

# **“Constructing the cultural regions in China: thinking through the lens of territory effect”**

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## INTRODUCTION

Ever since John Agnew's caution of the "territorial trap," the debates on the territoriality and rationality of space continue. This lead to a "networks versus territories' scenario" assumed in many studies, that is, the dichotomy of the vertical scalar views of power and more horizontally networked ones. At issues here is the logics of political and economic strategy, both of which are driving forces that lead to continuous (re-) constitution of scale and territory. Such question goes to the heart of a continuing concern on studying the scale and territory question in developmental states in the globalizing setting. In China, there emerges a multitude of trade-fair oriented cultural cities and regions, that is, rising nodes on the global trading network of cultural goods. China's passionate exploration towards a cultural turn is evolving in the two entangled processes: the developmental aspiration of another economic niche through the shift from 'culture as propaganda' to 'culture as capital', and the need to re-enhance the political project of hegemony after practices of power devolution and emergence of localism in the past decade, and moreover, the building of soft power through the Going-out scheme.

Through this paper, I tend to explain how a new regulatory model - International Cultural Industries Fair (ICIF) and its index - is mobilized as technology to re-configure the territory of the sector of cultural economy in China. The following paper is organized as such: after a brief literature review to build up the research framework for this study, I will first introduce the modeling of ICIF and its index as a new technology that promotes trade of cultural products through horizontal network, then I will demonstrate how the new technical model construct regional understanding of the sectorial economy of culture (in terms of both which nodal points and the boundary of the nodal points), shaped by the labor of networked central-local, state and non-state actors on multiple scales.

## **SCALE AND TERRITORY AS ON-GOING CONSTRUCTION**

### **The debates: network vs territory, political vs economic**

With the resurgent scholarly attention on territory (Cox & Low, 2003; Elden, 2010), the debates on the territoriality and rationality of space continue (Cox, 2013; Painter, 2010; Popescu, 2008). On the one side of the spectrum of scholarly attention, scholars like Marston, Jones and Woodward (2005) argue for a highly flattened world, in which cities are heavily affected by horizontal networks that transcends boundaries of national and sub-national territories. The other branch re-iterates the significance of territory and scale, challenging “‘networks versus territories’ scenario” (Jones, 2009, p. 494), that is, the dichotomic understanding of the vertical scalar views of power and more horizontally networked ones. Introducing the concept of regional assemblages, Allen and Cochrane (2010) picture the territory as constructed by a host of connections, relations which can be reduced neither to the vertical nor to the horizontal. Scholars (like studies by Cochrane 2012, Painter 2010) argue for the approach that takes territory and territorial identities as constructed, as socially formed and hence as inevitably bearing a relation, as internally related to, social process. Thus, “far from refuting or falsifying network theories of spatiality, the current resurgence of territory can be seen as itself a product of relational networks (Painter, 2010).” In sum, network has its spatial characteristics and scale is relational, always in a process of being produced and reproduced.

The other contestations are around the underpinnings of rescaling and/or re-territorialization, which involve the two interweaving whilst sometimes contradicting forces of ‘territorial-politics’ and ‘economic-strategies’. Arrighi (2010) introduces the two concept of territorial and capitalist logic of power, to illustrate the transformation of global power landscape shaped by economic and sovereign considerations across the long 20th century. They are further developed by Harvey (2003:101), who argues that the “need for capital accumulation commands flows that break through the boundaries of those territories.” The interest of capital in its relentless search for new spatial fix has frequently outweighed sovereignty of administrative territories. This is

particularly crucial in the ever-intensifying global competition for capital, the central priority of a 'competitive' capitalist state is to create a favourable climate for transnational capital that has continually sought territorially specific conditions of production (Cerny, 1995). Nevertheless, the political consideration might, as recognized by both Harvey (2003) and Brenner (2004), prompt regulatory changes for its own agenda, sometimes leading to compromising the interest of capital (MacLeod 1999, Macleod and Goodwin 1999, Peck 1995). Moreover, for occasions when capitalist logic is the eventual goal, it is even more necessary to interrogate how the interest of capital is articulated and sought after through regulatory changes, in other words, how the economic-directed plan is "first translated into political projects for state action and [how] their solution is mediated through the specific, structurally inscribed, strategically selective nature of the state' (Jessop, 1995, p. 30). The discussions on distributive projects and accumulative strategies bring out, again, the relational roles of the nation state and the local state, the vertical scalars and the horizontal flows.

### **China as the authoritarian state**

Indeed, studies on China have unveiled a dynamic and on-going process of scale production and reproduction. Power devolution have been the point of departure for studies on China's state rescaling, evidenced by extensive studies on localism and new regions. Among these studies, investigations are put on the process of horizontal networking to articulate the interest of capital, transnational capital in particular, as well as rescaling Chinese administrative territories to facilitate such flows (Sum, 2003). The socialist administrative structure featured with interlocked vertical and geographic units (tiao-kuai) is often understood as a segmented administrative system inherited from the planned economy and is therefore considered detrimental to the efficient execution of accumulation strategy under market economy (Wu, 2002). Local capability and area-specified competitiveness, through horizontal networks, have witnessed a large body of literature.

In comparison, the logic of territorial politics has not attracted scholarly attention it deserves, in which the Chinese state apparatus<sup>1</sup> presents a picture of political reasoning that is certainly not derived from a Western paradigm (Zheng, 2010). The political concern deserves equal, if not more, attention in developmental states, in which the state, if animating structural coupling with powerful business partners and others for new means of economic growth, still aims for political legitimacy (Castells, Goh, & Kwok, 1990; Park, Saito, & Hill, 2012; Weiss, 2004). In China, the former rigid administrative system has been rendered much flexibility through state rescaling to cope with the overwhelming imperative of capital accumulation in the post reform era. Nevertheless, it is also of partial understanding to picture China's government machinery as a highly integral structure of China. Ltd, a metaphor that has been illustrated by Singapore with its inter-locking system of governance.

### **Territory effect**

It is situated in such a context that I attempt to explore China's network construction and territorial restructuring through the political project of urban governance. I am inspired by Painter's thesis that puts territory as effect of networked practices. Painter (2010) interrogates the deployment of economic-technique, in particular the technical term of GVA (Gross Value Added) in accounting, and demonstrates that 'the exercise of regional administrative power in the economic field results in the production of territorial understandings of economic practices and processes' (Painter 2010, p. 1103), in other words, construction of an English regional hierarchy of political power. This account rejects the reading of territory as "some kind of spatio-political first cause" or "explanans". Form this point of view, scale is mutable, territory is porous, in that they have always been produced and re-produced.

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<sup>1</sup> The specific administrative structure of China's party-state—the tiaotiao-kuaikuai—which is the platform on which the interactions of state project and state strategy unfold in China, should be considered. Whilst tiaotiao (vertical system) refers to the functional sectors in which vertically disseminated rule subjugates lower level units to their superiors at the top of the state apparatus; kuaikuai (sub-national governments) literally depicts a map of spatially scattered clusters of command centers bounded in respective territories.

The relational scalar networks produce territorial configurations of cultural regions and cities. Put in another way, the dynamic and contingent the (re)production of territory requires hard labour in progress, subject to the political, social and technical construction by the ensemble of state and non-state actors on multiple scales.

Jessop's concept of state as "a complex ensemble of institutions, organizations and forces" (Jessop 1997:52)" is helpful in methodology. To forge a nodal point through which the dominant social groups exercise power (Femia 1981), state power takes on a strategic and relational standpoint, the nature of which is affected by a permanent interdependence of actors (Jessop 2008). The multi-scalar actors might give priorities to the two main always intervolving but conflicting logics – political and economic logics – under different circumstances. They manage the contradictions and dilemmas inevitably involved in the process (Jessop, 2002, p. 52)," making progress sometimes but making sacrifices some other time, giving birth to different territorial configurations of cultural regions and cities.

## **THE ICIF CITIES/REGIONS IN CHINA**

International Cultural Industries Fair, in short, ICIF, is an exhibition event through which cultural products produced in China are displayed for sale. The first ICIF was carried out in Shenzhen, where the event was designated by the Ministry of Culture as the national project and then widely promoted to the whole country. Through the experiment of Shenzhen ICIF, the ministry of culture builds up partnership with China Council for the Promotion of International Trade (CCPIT). Afterwards, many locales started their experimentation of local ICIF events, out of which six were officially endorsed by the Ministry of Culture. Till today, the five official cultural fairs are: ICIF (Shenzhen) (since 2004), Western China Cultural Industries EXPO (since 2005), Beijing ICCIE(International Culture and Creative Industries Exhibition) (since 2006), North-east Cultural Industries EXPO (since 2007), China (Yiwu) Cultural Products Trade Fair (since 2010), and Cross-straits Cultural Fairs (Xiamen).

ICIF was a local urban strategy of cultural turn after the city of Shenzhen was chosen as nine pilot fields for exploring ‘more daring measure of reforming the cultural system’. Inspired by the success of Canton Fair and Shenzhen High-Tech EXPO, the municipal government planned to establish a fair for cultural products based its local advantage of “more mature market mechanism.” The overall objectives, as stated in the OCID-SZ (2006), were to “liberalise the market to its full in mobilising and organising cultural resources; to vigorously promote exportation of cultural products,” etc.

In this sense, the ICIF experiments with a new way of accumulation, which serves the ontological and material shift towards marketisation of culture, that is, the shift from culture as propaganda to culture as capital, as put by Wang Jing (2001). In particular, the ICIF model-defined cultural city promotes space for trade, instead of production. The modeling of cultural fair and its mobilization across the whole country, nevertheless, requires a political project to articulate specific governance rationalities and corresponding policies, practices, and institutional alignment. The networking practices in this case are exercised by the ensemble of the vertical administrative system, semi-state NGO, and the local government.

### **Territorial understanding of economic activities**

From 2010 onward, the ICIF (Shenzhen) coalition has been publishing the ICIF indices of transactions, which measure the annual transaction volume of cultural products in the ICIF. The ICIF and its index, by its technical design, serves to create a territorial understanding of economic activities, in particular, the territorial specific conditions of economy. However, the ‘exciting figures’ measured by the index can hardly be called a local output, as pointed out by Painter through his study on GAV. The utilities of the ICIF index are two folds. First, the index measures the overall turnovers of the trade fair, where products are produced in different places of China and therefore the profit are supposed to belong to the locales where that product is produced. In this light, the index, unlike GDP, constructs a territorial imagination of cultural economic development, which rests at the urban scale of Shenzhen. Second, the index is constituted by sub-indicators measuring merchandise trade (exports) in subcategories,

which, as explained by the official documents, reveal the market needs in different sub-categories and therefore “signals the promising and/or about-to-be promising sectors—the future of cultural economy (ICIFOC, 2012).” The Index thus entitles Shenzhen the command center to plan the cultural economy in the country, not through administrative force but through the invisible hand the market. The ICIF index and the “culture + ” Model is so vaguely defined that, on the one hand, it makes “cultural industry” open to various interpretations and, on the other hand, it imposes the overwhelming criterion of monetary value on the cultural industry. Indeed, the “flexible” Model stresses the indispensable role of ICIF cities/regions, without the annual turnover data of which the formula is incomplete. The government discourse thus paves the way for ICIF cities/regions to claim its new role as the signal for future developmental directions and the national developmental strategy for the imagined cultural economy.

The seemingly exciting achievement of an ICIF city or region, is premised on harnessing national resources through exercise of administrative power and the technical design of index that articulates an imagined boundary of commodities and capitals that are in flows. The position of National Project of ICIF cities/regions justifies the institutional mechanism through which the central government channels the flow of public funds and harnesses resources from all over the country to supersize the strong ones. The collective support of the remaining areas of the country harnessed through the vertical system of PCS has propelled the ascendancy of ICIF cities/regions toward a national platform. Moreover, the strategy of “supersizing” key projects has profoundly excluded and disempowered the areas under the sea level. The ascendancy of the strong ones is accompanied by the marginalization of subordinated areas after the access and possession of resources were reallocated in favor of the former.

### **Territorial economy as political project**

At its initial stage, the Shenzhen Government premised the new model of ICIF on its local advantage of ‘relative mature market’, therefore aiming for a unique way of economy. It was believed that the new model was tailored for Shenzhen, in tandem



with the tangible and intangible asset that the city has accumulated in its rich experience as one of the pioneer special economic zones. In this regard, other cities can neither challenge nor match Shenzhen. However, the replication of ICIF models in other cities/regions proves the power of distributive policies. In the year 2008, The Ministry of Culture published the Notice on Carrying Out Cultural Industries Fairs, which introduced the regional ideas of CIF development in the country. Aside from continuous support to the Shenzhen ICIF, the ministry specified three regions - the western China, North-east and the midland - for the consideration of even development of the country. In 2012, Cross-Straits (Xiamen) Cultural Industries EXPO was added to the official list. Further more, local regions outside in these designated regions are not encouraged to develop their CIFs, for which prior permission by the ministry must be sought. The policy, at its initial stage, conveys the concern on even spatial distribution of economic development, which is still one major concern of post-socialist China. Nevertheless, it would be of partial understanding to stop at this level.

The new partnership between the two national-level institute of Ministry of culture and CCPIT since then have frequently appeared in local experiments of ICIF cities, evidenced by the cases of Beijing ICCIE. Nevertheless, the collaboration between the two is not always going smoothly. The propaganda system, despite its turn towards market, still keeps political propaganda as its basic mission; whereas CCPIT is more straightforward with the accumulation logic. The propose of the three regions – Western China, North-east and Midland China – found no resonance from the CCPIT, who shift to China (Yiwu) Cultural Products Trade Fair – the place well known for its entrepreneurial minds and daring exploration in marketization. In Western China Cultural Industries EXPO, North-east Cultural Industries EXPO, and Xiamen Cross-straits Cultural Industries Fair, the Ministry of Culture collaborate with local organisations in the field of trading, such as Qujiang Ltd, which has been influential in the western culture-related economies in Xi'an. The economic principle that seeks territorial specific production model and the political principles that aim to negotiate a place on the global landscape are always two interweaving forces. The regional CIF development goes through on a dynamic process, with some regions consolidated,

extended and upscaled, whilst some other dropped or marginalised. As such, the territory of the sectorial economy of culture is always in the process of making, subject to the continuous labour work of the networked state, non-state actors. The strategic plan of the two ICIF cities/regions, namely the Western China, North-east, and Cross-Straits, are to be understood in the broad context of “Going-out” program. The major concern is thus put on geopolitics. Taking the new developmental strategy on China trade, the Western China and Xiamen are parts of the “one stripe one belt” program that attempts to rebuild the silk road, which used to networked the trade between then Tang Empire to European countries, and more importantly, which indicates a peak China ever reached in the global landscape of power.

The experimentations of the cultural turn in Chinese cities must be put within the national state’s political desire for world recognition, which emphasises building China’s soft power. As argued by Pang (2012), the development of creative industries aims to encourage consumption of Chinese cultural products, therefore establishing a world status of cultural products “created in China” (Keane, 2006), and eventually fosters the reciprocity of cultural, economic and political development.

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