The Luxury Malling of Shanghai
Successes and Dissonances in the Chinese City
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Introduction

This chapter looks at the role of one particular type of urban formation in the redefinition of Shanghai: the luxury shopping mall. In the 1990s and following China's post-Cultural Revolution opening to the West as well as the party-state's adoption of a socialist market economy, the city saw the emergence and rapid proliferation of luxury shopping malls. Multi-storey buildings hosting international brands such as Fendi, Chanel, Louis Vuitton or Coach are recurring sights, with Plaza 66, CITIC and Westgate Mall (known as the Golden Triangle of luxury malls) only a few among the still rising list of luxury shopping malls. These malls are part of a wider phenomenon of urban redevelopment in Shanghai. Indeed throughout the 1990s the city experienced an unprecedented programme of urban renewal, economic restructuring and growth. Shanghai shifted from a manufacturing economy to one focused on finance, real estate and the service sector. This urban and economic shift was reflected in the restructuring of the spatial organization of the city, with skyscrapers, avenues and newly constructed roads central to its reshaping and globalizing.

Informed by a series of visits to Shanghai in the course of 2014–16 and in dialogue with some of the extant literature on Shanghai and China, the chapter shows that to understand the presence of luxury malls in Shanghai one needs to look at the wider context of China's embrace of both shopping malls and luxury, as well as at the city's history as a cosmopolitan consumerist centre (first section). Shanghai's history has long been tied to the fortunes of global capital and its reputations. The rise and success of both malls and the luxury market is predicated on the specifics of the nation's adoption of capitalism, concurrent
Styling Shanghai

with the city’s intense pace of urban regeneration (second section). It is a rise
dependent on a logic of exclusion and the formation of an urban semioscape of
Western brands deterritorialized from the material realities of much of the local
population (third section).

The Proliferation of Shopping Malls

In 2015, luxury fashion brand Louis Vuitton published a guidebook on Shanghai,
as part of the brand’s city guides series. The publication draws attention to two
related dimensions of the Chinese metropolis: the definition of Shanghai as a
fashionable city, a city whose geography hosts multiple fashionable spots
including retail spaces; the role of luxury brands in its making both in terms of
the work of discursive construction undertaken by guides such as Louis Vuitton’s,
but also in term of their visibility in the city’s landscape. Shanghai abounds with
luxury retail spaces such as flagship stores, designer boutiques and concept
stores, which all participate in the city’s fashioning as a glamorous, wealthy
metropolis. Such retail spaces are a part only of Shanghai’s wider fashion map for
the city has become a thriving ‘landscape of consumption’, to borrow Benjamin’s
words.  

Department stores, international fashion chains and knock-off stores as
well as market stalls are also part of Shanghai’s fashion make-up, which extends
online too with e-commerce and social commerce, and platforms such as Taobao,
Weibo and QQ. Another significant sight in this landscape of consumption is
the shopping mall, and in particular luxury shopping malls, which, in mainland
China, emerged in the 1990s.

The first shopping mall was built in the US in Seattle in 1947. In the shape of
a dumbbell, a format that came to characterize many shopping malls, it featured,
at street level, an anchoring department store, another recurring feature of malls,
ample adjoining parking spaces being another one.  

It is in the 1950s, however, with the building of Southdale, designed by Victor Gruen, that the mall as an
enclosed space with a regulated temperature and cut off from its surrounding as
if looking inward appeared, in the suburb of Edina, Minnesota.  

This ‘introverted’ ensemble brought together shops, cafes and public art around a central courtyard
sealing the future of malls as ‘escapist cocoon[s]’.  

The years 1960 to 1980 saw the ‘golden years’ of malls in the US.  

By the end of the 1990s, though, ‘the malling of America’ was reaching saturation and, in the 2000s, in the face of
proliferating ‘ghost malls’, questions were being raised about the relevance of
such large shopping environments.
However, the shopping mall concept has spread throughout the world, with Latin America, Asia and Eastern Europe seen as ‘the new frontiers’ for the development of malls. In Hong Kong they appeared in the 1980s, but it is in the 1990s that the malling of mainland China starting taking place, led, mostly, by investors from Southeast Asia. In 2016 there were about 4,000 malls in China, and in spite of an economic slowdown the figure is expected to reach 10,000 by 2025. As Jewell puts it, the nation has become ‘the leader of the international mall arms race’.

The first shopping mall to open in Shanghai was Shanghai Square, in 1993, on Huaihai Road, followed, in 1998, by Westgate Mall, on West Nanjing Road. Since then malls have proliferated, and in 2015 the city was constructing ‘more malls than any other city in the world’. Among them are luxury shopping malls – ICC, Westgate, Citic, iapm (2014), K11, Kerry, Réel and Plaza 66, for instance – retail spaces devoted to high fashion brands such as Chanel, Fendi, Coach, Saint Laurent and other big brands born out of the Western fashion system.

In Shanghai, two streets in particular are hosts to luxury shopping malls. They are Huaihai Road and Nanjing Road, both centrally located and nearby each other. Huaihui Road has been described as ‘the city’s chicest shopping artery’. It hosts Shanghai Times Square, Hong Kong Plaza and IAPM. The latter, for instance, opened in 2013 and covers 1.3 million square feet. It is nested in ICC Shanghai, a complex of two towers for both offices and residence owned by Hong Kong property group SHKP. Before the construction of the complex and its mall, the SHKP site was already a well-known consumer spot as it is where Xiangyang Market was located, a destination for cheap fashion and counterfeits. This transformation from a low-cost fashion shopping destination to a luxury one captures the gentrification of central Shanghai that is currently taking place there, at the expense, like gentrification across the world more generally, of less affluent residents, an issue I return to in the second and third sections of this essay.

Nanjing Lu, ‘historic Shanghai’s premier axis of consumption’, has been called the city’s ‘5th Avenue’. Although it has opened up to mass fashion brands such as Gap and Uniqlo it is still a key destination for luxury shopping, including malls such as Jing An Kerry Centre, Réel and Plaza 66, which are a few minutes’ walk away from each other, Plaza 66 on 1266 Nanjing Road, Jing An Kerry on 1515 Nanjing Road and, next to it on 1601 Nanjing road, Réel, the trendiest and most avant-garde of all three. Plaza 66, ‘home to luxury’ as the website states, features brands such as Bulgari, Cartier, Céline, Chanel and Dior; Jing An Kerry’s many boutiques include Burberry, Boss, Etro, Michael Kors, Loewe and Armani;
while at Réel one can find Balenciaga, Acne, Givenchy, Helmut Lang, Isabel Marant, Marni, Y-3 and many others. All three malls are spotless and exude an atmosphere of luxury.

Whereas malls in other parts of the world such as the US tend to be located in the suburbs, in China they are often centrally located, although in recent years they have started to open in the suburbs too due to urban congestion. Suburban malls are dependent on access by car, but the centrally located Chinese malls are accessible by metro and are indeed often linked to the subway network and public transport. The subway line 7, for instance, is connected to Jing An Kerry Centre.

The malls are also pedestrian shortcuts across the city. Doors often feature at various sides of the buildings along the east–west and north–south streets that border them. During the many hours I spent in the Nanjing Road luxury malls, for instance, observing its stores and occupants, I often witnessed pedestrians entering from one side and exiting from another, clearly using the retail spaces as a way of cutting through the city. In that respect luxury malls recall the Parisian arcades Benjamin commented upon: like arcades they form arteries across the city, like arcades they are spaces of exhibition of luxury items, passageways devoted to the ideal of consumption, thereby further inscribed in the make-up of the city.

The high concentration, in Shanghai, of luxury shopping malls is an instance of the city’s embrace of luxury – and indeed of China’s more generally. Indeed, although the Chinese economy has slowed down in recent years the nation has become a prominent luxury market. In 2012 President Xi Jinping (b. 1953) implemented measures to fight officials’ corruption and ostentatious consumption by prohibiting the buying of luxury goods with public funds and by investigating those officials denounced by the public as possessors of luxury items. The measure led to a drop in their sales. However, luxury remains a strong sector, with a ‘new momentum’ being reported in 2016. In 2013 there were more than 300 billionaires in China, a number second to that of the US only, while Shanghai households had the highest per household consumer expenditure: US$16,605. China was the second largest luxury market in the world in 2016, after the US, and while in 2016 China represented 7 per cent of the global luxury market, Chinese consumers accounted for one-third of all luxury consumers. Chinese consumers may well be ‘moving away from “bling” and towards more understated’ brands but they are still drawn towards high-end products and still buy more luxury items than consumers in most developed countries. Indeed, it was estimated that in 2015 they had bought 46% of luxury goods globally.
To understand the presence of luxury malls in Shanghai it is necessary to look at the wider context of the nation’s embrace of capitalism and the boom in property development since the 1990s. As mentioned earlier, malls appeared in China in the 1990s, and their arrival on the Chinese urban landscape is tightly linked to the nation’s adoption of a ‘socialist market economy’.

**Capitalism Chinese Way and Urban Redevelopment**

After having been closed to Western business partners since 1949, the date of the constitution of the People’s Republic of China, in 1978 China adopted an open-door policy, and in the 1980s the nation’s leaders embraced the slogan ‘bringing China into the world’s orbit’. The country adopted a series of measures aimed at allowing it to move away from a centrally planned economy to market-based privatization, also giving local authorities a greater role in the conduct of economic and urban growth. China became the fastest growing economy in the world during the 1990s, and in 2001 it joined the World Trade Organization.

The year 1992 represents a particularly important year in China’s turn to a market economy. It is when the Southern Excursion Tour of Premier Deng Xiaoping (1904–97) took place in cities such as Guangzhou, Shenzhen, Zhuhai and Shanghai. A series of ‘special economic zones’ were established on the eastern coast to boost foreign investment, and the trip is now understood as ‘a watershed moment in the development of Shanghai and the south as the country’s economic hubs’.

The 1990s is also when Deng Xiaoping coined the term ‘commodity economy with Chinese characteristics’, a variant of which is also known as ‘socialism with Chinese characteristics’. It is characterized by the co-existence of a powerful and influential state with the adoption of radical market forces, privatization and the promotion of consumption. Indeed since 1979, the Chinese state ‘has implemented policies to encourage the development of consumerism, viewing it as an engine for both economic growth and social stability’. Knight notes that the expanded use of the term guangchang, meaning ‘plaza’, captures the importance of the value of consumption in contemporary China. Where guangchang used to refer to public squares used for political assemblies it now commonly refers to shopping centres. Brooks also captures this overtaking of the political by consumerism when she observes: ‘The only place the people can congregate in the renovated People’s Square is in its underground shopping mall.’
In China consumption has become both an important leisure activity and a national policy, with the government actively promoting spending. In 2011, for instance, the newly enacted Twelfth Five-Year Plan comprised three key components: ‘a greater focus on jobs, urbanization to boost wages, and financing a social safety net that encouraged families to spend rather than save.’ Compared with the Mao years the state’s influence has diminished to give way to ‘new ideologies of cosmopolitanism and luxury which the global brands embody’. The presence of luxury shopping malls across China, and in Shanghai in particular, crystallizes this new orientation.

The transformation of cities from places of production to places of consumption has been supported by industrial restructuring and the shifting of factories outside of city centres, which are experiencing tertiarization. At the same time, values such as individualism, self-worth and materialism are spreading (especially among the younger generation), which contrast with the anti-consumerist collectivism of Mao’s years. Jewell draws attention to the ideological and spatial manifestations of China’s ‘socialism with Chinese characteristics’ when he notes that:

In effect the discourse of the collective subject has shifted from the valorization of the proletariat to its erasure in order to position the idea of a consuming middle class in its place. Similarly the spatialization of this ideological shift has transferred from the collective space of the parade ground and work unit to the realm of consumption.

But what about the position of Shanghai in this new China, a ‘desiring China’ as Rofel puts it?

Before China, and with it Shanghai, turned away from Western influence under Mao, the city had been a thriving commercial hub. In 1842 the Nanjing treaty had declared Shanghai one of five ports open to international commerce, and in the late nineteenth and early twentieth centuries the city turned into a buoyant commercial and intellectual cosmopolitan centre, the legendary ‘Paris of the East’. Lee has richly documented the dynamism of Shanghai at the time, its consumerism, cosmopolitanism and modernity, culminating in the city’s golden era of 1920s–30s, when the city became the fifth largest city in the world. In the Chinese imagination Shanghai became synonymous with the modern, fashion and style its expression. In the 1930s, Shanghai also saw intensified urban development and the construction of high-rise buildings and theatres, as well as new department stores, all key in consolidating the city’s definition as a modern centre.
However, with the Sino-Japanese war and following Mao’s accession to power, until his death in 1976, Shanghai was neglected by the central government and ‘condemned to immobilism’, while across the nation private commerce was eliminated and replaced by nationalized businesses. Once a thriving shopping and financial core, Shanghai’s inner city became a manufacturing hub and the site of residence of its workers. When Deng Xiaoping came to power in 1978 he did not trust the local Shanghai power, which still partly consisted of followers of Mao and was resistant to Deng’s reform. Shanghai was outside of the national political scene until the nomination, in 1985, of Shanghai’s mayor Jiang Zemin (b. 1926), followed in 1988 by that of Zhu Rongji (b. 1928). Changes remained slow, however, and in the late 1980s Shanghai was still relatively behind in terms of reform. Foreign investors could not benefit from the same advantages as in other cities such as Guangdong, where foreign investments were much superior to that in Shanghai.

However, things changed in the 1990s, during which Shanghai was selected to become the ‘dragon head’ of the reform undertaken by Xiaoping, and the symbol of the Chinese economy more generally. The official policy has been to turn Shanghai into a global city defined by a strong tertiary sector; the manufacturing industries declined and the city’s government promoted banking, finances and real estate. As a result ‘Shanghai has experienced the fastest economic growth of any megacity from the early 1990s, averaging 12 percent annually’. Bao singled out 1998 to 2000 as particularly significant years for the everyday life of Shanghainese people. During that time leisure and entertainment places proliferated, encouraged by the local government and supported by an enthusiastic press.

The positioning of Shanghai as a global city and the ‘dragon head’ of China has gone hand in hand with a staggering pace and scale of urban redevelopment since the 1990s. As He and Wu note: ‘Prosperous property development and large-scale urban (re)development . . . have become elements of Shanghai’s grand scheme of recasting itself as a world city.’ Since the 1990s a large programme of construction of new infrastructures has been taking place that has seen the building of bridges, elevated roads, subways (new line 1) and high rises. In the space of three years, between 1992 and 1995, as many office buildings were constructed in Shanghai as in Hong Kong in four decades, while, writing in 2009, Chen notes that over the last ten years more than 4,000 high rises have been built, which is twice as many buildings as in New York.

A noticeable part of the reconstruction Shanghai has been undergoing for the last two decades includes the development of retail spaces: ‘more than half of the world’s retail development is in China, with 3.3 million square metres currently
under construction in Shanghai alone, and in 2006 Wang et al. observed that Shanghai, now acknowledged as ‘the business capital of China’, was leading the nation in terms of the development of shopping malls. Their proliferation is an instance of ‘the commodification of urban space’ that has informed many cities across the world.

At the same time as malls have been proliferating they are often striking for their lack of tenants, or, as was often the case with the luxury malls I visited in Shanghai, their very small numbers of customers. This phenomenon is known as ‘ghost malls’. The ghost-like quality of luxury shopping malls can be explained by a series of factors, starting with the shopping habits of luxury customers in China. Due to high import taxes luxury goods are comparatively more expensive in China than in Europe, and mainland China accounts for only 20 per cent of Chinese shoppers’ purchase of luxury goods. ‘The same luxury handbag can often cost 40 per cent more in Beijing than in Paris, for example.’ Shoppers who can afford luxury goods therefore travel to Europe to buy them at a lower cost. ‘The average Chinese traveller to Europe spends US$15,000 on each trip.’ Similarly, Hong Kong is a cheaper destination for luxury shopping.

The daigu system also encourages the acquisition of high-end items outside of mainland China. It is a grey market whereby agents based abroad buy luxury goods there for China-bound buyers, and illegally avoid import duties while making a profit, although the Chinese government has recently tried to curb this practice by tightening custom controls. In a similar bid to dissuade Chinese shoppers from buying luxury goods abroad rather than in mainland China, in 2015 brands such as Chanel, Cartier and Gucci raised their prices in Europe while lowering them in China.

In China, the luxury sector is also becoming more dynamic online, which is ‘now the world’s third largest luxury market’ and takes trade away from bricks and mortar stores. On the internet consumers can both buy, and learn about, luxury brands, and luxury brands are increasingly embracing Chinese social media such as WeChat and e-commerce platforms such as Mei.com.

The malls’ visible lack of costumers is not synonymous with lack of success. Indeed, as Jewell also observes, though Plaza 66, for instance, may well look empty, it is nevertheless one of China’s most successful malls. Built in 2006 by Hong Kong’s Hang Lung Properties it is 130,000 square metres and 288 metres tall. There, Jewell notes, customers are not absent, they have been made invisible: ‘the real business of selling happens behind closes doors: Plaza 66 is served by a network of concealed rooms that represent the domain of its intended “public”. . . . Drive into the mall basement and a concierge will escort you to a private room. Here the
mall’s wares are presented by a personal shopper for delectation. In late 2017 some transformations were brought to the mall to enhance its luxurious appearance such as warm lighting to complement its bronze, gold and marble elements, and Louis Vuitton opening a private lounge, accessible by invitation only.

Brands can profit from being present in a mall simply by virtue of being there. Commenting on their ghost-like appearance, Greenspan mentions a discussion she had with a branding expert, who informed her that on Nanjing Road the cost of a large banner advertisement is nearly identical to that of running a store: ‘The empty store, therefore, make sense purely from an advertising perspective.’

The cost international brands may encounter when setting up base in a mall may also be lowered by advantageous rents, for ‘In order to attract international retailers, some malls offer zero base rent and charge only percentage rent geared towards sales.’ Hang Lung Properties, for instance, the company behind the development of Plaza 66, ‘was granted favourable land use rights by the Shanghai Municipal Government in late 1993 to construct two luxury shopping centres, Grand Gateway Plaza and Plaza 66.’

Thus, even if luxury malls do not have customers they can be profitable, and to a broad range of players. As Dávila notes in her study of shopping malls in Latin America: ‘There are countless ways to make a profit in and from shopping malls, all of which go beyond the point of purchase and are mostly invisible.’ Among the many players that can profit from malls, she mentions architects, designers, security companies and marketing companies. ‘At the heart of it all’, she argues, ‘is the purchase, development, and leasing of land, or in industry terms, the acquisition of “footprint” – the core and most profitable activity and the most invisible.’ This is true of Shanghai, where one of the beneficiaries of mall construction include local governments. Indeed, the city’s urban redevelopment and the concurrent hike of shopping mall openings has been supported by China’s adoption of a market economy and its governmental decentralization, which have given local authorities more power and financial autonomy to promote, and benefit from, urban growth. City governments are some of its key beneficiaries. Municipal and district governments own the land, which they lease against fees that account for their main source of local income. There is thus a strong incentive for municipalities to promote urban development, which has changed from being supported by the government to being property-led. The reconstruction of Pudong and Xintiandi are cases in point, and has attracted much scholarly attention.

Malls have also been instrumental to the property-led redevelopment of the city, and Shanghai’s government has even acknowledged their contribution to
the city in that they create employment, generate property tax revenue and stimulate the real-estate development of the neighbourhood. In China as in the Latin American countries Dávila discusses, urban policies have supported the development of shopping malls, which ‘have become a feature of “worlding” practices and the quest for recognition as world-class cities’. Thus the Shanghai municipality added malls to its Tenth (2001 to 2005) and Eleventh Five-Year Plans for Commercial Activity Development, stipulating that they would serve as anchors to commercial nodes (Tenth Plan) as well as to Suburban Business Districts (Eleventh Plan). This approach informed the revitalization of Huihai Road and Nanjing Road, both hosts, as mentioned earlier, to luxury shopping malls.

This refashioning of central Shanghai via luxury malls is not without its drawbacks though, and this includes the process of social exclusion that the reconfiguration of the city has been concurrent with.

**Dissonances**

Exclusion is the logic of both luxury and capitalism, and nowhere is this more visible maybe than in the spatial and material configuration of a city. As Bourdieu notes, geographical space is social space reified; the redefinition of central Shanghai through the construction of luxury malls is also a redefinition of its social make-up. Indeed the luxury malling of the Chinese city is part and parcel of the gentrification that has been taking place there since the 1990s. It is an outcome of the rebranding of Shanghai as a world city in the context of China’s adoption of neoliberalism.

As with most instances of gentrification across the world this reimagining of Shanghai has gone hand in hand with the rise of new types of inequalities such as the bourgeoisification of central Shanghai at the expense of poorer local communities. As Yu puts it, ‘after several decades of living under a strict socialist ideology in which wealth and signs of class difference were stamped out, inequality has come back with a vengeance, as the difference between the wealthy and the poor becomes exacerbated each year’. This also means that practices of social distinctions have re-emerged. These are practices of dress through the display of luxury branded items, as the success of luxury in China intimates, but also spatial practices as articulated through luxury malls. Indeed various forms of socio-spatial distinctions and segregation have been embedded in Shanghai’s geography of malls, which can be seen as manifesting themselves
in three different ways: in the internal practice of the malls; in their immediate surroundings; and in a centre–periphery reconfiguration.

With regards to the first form of spatial distinction, the internal dynamic of the malls, luxury shopping malls, as mentioned earlier, are often void of customers. Bar the occasional shopper and the few pedestrians who use them to walk across the city in a sheltered environment, their relative emptiness is conspicuously at odds with the busyness of adjacent streets. Many passers-by no doubt self-exclude from these luxury spaces, a process that can only be reinforced by the intimidating presence of porters at the entrance of the malls, reminding visitors that, like malls more generally, they are private enclaves subject to a tight control. Indeed, while developers across the world have often promoted, and idealized, malls as community environments, spaces of togetherness and sociability, this neglects the fact that they actually are ‘purified’ controlled spaces and often exclude various portions of the population. This is true of luxury malls in Shanghai; designed as exclusive retail environments they are simultaneously spaces of exclusion. Brook notes that a broad constituency of individuals walk through Nanjing Road. They include rural migrant workers who have moved to Shanghai in the hope of finding work. For them the goods on offer in luxury malls are out of reach:

Called out by their leathery skin and ill-fitting, raggedy sport coats, they are the great human contradiction of the new Shanghai. Surrounded by the modern world, the migrants are in the city but not of it, second-class citizens too poor to enjoy many of the city’s amenities.

Those migrants from China are also the workers who operate neighbourhood stores selling everyday goods such as groceries, cigarettes, and clothing affordable to ordinary Shanghainese. The stores’ simple, functional appearance sharply contrasts with the splendour of adjacent luxury shopping malls.

During lunchtime the malls fill with people. These are not shoppers, however, but office workers, who, keeping to the escalators, head straight to the upper floors, where eateries are located. They do not often diverge from their up-and-down journey and the luxury boutiques remain largely devoid of buying and selling activities. Lingering outside of the shops and in the passageways to rest and socialize is not encouraged as luxury malls rarely offer sitting places except at coffee shops. Indeed, in shopping malls resting is designed to equate with consuming. At Plaza 66, for instance, seating is available at Cova Pasticceria-Confetteria, where, in April 2015, a cappuccino was 74.80 RMB (approx. £8).
The splendour of Shanghai’s luxury malls contrasts with the shabby yet lively streets and alleyways that can be found in their vicinities. Next to Nanjing Road streets and stores that appear comparatively rundown are brimming with activities. On Nanyang Road, for instance, parallel to Nanjin Road and two streets behind Plaza 66, convenience stores, cheap eateries and outlets selling other affordable goods co-exist with accommodation outside of which can been seen laundry drying on wires (see Figures 11.1 and 11.2). A short walk away from Réel and Kerry is Fumin Road. There a series of run-down local shops have closed down and seem abandoned, a sign, probably, of the further commercial gentrification of the street (Figure 11.3). Low-income housing still stands, in stark contrast with the luxury and (hyper)modernity of the nearby malls (see Figures 11.4 and 11.5). As Jewell observes, such streets ‘maintain a seemingly parallel existence with the macro-consumptionist agenda of the mall complexes that loom over them. Although separated by little more than tens of metres, the disparity in relative wealth could not be more evident.’

However, the central streets and shops of low-income residents are being replaced by trendy bars and boutiques catering to wealthy Chinese and expatriates. For the redesigning of Shanghai by way of its luxury malling, like
Figure 11.2 Nanyang Road, near Plaza 66. Courtesy of Agnès Rocamora.

Figure 11.3 Fumin Road, near Réel and Kerry. Courtesy of Agnès Rocamora.
Figure 11.4  Fengxian Road, near Plaza 66. Courtesy of Agnès Rocamora.

Figure 11.5  Plaza 66. Courtesy of Agnès Rocamora.
much of the real estate redevelopment that has refashioned the city into a consumerist urban centre, has been premised on the destruction of existing low-income neighbourhoods – ‘Deemed messy, unsightly and uncivilised’ – that have been replaced with high-end housing and commercial estates aimed at the emerging middle class. A ‘destructive construction’ is operating in Shanghai whereby the city’s ‘organic street culture’ is being swept away. Unable to afford the new housing, low- and middle-income families have been forced outside of central Shanghai and to its outskirts, which draws attention to a third social-spatial imbalance: a centre-periphery reconfiguration along the lines of class. As He observes: ‘In parallel to gentrification in Western cities, housing redevelopment in Shanghai predominantly involves a process of “class transformation,” that is, displacement of low-income residents and its inherent negative social impacts.’

Throughout the 1990s one-tenth of Shanghai households were moved to the suburbs. Writing in 2007 He notes that the number of relocations constantly increased from 1999 onwards, with 820,458 households having been relocated since 1997 and 41.88 million square metres of housing destroyed to pave the way for new developments and a reimagined city. According to Brook: ‘Overall, one million families were moved in the effort to remake Shanghai.’ Baudrillard warned against the system of extreme security, control and dissuasion that inform malls such as Paris’s Beaubourg. Such malls, he wrote, are ‘emptying machines.’ So are Shanghai’s luxury malls in that they are emptying the areas in which they appear of unwanted citizens, those who cannot consume the luxury goods on offer in the new retail landscape and can no longer afford to live in their old neighbourhood.

From 1999 to 2001, Xintiandi, for instance, formerly a neighbourhood of middle- to low-income residents, was turned into a consumer spot of expatriates and other high-spenders able to enjoy the smart eateries and bars that now exist alongside the old Shikumen, whose façades have been preserved for the ‘tourist gaze.’ Within six months 1,950 households were excluded from Xintiandi and resettled and ‘more than 3,800 households and 156 work units in the [nearby] Taipingqiao Park were relocated in only 43 days. This was a record for the fastest residential relocation in Shanghai.’ The redevelopment of Pudong, which now hosts several luxury shopping malls, was facilitated by the action of armed police, who used force to evict those residents unwilling to leave their home: ‘Oftentimes, the authorities would cut off water and electricity to neighborhoods they were clearing to convince the hesitant’, although in 2005 the Shanghai government banned this practice.
Thus, the refashioning of Shanghai has gone hand in hand with the expansion of its periphery: ‘ten years ago, 5 km away from the Inner Ring Line would have been peripheral enough; now, this boundary is pushed further by another 5 or even 10 km.’ Although resettled in accommodation that might be a material improvement from their old housing, low-income residents have seen their neighbourhoods destroyed while they have suffered from a lack of local amenities as well as unemployment not least due to exorbitant commuting costs. As Chen et al. observe, the redevelopment of Shanghai has taken place ‘with little concern for the urban poor’; belonging and inclusion have been sacrificed to the imperative of turning Shanghai into a world-class city.

Exclusion, Madanipoor writes, ‘should be regarded as a socio-spatial phenomenon’. Reminding us that shopping malls are private spaces with ‘controlled access and boundaries’, he notes how ‘a socio-spatial geometry of difference and segregation’ born out of land and property development as well as spatial planning becomes ‘the foundation of exclusion’. This logic is visibly at play in the redevelopment of Shanghai.

However, clear boundaries are not only material but also symbolic: they are the walls and guarded doors that enable the controlled access Madanipoor talks about, but they are also made of the system of signs luxury malls are the bearers of. Cartier notes that the ‘globalizing iconicity’ malls in large cities often display is ‘consonant with the interests of the transnational capitalist class’. Included in this iconicity are the luxury brand names and attendant advertisements and windows that luxury malls feature, and that pave one’s walk along streets such as Nanjing Road or Huaihai Road. There, Fendi, Balenciaga, Chanel, Coach are signs that occupy Shanghai’s ‘brandscape’ and participate in its staging as a cosmopolitan city.

As Yu observes, ‘China’s city centers have transformed from sites of manufacturing and production, under Chairman Mao, to sites of consumption and imagination’; they are ‘not just spaces where money and goods are exchanged, but also spaces of representation’. Embedded in the centre of the city, Shanghai’s luxury mall are visions of ‘a good life’, a life of plenty that intimates success and Shanghai’s position as a world city. As Crawford puts it ‘malls lend glamour and success to their urban setting, suggesting that the city is important, exciting and prosperous’. When such malls are luxury malls they bring an added aura of distinction and exclusivity to the urban geography they are part of.

In his description of the Shanghai Museum, opened in 1996, Abbas notes its exceeding cleanliness:
There always seems to be some workers polishing the brass on the railings or the marble on the floor. Even the toilets are kept meticulously clean. The dirtier the streets around it, the cleaner the museum. And suddenly you realize that the museum does not think itself as being part of a local space at all, but as part of a virtual global cultural network. The Shanghai Museum is not just where artworks are being shown in Shanghai; it is also where Shanghai shows itself off in the museum, with its image cleaned up and in hope that the world is looking.

Here Abbas could well be talking about the city’s luxury malls. Like the museum they are sparkingly clean. There too workers are permanently walking around wiping every surface and ensuring the environment remains as glossy as the goods on display in the stores. In fact cleaning personnel, along with security staff, are often the main presence in the malls’ empty plazas and corridors. Like the Shanghai Museum, the malls’ sanitized luxury sharply contrasts with the messiness of surrounding streets, and like it ‘it is also where Shanghai shows itself off’.

Shanghai’s brandscape of luxury fashion logos and the malls and boutiques on which they float also somehow tears the city apart from its local fabric by displaying faces and words (often English) that look and sound foreign to Chinese local residents. Those are the words and faces of a still poorly diversified Western fashion system, where the field of luxury remains dominated by European and American brands. Inside the malls and on their outside walls the large advertising billboards for the luxury brands available there – such as, during my visits, Armani, Jill Sander, Dior, Fendi, Coach and many others – featured Caucasian faces (see Figure 11.6).

As Ermann observes, ‘branding is usually connected with de-territorialization’.

The English words that hover on the walls and windows of the malls further de-territorialize them from their locale. At IAPM, a sign on the floor, for instance, indicates that following the arrow are ‘more shops’ (see Figure 11.7), and at Super Brands Mall a wall reads ‘Lots of Choices, Full of Joyce’ (see Figure 11.8). Klingman notes that today’s brandscapes, made of ‘signature buildings, shopping centers, expositions, and planned residential developments’, often ‘fail to establish sensitive connections to particular contexts by imposing standardized forms and formulas on the urban or suburban landscape’. Luxury malls and the luxury fashion industry they feed on participate in this ‘severing’ of ‘identity from the complexity of the social fabric’ that Klingman argues characterizes contemporary brandsapes.

Deterritorialization goes hand in hand with reterritorialization, here that of Shanghai’s urban landscape with the signs and values of the West. As Askegaard
Figure 11.6 IMG, West Nanjing Road. Courtesy of Agnès Rocamora.

Figure 11.7 IAPM. Courtesy of Agnès Rocamora.
notes: ‘brands are among the most significant ideoscapes in the globalization processes’. 147 This is an ideoscape in the service of Western interests and, in China, of a still influential Western ideal148 that further reinforces Western hegemony.

Conclusion

In this chapter, I have argued that the fashioning of Shanghai by way of its luxury-malling must be looked at in the context of two concurrent phenomenon: China’s embrace of luxury, itself linked to the nation’s adoption of capitalism; and the rapid and intense urban regeneration of the city. This has gone hand in hand with a process of exclusion of large numbers of urban residents, which draws attention to one of the many human costs that can be associated with the fashioning of cities. Exclusion and expropriation also take a semiotic form through the inscription of Shanghai’s urban landscape with the logos and brand names of European and American luxury fashion companies. Writing the city into a global network of fashionable metropoles, such logos and names have taken over local
signs, and deterritorialized the local socio-geographical map. The redefinition and rebranding of cities by way of fashion is a multi-dimensional process that sits across symbolic and material forces and realities, as I have shown in this chapter. Understanding this process means understanding the formation of both cities and fashion across the world and the network of signs, systems, materials and human beings that are caught in it, as well as in its tensions and inequalities.

Notes


3 S. Sassen, ‘The Global City Perspective: Theoretical Implications for Shanghai’, in Chen (ed.), *Rising Shanghai*; Tingwei Zhang, ‘Striving to be a Global City from Below’ in Chen (ed.), *Rising Shanghai*.

4 The visits took place over six trips of one to two weeks each. Informed by an ethnographic approach, each visit involved systematic lengthy observations of luxury shopping malls in central Shanghai, the exploration of adjacent streets, and of the city’s ‘fashion map’ (Steele) more generally. The data was collected in the form of extensive written notes and photographic diaries.


8 Gruen, cited in Marshall, *Southdale Center*.

9 Marshall, *Southdale Center*.


11 Ibid., 8.

13 Dávila, *El Mall*.
17 Nicholas Jewell, *Shopping Malls and Public Space in Modern China* (Farnham: Ashgate, 2015), 111.
22 Cartier, ‘Model Hong Kong Malls’, 14.
24 Jewell, *Shopping Malls and Public Space in Modern China*, 139.
26 Jewell, *Shopping Malls and Public Space in Modern China*; Roxburgh, ‘Does Shanghai Need This Many Shopping Malls?’; Wang et al., ‘Opportunities and Challenges of Shopping Centre Development in China.
27 Ibid., 22.
28 Benjamin, *The Arcades Project*.
30 Ibid.


35 Yu, Consumption in China, 64, 71.


40 Rofel, Desiring China, 6.

41 Rofel, Desiring China; Yu, Consumption in China.

42 Rofel, Desiring China.

43 Yu, Consumption in China, 12.


45 Rofel, Desiring China.


47 Yu, Consumption in China, 13.


50 Bao, ‘Shanghai Weekly’, 559; Cartier, ‘Model Hong Kong Malls and their Development in Mainland China’, 2.
51 Yu, Consumption in China, 13.
52 Ibid., 20.
55 Jewell, Shopping Malls and Public Space in Modern China, 115.
56 Rofel, Desiring China.
58 Lee, Shanghai Modern.
59 Ibid., 5, 73.
60 Xianshi (Sincere, opened in 1917), Yong’an (Wing On, opened in 1918), Xinxin (Sun Sun, opened in 1926) and Daxin (Sun Company), ‘all built with investments from overseas Chinese businessmen’ (Lee, Shanghai Modern, 13). They were all near or on the Nanking Road, ‘the main thoroughfare of the International Settlement’ and a commercial street akin to Oxford Circus (Lee, Shanghai Modern, 15).
61 Ibid., 5, 73, 312.
62 Bergère, Histoire de Shanghai, 388.
65 Bergère, Histoire de Shanghai.
66 Ibid.
69 Ibid., xv.
70 Bao, ‘Shanghai Weekly’, 559.
71 Ibid.

74 See, e.g., F. Wu, ‘The Global and Local Dimensions of Place-making’.
75 Bergère, Histoire de Shanghai, 441.
77 Roxburgh, ‘Does Shanghai Need This Many Shopping Malls?’
78 Wang et al., ‘Opportunities and Challenges of Shopping Centre Development in China’, 22.
80 See also Anna Greenspan, Shanghai Future: Modernity Remade (London: Hurst & Company, 2014), 53; Jewell, Shopping Malls and Public Space in Modern China, 130.
82 Roberts, ‘What Is Really Happening in China’s Luxury Market?’
83 Yu, Consumption in China, 11.
84 Ibid.
85 K. Chitrakorn, ‘Can China End the Illicit “Daigou” Trade?’
86 Ibid.
88 Yu, Consumption in China, 70.


Greenspan, *Shanghai Future*, 220.

Wang et al., ‘Opportunities and Challenges of Shopping Centre Development in China,’ 47.

Ibid., 32.

Dávila, *El Mall*.

Ibid.


He and Wu, ‘Property-led Redevelopment in Post-reform China;’ Sun and Huang, Extension of State-Led Growth Coalition and Grassroots Management’.


Wang et al., ‘Opportunities and Challenges of Shopping Centre Development in China,’ 48.


Ibid.

Ibid.


Yu et al., ‘Commercial Development from Below’.

Rofel, *Desiring China*, 111.


Yu, *Consumption in China*, 63.


113 Brook, ‘Head of the Dragon,’ 24.
114 Ibid.
115 Yu et al., ‘Commercial Development from Below’.
116 See also Wang et al., ‘Opportunities and Challenges of Shopping Centre Development in China,’ 36–7.
117 Goss “The “Magic of the Mall”,” 34.
118 Jewell, *Shopping Malls and Public Space in Modern China*, 186; see also Greenspan, *Shanghai Future*, 60.
120 Greenspan, *Shanghai Future*, 60.
121 He, ‘State-sponsored Gentrification Under Market Transition.’
125 Bergère, *Histoire de Shanghai*, 441.
126 He, ‘State-sponsored Gentrification Under Market Transition,’ 177.
127 Brook, ‘Head of the Dragon,’ 10–11.
130 He, ‘State-sponsored Gentrification Under Market Transition: The Case of Shanghai,’ 181.
131 Brook, ‘Head of the Dragon,’ 10–11.
132 Wang, ‘From Architecture to Advertising,’ 33.
134 Chen et al., ‘Localizing the Production of Global Cities,’ 446.
135 He and Lin, ‘Producing and Consuming China’s New Urban Space,’ 2767.
137 Madanipoor, ‘Social Exclusion and Space,’ 192.
138 Cartier, ‘Model Hong Kong Malls,’ 27.
139 Klingmann, *Brandscapes*.
140 Yu, *Consumption in China*, 34.
141 Jewell, *Shopping Malls and Public Space in Modern China*, 135.
143 Ackbar Abbas, ‘Cosmopolitan De-scriptions: Shanghai and Hong Kong’, Public Culture 12, no. 3 (Fall 2000): 782
145 Klingmann, Brandscapes, 3.
148 Yu, Consumption in China, 117.