Culture permeates even the most imposing industrial building. Driven by global city making, cities see culture as a key to bolster a new economy and to deal with decayed urban sites. However, regional practices of the creative strategy differ, as actors are not “dancing puppets” but actively seeking vested interests. The Red Town project in Shanghai is one typical project that represents the shift from sporadic artistic action to organized construction and management of spaces for the creative industry. This paper attempts to probe into the development process of Red Town and to uncover the links to power relationships of a variety of actors in the urban regime. The pursuit of distinctiveness through selectively authentic conservation and branding of artists’ offbeat taste, in return, offers benefits to the several key players involved, such as developer and government agents. However, when the link between artists and archaic industrial buildings is legitimized and consumed, the resulting space becomes commercialized and, to an extent, discriminatory. In this case, the architectural effigy celebrates economic growth. At the same time, it spurs the rise of unexpected social consequence.

1. Introduction
"Art in capital" is a small art gallery in Red Town\(^1\), which is depicted as a small community formed after the renovation of an abandoned steel factory. Old bricks and mortar are preserved, as well as all other marks of age like rusted nails and nonfunctional electric wires. The new environment, with its air-conditioning system made in Germany and its heating system made in France, now guarantee a 4A class interior space as evaluated in the office market. In this creative community, sculptures are displayed at communal areas, through which so-called creative professionals rub elbows a stone’s throw away from their respective offices.

It did not take long for Shanghai, one of China’s economic powerhouses, to embrace cultural consumption. The city is filled with passion for art of all types and descriptions, evident in consumers unmoved by the rocketing prices of art works in recent auctions\(^2\). Art consumption has undoubtedly become a trendy way for many Shanghaiese to assert their distinct taste and identity. However, many art critics worry that this craze for art has allowed consumerism to dominate market behavior and further lure art supplies\(^3\). The same concern pervades the rehabilitation of archaic industrial buildings for the consumption of artistically produced space.

The story starts when a cultural group (artists, architects, etc.) moves to usually abandoned and dilapidated industrial plants in the inner city, converting these into workshops and studios. After rehabilitation, these warehouses and production plants magically convert decayed urban area to magnets, which attracted artists to move in one after another, and also became popular destinations for visitors, many of whom are young generations attracted by that kind of life on the edge. The magic effect of the chemistry between artists and deteriorated industrial sites triggered interest of many others. One who react quickly is the Shanghai Municipal Government, who was searching for all means to push forward economic restructuring under a condition of short of land in the city. The combination of artists and non-functional industrial sites gave the government a lot of inspirations. At that time, creative industry - the new favorite of many entrepreneurial governments after Florida’s promotion [4] - caught the eyes of Shanghai officials who immediately opened their arms to embrace the new economy with little hesitation. Conservationists’ endeavor to conserve industrial heritage through rehabilitation gave the action of reuse another fancy cloth of heritage conservation. Packaged in one, the scheme of Creative Industrial Agglomeration Area was introduced to encourage the development of creative industrial zones based on recycling of decayed factories in the inner city [5, SHMG, 6]. The lucrative market attracts a different breed of actors, such as real estate developers, government agents, or a coalition of the two, to actively involve into this process. Soon, the piecemeal action was pushed into a city-wide movement. At the end of 2008, 76 sites have been labeled as Creative Industrial Agglomeration Area [SCIC, 7]. The development at a scale previously unseen caught the attention of the central government, which launched a publicity campaign stressing that urban development occurs “when the creative industry dances with industrial heritage”, and calls for “learning from Shanghai” through its core newspaper [8].

The project of Red Town is one typical case that represents the turning from the first stage to the second stage, namely, from artists’ sporadic activities to organized construction and management of office space for creative industry. The outputs reflect negotiations among different actors that actively participate in this process for invested interests. It is also since the project of Red Town that projects that follows desperately resort to heritage conservation to promise a unique experience and for many, through a conscious and deliberate manipulation of history. Priority was given to

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\(^1\) The Red Town in this paper includes two projects: one is the Shanghai Sculpture Space (SSS), and the other is the Shanghai Redtown International Cultural and Business Community, both of which are located within one old factory compound and are usually perceived as one development project by the public.

\(^2\) The boom of China art market were widely reported by many newspapers, e.g., (Anonymous, October 16 2007; Barboza, January 04 2007; Rabinovitch, June 13 2008)

the cautious preservation of aged buildings’ fabrics, particularly their erosion and decay, often in the name of authentic conservation.

At its planning stage, the project of Red Town was publicized as an attempt to encourage the development of art and culture, as well as to set up a model of rehabilitation of industrial heritage. As the project processed, however, pressure is exerted for economic benefit that is measured in revenues. This paper attempts to probe into the development process of Red Town and to uncover the links to power relationships of a variety of actors in the urban regimes. I argue that Red Town is a project that prioritized the authenticity of heritage conservation, a space made vibrant by culture, seemingly detached from mundane living, and tailored for artists’ use. In reality, however, authentic heritage conservation was applied only to a select portion, specifically the building’s fabric. Meanwhile, the spatial features of industrial legacies, which might best represent the ethos of the muscular industrialization, was crudely altered to maximum up-market office stocks.

Data are obtained from interviews and site-visits within a span of two years, as well as government documents, magazines published by the Red Town Company, newspaper articles, and reports, etc. During the past two years, we have interviewed 22 individuals, including officials from different departments, developers, conservationists, artists and tenants in Red Town, etc. After literature review, the spontaneous stage is described to introduce how the idea of combining industrial heritage and creative industry emerges, and then the following section focuses on the renovation and management of Red Town, while concluding remarks is made at the end.

2. Debates: creative class, social divide, and power relationship in the urban regime

The concept of “creative class” was introduced by Richard Florida [4], who specifies them to be imperative group for cities and regions that expect to succeed in this economy increasingly driven by creativity. In its core, Florida’s thesis is to establish an environment that is attractive to the new ‘creative class’. The idea has gained prominence among many entrepreneurial mayors who attempt to accelerate economic growth and finally project their cities to higher tier in the global city hierarchy.

Culture-led urban regeneration is one kind of means deployed by many locales in their practices to develop a new economy and also to deal with decayed urban areas [9, 10]. One strand of studies promotes that establishment of unique hybrid identity through cultural and heritage boosts distinctiveness and then advancement along the ladder of economy and power. Recalling the word “to imagineer” coined by the Walt Disney Studio to describe its way of “combining imagination with engineering to create the reality of dreams,” the thesis of urban imagineering is introduced at its core as a political act turning to the question of what and how to build at the local level in a slimmer manner as Disney does [11, 12].

Others criticize that the promotion of a particular set of values through themed built environment and spectacles reflect social divide and unequal relationship [13]. The aestheticization of archeaic buildings in the picturesque style of heritage conservation is often claimed to be a new type of space tailored for a cultural community. The conscious manipulation of image for a given place may respond to the large-scale social transformation from a Fordist to a Post-Fordist society, namely, the birth of the new middle class which seeks out the stylization and aestheticization of life [11]. Meanwhile, neglecting uncreative class is sanitized and social inequity is legitimized. As Bourdieu points out, “art and culture consumption are predisposed, consciously and deliberately or not, to fulfill a social function of legitimating social differences” [14].

Researchers in the conservation field are more concerned with the commodification and exploitation of culture and history, frequently conducted in a distorted manner for maximum economic benefits in name of authenticity. As a response to the resorting to heritage and tradition, Alsayyad [15] approaches the problem from a perspective of a conscious and deliberate manipulation of culture wherein the built environment is designed to promise a unique cultural experience. Many culture-led urban regeneration projects, might merely “begin with poetry and ends with real estate” [16, cited by Evans, 2005, p959]. Disney was not the “first to pioneer the idea of replicating places of the ‘other’ for people to experience.” However, it “was the
first to recognize the permanent, continuing commercial potential of such installation” [15].

The “city of renewal” era reinforced the widespread use of cultural symbols in urban regeneration [9, 17-21]. However, regional practices of the creative strategy differ [13, 22]. This transformational movement has been the subject of various research works, more so in the aspect of the politico-economic realm. Beaueregards and Haila commend that, actors are not “simply puppets dancing to the tune of socioeconomic and political logics but rather relatively autonomous agents” [23]. Cities are governed by regimes, as put by Stone [24]. An internal coalition of socioeconomic forces pulls the strings in the urban regime. These influential actors with direct access to institutional resources hold a significant impact on urban policymaking and management, and this often results in the urban landscape’s contingent spatial transformation. The spatial outcomes of development and policy spawn continui

different agents within a governing regime va

light, the transformation of urban landscapes nee
be explored from the internal structure of
socioeconomic actors and their negotiations in the
process.

3. The burgeoning idea: when industrial heritage dances with the creative industry

Public awareness and appreciation for heritage conservation may take a backseat in a bustling economic hub like Shanghai. Rapid urbanization often calls for the demolition of decaying buildings to make way for modern structures [25]. The city’s passion on nostalgia, when it eventually started to burgeon, was frequently confined to buildings with the link to the colonial past, such as photogenic villas being renovated into Shikumen houses ** under the Xintiandi project. Projects of such nature had been quite eclectic.

The mid-1990s witness a shift when public attention was provoked by a series of spontaneous rehabilitations of dilapidated production facilities and warehouses. One of the pioneers is Taiwanese Architect Teng Kun-Yen who rented a warehouse at the south bank of Suzhou Creek and refurbished it as his studio in 1998 [27]. Rumor has it that the warehouse used to be the property of Du Yuesheng, the legendary head of notorious Green Gang in colonial Shanghai. Such a reputation lent historical value to the building. According to Teng, what he attempted is to give new life to ‘junks’ [28]. The concept seems to be resonated by UNESCO, which gave him an award for demonstrating what an individual can do by recycling a building for new uses. Following Teng’s case, similar cases sprouted, albeit inadvertently, such as Tianzifang and M50. In around 1999, famous artists like Chen Yifei and Er Dongqiang moved into Tianzifang, a Shikumen block that used to house manufacturing workshops during the socialist period but decayed afterwards. The subsequent opening of their studio attracted many followers and the place gradually developed to a cluster of artistic workshops [CBRE, 29]. Meanwhile, in 2000, the first artist of Xue Song moved into a factory located on Moganshan Road after failing to secure lodging at the “red house” where his peers set up their studios. When the red house was demolished two years later, his peers joined him [30]. The place later became known as M50, which remains to be the largest cluster of artists and art galleries until today.

Although it is easy and fairly natural to interlink these discreet activities with appreciation for industrial heritage, the transformation of these spaces may have been motivated by practicality. These decrepit buildings command a small price for such a large space, which is imperative for struggling artists needing flexible space in an expensive city. Indeed, the majority were greenhorns when it came to heritage conservation. Nonetheless, the resulting space marries aesthetics with functionality, housing such works of art as avant-garde sculptures, paintings, and pottery. Lending more charm to the place are randomly placed pieces that are both finished and unfinished, and doors, floors, and doorways serving as canvases for graffiti. Architects regard endeavors involving such alternative concepts as “experimental”, playing with different shapes, materials which may extremely contrast with one another visually.
The warehouse dubbed “No. 1305 South Suzhou Road” by Teng is a spectacle to behold owing to its innovative interior spaces with a distinctly offbeat style [27; Interviews and site visits, 2007, 2008, 2009]. A large piece of glass replaced the previous wood floor in the middle of the room, which is decorated by postmodern elements such as an abandoned signage board bearing a socialist slogan and a 1930s hot-blast kerosene lantern sporting an electric bulb. For his part, Teng continues to collect and reuse junk material and subsequently transforme “junk into antiques, rubbish into something rich, strange, expensive and amusing” (Raban, 1974, p95, cited by Ley, 2004).

The fame of such developments spread by word of mouth, primarily among artistic groups and then in universities (interview with artists in M50, 2009). As a number of artists either were members of or possessed connections to the academe, news about these place spread much quickly among students, and then to students’ friends, schoolmates, families, and so on. Its growing renown, however, was expedited upon capturing commercial interest. As early as 1999, architect Liu Jidong advocated the piecemeal conversion of individual studios to a property development. He divided his 5,000-sq.m. warehouse into several sub-spaces for lease [SCIC, 7, CBRE, 29]. His marketing strategy involved publicizing the building as “Shanghai’s first creative industrial facility,” attracting a considerable number of design firms. The award by UNECO is also helpful. After relocating to another project in the Yangpu District, Teng Kun-yen did the same thing, dividing the warehouse and leased them to several firms. Tianzifang, again, soon witnesses leap of rent and consequently became home to small galleries and shops peddling handicrafts and other tailored cultural products, luring not only tourists but the media as well. The developments were then given sufficient coverage in newspapers, magazines, and TV programs, particularly in segments offering advice on the latest in art and fashion [31]. They were likewise featured in Web sites and individual blogs. The artists’ personal taste as reflected in their works, albeit off-stream, was soon emulated by the public, especially the younger set. Regardless of the motivation behind the renovated spaces, the output maintained its public appeal. Artists who rented and renovated the vacant industrial facilities even served as agents who repackaged the derelict buildings into an extraordinary setting for business and leisure. The result was both distinctive and attractive.

It is also the same period when conservationists who have been long struggled for legislation on conservation finally see fruition. In 2000, China’s International Council on Monuments and Sites (ICOMOS) issued The China Principle to recommend general management planning process, conservation principles, and intervention guidelines for the preservation of similar areas. In 2003, the International Committee on the Conservation of the Industrial Heritage (TICCIH) passed The Nizhny Tagil Charter for the Industrial Heritage [TICCIH, 32]. Finally, on April 18, 2005, the city of Wuxi played host to the first international forum on industrial heritage. In the forum, the Wuxi Protocol was approved in the hopes of increasing efforts geared towards fast economic growth. Six months later, the ICOMOS staged its 15th congress in Xi’an, China, setting the theme for the succeeding year’s International Heritage Day: “Valuing and protecting industrial heritage” [33]. The draft was later revised and published as a charter, followed by “the Announcement of Enhancing Industrial Heritage Conservation” by the State Administration of Culture Heritage of China [34].

The city of Shanghai acted even more promptly than its counterparts in the country. Following a year-long poll and corresponding on-site study and evaluation by field experts and administrative officials, the Shanghai municipal government in 1998 announced the list of Excellent Heritage Buildings, which included 15 industrial sites constructed during the post-Opium War era. In 2003, Wu Jiang, the professor major in architectural history in Tongji University, was appointed as the Deputy Head of Shanghai Municipal Planning Bureau, which is tasked to take care of historical buildings and sites. In the same year, industrial heritage was acknowledged in official documents such as the “Notice on Enhancing the Conservation of Historic Areas and Excellent Heritage Buildings in Shanghai.” The document explicitly stated that “workshops, shopping premises, factories, and warehouses which were built over thirty years ago and representative of the historical episodes of Chinese industrial development shall be listed as heritage buildings and effective protection measure shall be
applied to them” [SHMG, 35]. By the end of 2005, a total of 43 industrial sites earned the title of Industrial Heritage Sites [34].

Despite this achievement, which in their eyes remained merely paperwork, conservationists held admiration for the artists’ concrete works and resulting influence. The popularity of these spaces provided hope to conservationists who had long lobbied for legislation on conservation. After all, successful industrial rehabilitation is the most effective way of promoting heritage conservation. Figures of conservationists began to show up in many projects such as M50 and Tianzifang. After assistant in the survey of industrial heritages in 1997, Ruan Yishan, another leading scholar in conservation of historical cities in Tongji University, set up a center entitled “National Research Center of Historic Cities”. His team is an active player in the battle against the demolition of M50, benefited from his smart deployments of these connections to provoke public attention through a wide variety of channels, from academic conferences, meetings with senior officials and party members, workshops with artists and communities, to publishing newspaper articles and books (interview with professors in his team, 2009).

Knowledge is power, conservationists’ high profile actions demonstrates it by transferring the piecemeal reuses of archaic industrial buildings to a heritage crusade.

The municipal government also detects the economic potential. After ‘closing, terminating production in, merging or transforming’ polluting enterprises in inner city in the 1990s [SSOAASC, 36], the municipal government was burdened by the slowly decaying mammoth structures. They became a stumbling block to a much-needed economic restructuring. Following years of experimental exploration, the importance of integrating spatial planning into economic restructuring was recognized and eventually included in the 10th Five-Year Plan [SHMG 6, 37]. The reuse of abandoned plants and warehouses sparked a host of possibilities. Not satisfied with the discrete effect, the government pondered ways to generate employment and revenue through the revitalized areas, aiming for a full regeneration that sustains [8]. It sought a model that could be applied at a major scale to facilitate the inner city’s industrial restructuring, which was envisioned to result in higher gross domestic product (GDP) and employment opportunities in the service industry. The ultimate goal was to bring Shanghai closer to the vision of a world city. To achieve this goal, the Shanghai Municipal Economic and Information Technology Committee (SHEITC) proposed the creation of the Creative Industrial Agglomeration Area, a zone which restores and reuses industrial legacies to accommodate creativity-based firms [SCIC, 7]. Following a survey on non-functional industrial sites in the city proper, SHEITC pursued the creation of 70 to 80 Creative Industrial Agglomeration Areas by end of 2007 [SCIC, 7].

To facilitate the project’s promotion at the city level, the Shanghai Creative Industry Center, a semi-governmental organization, was established in 2004. Further, the Three Unchanging Principles were proposed [SCIC, 7, SSOASAC, 36] to iron out legislative hurdles. Under the principle, the rehabilitation of nonfunctional production and warehouse facility may be conducted if “ownership of Land Use Right,” “the major structure of the building,” and “nature of the land use” remained unchanged [SCIC, 7, SSOASAC, 36]. It is worth mentioning that issues related to Land Use Right fall under the watch of the Shanghai Municipal Housing, Land and Resources Administration (SHMHLRA), while issues pertaining to land use are under the jurisdiction of the Shanghai Municipal Planning Bureau (SHMPB). In other words, SHEITC has no legal right to evaluate whether a rehabilitation project of a former factory site could change the nature of land use, and it does not possess the right to judge whether the transaction of Land Use Right is a prerequisite for a given case. However, if the change of land use is interpreted to be a change from ‘manufactory industry’ to ‘creative industry’, and the relationship between land owner (the factory) and developer is understood as that between owner and tenant, the two governmental departments, SHMHLRA and SHMPB, acquiesce the “rationality” of the Three Unchanging Principles and offer their full support after the “care” expressed by the municipal government (interview with a former managerial staff at SHMHLRA, 2009).
By its very nature, the principle generated an informal category of rentable industrial spaces on the state-owned land, which otherwise commands land premium at market price for the transfer of Land Use Right [38, 39]. In return, a portion of the profit will be returned to the land owner, which is usually a struggling state-owned enterprise facing financial crisis, in the form of a monthly rental fee. The requirement specifying “no major change of the building structure” is appended as evidence to demonstrate the rehabilitation project’s nature as a refurbishment of rented space rather than a development project on a piece of urban land. In this light, it is difficult to conclude that the principle is based on heritage conservation. Moreover, the loose definition of “no major change” leaves it open to interpretation. The principle is therefore a kind of incentive offered by the government to address the problem of fragmented ownership [SCIC, 7]. It is grounded on industrial restructuring rather than heritage conservation.

Nevertheless, the term of ‘industrial heritage’ spread like wildfire, oft-quoted by both politicians and the media. It likewise shone the spotlight on the creative industry. The year of 2004 is destined to be a turning point that witnessed intensive actions around these two issues. In April 2004, the first project to be undertaken by a professional developer commenced [40], involving renovation work for the Shanghai Automotive Brake Systems Co. Ltd.’s former compound. Developer Tony Wong, who used to work on the Xintiandi project, led the undertaking. In August of the same year, then mayor Han Zheng introduced the slogan, “New construction is (a kind of) development, (whilst) conservation and renovation is also (a kind of) development,” following a meeting with the National People’s Committee (NPC) deputies and China People’s Political Consultative Conference (CPPCC) members on heritage conservation [41]. A month later, Chen Liangyu, then secretary general of Shanghai China’s Communist Party (CCP), gave a speech on Shanghai’s cultural development, emphasizing that equal attention should be accorded cultural facility and cultural industry, and formally acknowledging the creative industry [42]. In the same month, the Master Plan for Cultural Spaces was published. In November, the Shanghai Creative Industry Center was formally established, and the first forum on creative industry was conducted a month later [SCIC, 7].

4. Legitimizing distinction: consuming history and culture in Red Town

Following extensive discussions on culture and conservation, the plan for the Shanghai Sculpture Space was put on the table in 2004. It was an offshoot of the Shanghai Municipal Planning Bureau’s urban sculptural development promotion for Expo 2010, which was based on the Master Plan for Urban Sculpture approved by the municipal government in July of the same year [SHMPB, 43, 44]. The idea of building a Shanghai Sculpture Space by renovating a non-functional industrial building thus emerged, as the bureau is tasked to manage the heritage buildings and sites. The renovated structures were envisioned as “platform of city sculpture,” a place “embracing functions such as exhibition and communication, sculpture production and transaction, sculpture reserve and artistic education” [SSS, 45, 46]. Further, the project was designed to explore ways to restore industrial heritage and showcase innovation by reusing Expo facilities after the event [47, 48]. Through creative salvaging of old industrial structures, the government aimed for the site and neighboring areas’ transformation into “a public art center with the most dynamics” in the urban area. It was likewise expected to serve as one necessary element that would symbolize Shanghai’s world city status [SSS, 45, 47].

For the project, the former cold rolling workshop in the No. 10 Steel Factory was chosen for its accessibility. The compound, established in 1956 as a branch of the Shanghai Steel Company, was situated in the eastern part of Changning District, occupying a sprawling portion of the downtown area on West Huaihai Road. The site was in close proximity to such establishments as the Hongqiao Economic and Technical Development Zone and the Xujiahui business and commercial center. It was likewise adjacent to the Xinhua Road Historical and Cultural Heritage Area. The plant was abandoned following the company’s restructuring in 1989. Tender was called shortly in September 2004. After nine months’ evaluations and modifications, Dingjie Investment Ltd bested nine aspiring developers. Interviews with a Municipal Planning Bureau official (interview, 2008) and company chief executive Mr.
Zheng (interview, 2008, 2009) revealed varying reasons for the winning bid. While the official attributed it to the developer’s eagerness to embark on heritage conservation, Zheng credited the success to financial resources. For example, other bidders such as Shanghai Grand Theater and Shanghai Art Museum were ruled out because these state-owned enterprises relied on government funding. Among the private developers, Zheng’s firm boasted of readily available capital resources. Further, the developer was backed by experience in heritage renovation projects and the CEO’s personal background in stage design. Zheng taught at two universities before moving to Hong Kong, where he shifted to the Department of Investment at The Xinhua News’ Hong Kong branch. Prior to the Red Town project, he was involved in a series of conservation projects such as Sinan Garden on Mid Huaihai Road, Meiquan Villa inside the Xinhua Road Historical and Cultural Zone, and the municipal historic building No. 201 on Anfu Road.

The contract stipulated the developer’s responsibility for the renovation work, after which the company get the right of management for the following 20 years. This role included the staging of two high-level exhibitions per year. The Shanghai Municipal Planning Bureau would subsidize the company by paying rent to the land owner (No. 10 Steel Plant) for the first two years (interview with Zhang, 2009). In November 2005, the Shanghai Sculpture Space (Zones A and B on the master plan) was completed and opened to the public. Later on, the company won the contract to renovate further all the buildings left in the compound to develop a relatively private project, which is known as the Shanghai Red Town International Cultural and Business Community (Zones C to H). The team, constituted by Dingjie Investment Co. Ltd., Shanghai Realize Consulting Co. Ltd., W & R Group and some other assisting institutes, formally changed the company name to Red Town Property Management Co. Ltd in 2006.

The No.10 Steel Plant is a typical compound with a number of buildings clustered around a big courtyard, covering a site that is 55,000 m² large. Upon the onset of the operation of all zones, the compound will offer a total of 46,000 m² space, 11,400 of which is for the Shanghai Sculpture Space and 34,600 for Red Town. Specifically, Zone A (2,500 m²) is designed to house large art exhibitions; Zone B (8,900 m²) is planned to serve as an art exhibition area, working spaces for the creative industry, and other associated uses; and Zone C to H are spaces for the creative industry. In this paper, the conservation work will be discussed based on the cold rolling workshop, half of which was designed to be a public exhibition hall, and the other half was to house semi-private creative business while a study on the tenants covers all four zones of A, B, C, and H.

Figure 1: The master plan of the project [source: 46, 49]

4.1. Legitimizing Taste: Playing the Cards of Industrial Past in the Era of Deindustrialization

Technically, conservationists now normally follow a value-centered frame to identify the value of a given site and then representative elements that support that value [50]. As for industrial heritage sites, values frequently rest in historical, technological, social, architectural, or scientific dimensions [TICCIH, 32]. Among the several professional interventions, namely, preservation, restoration, rehabilitation, reconstruction, or relocation, the recommended approach for industrial heritages is rehabilitation. This is defined as an “act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values” [51]. The conventional way of preserving-in-amber [52, 53] applied to monuments is deemed improper for industrial heritage, whose value is seldom embedded in the fabric, i.e., the surface and the texture.

Prior to rehabilitation, the building structure in question must first be established as an industrial heritage. The fact that the building is not considered a historical site [SHMUPB & SHHLRA, 54] renders the approach of historical value difficult. By definition, historical value is determined by a site’s glorious representation of a period in Shanghai’s industrial history. But there is no dearth of industrial heritage in

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**Footnote:** Figures in this paragraph are from articles by Lin Wang (2006) and L. Li (2008). The former is the Director at Shanghai Planning Bureau and the latter is the Chief Architect of W & R Group, one shareholder of Red Town Property Management Co. Ltd.
Shanghai, which is an especially “propitious location for industrial archaeology since the city has become the cradle of modern manufacturing in China since the late 19th century” [CBRE, 29]. A score of plants and warehouses erected before World War II marked the burgeoning era of industrialization, with 43 surviving sites eventually earning industrial heritage status [34]. The ensuing socialist era was governed by the philosophy “production first, life second,” driving the construction of facilities to a peak [55]. Factories built throughout the metropolitan area during this period numbered in the thousands, including mega-developments like the BaoSteel satellite town and mini-developments with strong local character, such as workshops converted from Shikumen houses. The largest group of developments was composed of medium-scale factory compounds, whereas engineers merely selected from catalogs of industrial buildings, and architects were tasked to ensure that spatial needs are met and the site reached a workable scheme [55]. Manufacturing plants carried a standardized look, constructed using pre-fabricated modules to maximize the benefits of mass production. No. 10 Steel Plant compound was among these buildings that lacked architectural value.

The project then resorted to social value, a spotlight in media nowadays [56]. Advocates argue that industrial legacies form an honest reflection of the way a community lives and grows. This comment certainly makes sense, but, it is not welcomed by the developer. The community, if referred to the physical labors who used to working in the factory, has left this compound in 1989 when the factory was closed and all workers were laid off. Instead of adding merit, such a history might taint the rehabilitation project’s image and rouse social concern. The final solution is then a link made to the steel industry sector, which is emphasized as the main revenue generator in the socialist period. In effect, the Red Town project’s Web site11 waxed poetic in depicting the “red” era, marked by red-hot flames on the stove glowing in the faces of stout-hearted workers. The buildings thus were depicted as a vessel of a glorious era.

Figure 2: Most weight was accorded to those that collectively forge an atmosphere of the past like an aged industrial structure that has experienced a series of ongoing movements, including attrition and decay.

In the case of cold rolling workshop, treatment of the building’s fabric was professionally accomplished, owing to the experience of both designer and builder. Typical elements that distinguish industrial buildings from others are identified and conserved: from the big steel truss and the light pitched roof above, to pillars with concrete brackets to support the moving vehicle for manufacturing process. Original components and materials are preserved without effort to make them tide

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11 Please see www.redtown570.com/, but the section on “history of Red Town” has been deleted when the author accessed it one month ago.
and neat. However, the attention on the authentic texture seems exceeding its value. Almost all materials are left in a way that they show their surfaces and textures as they were. The rough surfaces of concrete pillars are left nude; many dirty patches on side walls are not cleaned; the rots on steel trusses are not polished; the brick walls, which used to be covered by paint, were scrubbed to reveal the texture of red brick inside. The employment of preservation of these fabrics, as argued by the author, is to forge a distinctive visual impact of ‘the past’. It is not the scientific or architectural beauty of these structural components that is respected; rather, it is the characteristic of dilapidation, agedness, and decay that are appreciated. The estimation given to traces left by time even spreads to cover many small installations: for instance, rotten steel nails on the concrete pillar are left untouchable, non-functional electrical appliances installed on the truss remain, and other similar situations.

Meanwhile, the cautious attention on authenticity fades when it comes to the interior spatial organization. A large internal space with a long-span steel truss supporting the light roof is one dominant feature of manufacturing plants, which may be the primary base to support the ethos of the industrial architecture and its “muscular modernism,” “glorified in the efficiency of utilitarianism of mass production” [28]. This is also the case for the cold rolling workshop in No.10 Steel Plant, which used to be a giant space 180 meters in length, 35 meters in width, and 15 meters in height before drastic alterations were made [46, 57]. This huge industrialization-spirit-representing plant was divided into two parts, Zone A was designed to keep the original interior spatial structure, and zone B is being divided further to sub-levels. A series of rectangular shaped concrete boxes are constructed along the long axis of the workshop right in the middle, dividing the whole space into three subzones horizontally. The huge physical structure dominates the primary part of the plant, reserved for office spaces. The corridor and pocket spaces at the ground level that are left vacant are places for sculptures. As it is, only small sculptures can be accommodated by these small, discrete, and mostly dim and negative spaces, where artificial lighting is necessary. This also eliminates one key feature of industrial buildings favored by artists, namely, a large and flexible space. The re-organization of the space is more like inserting a box which offers ordinary office-scale spaces into the so-called ‘inspiring’ large industrial space, leaving the latter serving as a decorative canopy or man-made landscape for the former.

![Figure 3: A view from the corridor](image)

Restoring aged components with possible commercial applications inevitably marries the old and new. Thus, No. 10 Steel Plant was equipped with technical installations normally utilized in a state-of-the-art, Four-A standard office building: electricity, lighting, Internet, and a live monitoring system. The developer did not economize in terms of equipment, as the air-conditioning was German-made while the heating system was made in France. The building was equipped with power windows controlled by a high-tech system. The renovation indicates a driver behind that pursues space with a scale suitable for office usage.

### 4.2. Legitimizing Taste: Artists as Demonstrators

If the spontaneous rehabilitation of old industrial buildings by artists is a process wherein the artists’ distinctive taste “cappuccinos” the physically dilapidated structures, making the latter fancy and valuable in the eye of the populace, the action taken in Red Town is an inverted process, wherein decay is cautiously preserved and then packaged as a tailored product to meet the distinctive cultural demands of artists. After conservation work is done, another
necessary step must be taken: attract renowned artists to demonstrate the match of taste.

Being a communal sculpture space, one of the basic functions of the place is to host sculpture exhibitions. Furthermore, Red Town is positioned to be an incubator which encourages artists to present their works in the public space [58]. However, it is not easy for a struggling artist to present his/her works there. Most sculptures displayed in this compound are art crafts of already famous masters. For example, the work called “Migration” (Qianxi) is by Yang Jingsong, whose works have been exhibited in the West Room in New York, Art Sevier Gallery in Paris, Urania in Berlin, among others. Another work called “Beloved mother and baby rhino” is by Pierre Matter, whose works are estimated to be worth RMB 72,000-80,000 in domestic auctions, and have been exhibited in national museums and art galleries in America, Switzerland, Germany, France, Japan, and Singapore§§. The threshold line for holding a solo exhibition is even higher, as this is a place to hold “international biennial exhibitions for a great variety of art crafts” [58]. Rodin is one case mentioned repeatedly in the Red magazine and newspapers. Xiang Jing is another, who has won many prizes and awards. One of her art works was displayed on the venue of Fortune Global Forum in the Great Hall of the People in Beijing. Likewise, the artist’s works are among those which frequently appear on the list of auctions. When a well-established fame of the artist is very crucial in determine whether his/her work can be displayed in this compound, the definition of art is so much loosely defined that is also involves fashion industry. The plant serves as venue for the “annual release of international brands” such as automotive giants BMW and Porsche, and hosts such events as the “Anniversary of Omega,” “Celebration of Swarovski,” and “Chivas Milan Fashion Party” [62].

At the same time, tenants are another important evidence to demonstrate the match of taste. Although there are many master pieces of art works displayed in this compound, the number of artists working here is very limited. On the list of tenants published in the magazine, special introductions were given to the famous ones, who are usually transnational elites. One example is Yang Mingjie, a sea-turtle who studied and worked in Germany, and now is the deputy secretary of Shanghai Design Center. He won the title of the Top Ten Excellent Youth in China’s Design Industry and his company was included in the Top Ten Excellent Design Institutes in China. Other tenants include Singaporean firm Amoeba Digital Technology Co. Ltd., Italian brand Leissie, and Spanish-operated Art in Capital, as well as those belonging to the category of cultural consumption such as art galleries, bookstores, and tutorial schools. Electrolux, a company producing electric appliances, is a tenant as well [58]. Collectively, these firms belong to the very loosely defined creative industry, including architectural design, information technology, education, mass broadcasting, and advertisement, among others (Table 1).

With its motley attractions and high-profile tenants and visitors, Red Town is naturally a place for entertainment where people can wine and dine. In fact, it is said to be reminiscent of Moulin Rouge, which in the 1820s served as a gathering place for Europe’s impressionists. Following the logic, Red Town is likewise hoped to exude a casual atmosphere in terms of food and entertainment to encourage artists from all walks of life. Red Town thus features a culinary ensemble ranging from Hong Kong-based nightclubs

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Fig. 4: A page from the magazine for Red Town. On the photo, four projects are listed to present creative movement in four cities: SOHO in New York City, the South bank of Thames in London, Grange Island in Vancouver, and Red Town in Shanghai.

such as CICI Club and Children’s Club to Swedish Fan Town, to French restaurant BECA.

<table>
<thead>
<tr>
<th>Nature of tenants</th>
<th>Selected firms</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art gallery</td>
<td>Art in Capitals; Malinda Art gallery;</td>
<td>2 2 4</td>
</tr>
<tr>
<td>Architectural design, design Catering</td>
<td>Leissie; Ameoba Dashe; Shuishi International; Yang Mingjie &amp; Associate; CICI Club; Children; The Coffee Bean and Tea Leaf; BECA; Fan Town;</td>
<td>3 10 13</td>
</tr>
<tr>
<td>Education</td>
<td>Fushan Educational Center for Children; Shanghai Swedish Bookstore; Lei Art Studio</td>
<td>1 2 3</td>
</tr>
<tr>
<td>Market consultant, branding, advertisement Product display, retail</td>
<td>Pathways Marketing Consultants (Shanghai) Co., Ltd.; AKQA (e-marketing) Exhibition hall for Electrolux; MaarsMetaLine (building partition system)</td>
<td>3 9 12</td>
</tr>
</tbody>
</table>

(source: 63)

4.3. Up-market of office, social divide and gentrification

Upon the complement of the construction work, spaces for creative industry were about to put into the market. The Red Town Company launched a branding campaign to attract the intended market. For this purpose, the company leveraged print media by publishing its own magazine called “Red Town” and arranging interviews with newspapers ***. A website was also established to introduce the place from all perspectives, highlighting its history and its function as a center of art. Obviously, the difference between Red Town and Shanghai Sculpture Space is blurred in both the magazine and the website. Red Town is described to be the overall development, within which Shanghai Sculpture Space is merely one phase.

The articles focused on how Shanghai had joined the global trend in industrial building rehabilitation, joining the ranks of such icons as the Tate Modern in London, Musée d’Orsay in Paris, and the Massachusetts Museum of Contemporary Art. Such projects, which involved the conversion of old industrial buildings and railway stations into functional spaces, are globally renowned for demonstrating a sustainable way of urban development while preserving history. Association with the said structures infused the Red Town project with global flavor, strongly suggesting its adherence to international standards.

In addition, the quarterly magazine disperses comments on culture-led rehabilitation of industrial sites to a much larger filed, such as review of art development, offering its readers general pictures of China’s contemporary art, biographies of artists, and key individuals and authorities in art auctions. The magazine also involves shots of avant-garde garments with models wearing weird and heavy makeup standing in the cool setting of aged and archaic production plant. The audience who read hard copies or online versions is delivered a variety of pragmatic knowledge of what is happening in the field of contemporary art and related. As expected, these media idealize the transformation of the former industrial site to a hub that welcomes creative class, naming it “progress and advancement of civilization” [58]. Fancy slogans like ‘moving back to industrial sites in the ear of de-industrialization’, or terms like ‘post-industrial space’ and ‘post-modern’ are introduced to the public, who is educated that this is the trend of urban development [65].

The renovated spaces were a purposive exploitation of artists’ taste and the creative use of space. As Bourdieu pointed out, “Taste (is) a marker of social class” [66]. Once the link between artists and archaic industrial buildings is underscored and legitimized, the resulting space becomes commercialized and, to an extent, discriminatory. The renovated space does not offer an appropriate spatial setting for artists, and it is not designed to do so. In fact, the project targets at building an up-market of office stocks, together with the so-called associated spaces of wine-and-dine and retail-and-entertainment. Before the implementation of Phase

1. Redtown Company has already foreseen a promising future, with office space rent at Zones B and C pegged at 6.8 RMB per m² per day, even higher than the average rent of Shanghai’s class-A office towers, which was pegged at 6.73 RMB per m² per day [67]. Zone A, a large exhibit hall, is offered for a fee commensurate to its “distinctiveness.” Zone A may be rented for 10,000 RMB per day, with a minimum period of 15 days. Functions may be staged for 120,000 RMB on the day of the function and an additional 20 RMB per m² per day for ingress and egress.††† This price tag well explains the type of companies who can afford holding annual events in the said venue such as Omega, Swarovski, and Chivas.

Regeneration is beyond bricks and mortar. It pertains to an area’s physical, social, and economic well-being [68]. The transformation of a place may generate economic returns, but in the process it results in gentrification and social exclusion. In the case of Red Town, image is built by incorporating cultural pieces such as artworks by renowned talents and the presence of multinational design firms. These efforts, however, are not geared towards building space for artists’ consumption. Instead, they are targeted towards building an up-market of office stocks and attracting more mature and wealthier multinational firms seeking a creative identity. Image, a kind of readily useable cultural capital, was thus employed and converted to economic capital in the Red Town project. Here, the stage has been set for interweaving complexity, contradiction on top of conflicts of interest, and confusion regarding the argument over art as a cultural (social) or an economic capital in the course of rehabilitating industrial heritage.

Regeneration is beyond bricks and mortar. It pertains to an area’s physical, social, and economic well-being [68]. The transformation of a place may generate economic returns, but in the process it results in gentrification and social exclusion. In the case of Red Town, the influx of creative professionals guaranteed a steady revenue stream, and “[their] taking over the space after the rehabilitation work might provide a vivid testimony of the continuing evolution of urbanization, from industrialization to deindustrialization” [46]. However, such “advancement in civilization,” as phrased in “Red Town” magazine, distracts the public from the occurrence of social displacement [46]. History and memory are romanticized and sanitized, and the concept of art and artists is redefined. The irony is that while the project was initially based on artists’ space consumption, these artists themselves – particularly the struggling ones – were not truly welcome in the new creative community.

5. Concluding remarks

The Shanghai Sculpture Space generated significant media mileage, and both the government and developer were hailed for the innovative model, where the “government sets up the platform whilst enterprises perform the opera” [e.g., 47, 69]. The planning bureau, which used this project to demonstrate its support to the scheme of Creative Industry Agglomeration Area, is satisfied with the attention on authentic heritage conservation. After the tirades of critics against many pseudo-conservation projects in Shanghai, the case gives conservationists a hope against demolishment. Renowned scholars become highly tolerable about flaws in many forms, as at least some old buildings are saved from the bulldozer. One thing worth attention is that Shanghai Municipal Administration of Culture, Radio, Film & TV, which is tasked to watch the development of culture and art, remained quite at that time. This is also noticed by Wu Weiping [70], who finds that Shanghai cultural authorities are not creative enough, instead they normally “keep a tight rein on the arts”, characterized by conservative attitude. This might explain the absence of cultural authorities in this scheme and probably the biased concern on cultural infrastructure in nature.

The project’s commercial success was emulated by other developers who recognized the potential for profit by investing in low-cost properties. In the year of 2006, Red Town was put into the market. In the same year, the real estate developers tried to adapt to the 11th Five-year Plan, where the industrial sector of Real Estate was replaced by Creative Industry on the list of Six Pillar Industrial Sectors [SHMG, 71]. One after another, developers copy the way through which a low-cost property can be developed to be spectacular through the marriage of creative industry and industrial heritage in

††† The figure here was obtained from a telephone interview with the Director of the Marketing Department of Red Town Company in 2008.
the property market at a “warrior” period [40]. Indeed, enterprises attracted by the restored spaces powerful image proved the projects viability, and what used to be spontaneous artistic activities became a city-wide endeavor.

The economic authority is eager to move on after this experiment, claiming that, not only is the transformed space functional and aesthetically pleasing, it is economically viable as well. In 2006, one private enterprise entitled “Shanghai Creative Industry Investment Co. Ltd.” was collectively established by the three shareholders of Shanghai Creative Industry Center, Shanghai Automotive Asset Management Co. Ltd., and John Hawkins - consultant of the center (interview with managerial staffs at the Shanghai Creative Industry Center, 2009). This one-project developer started to renovate one former slaughter house constructed in 1933, which is now the asset of Shanghai Automotive Industry Corporation. Here, the model of “government sets up the platform whilst enterprises perform the opera” was further modified with more intensive involvement of the government agency. The structure after renovation, now dubbed 1933 Old Millfun, is open for lease with intention to build up a high-end cultural and entertaining hub [72].

Two years later, the “Notice: Advisory Comments on Accelerating the Development of Creative Industry” was promulgated collectively by the Shanghai Economic and Information Technology Committee and Shanghai Department of Propaganda. The regulation explicitly stated that, “(for these rehabilitation projects,) Land Use and Ownership of Land Use Right can remain unchanged at this moment” in Article 1.3. Since then, the Three Unchanging Principles have been formally legalized [SHEITC & DPSHMCCPC, 73].

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