BUILDING FOR WHAT AND WHOM? NEW TOWN DEVELOPMENT AS PLANNED SUBURBANIZATION IN CHINA AND INDIA

Lan Wang, Ratoola Kundu and Xiangming Chen

ABSTRACT

The new town concept originated from the ideal city model of Ebenezer Howard and expanded from Europe to America in the 1900s. It has reemerged as a site for accommodating population from highly dense urban centers of China and India since the early twenty-first century. The massive infusion of public and private investments has enabled the emergence of new towns in China and India as planned centers of world-class residential, commercial, and work spaces. The rational goal of de-densifying the crowded central cities can lead to a more balanced distribution and use of resources across the metropolitan regions with more spacious housing for the growing middle class in China and India. Yet it is a relatively small number of the wealthy and mobile people who have turned out to be beneficiaries of the mostly high-end housing and

☆This work was supported by Program for Young Excellent Talents in Tongji University.
well-developed transport infrastructure that evokes social and economic polarizations and political contestations. In this chapter, we will examine: (1) how these top-down planned and developed new towns have reshaped the urbanization process of the megacities in India and China, (2) the socio-spatial influence of these settlements on the central city as well as the surrounding rural areas, and (3) the expected and actual spatial users (both old and new residents) of the new towns? We address these questions by organizing two pairs of cases in a systematic framework: Anting New Town and Thames Town in Shanghai, China and Rajarhat New Town and the Kolkata West International City (KWIC) near Kolkata, India.

INTRODUCTION

New town development is often, but not exclusively, associated with the general and broad process of suburbanization. A new town is a planned community typically constructed in a previously undeveloped area. Conceived as a necessary instrument of planned and balanced urbanization in the metropolitan area, a new town can function as a new economic growth pole and a magnet or destination for investments and population that may spill from a nearby metropolitan center. In the long wake of new town development in Western industrialized countries, new town development has been catching up with a vengeance in rapidly urbanizing and industrializing countries like China and India in recent years. In fact, new town development in China and India has taken on even more striking dimensions and consequences given the scale of their large cities, the latter’s accelerated suburban spread, and the strong local penetration of global capital. It is therefore timely and instructive to offer a comparative study of new town development, and its intended and unintended outcomes, as they are being shaped by the historical conjuncture of contexts and conditions just mentioned.

New town development in China and India is not omnipresent and uniform across all cities and regions. Instead it has been happening most prominently and intensively around the dominant megacities like Shanghai and Kolkata. Within the different regulatory frameworks, land ownership and planning regimes in China versus India, both Shanghai and Kolkata governments have initiated similar new town programs at their fringes to accelerate suburbanization – promoting urban development in suburban areas. This chapter investigates decision making in the planning process, the
purposed and targeted population, the actual spatial users and the socio-spatial influence of new urban townships in Shanghai and Kolkata. The globally oriented new towns in Shanghai, for instance, Thames Town in Songjiang New City and Anting New Town in the Shanghai International Automobile City, exacerbate social segregation in a form of gated community and generate inequity between spatial users of new towns and the surrounding residents. As one of the largest state-regulated planned township project, Rajarhat New Town outside Kolkata provides world-class amenities and high-end commercial housing to the professionals working in the IT sectors with global connection contrasts sharply against the local poor, while the KWIC completely funded by foreign companies is planned as a large-scale gated community with global standards of comfort and quality of life. This type of planned suburbanization changes the urban landscape, redistributes the regional resource, and extends globalization’s impact to new and larger local territories.

Large population and high population density in megacities are two unavoidable realities of urbanization in China and India. The permanent population of Shanghai reached 19.2 million at the end of 2009, while it also attracted more than 6 million floating workers from rural areas all around China. The urbanization rate of Shanghai reached 86.8 percent in 2006, ranking No. 1 in China (China International Urbanization Strategy Research Committee, 2007). Urbanization in the suburban area of Shanghai has contributed to this high rate. The so-called “One City, Nine Towns” plan initiated by the local state in 2000 has dramatically reshaped the landscape of the suburban area of Shanghai after 10 years since its launch. Ten small townships were identified for each suburban districts of Shanghai metropolis among the proposed 140 towns at the inception of the twenty-first century (see Fig. 1). The 10 new towns serve as pilot projects to execute a top-down suburbanization model. Initiated by the former Mayor Liangyu Chen, the development of new towns in Shanghai has financially and administratively supported by the metropolitan government. The state has dominated in the process of urban design, land acquisition, and infrastructure construction in a mechanism of semipublic new town development corporations. These large-scale human settlements plug in the original landscape, relocate local residents, and reconfigure the spatial relationship between the central city and the suburbs.

In India, a national policy has been announced to promote the growth of 100 new towns of one-million target population by the year 2020. As the oldest and the third largest metropolis in India after Mumbai and Delhi, Kolkata started its large-scale new town program in the early 1990s to
Fig. 1. Locations of the Ten New Towns of Shanghai. \textit{Source:} Chen, Wang, and Kundu (2009).
decentralize the crowded core municipal area with dilapidated infrastructure. Rajarhat New Town and the KWIC are two of the new towns located at the fringe of Kolkata (see Fig. 2). The new towns are conceived either as a new residential enclave with job opportunities to create an economic growth pole of IT industry and to ease the increasing pressure of urbanization in megacities or planned as a large-scale gated community with global standard housing and amenities to attract high-income and upwardly mobile population. The fringes of Kolkata have informal settlements to accommodate floating population working in informal economic sectors. The planned new towns, providing modern infrastructure and Western-style high rise apartment housing, contrast sharply against these urban informal settlements as well as the rural settlements in the fringes. These new towns are planned on greenfields, thus impacting farmers and their agriculture-based lifestyle adversely. Often, the boundaries of planned new town developments infringe upon the existing formal and informal settlements that have been built over time in the peripheral areas (see Fig. 3). It can be said that the current rapid urbanization of the peripheral reaches of Kolkata paves its way through numerous social and spatial conflicts with the formation of planned new towns.

The original new town model, known as the Garden City created by Sir Ebenezer Howard in the United Kingdom in 1898, has influenced urban development in Europe and America since the early 1900s. The Garden City was planned to be self-contained community surrounded by greenbelts and composed of residential, industrial, and agricultural sections. Howard idealized this type of new towns had capacities to decrease downtown population, to capture both the advantages of artificial and natural environments, and to promote equity between urban and rural areas as well as among the ones living in new towns. The townships called Letchworth and Welwyn at the periphery of London were developed under the guidance of the Garden City model. Even though these townships have faced decline and have failed in attracting the downtown population in its long history, the idea of the new town has been disseminated to other regions of the world. Asian planners, for instance, are struggling with problems associated with high-density populations and crowded downtowns, and searching for solutions. Historically, new towns have served as the ideal and pragmatic model to de-densify the congested central cities in history. New town development today, however, has more functions and different purposes than those of its originator and antecedents.

In this chapter, we examine the development of new towns in Shanghai and Kolkata to illustrate how this model shapes the suburbanization process.
Fig. 2. Locations of the Two New Towns of Kolkata. Source: Kolkata Metropolitan Development Authority and Authors’ rendition.
in these two cities and its socio-spatial influence on local residents. The two pairs of cases are organized in a systematic framework: Anting New Town and Thames Town in Shanghai, China and Rajarhat New Town and the KWIC near Kolkata, India. The critical questions we address include what is the real purpose for local government to plan and build these new towns within the different political institution of Shanghai and Kolkata? What is the target population of housing in the new towns? Who are the actual spatial users and what causes the outcomes? How does planned suburbanization in China and India for government-perceived public interests end up having very uneven and unintended and widely varied individual consequences for local residents?

To address these questions, we begin with an exploration of the processes of suburbanization in Shanghai and Kolkata with a focus on stages, drivers, and outcomes of megacities’ suburbanization within globalization. We then reexamine the assumptions of global city model and extract hidden insights from the global city-region perspective to theorize planned suburbanization. This is followed by a comparison of new towns in these two cities in terms of their development purpose, target market, and

---

Fig. 3. Planned Rajarhat New Town and Informal Settlements. Source: West Bengal Housing and Infrastructure Development Company.
institutional arrangement in order to illustrate the planned suburbanization in Asian cities. We focus on the socio-spatial impacts of new towns on their actual and intended users. We conclude on the theoretical and practical implications from this special paradigm of planned suburbanization and their meaning for local residents and long-term urban development. We call for a more comprehensive, comparative, and analytical approach in understanding the socio-spatial consequence of planned suburbanization in global city-regions.

**(SUB)URBANIZATION IN CHINA AND INDIA: WITH A FOCUS ON SHANGHAI AND KOLKATA**

*A Pair of Urban Giants*

China and India face similar challenges in their urbanization process, rooted in a huge population base, high population density, and rapid growth. The estimated population of China in 2010 is 1.34 billion in a geographic area of 9.6 million square kilometers, while that of India is 1.18 billion in a geographic area of 3.3 million square kilometers. The urbanization rate of China in 2010 is about 47 percent today, while approximately one-third of India’s population live in urban areas. As Woetzel et al. (2009) estimated, about 350 million rural people would flow into Chinese cities by 2025, which would push China’s urban population to the one billion mark by 2030, with 221 cities each accommodating over one million people. For India, Sankhe et al. (2010) projected that about 590 million people would live in cities by 2030, and 68 cities would have over one million people. This combined urban growth of China and India would account for more than 62 percent of Asian urban population growth and 40 percent of global urban population growth from 2005 to 2025, during which nearly 2.5 billion Asians will live in cities, accounting for almost 54 percent of the world’s urban population (Dobbs & Sankhe, 2010).

A striking outcome of the rapidly moving frontier of China and India’s urbanization will be a significant space (re)making for their massive, continuously expanding urban populations, especially in their megacities. These cities in both China and India are confronted with same challenge to promote people-oriented, environmental-friendly and sustainable urban development. How could city government solve social and ecological problems associated with the expansion of urban areas? How to plan and guide the development at urban peripheries to achieve a sustainable development? What
type of urbanization or suburbanization would decrease population density in the central city without damages to the ecosystem of rural areas?

China and Shanghai

New town development at the fringes of megacities has been practiced as a special model of suburbanization in history and reconfigured in China and India in the new century. The process of Shanghai suburbanization has been associated with new town development and industrial expansion. As early as 1946, the Great Shanghai Plan, the first master plan for Shanghai, followed the idea of “organic decentralization” and proposed a series of townships, each of which would target to have 160,000–180,000 people in the suburban area of Shanghai. Each new town was planned under the guidance of the Garden City model developed by Howard. The master plan of Shanghai was revised in 1959, in which 12 satellite towns were identified, and the construction of five of them was started to support industry development. In the Shanghai Master Plan (the 1986 version), two industrial clusters were designated as new satellite cities. These townships serve as focal points to accelerate industrialization and accommodate workers in the factories. Industrial sectors to support the townships have been either based on local resources or transferred from Shanghai’s central city in economic restructuring.

In the twenty-first century, Shanghai began to experience a new stage of suburbanization featuring a new type of townships mainly focusing on real estate development instead of industrialization. Since about 2000, the suburbs of Shanghai have been brought into the development agenda of metropolitan government due to the pressure of increasing urban population, the requirement of real estate development, and the demand of new economic growth poles. The so-called “Double Increase and Double Decrease” policy for the 600-square-kilometer central city was announced around 2000 to increase green and open spaces and to decrease building height and site density, which pushed real estate developers’ constant search for vacant land into the much more expansive 6,000-square-kilometer municipal territory. Private developers in China, however, usually invest in mature urban areas instead of suburbs that lack amenities and facilities. The state’s involvement in suburbanization process, such as providing starting funds for transportation infrastructure construction, therefore becomes necessary. To beautify the suburbs of Shanghai, former Mayor Liangyu Chen initiated the “One City, Nine Towns” program to accelerate
urbanization in the suburban area. In the Shanghai Master Plan (the 2001 version), the 10 new towns program was included and interpreted to guarantee its implementation. Furthermore, a regional urban system plan called “1966” was unveiled in 2006 as a core element of the 11th Five-Year Plan of Shanghai Economic and Social Development. It involved planning not only one central city and 9 new towns but also 60 new townships and 600 central villages in the entire municipal region. These top-down plans and programs started to change the suburban landscape.

In the process of implementing the new town program, the Shanghai municipal government, cooperating with the 10 suburban district governments, identified the location of a new town for each suburban district, organized planning and design competition for the 10 new towns, provided starting fund to relocate local residents, and acquired farmland. A typical semipublic developer, New Town Development Corporation, was established for each new town. New town development, as a mechanism of urbanizing Shanghai’s suburbs, has happened in a way that the state, instead of market, basically dominates resources relocation, chooses housing types, and handles infrastructure construction. The planned duplication of landscape, building style, and amenities of Western European cities in the 10 new towns produced exotic landscape and space in suburban areas (Chen et al., 2009). The suburbanization within the rapidly globalizing process demonstrates a strong orientation for agents and professionals connecting with global economy. High-end housing and a global lifestyle in the new towns contrast sharply with that of the original local sites (Table 1).

India and Kolkata

In India, as in China, the process of rapid urbanization had its most pronounced effect on the existing urban centers, leading to the production of megacities that spill over the existing spatially and politically constructed city limits. In India too the process of urbanization has been largely city oriented (Shaw, 2007), with a high percentage of urban population concentrated in Class I cities, particularly those which are located within states that have been performing well economically (Kundu, 2007). In the 1970s and 1980s, the peripheral fringes had been viewed as the dumping grounds for urban problems – squatter settlements, polluting industries, and waste. Thus, these areas were considered marginal to the core urban areas and became increasingly degenerate with dwindling investments and neglect. However, with deindustrialization and the movement of multinational
Table 1. A Comparative Profile of Four New Towns.

<table>
<thead>
<tr>
<th>Names of New Towns</th>
<th>Shanghai International Automobile City</th>
<th>Songjiang New City</th>
<th>Rajarhat New Town</th>
<th>Kolkata West International City (KWIC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location to downtown</td>
<td>Northwest</td>
<td>Southwest</td>
<td>Northeast</td>
<td>Northwest</td>
</tr>
<tr>
<td>Distance to downtown</td>
<td>32 km</td>
<td>40 km</td>
<td>10 km</td>
<td>9 km</td>
</tr>
<tr>
<td>Planned area</td>
<td>68 km²</td>
<td>36 km²</td>
<td>30.75 km²</td>
<td>1.579 km²</td>
</tr>
<tr>
<td>Planned population</td>
<td>80,000 for Anting New Town</td>
<td>500,000</td>
<td>750,000</td>
<td>36,000 residential</td>
</tr>
<tr>
<td>Local administration</td>
<td>Jiading District</td>
<td>Songjiang District</td>
<td>Rajarhat and Bhangor, North and South 24 Paraganas districts of West Bengal</td>
<td>Howrah District</td>
</tr>
<tr>
<td>City-regional administration</td>
<td>Shanghai municipal government</td>
<td>Government of West Bengal</td>
<td>Kolkata Metropolitan Development Authority</td>
<td></td>
</tr>
<tr>
<td>Metropolitan area</td>
<td>6,340 km²</td>
<td></td>
<td>1,854 km²</td>
<td></td>
</tr>
<tr>
<td>Downtown area</td>
<td>620 km²</td>
<td></td>
<td>187.33 km²</td>
<td></td>
</tr>
<tr>
<td>Downtown population</td>
<td>9.15 million (2000 Census) 8 million (planned in 2020)</td>
<td></td>
<td>4.85 million (2001 census) and 6 million floating population daily</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Chen et al. (2009).
corporations based around information technology and allied services into the Indian economy, the demand for large and contiguous tracts of land for new real estate development projects as well for commercial development has increased manifold. Since planned suburbanization involves the provision of infrastructure and services along with land development prior to the housing development and occupation by residents, new townships are only possible in the peripheral areas of existing cities, where land costs are cheaper and the regulatory context less stringent in matters of land conversion to urban use as well as in matters of residential densities and other relevant urban planning and development norms. Moreover, retrofitting the existing urban centers into cities with global living and working standards would be extremely expensive and impossible given the high densities, aging infrastructure and services, and narrow roads. Therefore, the spatial expansion of urban areas in India is taking place in the peripheries of the existing large cities, extending to the adjacent rural and semiurban areas, reducing the physical differences and distances between the city and its rural hinterland.

Planners in India have over time addressed the changing core–periphery relationships in a variety of ways – from concentrating upon city-specific issues through master plans to more comprehensive regional development plans. In the 1970s and 1980s, the central government of India funded several developments that aimed at decongesting core cities by developing satellite cities or counter-magnets while simultaneously limiting densities in the cities through the Urban Land Ceiling Act of 1976. However, with reforms being initiated in the economic sector, cities in India came to be regarded as the engines of growth, and thus large-scale reinvestments were initiated to rejuvenate and improve infrastructure networks in existing metropolitan areas. Since 1990s, privatization of urban services and infrastructure provision and strengthening of urban local bodies to compete for private investments, often international, have led to the creation of exclusive, large-scale urban developments that include residential, commercial, industrial, and other land uses in a well laid out planned format, outside the city boundaries.

By the 1970s and 1980s, the core city of Kolkata within the larger metropolitan area was extremely densely populated and congested. As a result, much of the urban growth occurred to the southern and eastern peripheries of the core city in an unplanned manner through squatting or illegal subdivision of agricultural land. Historically and politically, these new population outgrowths were a result of Hindu refugee influxes from neighboring Bangladesh as well as migrants from the neighboring
economically backward states of Orissa and Bihar in eastern India. With the threat of massive cholera outbreaks in the overcrowded city of Kolkata in the late 1960s, the Basic Development Plan was prepared to concentrate upon providing solutions for the rapidly degenerating urban environment within the core city area. During the same time, plans were laid by the state government for the development of two satellite townships – Kalyani and Salt Lake – to decongest the core by offering planned and affordable living spaces in the outlying areas. Although Salt Lake city became a successful satellite township because of its proximity to the core (8.5 km from CBD), Kalyani failed to materialize as a fully functional satellite township as even many of the administrative offices and businesses refused to locate to a township that was far from the busy core (88 km from CBD). Both, however, were built with the intention to increase buildable land primarily for housing purposes across a broad spectrum of income groups.

Since the 1960s, there has been a strong faction within the planning community in Kolkata that recognized the need for a more regional focus to urban development plans. Although the Basic Development Plan of 1966 recommended a two-centered strategy of urban decentralization by focusing on Kolkata and Howrah as core areas, a new proposal was floated in 1970–1971 for a multinucleated metropolitan structure that drew an analogy between the urban structure and a living organism redefining the core–periphery relationship. This proposal became the basis for the “Area Development Strategy” in 1974, the Development Perspective Plan prepared in 1976, and subsequently the Perspective Plan and Action Program for the Calcutta Metropolitan Area (CMA) in 1981 to recast the idea of multinucleated metropolitan organism into a hierarchy of urban centers, existing and new. Thus, the characteristics of an extended metropolitan region were beginning to emerge, and planners as well as administrators were trying to grasp it in all its complexity.

In the 1990s, at least half a dozen townships as well as many large housing enclave projects were built or initiated in the outlying areas (Sengupta, 2006). However, most did not follow the recommended locations and were concentrated in the eastern fringes of the core city, thereby defeating the city-region–based plans for future urban expansions. Compared to the earlier planned developments, these new developments are much larger in size, are financed by national and international investors, are equipped with world-class amenities, and are mostly high-rise developments with planned common spaces in between. Most of the developments are clustered around the emerging IT industry located in the electronic complex in Sector 5 of Salt Lake, designated as a special economic zone for IT and ITES (IT-enabled
services). These new self-sufficient and large-scale developments, spearheaded by quasi-government institutions as well as large private developers, signal a change from the satellite townships of before in that they are now central to the process of urbanization rather than the fringes of the city, changing the dynamics of core–periphery relationships in the urban area.

A Theoretical Interlude

The preceding overview of suburban and new development around Chinese and Indian megacities triggers a critical question of where to turn theoretically to guide the focused comparison of the four new towns in the next section. The literature on global cities teaches us a lot about their functional influence as control and command centers, relative positions in worldwide hierarchies and networks, and local social and spatial inequalities. But it shows us relatively little about the global cities’ relations with their immediate and broader regional hinterlands, even though there was clear evidence that globalization via foreign investment and transnational migration had long spread beyond the central city and penetrated the suburban areas of American metropolises such as New York and Chicago (Greene, 1997; Muller, 1997). This insufficient attention to the city-region nexus could be attributed to dual strong emphases of the global city literature on (1) the external positions and functions of global cities in the world economy and (2) the structure and consequences of their globalized local economy and society. Compared to mature global city-regions with dominant international service functions such as finance, globalizing cities have very different mixes of economic sectors and functions that foster the growth of their own distinctive regional spaces and activities (Chen & Orum, 2009).

The investment-driven economic boom of Shanghai since the early 1990s has driven up land and labor costs in its densely populated central city where land has become more scarce, and thus more difficult and expensive for investors to lease. The average wages both of factory workers and technicians in Shanghai are now more than double those of their counterparts in interior cities, while the average pay for managers and senior managers in Shanghai is three times higher. In 2005, the annual pay of manual labor in Shanghai averaged US$2,979 compared to the large interior cities of Chongqing and Chengdu at US$1,787 and US$1,489, respectively. Land cost in Shanghai approximately doubled that in some secondary cities in the Yangtze River Delta (YRD). So, development began
to spill into the surrounding YRD region, especially to booming secondary
cities such as Suzhou and Kunsan, and even smaller cities like Wujiang.
Since 1999, Suzhou has attracted over 1,000 industrial enterprises set up by
Shanghai-based companies with a total capitalization of over US$5 billion.
Shanghai became the largest investor in Suzhou, accounting for over 35
percent of the total capital investment by 2004. In 2005, Suzhou’s GDP
ranked fifth in the country at US$50.8 billion, and its industrial output
totaled US$150 billion, good enough for second place behind Shanghai
(Chen, 2007).

The loss of capital and companies was seen by Shanghai as a threat to its
broad manufacturing base, prompting the Shanghai government to launch
an initiative of keeping old manufacturing jobs and growing new ones in
Jiading (where Anting New Town is located) and Qingpu districts bordering
Jiangsu Province. The new towns could be seen as an important effort of the
Shanghai municipal government to use real estate to offset the city’s slipping
manufacturing advantage relative to lower-cost nearby cities as well as its
proactive role in creating a form of integrated metropolitan development. It
also illustrates the spatially expanded role of real estate, as part of a global
city’s finance, insurance, and real estate (FIRE) cluster, in producing global
city-regions. This process appears to be accelerating and more intense in
globalizing megacities like Shanghai and Kolkata than established and
mature global cities such as New York and London. The spatial differentia-
tion between the central core and new towns at Shanghai helps further a
healthy deconstruction of the global city model and a (re)construction of a
global city-region perspective that is more pertinent to the cases in this
study.

NEW TOWN DEVELOPMENT IN THE SUBURBAN AREAS OF SHANGHAI AND KOLKATA

New town development in Shanghai’s suburbs initiated by the government in
2000 differs in function and meaning from the historical satellite towns
developed for industries. Shanghai planners pursue an organic decentraliza-
tion of the crowded central city, using new towns as focal points. Moreover,
new towns became a significant economic development strategy, especially to
exploit new land for promoting real estate. The purpose also includes
improving urbanization quality of the outskirt of Shanghai, breaking the dual
structure of urban and rural area and mitigating their divide and disparity.
In the “One City, Nine Towns” program, Songjiang New City in Songjiang District and the Shanghai International Automobile City in Jiading District were designated as pilot projects among the planned townships. These two new towns, as a planned suburbanization mechanism, exhibit particular features of design idea, planning process, and development outcome. The design idea including land use structure, landscape style, and housing type is basically predefined by planning authorities and state-owned developers. The planning process has not involved local stakeholders’ voice, but relied on foreign design firms and local planning officials. As a consequence, the development outcome changes the original landscape and breaks the social balance in the region. These development features define and determine the actual spatial user of new towns.

Targeting at downtown decentralization, new towns in Shanghai’s suburbs were planned as an integrated township with exotic features to attract the kind of new residents who cherish Western architecture and landscape. Thames Town, as the first residential development project in Songjiang New City, follows the designated England style. The floor area ratio (FAR) of this 1 km² residential enclave is only 0.29 with all single-family houses surrounded by a lot of green space. The central government policy, which restricts this type of housing due to limited land resource in China, costs Thames Town dearly in either market price or living quality. Different from England villas in Thames Town, Anting New Town, the major residential section of the Shanghai International Automobile City, is duplicated from Weimar, a Germany township. This design orientation is determined by the basic economic sector of old Anting Town – automobile industry – with Shanghai Volkswagen Co. Ltd as the anchor. Spread across 3.9 km² of land, the township is designed as a residential area with mixed housing types and an expected population of 80,000. The total FAR of Anting New Town is about 0.46 with a water area of 200,000 square meters (Huang, Liu, & Xu, 2005). Four-to-six-floor condominiums are planned in the central section, surrounded with multifamily houses and single-family houses. The expected housing buyers include wealthy households from downtown, and middle-to-senior-level employees in the Volkswagen joint venture company. These designs determine the cost of housing construction and housing prices.

The relationship of new towns with the central city is crucial to achieve the plan objective of attracting downtown population. The distances of these two new towns to the central city of Shanghai are 32 km for Anting and 40 km for Songjiang, respectively. Metro lines go from downtown to these two outskirt townships, though the operation of metros has lagged behind the new town
construction. The distance between the Anting Metro Station of No. 11 line and Anting New Town, however, is about 2 km, 25 minutes by feet, and 10 minutes by bus. The new town is located next to the Hu-Ning (A11, Shanghai to Nanjing) Expressway, which brings convenience to automobile users. A station of No. 9 Metro Line going from downtown to Songjiang New City is about 4 km away from Thames Town, while the Hu-Hang (A8, Shanghai to Hangzhou) Expressway passes through the south of the new town. Three bus lines link the Songjiang New City Metro Station to Thames Town. Automobile is the most convenient commuting tool for residents in these new settlements because of the allocation of transportation facilities. Transportation infrastructure connecting the new towns to the central city severely limits the choices of low-income households.

The decisions about new towns had been made among the municipal and district planning authorities together with state-owned developers. The exclusive planning process without local residents has created totally new human settlements on farmland without any consideration of local living demand. Affordable housing, one of the important responsibilities of the local government, has not been put into the plans and development agenda of new towns. This top-down planning and development approach pursues the imagined space that wealthy consumers see as link to the global economy and society. Decision makers assume that the potential buyer of the housing in new towns would cherish a Western lifestyle and be attracted by exotic architecture and landscape features. The combined involvement of mayors, municipal planning officials, and semipublic corporation CEOs leads to exceptions in planning administration, such as shortened review and approval.

In Kolkata, new town development has diverse approaches that lead to different spatial and social outcomes. Rajarhat New Town, one of the largest state-regulated planned township projects in India, is planned as a self-contained growth center with mixed housing types, while the KWIC, funded by a hundred percent foreign direct investment, focuses primarily on high-end real estate development. The state-level government institution of West Bengal dominated decision makings in the planning process of Rajarhat New Town in terms of location selection, land acquisition and housing style, and therefore guaranteed the provision of affordable housing. A multinational firm called Beyond Limit International Ltd, united by the Slim Group of Indonesia and Universal Success Group in Singapore, made a deal with the government of West Bengal and the Kolkata Metropolitan Development Authority to fully control the development of the KWIC. They pursued property-led development strategy in this new town, aiming at
capturing exchange value of farmland through attracting highly mobile population from the congested and polluted downtown area. The institutional structure in the new town development process, whether state-led or market driven or combination of both, has led to unplanned sprawl in the fringes of the Kolkata city, leading to the rapid urbanization and speculative property development in erstwhile villages and small towns.

Different from the Shanghai new towns located more than 30 km away from the central city, Kolkata new urban townships are planned at the northeastern and northwestern fringes of the city with a distance of 9–10 km. Expressways have been built to connect the new towns with the urban core. Residents in Rajarhat rely on automobile traveling to the downtown or commuting within the new city. With a total planned area of 30.8 km² and an expected population of one million, Rajarhat New Town was planned as a job-housing balanced city to attract IT industries and associated service industries. Young professionals working in IT sectors with global connections purchased housing units in Rajarhat for job opportunities in the city. The KWIC with an expected residential population of 36,000 on the land of 4 km², however, presents to be a large-scale residential development project. It is marked as a property providing quality of life at global standards. Foreign investment pursues short-term benefit from the sale of 6,100 bungalows and four high-rise residential towers. The construction of the KWIC is undergoing with a presale of housing. The units have been all sold out. It illustrates property-led development targeting the high-income consumers as a profit-promising investment for foreign investors in developing countries.

The state-dominated Rajarhat New Town was planned and constructed in a more balanced way in terms of housing, land use, and job opportunity than that of the KWIC controlled by private investors. Both of these two new towns have confronted with protests from original farmers and urban poor in and around the site, though the new town plans have still been implemented. As described in the global city model, an inequity has been created between professionals with global economic connections and workers in service industries (Sassen, 1991). The maids, gardeners, and drivers provide supports to the professionals working in IT sectors with a large gap of income between these two groups of people. The downtown inequity in global cities extends its pattern to the suburban areas of megacities in developing countries. Use of property-led development to capture short-term return of investment in new town development in India exhibits globalization impact that reshapes the landscape, social relationship, and resource allocation of megacities’ suburbs.
In the planning and construction process of the new towns in both Shanghai and Kolkata, the state plays the key role in initiating new town programs to promote suburbanization. Private developers have worked together with or taken the lead in real estate development to capture exchange value of greenfield in suburbs. Original local residents in each case are excluded from the decision-making process. The Garden City model of equity between residents of urban and rural areas has been reapplied to Asian megacities to ironically create diverse inequities in new towns. This type of top-down planned suburbanization becomes an instrument to generate revenues and job opportunities that is similar to global cities’ downtowns. International and domestic investments flow into the new growth poles of Chinese and Indian megacities to generate globalized local space in a planning process.

**SPATIAL USERS AND SOCIO-SPATIAL INFLUENCE OF THE NEW TOWNS**

When you visit Thames Town of Songjiang New City, you are likely to see few people on the streets. The first thing you will notice upon entering are the lovely guards in redcoats. It feels like a ghost city, but functions as a weekend resort or a popular scene for wedding photos, especially in front of the town’s central church towering over the Tudor-style single-family houses and the British-style pubs nearby. The vacancy in Thames Town, however, does not mean a low purchase rate of its expensive houses, which have been largely sold out. The scarcity of low-density single-family houses with plenty of green space brings value and investment potential to Thames Town. The average housing price rose from 10,000 yuan per square meter in March 2009 to 17,000 yuan per square meter in May 2010 (see Fig. 4). The buyers of the mansions costing over five million yuan (close to one million US$) usually purchase them as a speculative investment, instead for local living and commuting to work in downtown Shanghai. The limited investment mechanism in China pushes wealthy people to invest in properties. The so-called “hot money (re qian)” chases high-profit housing in and around large Shanghai and other large Chinese cities.

The distance from metro stations and existing facilities leads to inconvenience for inhabitants living in the new township. A lady we interviewed in Thames Town was a housewife going out for grocery shopping by car. She told us that she enjoys the quiet living environment in this exotically featured township. Some families come to Thames Town for
weekends as they usually have the primary residence in central Shanghai. The original official idea about de-densifying the downtown through new towns has not materialized. Moreover, the large amount of floor area and expensive rent make it difficult to lease the villas. This luxury residential environment in terms of low-density of land use, buildings, and population is underused and exemplifies a tremendous waste of land and high opportunity cost for the original farmland.

The lack of industrial plan in the entire Songjiang New City has contributed to the low occupancy of Thames Town. Although the new University District in Songjiang brings a large number of students and faculty into this region, most of them are not users of these expensive villas. The unclear client base has caused uncertainty in housing design and sale. The designer for the Thames Town project was Atkins – a British design firm – which was also the winner of Songjiang New City Master Planning International Competition. During interview, a staff of the company revealed that they were not clear about the targeted market. They just duplicated the landscape of England townships on the empty farmland. The facade of the buildings in Thames Town is also a hundred percent duplication, while the layout of housing units is slightly adjusted to meet the domestic market demand. The underlying rationale is to attract people who

*Fig. 4.* The Average Housing Prices of Thames Town and Anting New Town, Shanghai (in Chinese Yuan Per Square Meter). *Note:* 6.7 Chinese yuan equal one US dollar. *Source:* Graphed from www.sskk.com – One of the portals to a lot of information on the Shanghai real estate market.
prefer a Western lifestyle, but the potential exchange value is more important to the buyers.

In comparison, Anting New Town has a higher occupancy. However, the population increase in the Shanghai International Automobile City, which encompasses Anting, was about 11 percent from 2000 to 2005, much lower than the average rate of Jiading District (25 percent). Townships such as Nanxiang and Jiangqiao in the same district grew their populations by 40 percent (Yu & Luo, 2009). The automobile facilities in the Shanghai International Automobile City, which also includes a Formula One track and the Auto Show Center, have not attracted enough people. Few commercial, hotel, recreation, and other public amenities have been constructed. About 100,000 young professionals, working in the automobile city, continue to prefer living in Shanghai (The Post-Implementation Evaluation of the Core Area Plan of the Shanghai International Automobile City, 2009). Although Anting New Town was planned to serve this population locally, it has failed in providing attractive commercial, medical, and educational facilities to achieve this goal. After five years, there is only one restaurant in the New Town today. For services in daily life, current residents have to go to the old Anting Township, which is about 4 km away from the new town, or the central city of Shanghai.

From field interviews, we found out that the housing price of Anting New Town started at 4,000–5,000 yuan (US$600–700) per square meter and reached over 10,000 yuan (more than US$1,500) in 2010 (see Fig. 4). The rent for a two-bedroom apartment is advertised as 2,300–2,500 yuan (US$300–400). Most owners of the housing units still live in the central city, while rent out their second houses in this new town as a source of additional income. During a recent visit to Anting, a realtor told us that about one-third of the houses are occupied and half of the residents, mostly rented, are German professionals working for the Volkswagen plant in the nearby auto city. The cultural center of Anting New Town has become a magnet for German expatriates. We also learned that while Chinese young professionals and workers in the Shanghai International Automobile City prefer small apartments at low prices and sufficient local commercial amenities to live locally, new construction in Anting New Town tends to focus on single-family houses and larger townhouses.

Both Thames Town and Anting New Town were designed and built as a sort of gated community bounded by man-made river and/or a highway, but their residents have had difficulty accessing such amenities as restaurants and grocery stores, partly due to the physical distance and separation of the new communities from the existing townships. Uniformed security guards
check visitors carefully at the entrance of Anting New Town and Thames Town. Gardeners, maids, guards live in the surrounding rural area, and some of them are the original residents of the sites who had been displaced. The building style and the new housing prices made it impossible for the original farmers to afford living there. This new town development has taken place on greenfield and displaced the original residents to the surrounding area of or at poor locations within the new towns. The original farmers would be urbanized in a simplistic administrative approach. For instance, in a section with a geographic area of 19 km² in Songjiang New City, 15,000 farmers were allowed to change their rural hukou (household registration) into the urban hukou of Songjiang township as a compensation of land acquisition (Wang, 2001). The new town developments in Shanghai reflect the changing focus of urban development and the state-driven approach to suburbanization.

As to new towns being developed in the periphery of Kolkata, the current process of land assembly in Rajarhat has squeezed out the rural and the urban poor from access to land and decision-making structures, and led to the eruption of more sporadic forms of organized political resistance to the profit-driven expropriations of peripheral land among the rural poor. At the same time, some of the spatial outcomes such as the mini-gated communities and the mixed income housing developments have paradoxically become the grounds for a new politics of dis-engagement, new forms of alliance (and exclusion) that is engaged by the new urban middle-class inhabitants in protection of place and private property. This highlights the need to view the process of producing the periphery as political, deeply embedded in the spatial and social arrangements and partially understood as a generative process that simultaneously opens up and closes off new spaces for urban political participation.

Benjamin, Bhuvaneswari, Rajan, and Manjunath (2008) have argued that while the new exclusive enclaves in India are created by private capital (large developers both foreign and domestic), they are underwritten by the actions of the state – through land acquisition (eminent domain, land acquisition, etc.) large-scale improvement projects, and dedicated civic amenities. Regarding both the Rajarhat New Town and the KWIC, wherein the state has acted as an active facilitator of real estate developments through the creation of special purpose planning and development vehicles, the land acquisition process has led to the violent dispossession and displacement of the existing peasants and urban poor who had been living in these outlying areas. The rapid social, physical, and economic transformations of the fringe areas with the sudden emergence of an urban lifestyle, amidst
greenfields, have disrupted agriculture-based livelihoods, have led to unemployment among the erstwhile farm laborers, and subsequently have led to their absorption into the low-grade, low-paying job market. The rapid transformation of their living and work arrangements is particularly brutal upon the women in lower income group who suddenly find themselves having to step outside the confines of their villages to work as maids in the nearby high-rises. With the social and physical distance between the existing and the new dwellers increasing, in recent years, developments in Rajarhat have encountered stiff resistance from farmers, urban squatters, and farm- and fishery-based occupants who have refused to part with their lands at the low compensation.

With the defeat of the longest running Communist-led government in West Bengal over its sudden turn toward rapid industrialization and urbanization, these resistances have received political support from the emerging Opposition party. A case in point is the inability of Housing and Infrastructure Development Corporation (HIDCO) to provide electricity to Action Areas II and III as farmers in a village called Chhapna, Patharghata Panchayat, have refused to part with their land for setting up an electric substation for the Rajarhat New Town. Moreover, many of the local leadership in the surrounding villages as well as within the planned area of Rajarhat have refused to sign any of the building sanction plans for the new town area. This has prompted HIDCO and the newly formed New Town Kolkata Development Authority to design an online system for submitting and approving building plan sanctions that will effectively bypass the local leadership, creating new grounds for political and administrative conflicts.

For the new urban middle class, however, such developments offer the opportunity to live away from the congestion and pollution of the city since they are ensconced within the protective walls of their gated communities. These private gated islands not only have their own dedicated electricity supply, water supply, but are also governed privately and internally by powerful resident welfare associations. Although in Rajarhat New Town many of the residential areas have mixed income developments, the KWIC is exclusively designed for the relatively rich and well-connected nonresident Indian population. Moreover, the mixed income developments have become the grounds for new urban conflicts as socially and economically diverse groups are expected to mingle and do away with the social barriers that restricted their socializing to a great extent. To illustrate, in one of the Public Private Partnership (PPP) led housing developments called Alaktika Housing, the association formed by the higher income group residents
went to court against the cooperative society formed by the lower and middle income group residents over the use of a common facility.

The new township developments in Kolkata reflect the changing political and economic conditions in the state as well as in the country. For example, in keeping with the thrust on the IT sector, the high-end retail sector and real estate geared for the emerging new middle classes and rising disposable incomes; the plan for Rajarhat New Town had a special land use category for use related to IT/ITES industries, a new commercial business district. The planning norms were drawn (and redrawn) flexibly to allow high-rise developments. Confronted with the multiplicity of land use claims in the periphery, the state agencies joined forces with the local politicians and developers, across the political divide, to persuade, coerce, negotiate with, and sort through existing settlements selectively to distribute different packages and gradations of compensation, thus fragmenting any unified form of resistance from the existing population in the periphery.

Politically, the rural and urban poor in the periphery are increasingly losing traction in matters of local development. The rural poor are now at the mercy of either the big private developers or the politics of the opposition party that has questioned and resisted development at the cost of displacement of. If, in the past, the rural poor had some say in the local governance through the *panchayat* systems or village-level institutionalized community meetings, they are being increasingly bereft of this space of political participation as the local *panchayat* heads are aligning themselves with the big developers or else with the local opposition party instead of representing the interests of the village inhabitants. Nonelected, parastatal organizations such as the HIDCO have become significantly powerful in determining the development of the peripheries, thereby doing away with the space for active citizen’s involvement in the development process.

To summarize the key comparative point, the expected spatial users of new towns of both Shanghai and Kolkata include urban middle class and wealthy people with high mobility. The gated communities with Western-style architecture and modern infrastructure attract speculators, foreign managers in multinational firms, and Chinese young professionals. Original farmers and urban poor are excluded from the decision-making processes of planning and construction, the new town facilities, and the high-standard urban life. The socio-spatial structure of suburban areas of the megacities in both China and India has been reshaped into a more segregated and unequal pattern. Although the local state of Shanghai urbanizes suburban farmers via an administrative fiat as changing their *hukou*, in Kolkata the protests by local farmers and others who lose their livelihoods due to
suburbanization goes largely unheard. In both contexts, however, the newly developed suburban towns have become a new territory for a nexus of public officials, semipublic and private developers, and international investors to exploit the exchange value of land with limited consideration of the vested interests and rights of the original spatial users.

**CONCLUSION: BUILDING FOR WHAT AND WHOM?**

At the theoretical level, we have bypassed the global city model, both conceptually and analytically, and invoked the broader perspective on global city-regions, which points us outward to look at the new suburban dynamics around the rapidly globalizing Chinese and Indian megacities like Shanghai and Kolkata. What we have actually found and examined is the development of new towns as a form of suburbanization planned and driven by the state, primarily the local one. However, the Shanghai new towns are much more (local) state-led than their Kolkata counterparts where the state has been more of a facilitator, especially in the KWIC. Although the officially pronounced goal of this model of new town development is to de-densify the crowded central cores, it has functioned as a powerful instrument for capturing the exchange value of farmland through attracting wealthy and mobile investors from downtown and overseas. The high real estate prices in the new towns reflect their development priority as opposed to the value of planned demographic deconcentration and broader regional balance. The dominance of global (European) influence on the design of the Shanghai new towns, coupled with involvement of global capital in the Kolkata new towns, only serves to reinforce and complement the leading role of the state in planning and directing suburbanization.

We would not have chosen to study new town development as planned suburbanization if it has been a smooth process and achieved most, if not all, of its intended goals and outcomes. In fact, it has been somewhat imbalanced and variably contentious. Regarding the Shanghai new towns, they have not become full-fledged residential communities due to the lack of living amenities, the lagged construction of mass transit, and the distance to the metro stations. Again, the high housing prices have allowed only wealthy speculators with an exotic taste to buy into the new towns without a commitment to living there. The Kolkata cases have fared better in this regard because of the distance of new towns to and the dilapidation of the city core. The disparities between the ideal and rational planning of the new towns and the realities of development reveal the inherent limitations of this
approach to large-scale suburbanization around the Chinese and Indian megacities.

Most removed and detached from the rational goals of this model of new town development is a set of real and mostly undesirable circumstances and consequences for the original local residents. In developing the new towns, the Shanghai municipal and local governments relocated the farmers to the outside of or at the marginal locations within the new towns without providing them with sufficient and affordable amenities and job opportunities. In Kolkata, these developments have triggered both speculative unplanned real estate development as well as protests against the forced acquisition of fertile lands for the construction of both the Rajarhat New Town and the KWIC, which contrasts with the absence of voice and resistance in the Chinese context. More than anything else, these different responses in China and India expose the same exclusive and elitist nature of building new towns that end up benefiting the state and wealthy private investors at the expense of the poor and powerless. Although many such big and small planned new townships are being planned and executed around the core area of Shanghai and Kolkata, with the emergence of a new upper and middle class with high disposable incomes – it remains to be seen if such inequitable spatial and social outcomes are politically and socially sustainable in the near future.

NOTE

1. Class I city – City with a population of more than a hundred thousand persons as defined in the Census of 1991.

REFERENCES


