

‘Shrimps not Whales’ Building a City of Small Parts as an Alternative Vision for Post-Industrial Society

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I was expecting the necessity of a protracted explanation on my part as to where exactly I wanted to go, but the taxi driver immediately knew, despite the fact that 798 Art District is way up in the northeast of Beijing, adjacent to a nondescript business centre in what was a German military camp enclosure. It is no longer enclosed. It no longer needs to be. The government has long ago seen the sense in accessibility and careful encouragement where art is concerned, as strategies to avoid secrecy and dissent by potentially counter-revolutionary artists and intellectuals.

Passing under the industrial, red iron gatepost into the plain, wide street, with its red-brick ex-military buildings on either side, an old, rusting, water-pipe juts out into the pavement, spluttering and spurting through its seams. It is tempting to think these industrial remnants have no function whatsoever and have simply been left to provide the effect of things being make-shift. The huge iron doors of the gallery spaces, rusting and squeaking on their hinges, are part of the same visual rhetoric, as is the content-less graffiti—all so carefully disheveled. There is nothing make-shift about 798 any longer, and the price

of the food in the various café spaces, complete with their distressed furniture, is proof that shabby-chic *bo-bo*¹ style sells.

Later, a local Beijinger tells me that 798 is one of the most profitable local neighborhoods of Beijing — not far behind the central touristic areas containing Tiananmen Square and the Summer Palace, or the corporate business areas. This is not altogether surprising; ‘bringing in the artists’ has long been a way to regenerate run-down urban areas in Western cities and neatly fits the rhetoric surrounding ‘the creative city’ promulgated by the likes of Richard Florida.² It is also almost immediately hijackable by neoliberal agendas (if not created with them in mind from the outset), whose concern is property prices and ABC1 consumers.³ Indeed, the ‘creative city’ has seemingly become the only answer to post-industrial urban stagnancy — re-industrialization is off the agenda.

In many ways, utilizing the art world or ‘creatives’ to regenerate specific areas of a city can be seen as part of what Brenner and Theodore call the ‘embedded-ness of neo-liberalism’, by which they mean the way in which neoliberalism is produced and defined by inherited frameworks, as opposed to simply using (allegedly) immutable market forces wherever they decide

1 ‘Bourgeois Bohemian’.

2 Richard Florida, *The Rise of the Creative Class: And How It's Transforming Work, Leisure, Community and Everyday Life* (New York: Perseus Book Group, 2002); R. Florida, *Cities and the Creative Class* (New York: Routledge, 2005). Florida's thesis states that there is a creative class who are a key driving force for economic development of post-industrial cities in the US. He breaks the class into a ‘super-creative’ core consisting of science, engineering, education, computer programming, research, arts, design and media workers, and a group of ‘creative professionals’ who are the classic knowledge-based workers, including those in healthcare, business and finance, the legal sector and education.

3 This relates to the first three categories of the accepted social grade definitions used by the market and social research industry in the UK. They aim to measure and classify people by income and earnings levels. The full scale of definitions runs from A to E, A being higher managerial, administrative or professional workers, and E being casual or lowest-grade workers.

to unleash them.⁴ They draw upon the work of Peck and Tickell, who have emphasized the way in which neoliberalization is a *process* — an on-going movement of destruction and creation at the local, national and global level.⁵ The encouragement of art districts to gentrify run-down areas is precisely the utilization of neoliberal logic in order to re-appropriate an often alternative space into something that fits its own agenda whilst maintaining the outward appearance of being 'different' and 'independent'. It is, perhaps without realizing it itself, 'path-dependent' in other words, and that path in the late twentieth and early twenty-first centuries has seen creative industries usurp traditional manufacturing as part of an increasingly embedded lineage of neoliberalism. The question then becomes, how to break the path?

Far from Beijing 798, lies the 'small commodities' city of Yiwu, in Zhejiang province. Via its prolific manufacturing of low-end goods (batteries, plastic-wear, decorative trinkets), it has gone from being a small village to a hugely successful driver of regional growth. The 'Yiwu model' has even been copied and exported to other countries — Dubai, The Netherlands and Sweden, for example. Its *raison d'être* can most evidently be seen in its lay-out, which centers around the immense wholesale markets, housed in giant warehouses and zoned according to commodity. The Yiwu model was inspired by 'Zhejiang Village' (Zhejiangcun), a migrant clothing manufacturing area in the Fengtai district of Beijing. Despite (or perhaps because of) its success, 1995 saw the complete razing of Zhejiangcun, causing a mass exodus of around 40,000 migrants. In its place the

4 Neil Brenner and Nik Theodore, 'Cities and the Geographies of "Actually Existing Neoliberalism"', in *Spaces of Neoliberalism: Urban Restructuring in North America and Western Europe*, eds. Neil Brenner and Nik Theodore, 2–32 (Oxford: Blackwell Publishing, 2002).

5 Jamie Peck and Adam Tickell, "Neoliberalising Space", *Antipode* 34, no.3 (2002): 380–404, at 380.

authorities built an enormous modern plaza — deemed to be a more ‘suitable’ representation of the new China.

Zhejiangcun was characterized by four key features attributed to its migrants’ former practices in their native city of Wenzhou, Zhejiang Province, and these characteristics have informed and remained constant in Yiwu. They were: (1) that it consisted of numerous small-scale private enterprises, (2) that it specialized in wholesale petty commodity markets, (3) that it was built on tens of thousands of mobile traders who facilitated the flow of materials and (4) that it was made possible by various forms of non-governmental financial arrangements.⁶ These characteristics had become known as the ‘Wenzhou model’, a phrase which was officially announced as a new economic paradigm for China in 1986. Despite this, versions of the model that did not have the right ‘look’ were clearly unacceptable.

The fact that Wenzhou had created the model was not simply coincidence, but also a result of its historical ties with the Yongjia school of thought — a movement from Yongjia County in the Wenzhou region, whose roots lie in the Southern Song Dynasty. The school contested the view of mainstream Confucianism, arguing that traders (as well as scholars and farmers) were the backbone of the country. So, unlike in other provinces where under Confucianism land was valorized and peoples’ attachment to it revered, in Wenzhou commercialism had been celebrated historically. This all changed of course under Mao, who was specifically against small-scale enterprises, as he felt that industry at the level of the family unit was particularly open to ‘spontaneous capitalistic urges’. Deng Xiao Ping, however, under the rhetoric of re-appropriating neo-Confucianism to encourage small business start-ups, proclaimed the Wenzhou model as that which China should adopt. So, after a long and embattled history, the Wenzhou model gained official acceptance — as long, that is, as it cleaned up its act and started to con-

6 Li Zhang, *Strangers in the City: Reconfigurations of Space, Power, and Social Networks within China’s Floating Population* (Stanford: Stanford University Press, 2001), 52–53.

form to the 'look' deemed appropriate to a modern 'civilized' China.

My reason for drawing upon these two seemingly unrelated examples is to underline the way in which different Chinese authorities are drawing upon very different 'answers'—one borrowed from the West, the other entirely home-grown. The home-grown Wenzhou model can be seen, in some ways, as a *modus operandi* similar to (and this is certainly not to suggest that it is based on) Britain's pre- or proto-industrial past. The 798 Art District model is adapted directly from our own current practices of urban regeneration. What I am arguing here is that it may be the model from the past, but in its current Chinese form it has the most to offer us when we think about how we can improve our own cities in a manner more able to avoid the usual neoliberal traps. 'Returning' to a form of proto-industrialization, but one adapted to our current socio-political needs, has the added benefit of breaking the current processes of neoliberalization in place. It perhaps provides an answer to my earlier question—it is a path-breaker.

The feature of the Wenzhou model that is key here is its small-scale nature—the way in which it is based on numerous small-scale enterprises, rather than the 'big capitalism' we now have in the West. This is a phenomenon that Chinese entrepreneur Jack Ma⁷ once described as being concerned with 'shrimps not whales'. It can usefully be compared to what we in the West

7 Jack Ma is a famous business entrepreneur in China. He owns the highly successful business-to-business website, Taobao, the Chinese equivalent to eBay, and is the Alan Sugar figure on China's version of the television show *The Apprentice*. In a 2000 interview for *Time Asia* magazine he explained the thinking behind Taobao, saying, 'American B2B sites are whales. But 85% of the fish in the sea are shrimp-sized. I don't know anyone who makes money from whales, but I've seen many making money from shrimp.' See *Time* staff, 'Jack Ma', *Time* (February 28, 2000), <http://content.time.com/time/world/article/0,8599,2054856,00.html>.

call the 'cottage industry'. Most importantly, the cottage industry is specifically related to workers operating *according to their own preferences*, as independent entities who own their means of production. The era of the cottage industry, sometimes referred to as 'proto-industrialization', soon emerged into an era of industrialization in Britain, whereas in China it has had a far more continuous trajectory, finding form in all eras apart from the Maoist one. In addition, 'small business' was never the official paradigm in Britain, nor was it given the legitimization of a cultural tradition such as neo-Confucianism was. Therefore, the means of organizing witnessed in the proto-industrial phase, i.e. 'cottage industries', have a greater continuity in China and have found their way into the economic structures of the twenty-first century. China is in fact a country where a capitalism of many small parts exists alongside big capitalism (both domestic and international).

With this in mind, it may indeed be worth considering re-industrialization as an answer to the crisis we face in Western cities, but not re-industrialization as we tend to imagine it. This re-industrialization would need to be one which, from its inception and at its philosophical core, was of shrimps not whales. In order to be a progressive socio-political and economical project that could operate differently, or outside of, the neoliberal city as we know it, it would need to be committed to its parts remaining small-scale and not requiring high profit margins. Of course, it would also need to limit its reliance upon wider global economic machinations, which would probably mean implementing a form of mutual finance amongst those involved. In addition, it would need to go beyond 'boutique manufacturing', using the same logic of production for everyday and creative (perhaps non-tangible) products. Re-claiming/claiming urban space would be a huge part of this initiative if the existing structural order were to be overcome. Mutual systems of space would be required which would enable life/work situations, both in run-down areas but also eventually in the centers of cities usually inaccessible as living spaces to all but the super-rich.

It is the re-ordering of space and structures which makes a Western urban version of the Wenzhou model attractive. It is, indeed, a new model, not simply a creative industry being encouraged within the parameters of existing neoliberal capitalism. It can be seen as a re-invention of a form of production from our own past, but one that in learning from the Wenzhou model is able to operate in a way that does not mean we must regress to the kinds of jobs and working situations associated with earlier forms of manufacturing economy. Crucially, though, it must be able to exist contemporaneously with big capitalism. This will require some impressive tactics and a stoic resistance on the part of those adopting the model if they are to prove that an alternative model of 'shrimps not whales' can affectively function in twenty-first-century industrialized cities.