Art and Power in the New China: An Exploration of Beijing's 798 District and Its Implications for Contemporary Urbanism

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Art and power in the new China

An exploration of Beijing’s 798 district and its implications for contemporary urbanism

This article explores urban change in the Chinese context, specifically in terms of the creation of Beijing’s Dashanzi Arts District, also known as 798. As the fusing of the cultural and economic now defines cities within the post-industrial economy, Beijing is recognising the symbolic importance of the arts within its financial system and urban image construction. The campaign for and establishment of the arts district demonstrates not only a political awareness of the economic power behind cultural districts, but also the increasing pluralisation of power within Chinese society. This paper will focus on how the 798 Arts District has been branded, first unofficially by its original artists to preserve the industrial area and then officially to promote Beijing as a global city. In relation to the cultural shift in Chinese urban policy and the global utilisation of arts districts in urban image construction, it will discuss how the area is both a result of and an influence on China’s contemporary culture. It also explores the possible gentrification consequences of the area’s establishment and places such a scenario within the increasingly global (yet still overwhelmingly Eurocentric) reach of gentrification research.

From Montparnasse in Paris in the 1880s to Chelsea in London in the 1920s and SoHo in New York in the 1960s, art districts are not a new phenomenon. Furthermore, they are not unique to the affluent world; districts devoted to the visual arts have been established in places like Mumbai (Harris, 2005) and Mexico City (Hooks, 1998). Often inhabiting former industrial areas, these districts are common in Western cities, but they are still a new phenomenon in China. Despite this, with around twenty art districts or artists’ villages and more on their way Beijing now rivals other global cities for the most urban spaces devoted to the arts. Not only does this dynamic evolution demonstrate the city’s structural change from a production-based economy to a consumption-based economy (particularly cultural consumption), it also highlights the official recognition of the symbolic importance of the arts within economic and political urban policy. However, even with the plethora of art districts and the significant urban changes they represent, these Chinese cultural areas have been explored little within urban studies (although see Tan, 2005). This academic neglect is particularly curious with regard to Beijing, since it is not only China’s political capital, but also its cultural capital. In fact, like other non-Western cities, Beijing has traditionally been underserved in terms of urban research, despite

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its large size and increasingly global reach (Robinson, 2004).¹

This article addresses the research gap by exploring the emergence and growth of 798 (often formally referred to as Dashanzi Arts District), one of the most prominent arts districts in China and one that has battled for its existence. Originally a 1950s military factory, it has become a fashionable home to a growing collection of independent galleries, studios, eateries and cultural enterprises that collectively have been able to survive Beijing’s rapid growth. The arts district’s story reveals not only a political awareness of the economic power behind cultural districts, but also the increasing pluralisation of power within Chinese society. Furthermore, it gives rise to new thoughts about explorations into such places, especially within the theoretical ground of gentrification.

Although arts districts have existed elsewhere for awhile, the emergence of such areas in China does not imply a replica complex. China’s post-industrial society is still being formed, and is not following the trajectory of the West; instead it is evolving a ‘Chinese form of modernity’ with its own distinct characteristics (Friedmann, 2006). Thus, the goal of this article is to explore arts-led urban change in the Chinese context by focusing on the example of 798. After framing the discussion in terms of place promotion and image construction in Beijing, this article will detail the social and economic issues present in the arts district’s rapid transformation from grassroots enclave to cultural icon. The arts district highlights the increased artistic and cultural power in the city, yet this power has in turn marketed the arts district, first unofficially to preserve the area and then officially to help sell Beijing as a global city. Moreover, this article will examine 798’s unique status as both a result of and an influence on China’s contemporary culture. Finally, it will explore the possible gentrification consequences of the district’s establishment by placing such a scenario within conventional gentrification research.

### Branding Beijing

At the turn of the twentieth century, major global restructuring issued in the establishment of a unified and largely capitalist world economy. This system moved away from the production of goods and directed its efforts towards the service industry, promoting the reorganisation and spatial dispersion of production (see Harvey, 1989; Sassen, 1998; 2000; 2001). After thirty years of reform at the national level, Beijing

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¹ The existing research on Chinese urbanisation largely focuses on the morphological, structural or economic characteristics of cities, usually concentrating on the national scale or on the often-changing urban areas of southern China, completely ignoring Beijing (although see Friedman, 2005; Sit, 1998; Gaubatz, 1995; 1999. Also see Broudehoix, 2004, for socio-spatial studies specific to Beijing).

² This article results from ethnographic research conducted in the summer of 2006, including press reviews and interviews in both Chinese and English. The author conducted 38 interviews in total, including conversations with artists, entrepreneurs, industrial workers, developers, governmental officials and experts in Chinese urbanism.
has joined the growing number of cities compelled to privatise, deregulate, liberalise (economically) and globalise. Such restructuring has not been confined to the economic sphere, since globalisation processes increasingly include the production and dissemination of culture into another marketable commodity (Hutton, 2004).

Under China’s reform, the state has devolved decision-making to provinces and cities, retaining only policy and supervisory functions. Thus, almost overnight, China changed from a vertically-organised system to one that is increasingly territorialisated, with cities exercising a great deal of power over their own growth and promotion. One important consequence is a growing trend towards greater entrepreneurialism, increased inter-urban competition and the conscious promotion of place-specific development strategies (Ma and Wu, 2005). Through the growing number of international airports, central business districts and technology zones, Chinese cities are increasingly promoting themselves as ‘global cities’ (Wu, 2006). Although this usually involves large, structural or infrastructural development, recently more emphasis has gone into cultural city promotion, including museum creation and cultural activities. Like many cities, Beijing is specifically recognising the symbolic importance of culture and the arts within its urban political economy, seen in new policies, including the city government’s official recognition of 798.

Concerned with the city’s marketability, officials and entrepreneurs wish to construct a unique identity. They, thus, utilise different strategies of urban beautification and cultural promotion to boost local distinctiveness and advertise their locality, in accordance with Florida’s (2002) creative city ideology, which encourages the creation of inspirational places to live, work or visit, attracting both people and capital. Furthermore, Lloyd (2006) shows that places with artists practising a bohemian lifestyle financially benefit cities due to the ‘aesthetic economy’ of bars, restaurants, clubs, cafes, galleries and design firms that cater to the making and selling of lifestyle experiences. Even though other theorists have questioned the viability of these creative manifestos (see Malanga, 2004; Peck, 2005), these ideas have encouraged many cities to exploit culture as a ‘magic substitute for all the lost factories and warehouses’ (Hall, 2000, 640). Cultural strategies have quickly become the policies of choice, since they authorise a seemingly deliverable development agenda that works alongside existing neo-liberal urban plans, focused on inter-urban competition, gentrification, consumption and place-marketing (Peck, 2005). Such place promotion is supported by local officials, due not only to the ideology of celebrating culture, but also to the potentially increased tax revenues and the promotion of a positive city image (Cameron and Coaffee, 2005). It is also advocated by developers to stimulate demand for distinctive landscapes of cultural consumption (Wyly and Hammel, 2005).

The creation of cultural areas or arts districts demonstrates globalisation’s impact on Chinese landscapes, yet this impact is different from ‘McDonaldisation’, since it is not a case of Western forms that overpower and diminish Chinese forms, but rather
an ‘imagined globalisation’ that utilises global motifs to market local products (Wu, 2007). Globalisation provides the possibility (such as providing different architectural styles), but how this is turned into reality depends on local situations and politics. The local conditions for the development of apparent Western forms come from not only the supply side (through the development of the Chinese real estate market) but also the demand side, with the preference for new products.

Thus, a fusing of the cultural and the economic has come to define cities, as the post-industrial economy has focused on less tangible and more ‘creative’ types of products (see Scott, 1997; 2000). In China, conspicuous consumption has encouraged the creation of increasingly spectacular urban forms (Wu, 2007), and following economic restructuring in Chinese cities, real estate relies heavily on producing and exploiting niche markets. Profits generated by land development are more enticing than the declining profitability of state-owned enterprises (SOEs). Therefore, factories have begun to sell their sites to real estate developers, and with increasing Chinese consumerism, niche markets have expanded. Since spatial demand largely stems from the market, the more closely production is associated with commodification, the more profitable it becomes. Thus, branding strategies are utilised to promote both cities and individual places, giving them a specific identity. In this manner, cultural areas become products that are displayed, interpreted, reproduced and sold in universal processes of consumption: what Kearns and Philio (1993, ix) call ‘manipulating culture in the selling of places’. The creation of these areas, whether based on images of ‘elsewhereness’, historic recreations or future utopian projections, draws on a perceived imagery for their appeal and effects. Utilising contemporary art in such strategies directly connects to urban imaginaries associated with artistic production and consumption, which are perceived to be high-value commodities in global cities (Yeoh, 1999).

The branding of Beijing is not motivated solely by a powerful economic rationale; it also offers political benefits such as international recognition and prestige, which are particularly significant at a time when the Chinese identity is focused on the global opinion. Yet international recognition is sought to impress not just the global audience, but also the local, since establishing such prestige conjures up civic boosterism and both pride and trust in one’s leaders. With the increased attention brought by the Olympics, city officials are even more concerned about creating an urban image that not only attracts foreign capital, but maintains existing order (Broudehoux, 2004). To achieve these ends, the carefully-crafted identity cautiously distances itself from the socialist era, instead focusing on the glory of its ancient past or its future in the global economy (Broudehoux, 2004).

While cultural strategies might offer benefits in terms of creating real estate markets or enticing investors, they also have the potential to reduce place identity to a constricted and easily-packaged urban product that services the values and expectations of the powerful elite (Zukin, 1995). Rather than civilising urban economic
development by importing 'culture', urban branding strategies often do the opposite by commodifying the arts and cultural resources, turning them into economic assets with no other intrinsic value. Landscapes created explicitly for consumption become controlled, clearly legible, themed environments. Such places selectively abstract and elaborate on specific themes, often disregarding the contexts in which they are embedded (Zukin, 1991). Granted, detextualisation does not erase all ties to context; instead, cultural districts are often selectively laden with references to traditional visions that induce emotionally satisfying images of previous times. Recycling familiar symbolic imagery or referencing a sanitised history dilutes the meaning of place and turns habitats into simplified and sterilised reproductions, lacking their original social underpinnings and commodifying areas for naïve consumption. Through an intense programme of urban branding, Beijing is in danger of shallow signification, with heritage and culture commodified into kitsch.

Beijing’s city image has always been closely tied to politics; as Samuels and Samuels (1989) state, ‘no place in China was more powerful, more thoroughly imbued with the symbols of cosmic and earthly authority’. Beijing was based on Confucian geomancy and imperial cosmology, which defined the emperor as the ‘Son of Heaven’ and his place as the axis mundi (the central axis from which all earthly virtue and power extended). These traditions combined to establish the basic design principles of centrality, axiality and rectilinearity that served to symbolise and sanctify the Confucian social order. Beijing’s urban form thus exploited the symbolic power of urbanism to both maintain the emperor’s claims to celestial authority and designate power and hierarchy appropriately.

In 1949, the leaders of the Communist state exploited Beijing’s reputation as the timeless centre of the empire to bolster their claims to political legitimacy, seen in their announcement of the People’s Republic from the ceremonial Tiananmen Gate of the once forbidden Imperial Palace. After establishing power, they re-established Beijing as the national capital and began rebuilding the ‘capitalist city of consumption’ as a model of socialist order and ideology. The hierarchal arrangement encircling the Imperial Palace was antithetical to socialism, and thus Beijing was expanded and decentralised to create a communal city of production, with celebrated industrial areas dispersed around the city perimeter (including the 798’s factory complex). Within the new production centres, urban social life was reorganised into controlling, self-sufficient work-units (danweis) that were fully enclosed and separated by wide boulevards. Yet, even as an ideal, generalised form of decentralised individual cells, Beijing still retained its concentric, hierarchal layout.

The Communist leaders utilised centrality and grandiose urbanism to enforce their own power, seen in their occupation of the Imperial Palace and later the enshrining of Chairman Mao along the city’s all-powerful axis. Yet they also used urban form to reflect their service to the people. They remade Tiananmen Square, which previously
had been reserved for the emperor, into an ambitious public arena of socialist China, where the sheer capacity demonstrated proletarian power (Hou, 1985). While such spaces were meant to empower the masses, in reality people were subject to manipulation because of their daily lives in the all-controlling danweis. The Communist control over urban structure, seen in the ambiguous spatial form of the danwei compounds and grand political spaces, imposed a strong self-image and ensured complete power over the people.

Beijing now looks and functions differently from the Maoist vision. Unprecedented in both speed and scale, dramatic changes in social organisation, urban lifestyles and the city fabric have completely transformed it. As the national government continues to introduce market reforms and promote its cities as strategic locations to entice investors, Beijing becomes part of the global network of cities competing for investment. The Chinese political elites utilise urban space to promote the city as a rising power, and thus have re-spatialised Beijing into a city based on technology, communication and tourism. In a complete reversal of urban structuring under socialist ideals, the vernacular neighbourhoods and utilitarian danwei facilities have become bustling skyscrapers, shopping malls and luxury apartments, highlighting exclusivity and individuality. Yet the factories in the arts district, which once stood as models of socialism, have not been destroyed, even though they sit along the airport expressway and could provide an ideal setting for another business complex or luxury hotel. By turning 798 into an arts district and offering a contemporary cultural space previously lacking in the city, the area is an asset in Beijing’s growing economy and an urban image to broadcast to the world.

The 798 arts district

Part of Communist Beijing’s first five-year plan, the arts district was originally an industrial complex covering one square kilometre of farmland on the city edge. Located in the city’s Chaoyang district, urban growth has now surrounded it and the area lies near the airport expressway, linking it to both the embassy quarter and the international business district. Originally named Factory 718, at the time it was the biggest and most expensive complex in Asia and included several different factories, of which Factory 798 was the largest. Built with Chinese and Soviet funds by East Germans, the area was an important and secretive operation that made advanced technology for the Chinese military. Despite its clandestine nature, it was looked at with awe and pride by Beijingers, due to the glory of factory life under Chairman Mao. However, over the years of deindustrialisation, Seven Stars Group (the government-sanctioned owners of the complex) closed several factories, laying off around fifteen thousand of the twenty thousand workers. With the workers now needing pensions, in the late 1990s Seven Stars leased the empty factory spaces to generate
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much-needed revenue.

In the 1980s and 1990s, Beijing attracted contemporary artists from around China, who lived together on the fringe of society in ‘artists’ villages’, where they helped each other physically and financially. As marginalised communities, they were often displaced due to political control or area renewal. By mid-1990s, Chinese contemporary art, still largely unheard of in China, began to gain international prestige. At this time, many students and professors from Beijing’s art schools set up workshops in 798, enticed by the extremely low rents and minimalist Bauhaus style. More independent artists moved into the underground art village, and by the early years of the 2000s, the marketability of the arts surfaced as cultural entrepreneurs followed suit.
Following the area’s first international exhibition in 2002, there was a drastic increase in the attention and promotion of 798, sparking an explosion of development. Now, about a hundred galleries (a number that is probably already outdated), as well as numerous trendy restaurants, cafes, nightclubs and remodelled offices, have appeared on the scene. As Chinese contemporary art continues to gain esteem and skyrocketing economic value, 798 has risen drastically in prestige, becoming a real estate hotspot.

Regardless of these dramatic developments, the future of 798 was uncertain. The activity of its artists has often been deemed illegal, although it was tolerated until a better land use could be found (Ambrozy, 2006a). With leases for three to five years, Seven Stars’s ultimate goal was to raze the area and build an electronic city, a plan originally supported by the city government. The art community has actively fought
against this destruction, aided by global recognition and a lucrative international art economy. Finally, in the spring of 2006, a joint committee of Seven Stars and the Chaoyang district government was formed to oversee 798’s development into a Creative Industries Area.

From grassroots beginnings to official icon

798 Art District has progressed from an underground village to an international art destination in less than a decade. Yet in contrast to many other recycled industrial areas, which are stimulated by either market forces or top–down government planning, 798 has followed its own trajectory. Its establishment and preservation is the result of grassroots efforts, foreign influence and bottom–up national policy.

In the beginning, as with other artists’ villages, the artists lived together as a community. Many recall those early years as a sort of utopia; they lived in cheap, amazing architectural spaces, where they were able to work away from the rest of the city, yet also had the space to arrange exhibitions and enjoy each other’s works. In the autumn of 2003 some of 798’s buildings were torn down, opening the artists’ eyes to the district’s fragile existence. A few of the artists were already activists opposed to architectural heritage destruction (Bernell, 2006), and the art community vowed to fight the demolition. They devoted themselves to raising awareness of the area’s demise and generated publicity by staging numerous exhibitions and performances. They founded an art advocacy group, Thinking Hands, to promote the free and open expression of contemporary arts in China. This organisation not only established the annual Dashanzi International Art Festival – the first independent art festival in Beijing – but also published a book entitled Beijing 798, highlighting the area’s distinctive art, architecture and history. Through these methods, the media, especially the foreign press, began to cover 798 extensively, focusing on the emergence of an art district, its heritage and its battle for existence. The area is now listed in several city guide books, is routinely blogged about and has been hailed in numerous international journals.

However, Seven Stars, with the support of local officials, viewed the publicity surrounding 798 as a threat to its development plans. In 2004, it stopped renting to foreigners or cultural institutions and took numerous actions to hinder the district’s artistic growth, such as preventing the entry of taxis into the area and tearing down exhibition posters. Although they impeded the cultural activities, these actions actually backfired by bringing more attention to the struggling district, furthering its image as a trendy, avant-garde enclave.

While grassroots initiatives brought significant attention to the art district, they were not sufficient to negotiate the district’s preservation. Few artists believed the developers or city officials would respond to their actions. Thus, important supporters with political influence and the ability to speak freely were invited to visit 798 to
publicise its plight. Foreign officials such as Viviane Reding, the European Union’s Minister of Culture, began to cite the area as proof that China was opening up, much to the delight of Chinese politicians (Angremy, 2006). Furthermore, by 2004, 798 was filled with numerous international galleries, such as the British-owned Chinese Contemporary, the German-owned White Space, and Beijing–Tokyo Art Projects. With such foreign investment and the praise of global figures, the city risked serious international criticism if it allowed the demolition of the district. As the manager of a local gallery said: ‘you cannot dismantle and put down a place which is well known internationally; instead, [the city government] has to take it under its control’ (Lily, 2006).

Yet to attribute the battle against demolition solely to foreign influence is to ignore the local contributions, especially the key action that saved 798’s demise. In 2004, Li Xiangqun, a local sculptor, was elected to the People’s Congress, where he made the argument for preserving the district. Because of this action, in December 2005 the national government pledged five hundred million renminbi (US$62.5 million) towards the promotion of creative industries. Furthermore, in the spring of 2006 the eleventh five-year plan for Beijing designated 798 a creative business zone, one of the city’s ten pools of creativity (Li, 2006). To achieve this, the Chaoyang District of Beijing made a financial arrangement with Seven Stars that has remained undisclosed (Muynck, 2007).

Following preservation, the city created the Construction and Management Office of 798 Arts District in March 2006 to act as an advisory committee and cooperate with Seven Stars in further developing 798. Seven Stars has now stated it has ‘changed its mind’ about the district (Liu, 2006) and, at least in name, support the arts. The 2006 festival had none of the strife of the previous two, and Seven Stars sponsors some smaller 798 events. However, it remains questionable whether the landowners will consider culture when large economic gains can be made. For example, Seven Stars leased a large amount of land to Shenzhen Dabang, a development company, which is considered by many (including governmental representatives) to be one of the reasons why rents have increased drastically in the area (Fu, 2006). A competing proposal had been the creation of an international architectural education centre planned by two US architects, which was defeated despite being highlighted by the Cultural Director of Beijing as a necessary institution (Mangurian and Ray, 2006).

Despite 798’s official status, it is uncertain what exactly the city government’s role will be. This uncertainty is increased because many committee members did not know about 798 until it became officially protected, and are somewhat naive about the space. For example, when asked what they would do if the artists left, they seemed shocked and questioned why they would (Fu, 2006; Liu, 2006), unaware that some had already left because of the increased commercialisation. The fate of the art district has become ambiguous, with one artist commenting that it is a ‘double-
edged sword’ (Huang, 2006). On the one hand, 798 will not be demolished and the physical environment will be improved; in particular, there will be better roads and lighting. On the other hand, many fear that officials will meddle with everything, from exhibitions to advertising, and that artistic freedom will be restricted. The Construction and Management Office says it will not enforce artistic restrictions (Fu, 2006; Liu, 2006), yet many remain sceptical, especially after a small censor sweep in spring 2006. Under the committee’s watchful eye, organic growth will certainly not continue. Citing ‘safety’, the committee has decreed that events and exhibitions need to be officially reported and approved, including contents and locations. Moreover, a new permission system will be enacted to control the admission of newcomers (city officials say that this is to ensure that the area is used for culturally-related industries; Fu, 2006; Liu, 2006).

So the city government and Seven Stars have gone from wanting to obliterate 798 to celebrating it as a cultural site within their urban policy and development plans, respectively. With the internet and the international press, the district’s status is globally monitored and the increasing foreign interest in 798 provided pressure for it to be protected, demonstrating how new information and technology communications have allowed local actors to engage in international areas once limited to nation-states (Sassen, 2004). With the increased attention and the dramatic success of the festivals, 798 became globally known, bringing international visitors and corporate sponsors. Neither Beijing officials nor Seven Stars could ignore this promotional and economic success. With Li’s case as an impetus, officials were able to protect the area on their own terms. Although the decision was possibly swayed by grassroots and foreign pressure, by deciding the fate of 798 via traditional modes of power, it is now accommodated within Beijing’s urban policy.

Therefore, although the original organic growth of 798 might have first fallen outside the Beijing government’s plans, it is now claimed to represent its open reform. Local officials quote its success and uniqueness with pride, and cite it as an example not only of China’s economic rise, but also of its emergence as a dominant force in cultural industries. One representative proclaimed: ‘Beijing is an ancient cultural centre, a famous cultural city, and 798 is carrying on the old culture and developing it into a contemporary one’ (Li, 2006).

With 798’s success and Li Xiangqun’s case to the national government, China is now initiating a massive cultural and arts strategy. Beijing’s leadership has begun to

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3 Following the district’s official acceptance, the Mayor of Beijing sent representatives to investigate 798. A few were alarmed by some artworks and initiated a censor sweep, even though many of those works had already been approved for publication by the Department of Culture. In the end, just three works were banned. However, there are fewer restrictions than before. The banned works were merely removed from the walls; in at least one case, it brought more publicity to the work. Previously, the offending works would not only have been confiscated, but the gallery in which they were displayed might have been forced to close down.
view contemporary culture as a status symbol in China’s global rise. Previously, in their race for modernisation, culture took a backseat to economic gain (as in the destruction of Beijing’s Jixiang theatre, an important site of the Peking Opera, which was destroyed while constructing a commercial development, or the partial destruction of Shanghai’s post-industrial Suzhou Creek Art District). However, now, with the run-up to the 2008 Olympics, Beijing officials are marketing the city as a major cultural capital, as demonstrated in the staging of the Beijing Biennale and the creation of twenty new cultural museums or districts (Napack, 2004). As part of this strategic plan of promoting culture to spur economic growth, the city now highlights 798 as a tourist destination in official literature and sponsored television advertisements (Fu, 2006).

Yet official protection now gives authorities more control in 798. Through the work of the Construction and Management Committee, officials will be able to keep an eye on its artistic activities, which previously were often deemed either rebellious or anti-government. They are now able to not only influence any future exhibitions or shows, but also dictate which individuals or organisations can move into the area. Therefore, along with recognising the political and economic benefits to cultural areas, Beijing officials have found that culture is also a powerful way of controlling urban spaces (Broudehoux, 2004).

Furthermore, the actions of Seven Stars in changing its mind about demolishing the district demonstrates the financial viability of art and culture. Seven Stars had originally intended to maximise the land value through the creation of a technology district, which it termed ‘China’s Silicon Valley’. Instead, seeing the economic success of Chinese contemporary art and art districts worldwide, it decided to create ‘China’s SoHo’. Thus, it was simply altering which niche market and which borrowed place imagery it wanted to exploit in order to generate the most profits.

**The rise of Beijing’s art power**

Through the rise of 798, the artists fuelled place construction and helped launch Beijing’s professional contemporary art sector. Despite having art-related areas in Beijing for many years, there is a difference between an ‘arts district’ and an ‘artists’ village.’ The latter is where artists live and work, whereas the former also provides an audience for the artworks, through selling or exhibiting. This distinction is vital for the continued existence of 798, for although it began as an artists’ village, its transformation into an arts district preserved it from demolition.

Chinese contemporary art has proved powerful in both 798’s original status and its official acceptance. Its increasing international popularity brought the district recognition, and the practice of producing art is intrinsic to its survival. Throughout 798’s rise, Chinese contemporary art has gone from being unknown to being hyper-visible. Over the last decade it has found an overseas market, with shows at the Pompidou,
Figure 3 The increased popularity and commercial success of Chinese contemporary art can be seen in how replicas are now sold. At a Beijing antique market geared towards tourists, this vendor sells fake artworks by some of the most notable Chinese artists, including replicas of some of the works that have recently been sold at auction for extremely high prices. Source: author’s photograph
Tate Modern and the Venice Biennale. Moreover, a price explosion has occurred within the past year, and works have sold for over a million dollars in many auctions. Aided by international art prices, the artists’ status has risen, and many are now becoming affluent. Thus, although previously regarded as rebellious, and socially and economically marginalised, they have become fully integrated into society’s mainstream and actually have more influence than the average citizen, since their international, national and economic connections were able to preserve 798, whereas the industrial workers could not have done the same. If the area was still inhabited by residents producing manufactured goods, the plans for an electronic city might have succeeded. In the rapidly changing landscape of Beijing, space needs to provide an economic asset in order to be sustained.

The financial success has proved the viability of arts districts and in turn has created a new niche market within Beijing’s real estate. There are now numerous arts districts and others are being proposed. Examples include the entirely planned Jiuchang, which was proposed in spring 2005 and now hosts ten galleries; and Gaobeidian, which is...
still in the design stages, and is being planned by Thinking Hands. Gaobeidian will address issues that have arisen from 798’s development, such as providing differing rents for artists and commercial spaces. Furthermore, there are rumours of more districts forming in other empty industrial spaces, and individuals buying land to create such places singlehandedly. Likewise, arts districts are now enjoying success throughout the country. Shanghai is promoting similar sites prior to the World Expo in 2010, including Suzhou Creek, a post-industrial arts district, which – like 798 – had to fight for existence following its partial destruction. Such activity is not limited to China’s major cities either; Haerbin, which branded itself a cultural city, has enlisted the help of Li Xiangqun in developing an abandoned industrial zone into ‘the 798 of the north’ (Li, 2006).

The success of 798 has also contributed to a plethora of people trying their hands at contemporary art, so that there are now plenty of ‘secondary’ works on the market. Profits have prompted pandering to the market, seen in the now-ubiquitous capitalist/communist hybrid pieces and the proliferation of oil paintings as opposed to other,
less commercial mediums (Ambrozy, 2006b). Therefore, one can debate whether 798 is still at the pinnacle of avant-garde fashion. Art consultant Meg Connolly states: ‘I think the grassroots, avant-garde, artistic spirit of 798 is definitely gone ... probably before any of us even knew that 798 existed’ (Connolly, 2006). Some believe the area has lost the underground feeling that was present prior to 2000, when exhibitions were organised secretively, without publicity, and often lasted only a few hours before the police arrived. People are now more accepting of contemporary art due to its commercial value, and 798 is turning into a tourist locale, exemplified in 2007 by the opening of the first fully-fledged ‘attraction’: the Ullens Centre, where (for a 30 renminbi entrance fee) visitors can view one of the largest Chinese contemporary art collections. Many artists complain of 798’s new-found commercialisation, and its grittiness is already being usurped by other arts districts.

The district has become mainstream and has been re-engineered into a trendy, post-industrial space full of galleries, eateries and bookshops. The streets are full of Chinese and foreign tourists, and art exhibitions exist alongside corporate events and conferences. Furthermore, numerous art and property speculators have descended upon 798 hoping to benefit financially. Potential future developments include branches of both the Pompidou and the Guggenheim, and rumours abound that spaces operated by a relative of Deng Xiaoping as well as a top member of the Beijing government will soon open (Angreym, 2006). If so, 798 is certainly safe from demolition, but its remaining autonomy will be nullified. Many individuals praise the increased attention paid to the area, citing it as an example of the rise of culture within Chinese society; however, others criticise it as a simulated underground environment in which opportunistic artists and entrepreneurs thrive.

Nevertheless, the transformation from an experimental artists’ enclave into an official art business district is not necessarily bad. Successful arts districts typically develop into areas with expensive rents and different kinds of tenants; the question is, how does that process occur? If it becomes a vibrant part of the city, then it could become a positive contribution to urban form (Mars, 2006). Hoping to achieve just this, the city government aims to be the guiding force in 798. However, this is new terrain and many feel that 798 will become increasingly commercialised. As one early resident laments:

when I moved into 798, people lived here because they liked the way of life, the artistic life. Now it is different; it is a very commercial place. People are driven by profit. (Chen, 2006b).

The commercialisation of cultural neighbourhoods generates inflationary market pressures that can erode the uniqueness of place (Peck, 2005) Thus, the tone of 798’s official development runs the risk of becoming generic, and those originally drawn to the district might start to spurn it.
Figure 6 The 798-SoHo comparison is exemplified in the sign for one of the galleries in the area. Modelled after Beijing’s bus stop signs, only with one side in English and the other in Chinese, it lists the ‘route’ of 798 from SoHo, New York, passing through other famous art districts throughout the world. Source: author’s photograph

The 798 brand: the Chinese avant-garde becomes a global commodity

As much of the district’s press points out, 798 is similar to tourism and cultural precincts in many cities worldwide, from the Guggeheim-inspired area of Bilbao to the little galleries of Chelsea in New York. The success of 798, thus, stems from and relies on global imageries that are transferred to the local context and place through the conscious actions of local players. Within this process, 798 becomes an innovative product that differentiates itself from all the other ‘ordinary’ properties. Evoking this imagery, the art district has become an urban branding strategy, employed first by the artists for the purpose of survival and now by Beijing officials as a way to globally promote the city.

In their fight for existence, the residents were and still are aware that identity is their chief commodity. Knowing that the area’s attention-grabber is post-industrial bourgeois-bohemian, they utilised place-naming (such as SoHo) and promoted the
Bauhaus 'style' to help advertise and protect their home. Yet most of all, they created
the brand of 798 by actually giving the area that name. In socialist times, military
factories were distinguished by beginning with the number seven, and the largest of
such complexes was the vast 798. With those three digits now plastered over every
other building and on such items as t-shirts and baseball caps, this number has been
turned into a logo marketing a themed locale. Thus, that many international compa-
nies hold events here does not signify 'selling out', but rather demonstrates the power
of the 798 brand.

In 798, the artists actively engage in the market system and the commercialisation
of the district, and have done so since the beginning. 798 Space, one of the first
galleries, was founded not only to house art exhibitions, but also – for a hefty fee
of 8000 renminbi (about US$1000) per day – to hold corporate events to finance
the exhibitions (Ting, 2006). With the district's increased visibility, some artists have
recently rented studios not to actually produce art in but to display artworks and
conduct business. This is consistent with many original artists who have now moved
their 'working' studios, but kept space in 798 to promote works and maintain contacts.
In addition, many artists now own businesses in the area, such as cafes or restau-
rants. These actions completely contradict Ley's (2003, 2530) romanticised notion
that 'artists are frequently disdainful of the market system and its commodification,
which dumbs down the creative act into the language of filthy lucre'. In China, as
artists have moved from being 'underground' and avant-garde to producing real estate
advertisements and designing corporate logos, 798 cannot escape capitalism or its
own commodification. Although interest and investment were vital to 798's existence,
with the district's branding, these elements could be responsible for the loss of the
'artistic' in favour of monetary value.

The image of 798 was conceived long before the district's spontaneous growth.
With knowledge of the area spreading by word-of-mouth, 798 began organically
(unlike many other districts, such as London's South Bank, which are either planned
outright or mandated in discreet ways, such as preservation laws). However, 798 is not
as spontaneous as suggested. Some of the artists and entrepreneurs had previously
lived abroad and returned to China specifically seeking industrial spaces, nostalgic for
those they had used or seen elsewhere. For example, one artist previously lived and
worked in an industrial loft in New York City and was amazed to find a similar space in
Beijing. Moreover, many of the first galleries were partnered with those in the trendy
art neighbourhoods of Berlin, Tokyo and London. Thus, part of 798's creation results
from the urban imaginaries of industrial spaces transformed into cultural bohemies.

Berenice Angremy (2006) from Thinking Hands explains:

It was very obvious ... this area could be where contemporary culture ... could develop.
It contained an architectural testimony to an industrial past that was absolutely very
precious, and that's why we wanted to have an art district here.
Although the artists originally created the 798 brand, it is no longer under their control. The district is now officially protected, but in turn is under the thumb of Beijing’s urban plans and marketing. The city now utilises 798 to promote Beijing’s creativeness and openness, in the hope of gaining international prestige and investment. However, as with many commodified images, city officials have reduced the district’s complexity and devalued its authenticity; for example, it features in a CNN commercial commissioned to advertise Beijing. Along with the Great Wall and the Imperial Palace, the once cutting-edge enclave was promoted alongside a traditional dance, the likes of which are rarely performed in 798. Thus, with the recent acceptance, the area might be re-branded into something more compliant with traditional concepts of culture, demonstrating how familiar symbolic imagery can be recycled in themed environments and change the meaning of place.

798’s cultural influence: the new socialist image

Despite its official control, 798 still serves as a model of preserving and creating culture for both the city and the nation. Described as ‘the star shining over China’ (Li, 2004), it provides a viable alternative to Beijing’s plethora of skyscrapers full of offices, luxury apartments and retail. Yet, while following such industrial and cultural makeovers as Paris’s Museum d’Orsay, London’s Tate Modern and the industrial lofts of SoHo, 798 has done so with a Chinese socialist twist. Architecturally, the site is associated with Chairman Mao’s grand industrialisation schemes, portraying a portion of history not much idealised in present Beijing. This significance provides a different urban image, a heritage more relevant to the average Chinese citizen. As opposed to ingrained cultural imprints like the Imperial Palace, 798 represents collective lives and memories from an important time in China’s history. Factory 798 was the epitome of the communist ideal. Its carefully selected employees had the best housing, educational and healthcare facilities, as well as such perks as a swimming pool and a theatre. A generation grew up wanting to work within its walls. Alongside the many monuments to Chairman Mao and the Communist founders, 798 is a different tribute to the socialist movement and represents the pinnacle of culture at that time.

Regardless of its socialist past, 798 now fits neatly into the image that Beijing wants to project as the political and cultural capital of China. Historic sites not referencing antiquity need to be incorporated into the present Chinese policy by becoming even more modern (Mars and de Waal, 2004). Like the skyscrapers and shopping malls, these spaces must point towards China’s future, even if simultaneously evoking the past. By becoming a space of contemporary art, trendy international cafes and cutting-edge bookshops, 798 has survived Beijing’s prevalent slash-and-burn urbanism and has become a prime real-estate locale. Incorporating a new structural vocabulary for Beijing, 798 provides a space to integrate its unique architectural and socialist heritage.
into its drive for modernisation. Therefore, the district cannot be viewed in the same light as its artists' village predecessors, for it is no longer an underground utopia for struggling artists, but a chic commercialised space within the growing Chinese economy. Even if it loses its avant-garde, underground edge and becomes purely a tourist attraction, this does not fully negate its dynamic nature. Constantly changing with the rotation of exhibitions or performances, the area provides something new from the traditional Beijing tourist locales that remain static in antiquity.

With the increasing admiration for Chinese contemporary art and the uniqueness of 798, the area will continue to exist; in what form, however, is unknown. In the rapidly changing environment of Beijing, it is impossible to predict the site's future, except to acknowledge that it will not remain the same. Possibly it will become a large museum, a testament to 798's socialist, architectural and artistic history, to which Chinese and foreign tourists can flock. In part this is already occurring; there are many tour buses, and some of the more 'underground' elements (such as a nightclub which held late-night rave and fetish parties) have vanished. In another scenario, the area will pursue the stereotypical path of art districts and become a gentrified site full of luxury brands, high-end apartments and expensive offices. An investigation into this scenario can explore to what extent theories of gentrification are relevant for a Chinese local context and help describe some of the present changes that are altering Beijing's urban landscape.

**Emerging gentrification?**

Even before 798's protection, locals and journalists were declaring that the district was gentrified, pointing to increasing rents and the growing numbers of luxury cars in the area. However, simply stating that it is gentrified ignores the specificity of the Chinese urban context and falls prey to the assumption that art-led urban change is the same globally and must always involve gentrification. Smith (2002) has suggested that the term 'gentrification' is a neologism, since its conceptual power has been weakened to include new forms of renewal. Upon examination, 798 is most likely one of these other forms, for it does not present a classic gentrification case and instead actually questions how the term is defined.

Art-led gentrification has been explored extensively, and has become a theoretical battleground between those advocating culture and those emphasising class as the key driver (see Cole, 1987; Hamnett, 1991; Beauregard, 1986; Ley, 1996; 2003; Smith, 1986; 1996; Smith and Williams, 1986). The cultural theories of art-led gentrification characterise artists as initiators of gentrification, whereas other theorisations focus on the capital that follows the artists into an area, commodifying its cultural aspects and displacing the artists or original gentrifiers. After years of debate, it is now widely believed that gentrification is a result of both devalued urban areas and the specific...
consumption patterns of gentrifiers (Hamnett, 1991; Beauregard, 1986). As a post-industrial space recycled into a trendy environment for wealthy consumers, 798 meets both these criteria and certainly exhibits the relevant signifiers of gentrification, such as increasing rents, land speculation\(^4\) and the formation of a new cultural centre. Yet through its removal from the inner-city core, its few residents, and its lack of displacement issues, this site raises questions about both the gentrifiers and the gentrified property.

Instead of following traditional examples of art-led gentrification, in which a localised demand for art is established and changes a declining urban core into a trendy residential neighbourhood (Cole, 1987; Ley, 2003), 798 follows the example of Lloyd’s (2006) ‘neobohemia’, in which the neighbourhood change is not limited to the activities of the local people. Such art districts are inherently different from the previous anti-bourgeois, avant-garde places, in that art is only a small aspect of the urban change. Instead, these places are economic locales in which the aesthetic value created by daily cultural performance becomes embedded in property values and the local entertainment commerce (Lloyd, 2006). The urban change does not come from the sale of art, but through daily transactions around drinks, food and rent within the local entertainment economy. In this manner, cultural consumption in 798 is performed by tourists and visitors, not residents. A direct result of Beijing’s engagement with the global economy, these individuals, like all gentrifiers, differ from the existing population in terms of their income levels and purchasing power. Thus, gentrification should not be reduced to changes in inner-city residential patterns, but should consider tourism and cultural activities, which – although transitory – have the power to affect urban change and promote area reinvestment and restructuring (see Rubino, 2005).

Besides presenting its own version of gentrifiable property and gentrifiers, 798 does not demonstrate the classic displacement issues that characterise gentrification (and, according to some theorists, are vital to it; Slater, 2006). Instead, it presents a ‘harmonious’ class separation, with industrial workshops existing alongside avant-garde galleries and stylish cafes. Whether the industry will remain is debatable. Workers were not involved in the discussion of its possible destruction, and nor are they consulted in discussions of 798’s future. Most appear to have no opinions, and are more concerned with being employed or getting their pensions. They largely take a blasé attitude towards the area’s changes, often reiterating that whatever will most advance the nation or the company is best. One commented: ‘If the arts district can make more money than an electronic city, it’s very good. You need to survive; whatever is profitable is better.’ (Chen, 2006a.)

Unlike previous situations (see Smith, 1996), in 798 the displaced are not left to

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\(^4\) Rent has at least doubled since 2002, and in some areas it has increased by a factor of five. Shenzhen Dabang has speculated its unused land to ten times its value when it was bought in 2000.
Figures 7 and 8. Evidence of the ‘two different worlds’: industrial workers line up outside a canteen for lunch, while a group of art tourists stroll down a street filled with warehouses converted into cafés. Source: author’s photographs

their own devices. It has not created exclusion issues; for example, informal markets have not been removed, but have increased with the district’s popularity. There is no displacement resentment, since leasing the factories provides the workers’ pensions. Likewise, 798’s artists are not victims. Even if they leave, 798 has provided a market for Chinese contemporary art, or – as one artist phrased it – a ‘business baptism’ (Cang, 2006). Therefore, given the huge amount 798 has done for the Chinese art sector, it is not yet fair to judge it according to gentrification theories that revolve around displacement.

The changes in 798 associated with gentrification are often described as being a part of the ‘natural’ lifecycle of the city. However, viewing gentrification as natural is an ahistorical treatment of the market and urban processes, which – although sharing similarities – are unique to different societies, different periods and different modes of production (Smith, 1986). As gentrification becomes more geographically dispersed, one cannot guarantee that these ‘natural’ developments are the same globally. Unfortunately, only recently has more literature been produced questioning the forms of
gentrification in completely different urban contexts, such as post-communist sites. These areas, such as 798, raise questions about how drastic urban change, apparently a global trend, is localised and differentiated through cultural or national situations.

**Learning from SoHo**

Interestingly, art-led gentrification is most associated with the urban change in New York’s SoHo (Zukin, 1989), an area to which 798 is often compared. The comparison was first made in the desperate fight against destruction, as Berenice Angremy explains:

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Knowledge of gentrification outside Western cities has often been limited by ideological and linguistic barriers, and the general impression that gentrification in other global regions is absent (Atkinson and Bridge, 2005). Sykora (2005) details gentrification in Eastern European post-Communist sites. However, this still cannot fully explain the current gentrification processes in China, due to different governmental and societal systems. For example, see the differences between Eastern Europe’s system of restitution and China’s land, which remains in governmental ownership.
At the beginning, I played with the SoHo words … maybe it sounds very cynical, but at that time we were desperate, because everything was being torn down and we had to attract people … they recognised it.

On a superficial level, this comparison can be attributed to Western place-naming (Shanghai is the ‘Paris of the East’), as well as a further attempt to brand and sell a place. This description makes it seem as if it is not worth describing in its own right, ignoring 798’s unique history and Chinese collective identity. Furthermore, until recently it was debatable in terms of accuracy, as the two areas shared only the global trait of art-filled industrial spaces. However, with 798’s preservation, there was a stronger parallel. In the Rockefeller-inspired plan for Lower Manhattan, the warehouses and working-class neighbourhoods were to be demolished in favour of a centralised financial area. Instead, a successful campaign was waged against the development in the name of ‘historic preservation and the arts’, and in 1971 it was proclaimed an art district. Yet this was not necessarily a success for culture over capital; it was really another means to recapitalise Lower Manhattan. Now, 798 has also been declared an area in which to promote the arts and preserve architectural and industrial heritage.
As people continue to liken 798 to SoHo, will the space actually follow the same gentrified trajectory? If so, the difference will be the speed at which it takes place. This trajectory might be what city officials had in mind when preserving 798, for as Li (2003, 32) asks: ‘without its own SoHo, how can Beijing be taken seriously as a major economic player on the world stage?’

As urban space is increasingly restructured around cultural consumption for the more affluent classes, gentrification typically follows. Yet to state this as universal, merely results in the belief that all cities must follow the path taken by the established global cities in order to advance in the international economy. Instead, urban restructuring rests on local or national situations. Although 798 demonstrates processes related to gentrification, it is not a classic case, due to its differing gentrifiers, non-inner-city residential site and lack of displacement. Although Beijing is clearly utilising culture to globally enhance its image and economy, the connection to gentrification cannot so readily be proved. However, this article raises questions about how gentrification is specifically defined and how its processes are seen in varying local contexts.

Conclusions

This article has highlighted 798 in the context of the rise of culture within Chinese society and urban policy. Historically, those with power over a space enforce the vision of that space; yet the power to impose a coherent vision of a space can actually grant the power to claim that space (Zukin, 1995). Although Seven Stars controlled the land of 798, the artists were able to reclaim it as an art district. Greater affluence and increased contact with the global market has led to new possibilities to engage in unofficial initiatives. The artists’ connection to money and political influence demonstrates the pluralisation of power following the opening up of the economy.

The art district clearly reveals Beijing’s structural change from an economy based on production to one based on cultural consumption. Its emergence is not only a result of, but also an influence on the cultural shift in Chinese society. Yet, given that 798 has only recently been declared an official art district, it is still unknown how this will manifest itself. Possibly it will imitate the path of SoHo and become filled with luxury stores and apartments. Possibly it will become another tourist cliché, or maybe it will remain a platform for the commercial advancement of Chinese contemporary art. Whichever path 798 takes, it will not return to its underground artists’ village roots. Nor will it necessarily follow the exact route of its Western predecessors. Although based on global imageries of post-industrial artists’ enclaves, the case of 798 raises questions about how such images are pursued and exploited in the local Chinese context. Whether or not Beijing is a true global city, it has been incorporated into global commodity production and these associations have produced political, economic and spatial conditions similar to (but not the same as) those in established economies (Wu, 2007).
In the end, 798's development has provided an intriguing exploration into the cultural shift in Chinese urban policy and the utilisation of arts districts in urban image construction. Although 798 began as an unofficial site contesting the norm of standard urban planning, through grassroots efforts it captured international attention and eventually earned an established place within Beijing's rapidly growing economy. Nevertheless, as a redeveloped cultural area, 798 risks becoming an entirely planned and controlled environment, where everything from signage to commercial activities will be regulated to create a unified urban spectacle. Even if this occurs, the district's recycled factories are a unique historical site not often idealised in present Beijing. In a city that normally acknowledges only antiquity or the super-modern, the area should have long been forgotten and destroyed, but thanks to an arts community creating the 798 brand, it has been preserved and has become a cultural icon for the city. As a new urban possibility that developed outside official top-down policy, 798 has not only spurred the market towards creating cultural areas, but has also encouraged the Beijing government to readjust urban policy to situations that do not follow the original official plans, allowing creativity and culture to influence official urban structure.

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