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Title of this article

Transnational migrants in Shanghai: residential spatial patterns and the underlying driving forces

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Running title

Transnational migrants' residential spatial patterns in Shanghai

Conflict of Interest statement

This is the author manuscript accepted for publication and has undergone full peer review but has not been through the copyediting, typesetting, pagination and proofreading process, which may lead to differences between this version and the [Version of Record](#). Please cite this article as doi: [10.1002/psp.2272](https://doi.org/10.1002/psp.2272)

The authors declare no conflict of interest with respect to this research, authorship and publication of this article.

Acknowledgement

We acknowledge the supports of the National Social Science Foundation of China (Grant No. 15BRK039), the National Natural Science Foundation of China (Grant No. 71874054), Shanghai Education Committee Humanities and Social Sciences Major Project (Grant No. 2017-01-07-00-02-E00008), and the Major bidding project of key research base of humanities and social sciences of the Ministry of Education (Grant No. 17JJD790008).

Abstract

With a remarkably increasing number of transnational migrants settling down in China, their residential spatial distributions in Chinese cities have drawn significant academic attention.

This paper investigates recent residential spatial patterns of transnational migrants in Shanghai and the underlying driving forces behind such choices. Based on China's sixth population census and our 30 focus group interviews in 30 neighbourhood committees, this paper finds that comparing with it in the semi-colonial period, Mao's era and the early stages of China's economic reform, transnational migrants' residential spatial patterns in recent times in Shanghai are dispersed in every corner rather than concentrated in specific areas such as the old settlement sites and foreign expert buildings. The paper explains that such residential spatial fragmentation is largely driven by the combined forces of a neoliberal

approach in the unique urban political economy in China, globalisation development, individual socioeconomic and demographic concerns and cultural factors.

Keywords: Residential spatial patterns; Driving forces; Transnational migrants; Shanghai; China

1. Introduction

Large-scale transnational migration is emerging as a prominent social phenomenon in the intensifying globalisation process (Appadurai, 1990, Pieterse, 2000, Sassen, 2013). It is a fundamental process of globalisation between strengthening tied societies in the ‘space of flows’ (Beaverstock and Boardwell, 2000, Castells, 2011). With a remarkably increasing number of transnational migrants moving to China (Center For China and Globalization, 2015), the country has actively participated in the globalisation process and benefited tremendously from integrating into the global economy including growing flow of trade and capital (Yulong and Hamnett, 2002, Wu and Ma, 2006). As shown by China’s sixth population census, over 600 thousand foreigners are permanently residing in China. In this context, there is growing concern over transnational migrants’ residential spatial distributions in Chinese cities (Wu and Webber, 2004). This study explores the residential spatial pattern of such new populations in Shanghai including the underlying driving forces using empirical data.

Transnational migrants' residential spatial pattern in hosting cities is always a research focus in urban geography. Since the first academic contribution on migrants' residential segregation (mostly in western cities) by Chicago School (Park, 1926), a large number of studies in this area has concluded that there is a segregated residential morphology (Glebe, 1986, Peleman, 2002, Scott, 2007, Fahey and Fanning, 2010). Such migrants are especially concentrated within the metropolis of hosting countries, political and economic centres as well as colonial period areas with convenient living facilities (Maré et al., 2007). For example, in Singapore, super-rich transnational elites reside mainly in gated communities, where there is an exclusive urban form of liveability specially constructed to attract such a crowd (Pow, 2011). In comparison, scholars have also found that transnational migrants appear to reside in scattered settlement patterns and there is no one specific location that can accommodate all migrants. In fact, their various residential preferences are determined by numerous factors. These include their countries of origin, class and race (White, 1998, Gilbert and Crankshaw, 1999, White and Hurdley, 2003, Goodman et al., 2005, Mazza and Punzo, 2016); economic considerations (Boal, 1976, Rossi, 1980, White, 1988, Sager, 2012); life-cycle stages (Clark and Huang, 2003, Lawton et al., 2013); and employment, which is an important consideration for migration in global cities (Hall, 2004), where agglomeration of economic activities and capital flows occur (Sassen, 2001). In this regard, it is necessary to consider the influences of multiple forces on transnational migrants' residential distributions.

Limited studies have concluded on spatial characteristics of residential segregation of transnational migrants in Chinese metropolises. For example, Wu and Webber (2004) discussed that the clustered spatial distribution of foreign gated communities near the

embassy area in Beijing has led to significant residential segregation of foreigners. By taking South Korean Village in Wangjing as an example, He (2008) introduced that South Korean migrants in Beijing have formed a highly concentrated settlement community. Li et al. (2008) analysed the social, economic and spatial mechanism of the formation of African enclaves in Guangzhou. In Shanghai, Huang and Gao (2012) revealed that transnational migrants highly aggregate within certain regions, for example Japanese migrants in the Gubei area (Zhou and Liu, 2015). However, China's population census has only recently incorporated foreigners, and these studies were mainly based on partial regions and populations of these large cities. Also, such studies were completed predominantly at a sub-district level, which on average hosts over 100,000 people and has more than 20 neighbourhood committees (the lowest semi-administrative unit in urban China)¹. These neighbourhood committees can be either rich or poor communities (luxury gated and villa communities, or ordinary community). Households in the same sub-district may live in different neighbourhood committees, meaning that they may have huge gaps between poor and rich. Hence, the adoption of sub-district as a basic research unit cannot appropriately and precisely reflect the detailed spatial and socioeconomic characteristics of each neighbourhood committee and transnational migrants' residential spatial choices.

It is believed that the spatial residences of transnational migrants have undergone a tremendous shift under China's 'great transformation' (Wu, 2008). As Li et al. (2009) mentioned, the old socialist ideology and strict state control have been replaced by a series of market-oriented economic reforms and local institutional transformations. Housing

¹ Urban China's administrative structure is comprised of municipal level, district level, sub-district level and neighbourhood committee level.

commodification and privatisation towards neoliberal urbanism is an important reform in urban China. Commodity housing has then emerged and is often built by private developer, who obtain land from local governments through land leasing system. This result in a diverse residential pattern of transnational migrants. For example, housing commodification and privatisation allows the development of foreign housing and provides a separate residential market for foreigners in China (Wu and Webber, 2004). Foreigners therefore have opportunities to access various commodity housing, including high-end residential estate, such as gated and villa communities with advanced housing infrastructure and living facilities, and ordinary housing (Wu, 2007). Those high-end residential estates are often described as ‘international community/foreign community’ by private developer who provides western way of life in and near the communities. However, the so called ‘international community/foreign community’ does not necessarily mean that its residents are all foreigners. It is just labelled for marketing purpose. In fact, in the Chinese context, most residents in high-end residential estates are global elites and local rich people because they afford the high housing price and rent. Globalisation is another key force shaping transformative residential spatial pattern of transnational migrants in China (Lin and Tse, 2005). In the era of globalisation, such migrants come from various countries with varied backgrounds. Not all are transnational elites migrating to China and many are middle-class or low skilled workers (Willis and Yeoh, 2002). The differentiation in individual socioeconomic characteristics such as countries of origin, purpose of migration, life cycle, income and social status between these migrants have thus led to different residential choices (Wang and Li, 2004, Wu, 2004b). However, little is known about how these multiple driving forces have jointly produced a

new pattern of residential distribution of transnational migrants in Chinese cities. This investigation is important as these forces are relationally and interactively bound to each other. Furthermore, no such investigation has been carried out based on a single whole administrative region.

This paper seeks to fill the above-mentioned research gaps. Our findings move beyond previous conclusions on this topic. Using the whole administrative region of Shanghai as a case study, we argue that a relatively fragmented residential spatial distribution of transnational migrants in recent times in Shanghai is in response to an assemblage of neoliberal reform and globalisation development in China, as well as varied individual socioeconomic and demographic concerns and cultural factors. This fragmented residential spatial distribution of transnational migrants is in comparison to the semi-colonial period, Mao's era and the early stages of China's economic reform. Our findings reflect a new global-local relationship, or 'glocalisation' (Robertson, 1995) and transnationalism (Vertovec, 1999). More specifically, it shows that local settings, global forces and individual characteristics are intertwined in shaping the residential spatial patterns of transnational migrants. This helps to understand the emergence of a 'transnational social space' (Portes, 2000), and the restructuring of urban space in China.

We describe our findings based on China's sixth population census. This is the latest national population census and it for the first-time incorporated foreigners who have resided or are sure to consecutively reside for more than three months in China. The census date was 1st November 2010. Shanghai offers an ideal site for this study with its significant international migration history during the semi-colonial period, rapid neoliberal urban development and

fast-growing globalisation process since its opening-up. Our study was completed at neighbourhood committee level. Neighbourhood committee can be luxury gated and villa communities (with high housing prices and rents), or ordinary community (with middle and low housing price and rent). Residents living in the same neighbourhood committee have no obvious polarisation of poor and rich. Analysing the spatial and socioeconomic characteristics of these neighbourhood committees could contribute to a more accurate, detailed and systematic understanding of transnational migrants' residential spatial patterns in Shanghai. We conducted 30 focus group interviews in 30 neighbourhood committees in 2017 to understand what factors drive transnational migrants to choose to live in these neighbourhood committees. These selected neighbourhood committees contain higher proportions of foreigner: at least 10 percent of the total residents are transnational migrants. The interview participants are from the main transnational migrants-exporting countries in Shanghai, including USA, Britain, Japan, South Korea, France, Germany, Canada, Australia, Spain and Singapore. These participants engage in various employments, either in short-term or long-term contract, with high or ordinary income, and with high or ordinary social status. They are composed of either single migrants or families. These interviews were conducted to explore their residential choices in Shanghai: what considerations were made and what were the underlying forces for such decisions. Language used in these interviews was mainly English, plus Japanese.

The following section introduces the historical review of foreign settlers' residential spatial patterns in Shanghai. Section 3 introduces the findings of this paper: where do transnational migrants live in Shanghai? Section 4 provides analysis of why transnational migrants choose

their residential spatial locations in Shanghai. Section 5 is the discussion and conclusion section of this paper.

2. Foreigners in Shanghai: A historical review

This section divides the historical review of transnational migration in Shanghai into three periods: the semi-colonial period (1840-1945), China's centrally planned economy period (1949-1977) and the period since the economic reform and opening-up (post 1978 period). Foreigners have experienced significant transformations in these three periods in Shanghai: a large number of expatriates living in either the International Settlement and French Concession during the semi-colonial period; dramatically reduced number of foreigners in the centrally planned economy period; and increasing numbers of foreigners since the economic reform and opening-up. These transnational migrants are concentrated in a few government-provided residential areas at the early stage of the economic reform and opening-up in Shanghai. Where they reside in recent times is the focus of this paper.

Expatriates from up to 58 countries moved to Shanghai during the semi-colonial period (1840-1945). Expatriates in Shanghai during this period reached 150,000 and comprised largely of business people, religious workers and engineers. Some were service personnel in coffee shops and night clubs or refugees. American and English people who worked as merchants and missionaries took the leading position (Bickers, 1999) and resided in the International Settlement area. The French were relatively less, and mainly concentrated in French Concession for economic activities. High-status Japanese resided in the centre of

International Settlement or French Concession, while low status Japanese mainly lived in Hongkou district and Zhabei district. Also, many Russian workers and employees lived in the east and north of International Settlement, while Russian of substantial means lived in French Concession. Overall, expatriates mainly resided within two old settlement sites during the semi-colonial period in Shanghai (see Figure 1).

Insert Figure 1 here.

Since the establishment of the People's Republic of China in 1949, the number of foreigners in Shanghai had dramatically reduced. For example, by the end of 1955, only 3,058 foreigners were in Shanghai, among them, 2,185 were permanent residents (He, 2009). Such a trend of low transnational migrants in Shanghai continued during Mao's period. Once China introduced its economic reform and opening-up policy in the early 1980's, an increasing number of foreigners started to come to Shanghai. Such foreigners were mainly managers in foreign companies and professionals and experts in universities. Most lived in 'foreign expert buildings' provided by the host companies and universities as Shanghai had not yet introduced a housing market system and was still under the welfare housing system which did not include foreigners. Such foreign expert buildings were only for foreigners and provided services and infrastructure which were largely not available for the ordinary Shanghainese, such as showers, in-door western style toilets and laundry rooms. Another type of residential area that foreigners could live in was a few designated hotels, located in for example Hongqiao Development Zone. Locating in the west of Shanghai's city centre and near Hongqiao International Airport, Hongqiao Development Zone is the first development zone built to attract foreign investment in Shanghai (Sohu, 2016b). For example, in the mid

1980's, Shanghai Municipal Government approved to build Gubei New District to meet the needs of foreigners. This, as will be discussed in Section 3, was followed by various housing projects, including gated communities for foreigners only and commercial properties that foreigners are allowed to rent or purchase.

After 1992, when Pudong became one of China's open areas, the number of transnational migrants in Shanghai reached the highest in the city's history. According to the sixth population census which includes foreign resident information, total foreigners in Shanghai reached 143,200, the highest among Chinese cities and the highest in Shanghai's history. They came from 214 countries with the top three being Japan, USA and South Korea. Migrants from these three countries account for half of the total foreign population in Shanghai. The reason behind the move to Shanghai vary: business/work, study, marriage and returned from living overseas (Sohu, 2016a). Employment ranged from those who were managers, in senior roles within finance and information technology, engineers and architects/designers as well as foreign language teachers, students, chefs and public servants.

3. Where do transnational migrants reside in Shanghai?

Before turning to analyse the transnational migrants' residential spatial distributions in more recent times, it is important to understand Shanghai's urban planning structure. The city of Shanghai can be divided into three zones: inner-ring, mid-ring and outer-ring (See Figure 1). Outside the outer-ring is Shanghai's suburban areas occupying 90% of Shanghai's administrative region. Within the outer-ring is Shanghai's urban built-up areas including

urban fringes (between inner-ring and outer-ring) and the city core area (within the inner-ring). The International Settlement and French Concession (Shanghai's semi-colonial period) discussed above are located in the city core area.

The residential spatial distributions of recent transnational migrants in Shanghai pose a significant contrast to the semi-colonial period, and Mao's era as well as in the early stages of China's economic reform and opening-up. According to the 2010 population census, transnational migrants are widely distributed in 3,000 neighbourhood committees in Shanghai. The furthest residential location is in the most marginal area of Shanghai's administrative region, including Chongming Island. The new residential locations mainly include Jiading New City, Qingpu New City, Songjiang New City and Nanqiao New City in the west and southwest suburbs in Shanghai. As Figure 2 shows, 98.9% transnational migrants in Shanghai live within the regions of population density greater than 1,500 people per square kilometre, and the rest are scattered in suburban university towns and the boundary of the city's administrative region.

Insert Figure 2 here.

We find that Shanghai's old settlement areas now accommodate just over a quarter of the foreign population. Higher proportions of migrants are from Spain, France, Sweden and Italy, and have made a similar decision as their predecessors to reside in the old settlement sites in Shanghai. However, as Table 1 below shows, none of the countries of origin have more than 50% of its total population residing in the old settlement sites. For example, less than 25% of German, Canadian and Singaporean migrants reside within the old settlement site and nearly

90% of South Korean migrants live outside the old settlement site. Thus, it appears that there is a shift to move outside the old settlement sites. For example, most British migrants have spread to the east of Huangpu river (Pudong New District). American migrants have spread from the International Settlement to its west and east. French migrants' residential spatial distributions are similar to French Concession but gradually expand outward to its east and west. Japanese migrants from the International Settlement are moving to southwest of the city core area. See Figure 3 below which depicts the residential spatial distributions of British, American, French and Japanese in Shanghai.

Insert Table 1 here.

Insert Figure 3 here.

Transnational migrants' residential distributions in Shanghai thus appear to have a scattered pattern extending outside of Shanghai's old settlement sites into the inner-ring, urban fringes and suburbs which previously had no foreign population. As found, 74.3% transnational migrants reside outside the old settlement sites. Among these migrants, 45.1% reside within inner-ring, where has similar proportions of transnational migrants' residential distribution with it within the old settlement sites, due to the two areas spatial coincidence in Shanghai. Some transnational migrants residentially distribute outside inner-ring. As Figure 4 shows, there is one similarity in terms of residential spatial distribution between different foreigner groups in Shanghai: none of the countries of origin have more than half of their total population distributing in the old settlement sites. However, during the semi-colonial period in Shanghai, foreigners mainly resided within the old settlement sites. This is a significant

difference of the residential spatial distribution of foreigners between the semi-colonial period and the recent times in Shanghai. Another similarity is that transnational migrants from all the countries of origin reside in all the areas divided by inner-ring, mid-ring and outer-ring in Shanghai: within the old settlement sites, within the inner-ring and outside the old settlement sites, between inner-ring and mid-ring, between mid-ring and outer-ring, and outside outer-ring. In between inner-ring and mid-ring, the proportions of the transnational migrants from Asian countries such as Indonesia, Japan, Thailand and India are larger, while the proportion of South Korean is small. In between mid-ring and outer-ring, the proportions of the transnational migrants' residential distributions are relatively even, while the proportions of South Korean and Indian are relatively larger. Also, 14.2% foreign population reside in outside outer-ring in suburbs. The proportions of transnational migrants from Germany, the Philippine, Malaysia and New Zealand are larger in outside outer-ring amid the overall small distributions of transnational migrants in this region. In summary, the aim of the discussions here is not to compare where transnational migrants from different countries of origin reside in Shanghai, rather, it allows understanding of the spreading tendency of the transnational migrants' residential spatial distributions.

Insert Figure 4 here.

Insert Figure 5 here.

As Figure 5 shows, the neighbourhood committees that have large proportions of transnational migrants concentrate in Shanghai's city centre's east and west sides. From a neighbourhood committee-scale, the fragmented distribution of foreign population in

Shanghai is even more obvious. Most of foreign population choose to reside in the neighbourhood committees dominated by local residents. This indicates a highly mixed residential pattern of local Chinese and foreigners. As Table 2 below shows, there are only 5 neighbourhood committees that have a foreign population occupying more than 50% of the neighbourhood committees' total population in Shanghai. Foreigners residing in these neighbourhood committees occupy less than 1% of the total foreign population in the city. About 97% neighbourhood committees in Shanghai contain a foreign population less than 10% of the neighbourhood committees' total population. Foreigners residing in these neighbourhood committees occupy more than half of the total foreign population in the city. In Shanghai, foreign communities are defined as having foreign population more than 30% of its total population. Therefore, less than 20% foreign population live in the foreign communities in Shanghai.

Insert Table 2 here.

4. Why current transnational migrants choose their residential locations in Shanghai?

This section explains the driving forces that influence transnational migrants' residential choices in Shanghai. Such forces include Shanghai's rapid neoliberal urban development, increasing globalisation development, individual socioeconomic and demographic concerns and cultural factors.

Neoliberal urban development

China's neoliberal urban development towards commodification and privatisation of land and housing is an important driving force behind the scattered residential distributions of transnational migrants in Shanghai. Market reform has significantly boosted property development in the city core areas, urban fringes and suburban areas in Shanghai (Chen and Sun, 2007). On the one hand, it encourages local governments to attract investments from and cooperate with private developers to achieve local rapid economic growth and urban development through the land leasing system. Land and housing development have in fact become the primary sources of income for local governments (He, 2007). On the other hand, private developers (as profit-driven entities), actively participate in old urban redevelopment and urban expansion to grow their wealth by developing housing in areas of high demand. Such investment in land property redevelopment opens up more residential options for foreigners (Wu and Webber, 2004, Wang and Li, 2004). For example, one of our interviewees is a German, senior manager in a Germany investment company living in the Huangpu district. He explained his residential choice: "China's housing policy is now very flexible. For foreigners, we can choose anywhere we want to live. My family has been to Shanghai for many years, we have moved many times because we want to experience different areas in Shanghai, including the old settlement areas, new development areas, luxury apartments and villas. I have a friend working as a housing agent. I call him and then he helps me to find a suitable place to live. It is very easy".

Shanghai sees the large-scale land and property led redevelopment projects as a way to promote local economic growth (He, 2007). In this context, substantial housing demolition

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and relocation projects have been implemented in Shanghai, including the famous ‘365 plan’ in the 1990s to demolish 3.65 million square metres of decrepit houses (Ren and Weinstein, 2008), and the recent massive urban renewal since 2005 for the 2010 World Expo (He and Wu, 2005). By demolishing the old neighbourhoods, Shanghai has approved construction of massive new buildings (Davidson, 2007) mainly high-end commodity housing, with advanced housing infrastructure and living facilities such as luxury apartments, gyms and restaurants in the inner city. These redeveloped areas offer high-quality living standards and specific urban infrastructures and services (White, 1988) thereby responding to the demands of transnational migrants (Giroir, 2006, Wang and Lau, 2008). The ongoing gentrification in Shanghai is no longer confined in its old settlement sites, but extends to its city core area, urban fringes and suburban areas. A cluster of luxury villas have been built in Shanghai’s suburbs (Yang, 2006) and has attracted a mass of global elites (Yang et al., 2015) with limited interaction with other areas such as poor urban communities (Marcuse and Kempen, 2000). For example, foreign enclaves have been built as high-end residential estate in Gubei area in Hongqiao Development Zone and Jinqiao area in Pudong New District in Shanghai’s urban fringes (see Figure 1) (Wang and Lau, 2008, Wang and Lau, 2009).

Increasing globalisation development

Such scattered residential distributions in Shanghai are also subject to global forces. As the largest foreign directed investment destination in China, Shanghai has experienced rapid development of transnational corporations (Sassen, 1991, Samers, 2002). The flow of global capital has driven a large number of skilled professionals (Beaverstock, 1994), defined as ‘transnational capitalist class’ (Sklair, 2012), with specific skills, knowledge and

cosmopolitan networks (Beaverstock, 2002) to settle down in Shanghai. Working in a transnational institutes gives global elites higher income, greater purchasing power and higher social status (Chen and Sun, 2007). These people are then able to occupy any housing they like, mainly expensive, high-end and exclusive housing such as gated communities (Wu and Webber, 2004) and villas with explicit links to global systems and lifestyles and cosmopolitan identities (Rofe, 2003) in amidst the globalisation process (Lees et al., 2013). For example, Tomson Riviera is an exclusive luxury residential apartment in Lujiazui in Pudong New District and Shimao Sheshan villas in Songjiang district are popular residential destinations for global elites (See Figure 1).

Given that these global elites are often chasing the global capital flow, they have high mobility and merely see Shanghai as one stop of their global movement journey. As such, they are less likely to interact with local people. For example, one neighbourhood committee has a proportion of foreign residents of about 30%, called *FJY* in Jing'an district (see Figure 5). Jing'an district is in Shanghai's city core area and part of the district is within the old settlement sites. Jing'an district has beautiful living environment, convenient transportation and developed commercial facilities. *FJY* has much higher housing price and rent than most other neighbourhood committees in Shanghai. Foreigners living in this neighbourhood committee are mostly global elites: they are well-educated, temporarily stay in Shanghai, and have higher income, purchasing power and social status and less interactions with local people. In *FJY*, we interviewed a resident who is a British worker in a financial institution in Shanghai. He said that "I have only two years contract here in Shanghai. I choose to live in this place because it has lots of westerners, I can maintain my lifestyle and it is easy for me to

quickly adapt to life here”. These people often reside in apartments provided by their companies. One American in this committee mentioned that “I know many of my neighbours are foreigners and are temporarily working in Shanghai. Our companies collaborate with housing agents to provide apartments to us. We do not need to find places to live by ourselves. I am working in Intel. I heard other people in this committee are from Hitachi, Toshiba and HSBC”. Another American engineer added “I will be in Shanghai for only one year. Living here in company provided apartments with fellow American is easy for me”.

Transnational migrants’ residential preferences are highly consistent with the locations of transnational institutes in Shanghai. We discover transnational migrants in Changning District and Xuhui District in the city core area, Minhang District and Pudong New District in urban fringes where a substantial number of transnational companies are located (Wang et al., 2010), account for nearly 70% of the total transnational migrants in Shanghai (Shanghai Municipal Commission of Commerce, 2018). For example, Jinqiao and Green city in Pudong New District have substantial transnational corporates such as General Motors and Siemens and attracts many foreign employees. For example, one American migrant said that “I am working in Kodak company in Jinqiao. So, I decide to live in Jinqiao. It has good living facilities and is very convenient”. One Japanese migrant working in Panasonic said that “I have been living in Jinqiao for about two years. My company is here. I think it is a good place to live”. Also, a substantial number of Japanese people choose to live where many Japanese companies are located: Hongqiao and Gubei areas in Changning District. As one Japanese migrant explained, “Gubei area is habitable for Japanese people to live, because it has the Japanese consulate in Shanghai and substantial Japanese corporate headquarters,

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schools, supermarkets, hospitals and restaurants”. Another Japanese migrant added that “living in Gubei area allows our Japanese people in Shanghai to gather together for dinners and drinks”. South Korean migrants mainly concentrate in Longbai area in Minhang District, which has many South Korean enterprises, restaurants, shops and other infrastructures and facilities. One South Korean migrant said that “living in this area is convenient for our South Korean people. We feel like we are living in our home country”.

Individual socioeconomic and demographic concerns

Transnational migrants’ residential choices in Shanghai is influenced by their individual socioeconomic and demographic concerns. We find that those communities dominated by a high foreign population in the inner city has higher housing prices reflecting on its residents’ higher socioeconomic status. In contrast, ordinary transnational migrants with generic skills prefer to live in newly built and equipped communities dominated by local middle-class with lower renting prices in urban fringes or suburbs (Yang et al., 2015). Further, in southwest Shanghai the foreign population’s residential areas have shifted from Hongqiao Development Zone near inner-ring to Jiuting county to Songjiang district outside outer-ring. For example, one Canadian migrant working in a western style coffee shop said that “I choose to live in local Shanghai community in Songjiang because it has a relatively cheaper price than those luxury apartments in the city. My salary is not very high to afford those apartments”. One Singaporean migrant said: “why I am living here? Because it is cheap. As a Singaporean, we share similar culture with Chinese. Therefore, I do not have problems living in the Chinese community”. One South Korean migrant commented that “I used to live near Jing’an Temple,

Shanghai's centre. Although it is more convenient, it is extremely expensive. I want to save money, so I moved to Jiuting”.

The purposes behind the move to China also has an impact on choice of residence. Many transnational migrants are more likely to build local connections and stay in Shanghai longer. For example, small business owners engaged in frequent interactions with landlords and local customers. Two of our interviewees are Japanese migrants who jointly own a beauty salon in Gubei area in Shanghai. Half of their customers, all their employees and the landlord are local Chinese. As they said, “we feel deeply integrated into the Chinese way of life because of most of the people in relation to our business are Chinese”. These ordinary transnational migrants contribute much to the scattered residential pattern in Shanghai. One American migrant teaching English in Shanghai said: “I came to China alone because I love Chinese culture. I want to learn it. I choose to live in the local community because I think this is better for me to interact with local people, communicate with them, understand their way of life and learn the Chinese language. I always try to talk to my neighbours in Chinese”. Another American migrant said that “I am probably the only foreigner in this community. Everyone here is so nice to me. They love to talk to me and to share their stories. My Chinese has improved a lot. It is a great idea to live in a local community because I can practice my Chinese and understand the culture. I do not want to leave here”. One Spanish migrant architect explained that “The most important reason I live with the local people is because I can communicate more with them. I came here because I want to know more about China. Living with them is the best way to understand them”.

In addition to the above, transnational migrants make housing decisions according to their family's demands, expectations and lifecycle. From an individual perspective, they prefer a residential location with shorter commuting time and lower transportation costs (Kim et al., 2005). For example, one Japanese migrant who live alone chooses to live in Gubei area because: "My company is in Gubei area. Living in this area is very convenient to my workplace". However, for the benefit of the family, there is a desire to be close to better schools, local amenities and neighbourhoods (Karsten, 2007) and greater housing quality and leisure activities (White, 1988). International schools are operated to follow the education system, courses and language of the original countries of transnational migrants (Yamato and Bray, 2006). In Shanghai, major international schools include Shanghai Korean School, Shanghai Japanese School and Shanghai American School. Figure 6 shows the locations of international schools in Shanghai. We found that those communities dominated by the foreign population in the east and west of Shanghai's city centre are where the international schools are located. For example, Shanghai Korean School is in Qixin road Minhang district and is close to Longbai area where many South Korean migrants concentrate. Shanghai Japanese School is in Hongmei road Minhang district and is close to Gubei area where many Japanese migrants concentrate. As one Australian migrant said: "our family plans to live in Shanghai as long as we can because we love here. My children, one son and one daughter are studying in Shanghai American school. So, when we choose our residential location, a location that is near the school is one of the most important considerations".

Insert Figure 6 here.

Cultural factors

‘Cultural experience’ plays a role in influencing residential networks and geographical mobility (Johnston et al., 2001, Yeoh and Willis, 2005). The numbers of transnational migrants residing in Shanghai’s old settlement sites are large albeit less than in the semi-colonial period - migrants from 14 countries (including France, Britain, USA and Japan) have more than 25% of their total population residing in the old settlement sites.

The enormous gentrification processes, in the form of property-led redevelopment projects (He and Wu, 2005), have provided a material basis for this concentration in the old settlement sites in Shanghai (He, 2010). This is the result of the Shanghai Municipal Government’s commitment to make full use of the sites and to create an ‘old Shanghai’ atmosphere. This is also an attempt by the Shanghai Municipal Government to pay respect to its history and culture. By preserving the old housings’ history and culture from the semi-colonial period (Smith, 1996), the renewed sites attract transnational migrants with strong nostalgic sentiment (Farrer, 2010). One of our interviewees is French and is living in Huaihai Road in French Concession area. He explained his residential choice as follows: “Huaihai Road is probably the busiest place in Shanghai. It has lots of shopping malls, western restaurants, cafes and bars. Living here is great except for the housing price. Another reason I live here is because it is located in French Concession area, and thus has lots of history with France. I enjoy walking around the area and discover so many interesting things”. One British migrant living in Hongkou district said “I know this place used to be a British concession area. As a British person, I want to connect with the history”. One American also living in Hongkou district said that “I feel I am part of the history”.

Japanese migrants also appear to reside in certain areas in Shanghai. We found that the segregation degree of Japanese migrants in single neighbourhood committees is the highest. In Shanghai, there are three neighbourhood committees that have a population of more than 30% Japanese. One of these neighbourhood committees is in Gubei area, called *SJJY* (see Figure 5). Japanese migrants live in this committee because the surrounding areas have a large number of Japanese corporations, restaurants and shops as well as the Japanese consulate. It is because that with large concentration of Japanese people, the area has huge potential business opportunity, as the two Japanese interviewees who opened a beauty salon said. Also, Japanese choose to live in *SJJY* because they are provided with a range of services in a bid to assist their life, including translation, legal consultation and leisure-time activities. Japanese people hence have strong senses of the committee and belonging. In this context, a community that sustains strong characteristics of Japanese national culture has formed. The community provides significant 'spiritual security' for the Japanese, which will not likely to happen if they live with other groups of people. One Japanese said that, "I am more comfortable living with Japanese people. I can speak Japanese with them and live in the Japanese way".

5. Conclusion

In this paper, we have concluded that there has been a shift (from the semi-colonial period, Mao's era and the early stages of China's economic reform) in residential spatial pattern for transnational migrants from concentrated to widely dispersed. This is due to China's

neoliberal urban development, globalisation and an individual's socioeconomic status, culture and demographic.

Shanghai has continuously expanded its habitable residential space, thereby providing more widely dispersed residential choices for transnational migrants. The collaboration between local governments with private enterprise predominantly stands out (Zhu, 1999). This is supported by Wu (2004a)'s conclusion, in which housing market development in urban China offers more choices for people's residence and plays a significant role in differentiating residential areas. Such actions go beyond merely generating local economic revenue and are important in the context of Shanghai's elevating globalisation process. As a consequence of globalisation at a local level, some migrants choose luxurious and exclusive housing to represents their high social status and lifestyle, while some migrants choose housing based on their individual or family needs. Our findings support Marcuse and Kempen (2000)' conclusion that globalisation leads to urban spatial structural transformation. It is noted that Japanese and South Korean migrants are prone to live with their compatriots to attach their identities (Glebe, 1986, Price et al., 2005), and French, British and American migrants favour the old settlement sites in Shanghai reflecting a clear relationship between nostalgia and place (Cuervo and Cook, 2018).

The socioeconomic disparities, cultural heterogeneities and lifestyle differences between transnational migrant groups thus result in a diversity of transnational migrants' residential choices and a fragmented residential spatial distribution. The influences of global elites on Shanghai are of a top-down nature. With high income, purchasing power and social status, they prefer to concentrate in luxury gated or villa communities to maintain their global ways

of life. With the expansion of global information, capital and trade to everywhere in Shanghai, their concentrations are widely distributed. In response, Shanghai governments build these communities to accommodate these global elites' needs. This is because Shanghai governments need them for new and increased information flow, capital and trade for transnational cooperation and globalisation development. Meanwhile, the influences of ordinary transnational migrants on Shanghai flow from the bottom-up. As grassroots movers, they are more likely to integrate with local Chinese communities or form their own 'home' communities. With ordinary income, purchasing power and social status, these ordinary migrants appear to have more scattered residential spatial pattern.

Although Shanghai has experienced rapid globalisation development over the past years, compared with other major global cities, such as New York, London and Tokyo (GaWC, 2017), its degree of globalisation is still low, for example, in terms of the proportion of foreigners in the total population. According to the sixth population census, total foreigners in Shanghai occupy only 0.59% of Shanghai's total permanent resident population. Our findings exist in such a context. However, as Shanghai is accelerating the pace of globalisation, more and more foreigners will come and settle down in Shanghai. Their residential spatial patterns will subsequently undergo significant changes. Therefore, this paper plays a leading role for future research on transformation of foreigners' residential spatial patterns in Shanghai.

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Table 1. The proportion of the transnational migrants within and outside the old settlement sites

Countries of Origin	% living in the old settlement sites	Countries of Origin	% living in the old settlement sites
Spanish	45.0	USA	26.9
French	43.0	Japan	26.2
Sweden	41.3	Thailand	26.0
Italy	40.2	Philippine	25.4
UK	35.1	German	24.4
Netherland	32.1	Canada	23.6
Australia	31.8	Malaysia	22.8
Indonesia	30.0	Singapore	21.8
Russia	28.3	South Korea	12.4
New Zealand	28.1	India	9.7

Note: Data is from China's sixth population census

Table 2. Foreign population in neighbourhood committee in Shanghai

The proportion of foreigners in neighbourhood committee	The numbers of neighbourhood committee	The proportion of foreigners in Shanghai
50% and more	5	0.8
30% - 50%	21	18.4
10% - 30%	59	25.5
1% - 10%	442	39.4
Less than 1%	2450	14.4
Total	2977	100%

Note: Data is from China's sixth population census

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Figure Caption

Figure 1. Shanghai's administrative map

Figure 2. Transnational migrants' residential spatial distributions in Shanghai (Source: China's sixth population census)

Figure 3. The residential spatial distributions of American, British, French and Japanese in Shanghai (Source: China's sixth population census)

Figure 4. The transnational migrants' residential distributions in the different regions in Shanghai (Notes: ESP: Spain; FR: France; IT: Italy; JP: Japan; US: US; GB: Great Britain; RU: Russia; AU: Australia; DE: Demark; CA: Canada; SG: Singapore; KR: South Korea; MY: Malaysia; SE: Sweden; PH: The Philippine; NL: Netherland; ID: Indonesia; NZ: New Zealand; TH: Thailand; IN: India) (Source: China's sixth population census)

Figure 5. The spatial differences of the proportions of transnational migrants in each neighbourhood committee in Shanghai (Source: China's sixth population census)

Figure 6. The locations of International schools in Shanghai (Source: Shanghai Municipal Government)

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Wang, C;Li, C;Wang, M;Yang, S

Title:

Transnational migrants in Shanghai: residential spatial patterns and the underlying driving forces

Date:

2019-11-16

Citation:

Wang, C., Li, C., Wang, M. & Yang, S. (2019). Transnational migrants in Shanghai: residential spatial patterns and the underlying driving forces. POPULATION SPACE AND PLACE, 26 (1), <https://doi.org/10.1002/psp.2272>.

Persistent Link:

<http://hdl.handle.net/11343/286936>