealt with.

#### **4. Issues**

The issues with which China is grappling whilst this relentless pressure for change is taking place go to the heart of the theme of this Congress:

##### **A. The switch to a socialist market economy, away from a planned economy**

China is - in the midst of all this change - undertaking a massive organisational shift. It is moving from a fully planned economy to a socialist market economy. It is moving from a world where need was calculated and supply arrangements put in place in appropriate locations, to a world in which individual enterprises - and individual cities - are expected to be largely demand led. This naturally is leading to a number of social and economic tensions. This is not the place to explore these issues in any great detail, except in so far as it impacts on regional and urban development matters.

The West is not unused to this challenge, at least in its urban planning manifestation. The city scale master plan used to be a standard tool of urban planners. Such plans

were the means whereby the renewal of European cities following the Second World War was initiated. Master plans are well suited to definite statements of pre-ordained urban form, to be achieved within a given timescale, hence their continued relevance to site development planning. They also require a certainty of investment, and a programmed control of that investment. Again the relevance to situations where there are a limited number of investors, with a unified and mutually dependant purpose, that are only affected by outside forces to a limited extent, is apparent. In China under the planned economy these requirements matched perfectly the mechanisms of the overall urban development process. It is now becoming apparent in China however, as it did in early European post war history, that the required conditions for city master plan exercises no longer exist. There are many agents in a mixed or market economy, all with different priorities and parameters. Certainty of programming and pre-descriptions of the detail of urban form is impossible. The city master planning process rapidly showed its weaknesses in Europe, with consequent changes of practical approach. China is now facing the need for similar changes.

## **B. The rise of regional cities, and the impact on national cohesion**

The strength of Chinese cities is not new, but the growing competition is. Whilst the growth rate for the country as a whole is strong and continuing the degree of variation between cities is high. For example whereas Guangzhou benefited from the equivalent of just under \$500 direct foreign investment per head of its population in 1999, in Shenyang, in northeast China, the equivalent figure was less than \$75. Continued over time such variations will lead to considerable social and economic tension.

The validity of the changes to Western planning systems over the last fifty years has been put to its most severe test in the regeneration of areas of decreasing competitive advantage. It is in such areas that the relevance of the planning process to the lives of ordinary citizens in a mixed or market economy is most challenged. Europe has seen many failures in attempts to meet this responsibility; China now has the opportunity to benefit from the lessons learned from Europe's failures, as much as from the successes.

## **C. The challenge to governance, and the need for process changes**

The challenges of varying urban investment attractiveness can be exacerbated if other processes of government are discouraging towards inward or internal investment. In China, with processes that are mainly structured to efficiently direct government, or quasi-government, funding the problem is particularly acute. This is not the place to provide detail of current Chinese development processes, but it is necessary to say that in most large Chinese cities there are four levels of Government, from the national to the district, all with powers to make regulations, and to influence development. In addition there are approximately nine pieces of overall legislation that must be worked with. The Chinese Government is aware of the issues raised by these complexities and,

according to the China Daily in September 2003, “the Ministry of Construction...is busy drafting reforms to speed the process”

Again the lessons of some parts of Europe provide a dialogue. In Europe urban planners - and, regretfully, citizens - have struggled, and some would say for the most part still struggle, with inappropriate mechanisms. At the best however Europe has made advances in process reform. Here I am thinking of the various development agencies that have been established with powers and finance to act speedily and with certainty in particular localities to bring development forward in an appropriate form, rather than hold it back entirely.

The work in Europe developing public/private partnerships of various forms is also very relevant.

#### **D. The switch from a modernist to a post-modernist world and the loss of individual city and regional identity**

If China under the planned economy was to be seen as an exemplar of the modernist world, where form followed function almost entirely, its transformation to a socialist market economy has brought with it some of the chaos of post-modernism, at least in design terms. The townscapes produced by the different approaches are themselves starkly different. In most Chinese cities there are both hectares of grey monolithic housing blocks laid out entirely for the convenience of the constructors, which whilst reflecting an heroic - and largely successful - attempt to provide a minimum of decent sanitary and domestic standards for most residents, are also undeniably tedious on the eye, and inhospitable in terms of human requirements beyond the basic. For the wealthy, Chinese cities now also offer residential areas that combine the supposed delights of various foreign iconic built forms. In Shenyang for example there is a Dutch village complete with windmills, in Xi'an a recreation of ancient Egypt.

Neither approach of course produces a built form that is significantly local. If good wines are a seamless extension of their terroir, arising from the detailed demands and blessings of their individual valley-sides, then human settlements, it is argued, need at the least to enter into a serious dialogue with their particular location and history. The achievement of this goal, if it is a valid one, in the world we are entering looks increasingly difficult. It can be argued that where in the West examples of previous built form have survived, their conversion to new uses - factories to apartments - for example, has provided workable models to follow. That approach however requires there to be a history that has produced sizable and sound enough remnant building. For cities that move from hamlet to metropolis within three generations, the opportunities are necessarily limited, even without the pressure for speedy renewal.

## **E. The problems of urban design**

Design issues touch on a difficult area. It is relatively easy to transfer financial and organisational mechanisms from one country to another. What constitutes appropriate design however is far from universal, and in this area there is considerable potential for cross cultural misunderstanding. Examples abound in Chinese cities of new buildings that are proudly pointed out to European visitors, who in turn - if their manners are decent - offer polite but non-committal responses. There is a difference in design appreciation that clearly needs recognising and exploring.

Similar misunderstanding can arise over the question of the retention of buildings from the past. In a country such as China which has seen bitter occupation by foreign powers, to suggest retention of the buildings - usually neo-classical - left behind once the occupying armies depart, can be very puzzling, especially if the suggestion comes from a native of one of the countries concerned.

Puzzlement will also often greet suggestions to retain quaint but insanitary housing areas, that look good in a westerner's holiday photos, or in a lecture on urban design by a western professional, but which are a burden to their inhabitants and the city authorities, and a symbol of past poverty.

## **F. Environmental damage, and the challenge of sustainability**

More literal questions of unlivability arise when we consider environmental matters. The full details of the consequences of China's previous approach to environmental control are depressing; one statistic is all that is necessary: China, according to the World Bank, has sixteen of the world's twenty most polluted cities. The immense cost - in financial terms alone - of such problems is frightening.

But two things are to be remembered. Firstly that professionals from already rich countries have to use careful language when addressing this issue, considering their countries' own terrible records when at a similar stage of development. It is only in the recent past that Western nations have put anywhere near the equivalent effort into meeting the challenge, and on a much smaller scale, as the Chinese Government is now doing.

There is also a danger in recommending the most recent Western technology to countries in such a position. Better by far to assist a use of technology that perhaps will only solve 80% of a given problem, but is robust, cheap to run and easily serviced. Sustainability also has social and economic dimensions.

These challenges - and others I have no time to explore now - face Western professionals working in China. I have been fortunate enough to be involved in a small

way at all levels of government in China as they address the practical consequences of these issues. It is of course in practical projects that the issues both combine and sharpen.

## 5. **Three case studies:**

### A. **The Workers' Village:**

The Workers Village in Shenyang covers around 30 hectares and was originally laid out in the 1950s, with design and supervision carried out by Russian technicians. It is a good example of the housing of its era, with well-proportioned and nicely detailed buildings, brick-built with tiled roofs. For this reason it was designated a conservation area; one of only eight listed housing areas in Shenyang.

In discussions with Government officers it was agreed that the area was a good candidate for renewal with a mixture of rehabilitation and new-build, with extensive environmental improvements.

However, there was strong pressure by residents to have the whole area redeveloped, as that represents the only certain way to deal with the very poor conditions in which they live. After considerable discussion a detailed scheme covering financial arrangements as well as design requirements for regeneration rather than demolition was drawn up, and is currently being marketed in China and in Europe. In view however of the need to re-house the residents as quickly as possible there is a strict time limit imposed on this exercise.

This project thus involved a practical bringing together of European and Chinese experience of housing improvement and provision mechanisms, housing management mechanisms, affordable provision frameworks, procurement mechanisms, building renovation, public/private partnerships and urban design.

- **Tiexi regeneration:**

The Tiexi industrial area in Shenyang is a good example of a traditional industrial district dominated by large scale, labour intensive, undercapitalised and inefficient state-owned heavy industries. For many years it was the industrial powerhouse of the region and provided employment for most working people in the area. Today, however, a substantial segment of that old economic base is largely obsolete, and the area is characterised by declining economic efficiency and heavy job losses. Whilst such changes have occurred often elsewhere, the scale and pace of the decline in Tiexi is significant. Tiexi has epitomised both the environmental problems which have

resulted from the uncontrolled emissions of outdated industries and the economic and social problems which have resulted from the closure of many of those same industries.

Proposals brought forward and implemented included the establishment of a unitary authority with financial and legal resources equivalent to a major city, a 'one stop shop' approach to development permissions, a programme of environmental regeneration, a structure plan as opposed to the master plan that had previously had force, city marketing mechanisms and several exemplar development packages - including one that would create considerable land value for the city through opening up previously undervalued land. The exemplar packages are currently being marketed.

Again mutual engagement necessarily covered a wide range of experiences including industrial area revitalisation mechanisms, urban structure issues, cultural conservation, the infrastructure/investment nexus, city and regional marketing, public/private partnerships, public benefit harvesting, and effective government processes

#### 1. **The Shenyang Imperial Palace:**

Liaoning Province, of which Shenyang is the capital, was the birthplace of China's last feudal dynasty, the Qing Dynasty (1644-1911 AD). Three principal sites of historical and cultural significance dating from this period remain in or near Shenyang, of which the Imperial Palace is the most centrally located. Whilst the palace has been subject to many threats over the centuries, it remains substantially complete, although at the commencement of the project it was in poor condition. The project supported the design of essential conservation and urban infrastructure upgrading works and management mechanisms, and offered suggestions for improvements to the surrounding areas. A co-ordinated package of measures was put in place to upgrade the mix of residential, government and commercial land uses, and living, working and tourism environments which comprise the setting of the Imperial Palace.

As a consequence of the work done by the City following the project initiation the site was added to the UNESCO World Heritage List in June 2004.

Issues arising from this scheme included specialist conservation, commercial exploitation, cultural continuance, city marketing, and urban design.

#### 6. **Some Questions**

As befits an International Congress we are addressing an issue of considerable global importance, to professionals, citizens and law-makers. Whilst the theme is global, its impacts are local, and it is important for us to understand these differing impacts. It is also important for us to rise above local perceptions of the issues, to arrive at global understandings, but understandings that reflect local concerns and mental frameworks.

The world is changing more quickly than is comfortable, and yet we must ensure that our urban planning processes remain valid, and flexible enough to be relevant both generally and specifically.

Are the processes we have learnt in our own culture suitable for a wider world; and a world in which change is relentless, and is proceeding at a rate which we might have difficulty comprehending?

Are our motives and assumptions, wherever we come from, still valid, and are they valid elsewhere in the world?

What exactly do we mean by ‘sustainability’, what is the relevant balance between environmental, economic and social sustainability, to what extent will the balance vary from place to place?

To what extent are currently developed countries entitled to seek to press on their global neighbours standards of environmental protection and resource conservation that are impractical - and far beyond the standards the countries concerned set themselves when building their own wealth?

What exactly do we mean in seeking to retain local identity; and who is the best judge of what is important locally?

As a profession we must find ways which can support the reasonable expectations of people across the world to live the sort of lives that are currently enjoyed in the rich countries, whilst at the same time creating and maintaining good places, however that is locally defined, and ensuring a world that will survive for more than two or three more generations.

I believe the answer to these conundrums lies in some hard work, returning to our basics, questioning all our assumptions and exploring the possible contributions of all parties and all points of view, with a humility we are perhaps not used to practicing.

Above all it requires a speedy response; the world will not wait very long for us.

*Note: This paper draws on reports contributed to by a range of specialists working under the overall co-ordination of Huszar Brammah and Associates, a UK based urban planning consultancy, as part of the EU – China Liaoning Integrated Environmental Programme. The author is grateful for the consent given by the European Commission Delegation in Beijing and by Huszar Brammah and Associates for the use of the material. The information, comment and opinion given in this paper however should not be taken as reflecting the position of either body. Because the reports drawn on have had only limited circulation no references are given. The author is however happy on an individual basis to provide further information on any matter covered. Figures for global and Chinese development come from standard published sources, including the World Bank and the United Nations, and various press reports.*