Relativizing State Space: Deciphering China’s New Dynamics of Urban Transformation Engineered through the Creation of National New Areas

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Abstract: Abandonment of the taken-for-granted attitude of territorially in the studies of state space has been followed by diverse concerns and competing interpretations with different focuses notably on state–market relations, spatiality of social life, and relativization of scale. Inspired by Lefebvre’s spatial triad, applied textual analysis, and in-depth interview, this study critically evaluates the Chinese practices of setting up National New Areas to reshape the trajectory of urban and regional development using the Liangjiang National New Area (LNNA). Our research foregrounds the relativizing dimensions of state space in which the creation of the LNNA was conceived, perceived, and lived by key stakeholders holding different positions and vested interests. The LNNA is the spatial manifestation of the special vision and mission of China’s national developmental agenda and the adjustment of power relations within an authoritarian Party-state. However, it is a controversial project which requires negotiation, contestation, and reconciliation among grassroots people. This study shows that even in China, there existed pervasive negotiation and resistance from diverse stakeholders from the bottom up. Our research suggests an alternative perspective that goes beyond the popular dichotomy of state–market or society–space relations in the studies of state space and takes seriously the dialectical relations among the forces at work in the (re)production of state space.

Keywords: urbanization; production of space; political economy; Chinese cities; Liangjiang National New Area

1. Introduction

In the current age of global urbanism and planetary urbanization, an ever-lasting topic of urban research attracting constant and indeed increasing scholarly attention is the changing inter-relationship between the state, capital, and space. After the globalization fever that proclaimed “the end of the nation-state” [1], it is now generally understood that the nation-state may actively and effectively rearticulate its power relationships in various sophisticated ways, including the internationalization of government policy, denationalization of the economy, and destatization of the political system to suit the changing circumstances of global, national, and local economies [2,3], which in turn, profoundly reshaped the trajectories of urban and regional development. Renewed interests in the inter-relationship between the state, capital, and space are conducive to theoretical advancements in urban and regional studies. Nonetheless, this new intellectual trend of “bringing the state back in” has raised more questions than answers as it opened up a new horizon of navigation and terrain of debates between those who continue to underscore state–market interplay in neoliberalization and others who highlight the spatiality of social life as well as the “relativization of scale” [4–10]. Meanwhile, it remains elusive and vague how state space is conceived, perceived, and lived in different world regions of diverse political, economic, and social contexts.
Theorization of the sophisticated interrelations between state power and space has been influential and inspirational in studies of urban and regional development, not only in the advanced economies of the West but also in the developing countries of the Global South and the emerging economies of the Far East [11,12]. Despite globalization, China remains one of the few countries in the world where the economy and society continue to be steered by an authoritarian Party-state [13,14]. It is thus not surprising to see the issue of state power and space occupying a central position in urban China research [15]. A large body of literature has been produced and there is no shortage of competing interpretations and debates. On the one end, the Chinese state is believed to be the architect and driver responsible for phenomenal urban transformation since the market reforms and opening up of the 1980s [16,17]. On the other, the state is criticized for creating unnecessary institutional blockage (i.e., the hukou system) that distorts the labor market, blocks population mobility, undermines economic efficiency, and germinates social injustice [18,19]. Whereas some see China’s phenomenal urbanization as decisively “state-led”, others take the Chinese case as “the state led by the project of urbanization” whereby success or failure of state power and the fortune of state officials depend on the state urbanization project [20]. These different interpretations may be the result of different values, perspectives, and approaches. Nonetheless, a critical evaluation of current debates would identify the following conceptual and methodological issues awaiting clarification.

First, existing theorization of the Chinese trajectory of urban transformation is based primarily on the reformation of state–market relation. A prolific stream of conceptual frameworks has been introduced, ranging from state capitalism to developmental state [21,22], state entrepreneurialism [23–25], urban growth coalition [26,27], neoliberalism [28], and variegated capitalism [29]. Considerable attention has been paid to the role (positive or otherwise) performed by the state and its effects upon urbanization [30]. Little is understood about the changing power relationships within the state (vertically and horizontally), the everlasting negotiations, contestations, and mediations among the various agents for the state under different branches (tiao) and jurisdictions (kuai), their differentiated motivations and vested interests, and the diverse spatial outcomes that constitute and (re)configure the changing landscape of China’s urbanization.

Second, the changing relationship between state power and space has been treated as if it were to take a unidirectional, all encompassing, and top-down fashion. This is problematic as it oversimplifies and obscures the sophisticated negotiations, contestation, and resistance among the various stakeholders involved [5], their different interests and motivations, and the material as well as discursive spaces that shape and are shaped by state power. Within the seemingly powerful authoritarian state, local governments may find their own ways to go around or manipulate central directives, causing a sophisticated internal power structure that is inconsistent and fragmented and even self-conflictual and self-contradictory [31,32]. Beyond the orbit of state power, the functioning of social forces in China’s urban spatial transformation is an important but often overlooked topic [23]. It remains to be seen how the seemingly irresistible imposition of state power from above meets with (in) voluntary acceptance, negotiation, contestation, or resistance of the various sectors of the society from below.

Finally, the social and spatial manifestation of changes in state power (ideologies, practices, and internal reshuffling) at the national, regional, and local levels remain controversial and vague. On one hand, research has identified deprivation and resistance as the two salient features that characterized Chinese post-reform spatial transformation [26,27,33]. On the other hand, research has shown that China’s society is not as passive, tragic, and victimized as has been portrayed in recent literature [34]. Missing in these interpretations of the two ends are the linkages between the top-down imposition of state developmental agenda and bottom-up negotiation and contestation of the affected segments of society. Drawing upon the inspiration and conceptual strength of Lefebvre’s theory concerning the production of space, this study investigates how the creation of state space is conceived, perceived, and lived by the key stakeholders holding different positions and vested inter-
ests, which goes beyond the popular dichotomy of state–market or society–space relations in the studies of state space. More importantly, the study about the appropriateness of “applying” a Lefebvrian lens with its clearly Eurocentric assumptions and with Lefebvre’s own inability to understand both colonialism and non-European forms of state power to the situation in China needs a broader debate.

In recent decades, an important approach adopted by China’s central and local governments to deal with the growth and transformation of the national and local economies has been to establish National New Areas (NNAs). Considerable research has been performed to document and characterize China’s NNAs as the spatial products of the rescaling of state power [35–38]. For instance, Su explored how the Chinese state rescales to materialize its geographical expansion of capital and labor overseas [39]. Establishing an interscalar regulatory regime, the state adopts two spatial strategies upwards to cooperate with international organizations and downwards to coordinate with local authorities. Ye proclaimed that China’s metropolitan governance remains “top-down” and a “dirigiste type” that central government has substantial power to reorganize territorial units or change city scale, leading to internal fragmentation in the multi-level hierarchical system [40]. Establishment of the NNAs has also been seen from the conceptual lens of regionalism, developmental state, state entrepreneurialism, and land-based coalitions [41,42]. Relatively less is understood about how the NNAs as newly created state space is conceived, perceived, and lived and how these three constitutive elements are interrelated. In this study, we set ourselves apart from others by venturing into an application of, with necessary adaptation, Henri Lefebvre’s spatial triad as an interesting theoretical lens to examining the Chinese case. Instead of focusing on state–market interplay or society–space connections, this study advocates an approach that takes seriously the relativizing dimension in deciphering the production, transformation, and practicing of the new state space in China.

2. Deciphering the Production of Space and China’s NNA: Lefebvre’s Spatial Triad as an Inspirational Lens and Analytical Tool

The multidisciplinary nature of urban studies has always been characterized, and indeed blessed, by remarkably cross-disciplinary fertilization of theory and methodology. Geographers have drawn inspiration from the work of sociologists, economists, political scientists, and philosophers such as Karl Polanyi, Max Webber, Michael Foucault and notably, Henri Lefebvre. Lefebvre (1901–1991) was an important Marxist thinker of the 20th century who put forward the theory of the “production of space” [43]. Lefebvre criticized the traditional view that space is only a container and a “field” following a comprehensive philosophical study of the concept. He maintained that space is made up of social relations, which are, in turn, composed of space. That is to say, “social space is the product of society”. Changes in the material space experienced by humans are just the appearance of social changes. Behind the changes of the material space is a series of complex social development processes, including changes in social power, social ties, and daily social life [44] (p. 31). To demonstrate this process, Lefebvre constructed the theoretical framework of the spatial triad, consisting of: “the representation of space”, “spatial practice”, and “the space of representation”. It is under this logic that Lefebvre put forward the triple concept of a social–spatial analysis in which space is perceived, conceived, and lived.

It is worth noting that there are common logics shared by the spatial triad and the alternative of the triple concept. First, space is produced and experienced, pointing to materiality. Second, space, through human activities, is a production process. Furthermore, because the three aspects of the triple concept point to the relationship between material space and life experience, each aspect can be examined from the perspective of material (place, specific process of production and consumption, and symbols) or life experience (human activities, senses, thoughts, imagination, and attitudes). In this way, the inherent relationship between the two sets of concepts can be streamlined as follows:
“Perceived space” (spatial practice) is a social space with physical form, referring to people’s perception of the world in their daily life, including those things that can be observed and transmitted [44] (p. 413), such as urban roads, networks, buildings, and workplaces, which can be measured, described, and designed with the help of specific instruments and tools [44] (p. 38).

“Conceived space” (the representation of space) is “conceptualized space”, which is the process of the real production relations to construct their own spatial order. This kind of spatial order produces the corresponding language and symbol system, and the latter becomes a kind of recessive spatial power by controlling the knowledge system of space, which interferes with and controls the real space construction [44] (p. 38). Conceived space is usually a space for technocrats to produce planning drawings and public policy texts which are full of ideology, power, and knowledge [44] (p. 39).

“Lived space” (the space of representation) is the space directly related to “life”, the space of imagination and fiction, various symbolic spaces in the vision of artists, writers, and philosophers [44] (p. 39). It is a space of passive experience or surrender, a space changed and occupied by imagination. Simultaneously, it is a space for struggle, freedom, and liberation. Lefebvre called it a “count space”, reflected in its reappearance as subordinate, peripheral, and marginalized space and its attention to the social bottom of the spatial order [44] (p. 382).

Clearly, in Lefebvre’s spatial triad, expression must go beyond the binary opposition thinking of abstract modeling and see the interconnection and complex dynamics of the three elements. Although these three elements are separated for analysis, they interact in dialectical tension, and the processes and products “show themselves as inseparable aspects, not as separable thoughts” [44] (p. 37). The three kinds of spaces in the spatial triad are not independent entities but are “constantly changing and interrelated with independent characteristics”. This is a set of relations and networks in which no concept holds any priority over the other two.

It is difficult to understand Lefebvre’s ideas about the production of space: the more people look for the explicit meaning of the spatial triad, the more it is interpreted differently [45] (pp. 8–9). Nevertheless, space researchers and practitioners, including Lefebvre himself, believe that this spatial triad should not be treated solely as an abstract model, but should instead be applied as an analytical tool [9,43,46]. The inherent fluidity of the spatial triad and the concretization of the spatial production theory can be regarded as the dynamic mechanism for urban researchers to trace spatial production to reveal and decipher spatial processes and practices. The framework of the spatial triad is comprehensive and flexible enough to be applied to a wide range of spatial issues from the macro to micro scale and under various geopolitical contexts, including China [22,47–49].

A common application of Lefebvre’s spatial triad to urban and regional studies is the production of state space which denotes the space designated and demarcated for special political, economic, or social strategic considerations [2]. In China, the establishment of special economic zones, regional strategic development plans and, more recently, NNAs are examples of state space [41,50]. From the first NNA (Pudong New Area of Shanghai) established in 1992 to the recent Xiong’an New Area, China has established 19 NNAs with an area of more than 24,000 sq kms widely distributed in 23 cities across the country [51]. The growth and spatiality of China’s NNAs is a concrete manifestation of the vertical (hierarchical) and horizontal (cross-jurisdictional administrative change) division of power relations within the Chinese Party-state. In vertical terms, the central authorities granted preferential policies, special permits, and guidance for institutional innovation in the NNAs covering a wide range from management to land, capital, taxation, population, and industry. At horizontal and local levels, NNAs often involve cross-border and cross-jurisdictional administrative changes to coordinate and facilitate the completion of special development tasks. Regarding the drivers underpinning this process, Brenner’s study examined the rescaling of statehood as a result of globalization and crisis management [2]. However, this approach is criticized for its over-structural generalization and neglect of place specific
context and tensions [52]; instead, it is argued to be more relevant to examine the actors who enact the deliberate process of rescaling and how such rescaling is conjoined with the broader political, economic, cultural, and institutional context in both domestic and international terms [53].

When analyzed in Lefebvre’s spatial triad, China’s NNAs are the new state space that is perceived, conceived, and lived in a socialist political economy undergoing profound marketization and globalization. Perceived space is embodied in the spatial pattern, its possession and use, accessibility, and distance in the NNAs. Conceived space is the spatial expression of ideology, power, and knowledge realizing the concept of order, as embodied in strategic formulation, policy design, spatial planning, and power allocation. Lived space refers to the imagination-generated and private secret place of social life, which questions and criticizes the mainstream perceptual space while endowing it with symbolism and significance. It is embodied in the “bottom-up” spatial resistance and countermeasures in the development process of the NNAs, the power game within the government, the spatial consumption choice of urban residents, and the self-protection strategy of the affected rural residents.

In China’s NNAs, spatial triads interact and are dialectically unified (Figure 1). Conceived space and lived space not only take domination and confrontation as the main opposition relations but are also intertwined. Conceived space helps the subject to recognize the situation and position and seek pathways to initiate resistance. Lived space is also the place where dominant interests and the forces of resistance jointly strive for and misappropriate. Simultaneously, perceived space is between the above two, both connecting and differentiating them from each other. Perceived space is the space-time structure in which space can be produced and reproduced, thus supporting the normal operation of lived space and conceived space, respectively. Perceived space supports and embodies the conceived and lived space, while the latter two, with their dominant or resisting values, also shape or activate perceived space.

Figure 1. Analysis framework for production of space (source: the author).
Lefebvre’s spatial triad cannot be readily and directly applied to China without critical evaluation and necessary adaptation. At least three distinctive conditions require special attention when Lefebvre’s spatial triad is applied to the case of China’s NNAs. First, the production of space in Chinese NNAs has been strongly manipulated by the Party-state with a political system significantly different from its Western counterparts. State policies and strategies for the production of space are defined and implemented in a top-down fashion, with little local or public participation. Meanwhile, Chinese local governments are peculiar entities with a dual identity of regulator and player suffering from an obvious conflict of interests [32,54].

Second, even though the Chinese planned and command economy has experienced marketization and globalization, there exists incredible ambivalence toward the often-separated spheres of state and market or state and capital in the growth and transformation of Chinese cities. The imperative of capital accumulation is considered fundamental to understanding the production of space in the Western world. In the Chinese NNAs, the one-party state may have its own values, principles, and political and social considerations other than economic or financial rationality. This means that the perceived and conceived space in the Chinese NNAs may have its own logic.

Finally, the production of space in the context of Western liberal democracies is usually conditioned by free mobility of capital, labor, and technology, which may sometimes be hampered, disrupted, or blocked by state intervention. In the case of Chinese NNAs, the flow of capital, population and technology is shaped by preferential policies, special licensing, and institutional innovation guidance. In particular, population mobility has been controlled and distorted by invisible but effective institutional blockage known as entrepreneurship subsidies, tax relief, housing subsidies, and the household registration system (hukou). More specifically, the benefits for residents depend on their ability to achieve national strategic goals [10]. Potential new residents of the NNAs with high educational and technical skills are granted better entitlements whereas rural migrants are discriminated. As such, there exists an interesting dynamic of local negotiation, contestation, and mediation in the lived space of the Chinese NNAs.

3. Working Hypotheses and Research Methodology

3.1. Working Hypotheses

This study analyzes the process of the location and development of China’s Liangjiang National New Area (LNNA), an important and illustrative example of an NNA, through the lens of Lefebvre’s spatial triad. Our objectives are to examine the inter-relationship between state ideologies, practices, and spatial transformation as demonstrated by the LNNA’s location and development; identify and characterize the evolution of its material space; and critically evaluate the uneven consumption of the state space created as well as its social and economic consequences. The research is specifically concerned with several questions: What state ideologies and strategic considerations have led to the location and establishment of the LNNA? How has the material space evolved in the LNNA? How has the newly created state space been consumed and by whom? What are the economic, social, and geographical consequences of the location and development of the LNNA? Our research is organized to test three working hypotheses. First, the LNNA represents the special vision and mission of China’s national developmental agenda and is the spatial outcome of adjusted power relations within a fragmented authoritarian Party-state, both vertically (hierarchically) and horizontally (cross-jurisdictional). Second, the creation and reproduction of the material space in the LNNA are meant to serve not only the imperatives of capital accumulation but also the political and economic ambitions of the local state. Thirdly, the consumption of the newly created state space in the LNNA is neither uniform nor homogeneous. It stimulates the expansion and reproduction of residential and commercial spaces for some but excludes and marginalizes other social groups; it has therefore aroused the bottom-up spatial resistance and countermeasures and hence intensified inequality and social discontents.
These questions and hypotheses highlight several research parameters that require clarification. We take the concept of the “state” to refer to an arena of power ensemble. In the case of China, it is important to distinguish the horizontal (jurisdictional) organization of the state administrative system and the vertical (hierarchical) structure of state power relations [11,55]. We follow the official categorization of urban space in China according to its purpose, namely industrial, residential, or commercial space. We use spatial consumption by the public to refer to how the state space is used and occupied by different stakeholders. Our analysis of the pattern and process of uneven development is not limited to the economic dimension and is inclusive of various processes of change in the material space and its social effects on local residents and the migrant population.

3.2. Study Site

Our empirical study is based on the case of the LNNA which is located in Chongqing, the largest metropolis in southwestern China and one of the five Chinese Special Administrative Municipalities. Chongqing covers an area of 82,400 sq kms and 38 districts and autonomous counties under its jurisdiction (Figure 2). This city performs an increasingly important role in postcrisis China. Ascribed to the elevated position of Chongqing, the LNNA was approved in June 2010, the third NNA in China and the first NNA in the Central and Western regions. LNNA is located in the urban area of Chongqing, surrounded by the Yangtze River to the south and Jialing River to the west (”Liangjiang” refers to the Yangtze River and Jialing River). Administratively, the LNNA governs three urban districts (namely Jiangbei, Yubei, and Beibei) covering a land area of 1200 sq kms (Figure 2). After the establishment of the LNNA, there has been significant interaction between governments at all levels, and between governments and enterprises. Some important indicators of the economy, population, and construction land have changed significantly (Table 1). The LNNA represents China’s state space and has wide exposure under the invasion of state power in post-reform China. Case studies of a major state space cannot represent the entire country. However, the study of the LNNA can yield significant insights into the nature and dynamics of the transformation of socialist cities. In addition, the evaluation of good and bad experiences of a state space that has been “leading” in development can provide important lessons for the subsequent development of NNAs in China.

![Figure 2. The location and administrative constitution of the LNNA (source: the author).](image-url)
Table 1. Key social and economic indicators for the LNNA, 2010–2015 (source: author’s own compilation based upon the statistical bulletin of the Liangjiang National New Area).

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Unit</th>
<th>2010</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident population</td>
<td>Millions of people</td>
<td>207</td>
<td>257</td>
</tr>
<tr>
<td>Construction land area</td>
<td>Square kilometer</td>
<td>137.6</td>
<td>232.2</td>
</tr>
<tr>
<td>General public budget revenue</td>
<td>RMB billions</td>
<td>3.7</td>
<td>13.4</td>
</tr>
<tr>
<td>General public budget expenditure</td>
<td>RMB billions</td>
<td>8.3</td>
<td>22.3</td>
</tr>
<tr>
<td>GDP</td>
<td>RMB billions</td>
<td>100.2</td>
<td>202.5</td>
</tr>
<tr>
<td>The added value of the third industry</td>
<td>RMB billions</td>
<td>45.6</td>
<td>88.8</td>
</tr>
<tr>
<td>The added value of the second industry</td>
<td>RMB billions</td>
<td>52.9</td>
<td>111.4</td>
</tr>
<tr>
<td>Total export–import volume</td>
<td>RMB billions</td>
<td>27.7</td>
<td>154.4</td>
</tr>
<tr>
<td>Utilized domestic capital</td>
<td>RMB billions</td>
<td>52.3</td>
<td>122</td>
</tr>
<tr>
<td>Utilized foreign capital</td>
<td>USD billions</td>
<td>1.6</td>
<td>4.5</td>
</tr>
</tbody>
</table>

3.3. Research Methodology

Our study was based on 15 field visits and 45 interviews with the key personnel directly involved in the location and development of the LNNA. The snowball sampling and purposive methods were employed to identify the analytical lens in relations to three hypotheses. Relevant to this study, thirteen interviewees are involved, including three senior urban planners who are responsible for the master plan of LNNA, one senior officer managing LNNA development, three leaders administering LNNA, two enterprise administrators, two village managers, and two academic experts who have distinct technical knowledge and exceptional immediate procedural knowledge regarding state space. Their knowledge profile is listed in the Table 2. A prepared interview outline helps to determine the basic principles and processes of the conception, perception, and life of the LNNA. Added efforts were made to seek data sources of planning and approval documents, official media reports, government’s official websites, published bulletins and articles, meeting minutes, etc., that sketch the contours of the process. In addition, persistent personal communications with local officials and urban planners assisted to timely clarify the misunderstandings and confusions about the LNNA development. Furthermore, their interpretations also complement our understandings of hypotheses in the conceptual framework. For the sake of privacy and ethical consideration, the personal details of the interviewees are concealed.

Table 2. Information for the interviewees (source: the author).

<table>
<thead>
<tr>
<th>Code</th>
<th>Knowledge Profile</th>
<th>Date of Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A senior official of LNNA Administrative Committee</td>
<td>13 August 2018</td>
</tr>
<tr>
<td>2</td>
<td>A senior official of Yubei District Government</td>
<td>15 August 2018</td>
</tr>
<tr>
<td>3</td>
<td>A senior official of Jiangbei District Government</td>
<td>15 August 2018</td>
</tr>
<tr>
<td>4</td>
<td>A senior official of Beibei District Government</td>
<td>17 August 2018</td>
</tr>
<tr>
<td>5</td>
<td>Representative 1: An urban planner in China Academy of Urban Planning and Design</td>
<td>10 August 2018</td>
</tr>
<tr>
<td>6</td>
<td>Representative 2: An urban planner China Academy of Urban Planning and Design</td>
<td>10 August 2018</td>
</tr>
<tr>
<td>7</td>
<td>Representative 3: An urban planner in Planning and Design Institute of Chongqing</td>
<td>11 August 2018</td>
</tr>
<tr>
<td>8</td>
<td>Representative 1: A enterprise administrator in LNNA</td>
<td>20 May 2018</td>
</tr>
<tr>
<td>9</td>
<td>Representative 2: A enterprise administrator in LNNA</td>
<td>23 May 2018</td>
</tr>
<tr>
<td>10</td>
<td>Representative 1: A village manager in Longxing Town</td>
<td>7 July 2018</td>
</tr>
<tr>
<td>11</td>
<td>Representative 2: A village manager in Longxing Town</td>
<td>7 July 2018</td>
</tr>
<tr>
<td>12</td>
<td>An academic staff in the Peking University</td>
<td>8 April 2018</td>
</tr>
<tr>
<td>13</td>
<td>An academic staff in the Chongqing University</td>
<td>10 July 2018</td>
</tr>
</tbody>
</table>
4. Results

Among the many cases of the (re)production of space in different world regions, the recent practice of establishing NNAs in China stands as an interesting phenomenon from which significant insights may be obtained using Lefebvre’s spatial triad as an analytical lens. In contrast with other narratives concerning the (re)production of space in the Chinese context, the deployment of Lefebvre’s spatial triad is valuable because it foregrounds both observable phenomena and dialectical relationships and uncovers the interaction between the top-down state developmental agenda and the bottom-up negotiations and contestations of various stakeholders. When scrutinized in the lens of the spatial triad, the production and transformation of China’s LNNA can be deciphered in terms of three intrinsically interrelated processes through which the new state space was conceived, perceived, and lived in the Chinese political economy.

4.1. The Conceived State Space of the LNNA

The LNNA was conceived out of the central state’s special vision and mission of national development agenda. Bureaucrats have a kind of recessive spatial power by controlling the knowledge system and management system of space, which interferes with and controls the real space construction. The LNNA is a part of a territorial strategy not just to enhance China’s national competitiveness but also to strengthen national integrity and alleviate regional inequality. The LNNA embeds several new developmental missions and visions, including “a pilot experimental area for urban–rural coordination”, “a major gateway for the open-door policy”, “an important inland advanced manufacturing and modern service industry base”, and “a financial and innovative center in the upper reaches of the Yangtze River” [56]. China’s State Council authorized the Chongqing municipal government (CMG) to lead the reform of the LNNA, thus allowing for the testing of new policies. This involved a major decentralization of central state power at the local level and the restructuring of the LNNA through new testable policies granted by the central government (Table 3).

Table 3. Special policy experiments for the LNNA (source: the author edited and compiled from interviews in the field work (August, 2018) with local officials, and information derived from official website of Liangjiang National New Area (http://www.liangjiang.gov.cn/ (accessed on 20 August 2018)).

<table>
<thead>
<tr>
<th>Policy Projects</th>
<th>Specific Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax deduction</td>
<td>The enterprises engaged in the state-encouraged industries in the LNNA shall be subject to corporate income tax at the rate of 15% by 2020.</td>
</tr>
<tr>
<td>Fiscal policy</td>
<td>From 2010 to 2015, the new fiscal revenue, land transfer income, and administrative fees of the LNNA will be returned in full.</td>
</tr>
<tr>
<td>Land policy</td>
<td>The annual planning indicators of construction land in the LNNA shall be listed separately and inclined, and priority shall be provided to ensuring construction land according to the needs of planning.</td>
</tr>
<tr>
<td>Financial support</td>
<td>The central government granted RMB 5 billion of financial subsidies, Chongqing municipal government invested RMB 10 billion. National policy banks such as the National Development Bank, the National Import and Export Bank, and the Agricultural Development Bank provide low interest rate loans.</td>
</tr>
<tr>
<td>Key industry support</td>
<td>The state allows the development of new industry investment funds in Chongqing, which prioritizes the infrastructure construction and key industry development in the LNNA.</td>
</tr>
<tr>
<td>Risk compensation</td>
<td>For enterprises engaged in high-tech industries and strategic emerging industries in the LNNA, the risk compensation for enterprises shall be exempted from tax before the levy of corporate income tax from the profit year.</td>
</tr>
<tr>
<td>Rent subsidy</td>
<td>Preferential land prices shall be applied to the key industrial land, and housing rental subsidies shall be provided to scientific research institutions and institutions of higher learning.</td>
</tr>
<tr>
<td>Special industry support</td>
<td>The projects in line with the national industrial policy projects in the LNNA will be provided support in terms of the project audit, land use, loan financing, technology development, market access and other aspects.</td>
</tr>
<tr>
<td>Talent introduction</td>
<td>For the middle- and high-end talents settled in LNNA, they will be provided financial assistance and fiscal rewards such as their settling-in allowance.</td>
</tr>
</tbody>
</table>
Having been granted with special status and assigned with developmental missions by the central authority, the LNNA’s strategy was incorporated into the overall urban plan with the goal of forming a grand urban space to replace the rural space in the north of Chongqing. Based on the policy documents approved by the central state, local governments set up key indicators of planning schemes, such as the scale of the land needed for construction and the projected population size, and obtained the consent of the Ministry of Housing and Urban-Rural Development and the Ministry of Land and Resources through continuous negotiation (interviewee 1). However, due to the short planning period, many problems were not sufficiently thought through. Eventually, the LNNA formulated a strategic plan with multiple economic functions (Figure 3). Its strong iconic effects and political and economic significance were easily understood and appreciated by the LNNA’s decision-makers. In the process of planning, urban experts, and planning engineers under the guidance and authorization of Chongqing’s municipal government, adopted strategic thinking and a goal-oriented technical path. However, the technological implications of key indicators such as the scale of land for construction, size of population, industrial orientation, spatial structure, and infrastructure were rarely considered as illustrated by the insights gained from interviews with experienced planners.

“In the process of planning, the leaders of . . . Chongqing’s municipal government has been reminding planners that the LNNA is not only the transitional place of Chongqing directly under the central government for 10 years, but is also the turning point of China’s economic reforms and opening up. Planners have been urged to carefully read the official reply to the establishment of the LNNA in Chongqing (State Issue [2010] No. 36) issued by the State Council, and to follow every word concerning the national positioning of the LNNA space” (interviewees 5 and 6) 1.

Thus, the LNNA became a new cross-border joint regional organization superimposed with several new economic functional zones and administrative regions. For the purpose of integrated management, the CMG set up the LNNA Administrative Committee (LNNAAC), a sub-ministerial quasi-governmental organization, and formed a “1 + 3” administrative management system involving the district governments of Jiangbei, Yubei, and Beibei to integrate the diverse interests of different localities. By appointing the main leaders as members of the LNNAAC, the LNNAAC was made a direct subordinate of the CMG. Within the LNNA, the direct management area (DMA) was defined, and the LNNAAC is responsible for the unified planning, overall coordination, and implementation of the economic development and construction of the DMA. The district governments of Jiangbei, Yubei, and Beibei remained in charge of administration and social affairs within the DMA (interviewees 2, 3, and 4). The other areas beyond the DMA remained under the jurisdiction of the district governments of Jiangbei, Yubei, and Beibei. This
mixed mode of management exemplifies the complexity of territorial relocation at the local level. Meanwhile, personnel appointments (renshi diaodong) were adopted by the state as a means to shape economic restructuring.

4.2. The Perceived State Space of the LNNA

LNNA’s local operation and implementation involved some radical practices, transforming land from agricultural space into industry, housing, public services, and technological innovation. This served the purposes of not only capital accumulation but also political achievements for local officials (interviewee 12). In relativizing terms, the new state space of the LNNA initially conceived by the state at both the central and local level was perceived, responded, and practiced by a variety of stakeholders involved in the implementation of the state project. Important action was taken initially by the CMG to implement land development and project construction in accordance with the mission and vision spelt out in the “strategic conceptual plan” (interviewee 13). In other words, the production of material space was to serve the specific political and economic targets identified by the state.

Within two months of the establishment of the LNNA, the CMG invested RMB 10 billion to set up the LNNA Development and Investment Group Co. Ltd. (LNNADI). The municipal government also authorized the LNNAAC to oversee land development as the business registration contributor holding a 100% stake in the LNNADI. Through the authorization, regulation, and incentivization of the LNNAAC, the LNNADI is specifically responsible for land development and investment, construction, and capital operation of the projects of major infrastructure. Although local debts remained under the control of the central state, the LNNADI managed to borrow RMB 145.7 billion of financing within five years (Table 4).

Table 4. Financing structure of LNNADI, 2010–2015 (source: the author compiled from interviews with local officials, 18 May 2018.).

<table>
<thead>
<tr>
<th>Financing Channel</th>
<th>Amount (Proportion)</th>
<th>Financing Statement</th>
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<tbody>
<tr>
<td>Equity financing</td>
<td>RMB 10.4 billion (7.1%)</td>
<td>Relying on the capital injection commitment letter of Chongqing Municipal Finance in the next few years, Industrial Bank issued RMB 4.3 billion equity trust. Under the background of the strict control of local debts by the state, LNNADI adopted the mode of clear shares and real debts, which raised about RMB 7 billion.</td>
</tr>
<tr>
<td>Financial funds</td>
<td>RMB 41 billion (28.1%)</td>
<td>The central government granted RMB 5 billion of financial subsidies, Chongqing municipal government invested RMB 10 billion, and obtained RMB 26 billion through Chongqing financial return and land transfer share.</td>
</tr>
<tr>
<td>State-owned policy banks and commercial banks</td>
<td>RMB 52.3 billion (35.9%)</td>
<td>National policy banks such as the National Development Bank, the National Import and Export Bank, and the Agricultural Development Bank provided funds with large amount, long-term, and low interest rate. LNNADI raised more than RMB 30 billion from these three policy financial institutions. In addition, LNNADI also raised more than RMB 20 billion from state-owned commercial banks.</td>
</tr>
<tr>
<td>Public market funding</td>
<td>RMB 32.3 billion (22.2%)</td>
<td>LNNADI vigorously promoted the financing in the open market, financing RMB 32.3 billion by issuing corporate bonds, medium bills, short-term financing, and ultra-short-term financing.</td>
</tr>
<tr>
<td>Other source</td>
<td>RMB 9.7 billion (5.7%)</td>
<td>Insurance fund bond financing is RMB 5 billion, financial leasing is RMB 2 billion, and private financing is RMB 2.7 billion.</td>
</tr>
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With this financing, the CMG expropriated 200 sq kms of agricultural land in three years when more than 100,000 farm households were relocated. Between 2010 and 2015, the LNNADI invested RMB 129 billion in the development of land covering 66.67 sq kms, of building up of resettlement houses and public rental houses at the scale of 13.74 million m$^2$, and construction of industrial premises amounted 6.5 million m$^2$. The LNNA did not follow the normal transition of capital accumulation from industrial space and a built environment to public service and technological innovation space. Instead, the LNNADI choose to engage in the development financial activities such as the Jiangbeizui Financial City, Liangjiang International Business City, Lijia International Business City, and Yuelai
Exhibition New City. Well-known international professional institutions and personages were employed to design landmark buildings and consumer spaces: a central park, a large-scale commercial complex, a five-star hotel, innovative pedestrian streets, an exhibition center, a garden expo park, and a lake-side shopping area (interviewee 7). Investment, architecture, and landscaping made the LNNADI a “symbolic space” in LNNA’s political and economic ambition. This approach showed an obvious favorite toward the local governments, middle and upper social strata, and investors. It helped produce a new perceived space in support of the conceived space and in control of the lived space.

Many new migrants were attracted by the perceived space of the LNNA. Between 2010 and 2015, the permanent population from other regions increased by nearly 500,000. To the middle and upper social classes, the new perceived space of the LNNA appeared to be full of opportunities for speculation. They were optimistic about LNNA’s future and the real estate potentials, and they are the leading consumers of the residential space. In 2015, the trading volume of commercial housing was 2177 sets (up 112.6% over 2014) and the average price was 11,000 RMB/m² which was considerably higher than the average price of 7000 RMB/m² for the Chongqing metropolitan area. The “speculative purchase” of housing stimulated developers to further invest in the LNNA and activated the expansion and reproduction of the residential space. By 2015, residential land increased by 19 sq kms compared with that of the year 2010. Investment in and formation of the LNNADI meant an increased inflow of external capital, including transnational, state-owned, and private capital, to the LNNA. Between 2010 and 2015, there were 2740 projects that had broken the ground involving a capital investment of RMB 1068.3 billion and USD 18.3 billion of foreign direct investment.

In a short time, the material space was dramatically reproduced and land development was accelerated (Figure 4). In 2010, the urban construction area in the LNNA was 137.65 sq kms but most of the areas were still farmland, villages, and towns. By 2015, the area was 232.15 sq kms and the LNNA became the area with the fastest construction and expansion of the urban space. Agricultural land was taken for construction and the process of turning the old city into a new state space was accelerated. Commercial and residential spaces replaced industrial land in the original central urban area while numerous modern industrial parks were built in the outskirts of the LNNA. New industrial space for R&D, manufacturing, and logistics increased rapidly. Financial and business spaces changed from highly centralized to a multi-core distribution pattern, revealing local government’s intention to showcase political achievements through the rapid growth of material space and the urban landscape.

Figure 4. (a) Construction land of LNNA in 2010; (b) construction land of LNNA in 2015 (source: the author compiled from the data on land-use alteration in the metropolitan function area of Chongqing).
The lived space is a field of confrontation or struggle, which originates from the privacy and bottom of social life, and the critical art of questioning the mainstream space practice and spatiality with imagination. In LNNA, it is manifested as the social relationship among stakeholders. Differentiation of negotiation, contestation, and reconciliation in the lived experiences of people not only stimulated the expansion and reproduction of the living and consumption spaces but also intensified unbalanced development. The five types of stakeholders are local cadres at the district level, high-tech talents, industrial entrepreneurs, landless farmers, and migrants, each opting for different strategies to live in the new state space.

First, the spatial restructuring of state power in the establishment of the LNNA resulted in a battle of power struggle on the ground level of the state apparatus. The tension came mainly from the original district governments (Jiangbei, Yubei and Beibei) whose jurisdiction overlaps with the LNNA. In the “1 + 3” administrative management system of the LNNA, the LNNAAC held the power to make rules and regulations and hence benefited the most from the process of spatial reproduction. As a result, the district governments of Jiangbei, Yubei, and Beibei considered themselves to be victimized and found methods of negotiation and contestation. As a consequence of tension and contestation, the CMG must continually expand the DMA and adjust the distribution of interests.

“In the DMA, land acquisition, demolition, and resettlement works are mainly the responsibilities of the district governments. We are responsible for land development and investment promotion, and the district governments are responsible for social management affairs (interviewee 1) ².

The LNNAAC takes meat, and we take bones. The LNNAAC should be responsible for more social management affairs or share with us more land development benefits” (interviewee 2) ³.

The second group of stakeholders involved were the highly educated, high-end talents with managerial and technical skills recruited into the LNNA. This group of high-end talents were given preferential treatment: cash incentives, entrepreneurship subsidies, tax relief, housing subsidies, status of urban household registration, and employment and schooling for spouses and children (Table 3). The LNNA recruited many high-end talents to the region to upgrade the pre-existing society. Yet, to most of these high-end persons, the conceived state space is irrelevant and they have no long-term plan to work and live in the LNNA. Their interests are primarily to take advantage of the preferential treatment and engage in short-term speculation in the real estate markets. According to a survey, 58% of the houses were unoccupied, 38% of the owners had not considered moving in, and the ratio of purchase to investment was 45% ⁴.

The third group of stakeholders includes industrial entrepreneurs and investors who have been very cautious to take the conceived and perceived state space. Although they have set up investment projects in the strategic locations of the LNNA, they have been rather slow to bring about actual production activities.

“We have been waiting until the infrastructure of the LNNA is improved and the policies of the LNNA in recruiting workers, production subsidies, reducing land prices and rent subsidies are mature” (interviewees 8 and 9) ⁵.

The fourth group of stakeholders are the farmers and villagers whose land has been expropriated. When the CMG conceived the grand thematic space of the LNNA, it roughly delineated and reserved large-scale rural land for future urban developments. This rural land is indicated in the LNNA master plan 2010–2020. It is located on the edge of the Longsheng Industrial Area and has been frozen due to the LNNA’s long-term development plan. In the short term, the government will not expropriate the land but villagers are not allowed to use the land under reserve. There is no management housing index for the land nor approval for rural construction projects and agricultural industrialization
to save on the future costs of land acquisition. Our investigation found that inefficient land use and vacancy in the Longsheng Industrial Zone was a common problem. The time taken for the acquisition of 35.7 km² urban development reserve has been lengthy, meaning that the villagers lose their legal land development rights and interests. However, villagers did not passively obey the control of the state in the reproduction of space. Taking advantage of government policies that support agriculture and rural development, the local village committees took initiatives to draft up rural plans. Although rural planning lacks effective land-use policies and funds, villagers took the opportunity to expand land use for rural tourism, leisure agriculture, agricultural product planting, and agricultural product processing. The process has been a spontaneous and bottom-up lived experience embodied in the landless farmers’ negotiation, contestation, and resistance with regard to top-down urban space expansion and unbalanced LNNA development.

“In recent years, the central government and the Chongqing municipal government have successively issued policies to support rural construction and agricultural development. These policies have provided guarantees and opportunities for us to make use of the urban development reserve, and the Chongqing Agricultural and Rural Committee has also supported us in our preparation of rural planning” (interviewees 10 and 11) 6.

Last but not the least, migrant workers have had the unfortunate lived experiences of displacement. Restricted by inadequate education and skills, they are unable to benefit from the high-end talent policy of the LNNA and cannot gain any access to the urban household registration. Without the urban hukou, migrant workers are denied of pensions, medical care, education, and housing benefits. They tend to live near the factory and their shopping and daily lives are confined to their surroundings rather than to the downtown area. In other words, migrants must work and live in the same space that is isolated from other aspects of the newly conceived and perceived space in the LNNA. This is in sharp contrast to the LNNA’s middle and upper social strata whose living and consumption space is mostly in the downtown area where the landmark buildings and beautiful landscapes are located.

5. Discussion

In the perennial debate over the nature and dynamics of urban and regional development, the interrelationships between the state, capital, and space have been an intriguing and controversial topic that continues to inspire scholarly imagination and competing interpretations. Disillusionment with the “end of nation-states” [1] assertion was followed by a varied stream of sophisticated concepts and theories [3,10,11,43] to fill the awkward voice. The taken-for-granted attitude of territoriality or “geographical unconsciousness” that characterized early studies of state space was abandoned. However, theorization of state space continues to be a controversial agenda setting apart a wide range of scholars from those faithful in neoliberalism focusing on state–market interplay to others preoccupied by society–space connections and others zealous about the relativization of scale [4,9,10,14]. Inspired by Lefebvre’s theoretical framework of spatial triad, this study of how China’s new state space is conceived, perceived, and lived in the recent practices of NNAs provides an interesting alternative for engagements with current debates. Instead of focusing on state–market interplay or society–space connections, this study advocates an approach that takes seriously the relativizing dimension in deciphering the production, transformation, and practicing of new state space in China. More specifically, state space can be better understood in the relative perspectives of not only the central state and local governments but also the diverse stakeholders (e.g., individual planners, professionals, developers, ordinary citizens, and the migrant population) who are involved voluntarily or involuntarily. Relativizing state space as a conceptual alternative also entails a dialectical and structural analysis of the inter-relationship among the three kinds of state space eloquently categorized by Brenner [4] as in the narrow sense (the spatialities of the state itself), the integral sense (state spatial strategies), and the representational sense (changes in everyday life experiences as a consequence of state spatial practices). This analytical framework may add
significant value to current enquiries by going beyond the state–market and society–space relations that have preoccupied existing research [9,14,24]. It enables a better cross-checking of ideologies, practices, and actual experiences. Moreover, it allows for an understanding of dialectical instead of linear and unidirectional relationships among the key agents, actors, and forces at work in the process of state space production and transformation.

Our research demonstrates the conceptual strength of Lefebvre’s spatial triad as an insightful lens and an effective analytical tool for unpacking and unveiling the complex trajectory of China’s ongoing urban transformation. Current theorization of China’s continuing urban transformation has been led by state-centered paradigms (e.g., state entrepreneurialism, state capitalism, and land-based coalition) on one end and alternative interpretations of grass-roots social resistance, repercussions, and contestation on the other. Deployment of Lefebvre’s spatial triad adds new value in linking the top-down imposition of a state developmental agenda with the bottom-up lived experiences of various stakeholders who survive at the ground level. Furthermore, a relational and structural analysis of how state space is conceived, perceived, and lived can focus more effectively on the inter-relationships between observable phenomena and the invisible/intangible political and institutional underpinnings.

While Lefebvre’s spatial triad is conceptually and methodologically applicable to China’s LNNA projects, our research identified significant adaptations that need to be made when Lefebvre’s spatial triad is applied to the Chinese case. The functioning of state power in China is characterized by its fragmented and conflictual dynamics both vertically and horizontally. Ambivalence exists in the dichotomy and inter-relations of state and market or state and capital. The social and spatial mobility of input factors have been shaped (and distorted) by many state-set institutional blockages that differentiate citizens’ rights and entitlements. Overall, this study shows that Lefebvre’s spatial triad can be applied to cases where representations of space seem all encompassing and where the lived experiences of people at the grass-roots level are characterized by negotiations, resistance, and reconciliation in response to the top-down imposition of new state space in the form of NNAs. While the production of state space can be deciphered through Lefebvre’s spatial triad, it should be noted that the triple categorization is by no means a clear-cut separation but instead characterized by intrinsic and dialectical inter-relation. The representation of space and the space of representation take the dominant space and the antagonistic space as the main opposite relations and interweave with each other while spatial practice mediates the two and makes them interrelated.

6. Conclusions

Inspired by Lefebvre’s spatial triad, applied textual analysis, and in-depth interview, this study critically evaluates the Chinese practices of setting up National New Areas to reshape the trajectory of urban and regional development using the Liangjiang National New Area (LNNA). Our research foregrounds the relativizing dimensions of state space in which the creation of the LNNA is conceived, perceived, and lived by key stakeholders holding different positions and vested interests. The LNNA was conceived out of the central state’s special vision and mission of national development agenda. Its local operation and implementation involved some radical practices, transforming land from agricultural space into one for industry, housing, public service, and technological innovation. This served the purposes of not only capital accumulation but also political achievements for local officials. Landmark buildings and an international consumerist landscape have become the symbolic space for LNNA’s political and economic ambitions. Differentiation of negotiation, contestation, and reconciliation in the lived experiences of people not only stimulated the expansion and reproduction of the living and consumption spaces but also intensified unbalanced development. The production of a state space such as the LNNA was meant to be an instrument for the central state to regulate and intervene in uneven development. Ironically, the establishment and development of the state space turns out to have exacerbated problems of regional inequality and spatial disparity. Our
research suggests an alternative perspective that goes beyond the popular dichotomy of state–market or society–space relations in the studies of state space and takes seriously the dialectical relations among the forces at work in the (re)production of state space.

The findings of our research also have significant implications for planning and policy formation. With rapid changes in economic development and regional competition, the inertia and relative lag of urban physical space has often hindered development, while the creation of the state space has improved the “efficiency” and “ability” of local governments. However, the production of the state space may alienate certain groups of the population away from the state. Furthermore, excessive investment in and development of the state space focusing on short-term benefits are not conducive to the long-term development of cities and social equity. Further research is needed to investigate the pattern and processes of the development of National New Areas as new state space in other Chinese cities to unveil the changing nature and dynamics of China’s continuing urban transformation.

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**Data Availability Statement:** Interviews, planning, policy documents, consultation reports, and official statistical bulletins were analyzed in this study.

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**Conflicts of Interest:** The author declares no conflict of interest.

**Notes**

1. Interview with two senior planners directly involved in the overall planning of the LNNA (2010–2020), August 2018, Chongqing.
2. Interview with a senior official in LNNAAAC, August 2018, Chongqing.
3. Interview with a senior officials in Yubei District Government, August 2018, Chongqing.
4. A questionnaire survey on the purpose and living conditions of the real estate purchased by the residents in the Liangjiang National New Area, May 2018.
5. Compiled by the author from interviews in the field with local enterprises, May 2018.
6. Compiled by the author from interviews in the field with local villagers, July 2020.

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