Study on the Management of the Public Space of Lujiazui

Kangjuan LV\textsuperscript{1,a}, Bingjie FAN\textsuperscript{1,b}

\textsuperscript{1}Shanghai University, 20 Chengzhong Road, Jiading District, Shanghai, China
\textsuperscript{a}lvkangjuan@shu.edu.cn, \textsuperscript{b}annie_fanj@163.com

Abstract:

Public space in central city areas is a limited resource bearing the responsibilities of creating a city image and satisfying citizens’ mental demands. With the rapid socioeconomic development and consequential stress becoming a common problem in major cities, the role of urban public space and its management have attracted more and more attention of both governments and scholars. This paper investigates the changing patterns of public space management of the Lujiazui Financial and Trade Zone, regarded as the symbol and financial center of Shanghai, from its establishment to its current status. Despite the government playing a leading role since the early stages of the reform, a series of emerging problems, such as traffic inconvenience and lack of cultural atmosphere, have started to impede the further development of Lujiazui CBD in recent years. In order to construct Shanghai as an international financial center, an improved mechanism of public space management needs to be created to solve these problems and make the city more attractive and comfortable to people.

Key Words: Urban Public Space, Public Space Management, Lujiazui, Financial Center, Shanghai
1. INTRODUCTION

Lujiazui Financial and Trade Zone is located in the Pudong New Area of Shanghai across Huangpu River from the Bund, facing an area of 31.78 square kilometers. In 1990, it was approved by the state council as the only one of 185 national development zones awarded the title of ‘Financial and Trade’ in China. Specifically, the Lujiazui central area, commonly known as the Little Lujiazui, is the important financial center of excellence and upscale business district of Shanghai and Pudong with an area of 1.7 square kilometers where stands plenty of the tall commercial buildings including the Jinmao Tower, which is the eighth highest building in the world, and gathers all kinds of financial institutions including the headquarters of many foreign banks, such as HSBC Bank, Citi Bank and Standard Chartered Bank, and many famous enterprises such as GMAC-SAIC and China Pacific Life Insurance. Lujiazui is the first developed place in modern Pudong and has become one of the most famous places in Shanghai since the 1990s. In recent years, influenced by the big trend of economic globalization, Shanghai has become the economy, science and technology, industry, finance, trade, exhibition and shipping center of China, and is now ongoing in it’s continuous development and construction initiatives as an international financial center. As the core region of building Shanghai international financial center, the development of the Lujiazui Financial and Trade Zone therefore has attracted world attention. However, some city problems, such as traffic congestion, the inconvenience of white-collars’ living arrangements and a lack in cultural atmosphere, needs to be solved in the process of development. All these problems are actually due to the lack of public space and low efficiency of space management in this highly populated area. Thus, the construction and management issue of the public space in Lujiazui Financial and Trade Zone attracts great notice of the country and government in the last couple of years.

2. LITERATURE REVIEW

Public space refers to those local places where the general social members can share free entry and not be bound to normal activities. Thus the city public space has attracted huge academic interest presenting a significant amount of excellent theses. For instance, Collins and Shantz (2009) mainly identify the political understanding of city public space with the purpose of city branding and believe that public space should be enjoyed by all the citizens without any exclusion to get the best value. Then Carmona (2010) firstly presents different opinions on current public space situations, which shows that two diametrically opposed viewpoints exist: one believes public space is under-managed and one views it is over-managed, experiencing that both sides agree that the result is a homogenization of public space. Furthermore, Carmona (2010) also explores different kinds of public space with the purpose to show the trends on the development of contemporary public space and concludes with a suggestion to find a new solution of public space which should be based on how public space is managed. Also as
referring to the management of public space, Dempsey and Burton study one kind of long-term management of public space which is called place-keeping. Specifically, Dempsey and Burton believe that the management and maintenance of public spaces should be paid more attention to in order to make better use of the spaces as most people just focus on place-making. Thus this thesis mainly demonstrates the importance of place-keeping and clearly describes how place-keeping should be operated and evaluated involving different stakeholders. Since the great development of economic globalization and international trade, building international metropolis and Central Business Districts (CBD) has been an important measure to show a country’s image around the world. Therefore, studies on the public spaces in CBDs have attracted key notice of many researchers and urban planners for some time. For example, Cybriwsky (1999) investigates the development and new trends of urban public spaces in big cities by comparing the changing modes of public spaces in Tokyo and New York City both experiencing metropolitan areas focusing on a single CBD to a multi-nodal business district. Despite some unique features, Cybriwsky’s observations show that there are several common trends in the two cities’ public spaces, including the increasing privation control, more supervision and more interesting design with little connection with local history. On the other hand, McNeil (2011) examines the policies implemented in Central Sydney to reconstruct CBDs, which are known as a ‘finer grain’ urbanism that promotes small shops and commercial services and connects civic spaces by pedestrian systems. This kind of urban public space design can be a new mode for many commercial areas to use as a source of reference. There is also much literature to propose new ideas to manage public space in CBDs. For example, Feehan and Heit (2006) considers the large-scale private sector to be taken a great notice of. Although there are so many papers studying the management of public spaces in financial districts in many big cities like the New York City and Tokyo, articles focusing on Lujiazui financial and trade zone are relatively rare with few pieces of research of note. As an example, Olds (1997) investigates the restructuring processes of Shanghai under the context of globalization with particular emphasis on the development project of Pudong. During the article, Olds (1997) refers to the initiative of building Lujiazui Central Finance District but mainly about its development plans. Moreover, Martona and Wu (2006) also explore the development and management of new spaces in the Pudong New Area in Shanghai and list several factors influencing the development of Pudong. However, few pieces of research have been launched to study the fresh development of Lujiazui Financial and Trade Zone which has witnessed a great progress in Shanghai’s city growth.

Therefore, this paper investigates the management of the public space of Lujiazui drawing a conclusion of the successful experience and proper improvement advice.
3. CHANGING PATTERNS OF THE MANAGEMENT OF THE PUBLIC SPACE IN LUJIAZUI

Lujiangui financial and trade zone, with its quick development, has become one of the most concentrated areas for financial and trade activities in present China. However, the planning and development of Shanghai's Lujiangui Area has followed a tortuous course.

3.1 Planning Process

In history, the development of Lujiangui can be traced back to the time when the Open Door Policy was passed and Shanghai urban planners raised two proposals, which are known as: the ‘Planning proposal for The Bund, Lujiangui and Shiliupu areas’ and the ‘Detail planning for the Lujiangui Area’ (Olds, 1999). The development of the Lujiangui Area was closely and inseparably related to the planning of Pudong. As early as 1984, the Shanghai Municipal People's Government first proposed the Pudong development issues in "Shanghai's economic development strategy report outline" submitted to the central government. Then in 1986 when the State Council approved the "Shanghai Urban Master Plan", it officially announced that “To make a modern new district of Pudong, particular attention should be paid to the planned construction and renovation”. However, little progress was made on the planning and development of Pudong and Lujiangui as a central business district since then. It was only until the central government's 1990 announcement to 'open Pudong' as an economic zone and Pudong Development Office of Shanghai Municipal Government was established that this area started to take-off. Meanwhile, the central government formally named the Lujiangui Financial and Trade Zone in June.

The Pudong New Area is designed to be a 522 km\(^2\) area to the east of the Huangpu River, which is 1.5 times the size of urban Shanghai and composed of farmland, low-density industry, and associated residential districts (see Fig. 1). In this new area, the Lujiangui Finance and Trade Zone could be the most important sub-area within the entire 522 km\(^2\) Pudong project since it located just across the Huangpu River with closest relations to the urban area. Though, while the whole zone was only 28 km\(^2\) in size at that time (The State Council issued another document to confirm Lujiangui Finance and Trade Zone area of 31.78 km\(^2\) in September of 2005), initial development was being concentrated within the four sub-zones.
3.2 Development of Lujiazui CBD

The development of Lujiazui Finance and Trade Zone is a key component of the central and local government's strategy to develop Shanghai's tertiary sector including both financial services, retail services, education and high-technology industries. Followed by the central government named Lujiazui Finance and Trade Zone in June of 1990, the Lujiazui Finance and Trade Zone development company was established by the Shanghai government in October, which marks the development of the Lujiazui Area which has entered a substantive startup stage.

The development plan of the Lujiazui Finance and Trade Zone clearly defined that the CBD needed to act as ‘an important symbol and image of the results of reform’ and the ‘successes’ of the New Open Door Policy (Huang, 1993). Further, the Shanghai Lujiazui Central Area International Planning and Urban Design Consultation Committee was established running into a rapid redevelopment process. In 1992, the Lujiazui Central Finance District Master Plan was proposed as a guide to build Lujiazui into an international financial center by a planning team consisted of mainly foreign city designers. In the following years, five conceptual plans, which are the revisions and recommendations of that master plan, were produced based on the practical situation of Lujiazui to deal with transportation issues, green space, urban form, the feasibility of phased implementation, urban vitality, the historical context, future changes in information and technology, linking with other planning programs and administration of the...
zone. This was a critically important action for Lujiazui which is designed to be China's most important functional and symbolic tertiary sector zone.

After about two decades’ of quick development, Lujiazui has scored remarkable achievements and it has become the largest CBD with the most concentrated capital in China. The Lujiazui Financial and Trade Zone has produced initial results operating as the core financial functional area in Pudong, since the financial market system and the mechanism system has improved steadily and the international status is constantly rising. By the end of 2009, the overseas bank headquarters and regional headquarters located in Lujiazui Financial and Trade Zone has reached the number of 34. The factor market realizes the great-leap-forward development, with securities, IPO financing, commodity futures, the diamond market repeating success and Lujiazui gradually becoming all kinds of price information gathering and dissemination center.

### Table 1: Main Factor Markets Turnover and International Rankings of Lujiazui Financial and Trade Zone in 2009

<table>
<thead>
<tr>
<th>Market Types</th>
<th>Main Factor Markets Turnover of Lujiazui Financial and Trade Zone</th>
<th>International Rankings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities</td>
<td>44.2 Trillion Yuan</td>
<td>The first in Asia, the third in the world</td>
</tr>
<tr>
<td>IPO</td>
<td>179.05 Billion Yuan</td>
<td>The first in Asia, the third in the world</td>
</tr>
<tr>
<td>Natural Rubber Futures</td>
<td>1.5 Billion Yuan</td>
<td>The first in the world</td>
</tr>
<tr>
<td>Copper Futures</td>
<td>3.32 Billion Yuan</td>
<td>The second in the world</td>
</tr>
<tr>
<td>Diamond</td>
<td>1.52 Billion Dollars</td>
<td>The second in the world</td>
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Data sources: the exchanges site

Lujiazui Financial and Trade Zone prepares the regional planning scientifically, and constantly increases infrastructure construction investment, which leads the construction of urban morphology to change with each passing day. Through decades of construction, the city layout becomes more perfect and forms the modern service industry center space around Little Lujiazui and Century Avenue. Traffic has become increasingly accessible no matter within or outside the region and the three-dimensional networked traffic is also gradually formed. Meanwhile, the city stereoscopic landscape characterized by commercial office buildings continues to make the breakthrough. The commercial facilities covering the Lujiazui Finance and Trade Zone has been further expanded and commercial facilities environment have also being continuous optimized.

During the quick development of Lujiazui CBD, there were also changes in administrative management planning. Some significant ones have influenced the whole area’s development. For example, the Lujiazui Functional Area was set up to govern areas including five streets which are Lujiazui, Weifang, Tangqiao, Yangjing and Huamu. Its main function was to plan the regional development as a whole and undertake comprehensive regional planning, industrial
development, project coordination functions in this area. As a "middle layer" between Pudong New Area Government and street (town) these two levels of government, the Functional Area was always playing a coordinating role among the towns under its jurisdiction to promote the common development. For the larger Pudong New Area, it seems to be a little hard to exercise jurisdiction over all the streets directly, hence the establishment of Functional Area contributed to better effectively manage the streets and towns. However, troubles also came. With the Functional Area operating, a normal reporting structure needed to go through this apartment leading to a few increased procedures, which was not consistent with the top goal of creating high administrative efficiency in Pudong New Area. Therefore, in order to straighten out the relations among Development Zone Government, the Functional Area, street and town government and other types of governing bodies to improve the government efficiency, the Functional Areas including the Luajiazui Functional Area were decided to be disbanded from the mechanism of government in 2010. Meanwhile, Luajiazui Financial and Trade Zone Management Committee was established instead, which is primarily responsible for the industrial development planning, planning and construction, investment promotion and other aspects of management services within the whole Luajiazui Finance District. It set up five apartments including the Office (Department of Planning and Finance), Department of Economic Development, Department of Financial Shipping Service, Department of Planning and Construction and Department of Integrated Services Coordination. Every apartment has its own explicit responsibilities.

3.3 Current Situation

At the present stage, Luajiazui Financial and Trade Zone Management Committee is focusing on the national strategy of building Shanghai as an ‘international financial center and international shipping center’. The 12th Five-Year Plan also explicitly refers to build the Luajiazui Financial and Trade Zone into the core functional areas of Shanghai international financial center, the high-end service area of Shanghai international shipping center and the modern business gathering area of Shanghai international trade center.

However, Little Luajiazui area and the surrounding modern commercial land are in tension. The bottleneck of space constraints highlights in the process of constructing the Shanghai Financial Center. Therefore, while Luajiazui construction has made significant achievements, it should be realized that the current low efficiency in public space management and the resulting problems. In order to master the specific potential needs of the demand side of the public space in Luajiazui and better construct this financial district, Luajiazui Financial and Trade Zone Management Committee has launched several research papers on the flow of personnel around main commercial buildings nearby. By investigating specific feelings and understanding on the Luajiazui area from people working and living there as well as tourists, so as to analyze their needs, it can provide reference for the development and utilization the public space in Luajiazui Financial and Trade Zone more efficiently, and also for other domestic CBDs. The results of the
survey show that the main existing problems are the relative lack of commercial support facilities in the region, the relatively simple city function and the weak regional cultural identity, which are the obstacles needing urgent resolution in the process of constructing an international financial center.

4. WHAT IS GOING ON IN PUBLIC SPACE MANAGEMENT? - AROUND THE WORLD AND IN LUJIAZUI

Compared with the management pattern of public space of other big CBDs, there are several experiences which can be learned from. For instance, Magalhaes and Carmona (2006) examines recent changes in public space management form in England which focus more on the quality of public space. This kind of changes reflects the changes in the relationship between the government and society in the management of public services. It clearly refers to the importance of the maintenance of public space and creates a new policy idea with its own stakeholders, power relations, and governance mechanisms. Since there is a changing big context of public space management, which includes the retreat of direct government involvement, transfer of management responsibilities to private and community stakeholders, dominance of corporate interests, privatization of parts of the public area and so on (Magalhaes and Carmona, 2006), quite a little effort are made to make the management more effective. Among which, an emerging public space agenda with top-down but also bottom-up influences seems to be an successful way forward to bringing public space management forward as a more coherent and effective area of government activity (Carmona & de Magalhaes, 2006). Besides this, Nasution and Zahrah (2012) consider privatization of public space could be an effective way to better manage public open space and improve the quality of life in today's modern world by investigating the research of Merdeka Square Medan. In fact, many practices and scholars consider privatization as a new form of public space development and management in recent years. On the other hand, contracting-out has also been an effective method to launch urban public space management and is widespread used in the OECD countries for the last decades (Lindholst, 2009). Anyway, developing a new pattern of public space management to adapt the constantly-changing environment in various CBDs around the world has reached a consensus although the specific manners may be different.

Lujiazui is not an exception. To better manage Lujiazui Financial and Trade Zone and better satisfy the citizens’ demands, Lujiazui Financial and Trade Zone Management Committee has always been committed to seek a better method to public space management in Lujiazui. Referring foreign experiences such as privatization and contracting-out is definitely important, while combining with our country's actual conditions practice and Lujiauzui situation can be even more crucial to the success of the management trial. Looking back to the past practices, it is easily shown that government involvement plays a vital role in public space management in Lujiazui. The best example can be the initial establishment and development of Lujiazui. Although it was listed in the city planning process in 1984, little progress was made until the
central government announced to 'open Pudong' as an economic zone in 1990 and Shanghai Urban Planning and Design Institute (SUPDI) and the East China Architecture and Design Institute (ECADI) then formulated modified plans for Lujiazui development. Since the central government involvement, the Shanghai Municipal Government started concentrating strength on building Lujiazui Financial and Trade Zone with the concept of making Lujiazui into "an important symbol and image of the results of reform and the 'successes' of the New Open Door Policy (Huang, 1993)". Government power shows a great influence in China, especially in such big events as urban planning and development. In the following couple of decades, public space management in Lujiazui mainly complies with the principle of a government's leading factor. The main urban plan of Lujiazui development should be the revised master plan approved in 1994, which permits 69 buildings, with a total buildable buildings, 16% to shopping malls, 6.6% residential and 2.4% culture and entertainment. 34% of the total land area is assigned to open space with a 100 000 $m^2$ central park included (Magalhaes and Carmona, 2006).

Although a government-led public space management is always criticized for its low efficiency and inflexibility, it’s no doubt that government involvement has played a critical and positive role in planning and management of Lujiazui Financial and Trade Zone, which can be best demonstrated by the data of achievements of previous development. There are now 45 buildings in the region with more than 160,000 staff and buildings of Shanghai Shipyard, Shanghai Center and Century Metropolis Project are in construction with SN1 project about to start. Financial institutions are also continuing to concentrate in Lujiazui Financial and Trade Zone. Until the year 2009, the number of financial institutions in this region (counted 556) accounted for 92.2% of the Pudong New Area and 60% of the entire Shanghai institutions and even in the aftermath of Global Financial Crisis it still keeps 10.3% of the strong growth momentum. The Lujiazui Financial and Trade Zone has completed total tax of 38.087 billion yuan in 2011, with a year-on-year increase of 11.26%. “Under the framework of the national strategy of constructing Shanghai into an international financial center and international shipping center, the Lujiazui Financial and Trade Zone is positioning to become the core functional areas of the Shanghai international financial center, the high-end service area of Shanghai international shipping center and the modern business gathering area of Shanghai international trade center.” (Excerpt from <the 12th Five-Year Development Plan of Lujiazui Financial and Trade Zone>)

Thus, the government-led public space management has gained great achievements and Lujiazui Financial and Trade Zone has developed greatly since established. However, there are some emerging problems in public space management which needs immediate solutions.

Based on the results from the current construction and development of the Lujiazui area, it seems that all the elements other international financial centers have equipped, including the high concentration of financial office buildings and relevant support services such as catering services and comprehensive commercial places are also complete. While the Huangpu River, a
Riverside Green Belt and the central green space has become an important element of public space in the Lujiazui area, recreational facilities such as the Oriental Pearl and the Aquarium are also built to create an attractive workplace environment. Meanwhile, the city and regional governments are committing to the arrangement of public events in this area, such as the entertainment activities like carnivals, Touring Car Championship and the Roman Holiday. By rights, people should be satisfied with the public space in Lujiazui Zone and create a sense of belonging there. However, the fact seems to be different. The Lujiazui Finance Zone is a high concentration area of population and urban activities where the flow of people in and out of the area everyday is huge. But for such a region, neither foreign visitors nor local residents consider it as the center of the city. Also, even in this region’s employment and its surrounds, residents do not have such a sense of identity. From an objective perspective, it is easy to recognize Lujiazui’s CBD from its landmark buildings and structures while it is extremely difficult to grasp and feel this region as a whole. In other words, most people can only remember Lujiazui Finance Zone by the attractive fragments like "Oriental pearl" but it cannot leave a deep impression by a complete image of the entire region which is surpassed by the Bund. As for the reasons for this, it can be traced back to the construction process of the Lujiazui Area. Since this zone was developing rapidly in just the past ten years, concentrated building blocks were indeed built in the Lujiazui CBD with a fact that in terms of its interior, the boundaries of all building blocks there are isolated. Every building has its own form and complete functions. However, they are not performing like a complete center of a city. To be an international financial center, the Lujiazui CBD needs to be more dynamic and attractive which is in large part to the help of plenty of urban public space and the vitality of public space itself. Thus, how to better manage the public space in Lujiazui CBD becomes the core mission of Lujiazui Financial and Trade Zone Management Committee.

As for the current status of public space in Lujiazui Financial and Trade Zone, firstly is the inside of the buildings. Each building is well equipped with its own food and beverage facilities and services. There are quite a lot of so-called public space in each building, for instance, the magnificent lobby with a variety of public using business services around it and also a variety of space that can conduct public communication. However, the problem is that these spaces can clearly not be considered as city public space while can only be referred as space for some people or some kind of community since its essence is still “public space” in the personalized space. Moreover, this public space within buildings is far from meeting the public activity needs for the practitioners working or living there. On the other side, for the “public space” outside the buildings, Lujiazui Finance Area has a dense city road system and quite a lot of urban green spaces. Despite of the Central Green Space, there are also many different kinds of green spaces between buildings and other areas. But among all these public spaces, in addition to the traffic on the main road and the square for the waiting tourists of the Oriental Pearl TV Tower, there are very few public activity spaces with atmosphere in other public spaces. Thus, the present public space in Lujiazui Area is not only short of demands but also lacking in vitality. Serious problems exist in the construction and management of public space in Lujiazui
CBD. That’s why Lujiazui Financial and Trade Zone Management Committee launched the research papers to find out the problems.

Obviously, the original pattern is already unsuitable to the new context, so innovations are essential to be made. For which reason, the Lujiazui Financial and Trade Zone Management Committee is seeking a new mode to better manage public space in Lujiazui based on learning other CBDs’ experience and the actual conditions faced by Lujiazui.

5. RECOMMENDATIONS TO INNOVATIVE PUBLIC SPACE MANAGEMENT OF LUJIAZUI

As referred to in Part 3 and Part 4, problems exist to block the further development of Lujiazui in approaching to core international financial centers like London and New York City. With the knowledge of the main problems derived in the previous survey in Part 3 and combination of the useful experience of foreign countries and Lujiazui itself, a new management pattern is proposed expecting a better future for the Lujiazui Financial and Trade Zone.

At present the prominent problems faced by the Lujiazui Financial and Trade Zone include the inconvenience of traffic, a shortage in commercial facilities, especially the low-end supporting business, and a serious lack in cultural atmosphere. Corresponding solution measures should be taken to solve each problem.

**Problem No.1: Inconvenience of Traffic**

Lujiazui Finance Area is enclosed by South Pudong Road, Dongchang Road and Huangpu River. Within this region, there is 1 rail transit site and 50 ground bus lines, which have made transit network density up to 6.69 km/km$^2$ and the 300 meters of bus station coverage rate reaching nearly 98%. According to the data collected by the Pudong New Area Government, the bus lines in this area have become saturated which can be really called traffic in all directions.

However, despite such high line density and site density, the fact is that the City white collar, residents, visors, as well as enterprises and institutions executives all reflects the traffic is inconvenient. There are several reasons for this. Firstly the Lujiazui Finance and Trade Zone is located in an end position in the whole traffic system resulting that few taxi transits would like to detour into this area and taxi resources are very tight. Secondly the rail transit sites are relatively few with a low coverage in this area and lastly there exists certain irrationality in the bus network structure and a certain optimal adjustment should be made to improve the transport availability.

In recent years, the Pudong New Area Government and the Lujiazui Financial and Trade Zone Management Committee have carried out a series of works to solve these problems. For instance, to improve the bus network and strengthen the regional public transportation and rail
transportation links, the Lujiazui Financial City Bus No.1, No.2, No.3 and No.4 are constantly opened to facilitate the City white collar workers. Furthermore, in order to improve the taxi difficulty in the City, Taxi Stands have been built and certain measures are taken to encourage taxis to empty into this region. What’s more, during the daily times of 19:30 to 22:30 when taxis are in extremely short supply, short bus lines are created to take passengers to the peripheral regions where taxis are relatively sufficient. Besides, 200 million copies of “Bus Guide of Little Lujiazui, Pudong” with detailed marked subway stations, bus stops and specific operating time information have been printed and distributed free of charge to the public to expand the bus line awareness. All these measures should be continued and expanded in the future to better solve the traffic problem in Little Lujiazui.

**Problem No.2: Shortage in Commercial Facilities, especially the low-end support businesses**

In order to improve the commercial facilities in Lujiazui Financial City and further meet the staff, residents and visitors’ commercial demands, the Pudong New Area Government has issued a document named “Financial Support Measures to perfect Lujiazui Financial City commercial facilities ” to guide and encourage building owners to improve commercial facilities especially the low-end ones within each building. Through policy advocacy, home guidance, investment promotion, demonstration building experiences introduction and a variety of other measures, the commercial building support environment in Little Lujiazui has been significantly improved. Within all 49 buildings, 10 have been identified as the exemplary ones, 25 were identified as standard buildings and the other 14 have been identified as essential business complete ones, which marks that building commercial facilities have achieved full coverage. Meanwhile, the Pudong New Area Government and Lujiazui Financial and Trade Zone Management Committee also focus on promoting the construction of large and medium-sized business facilities, such as the construction of the International Financial Center and the Super Brand Mall. All kinds of commercial facilities should be further improved on the basis of current status and made Lujiazui CBD more attractive and feasible.

**Problem No.3: A Serious Lack in Cultural Atmosphere**

It has been observed that few people have the sense of belonging to the Lujiazui Financial and Trade Zone. The main reason can be the shortage of cultural atmosphere there since it was built as it embodies that: very few cultural festivals and events are held there, there is low public participation and a lack of recreational facilities. To build its own culture and regional identity, the Lujiazui Financial and Trade Zone Management Committee has launched several cultural festivals and activities and built many recreational facilities to attract a large number of public (local and overseas) participation to continuously display the “Shanghai culture”. As long as such activities keep holding for a long time, Little Lujiazui will also form its own unique culture and logo.
Root of the problems: the Management Mode of Public Space

However, all the measures being implemented can only solve the problems of surface. All these problems are concentrated on the sticking point that the city public space control mechanism should be improved on. Two types of problems are especially prominent. One is that effectively agile market mechanisms are not introduced in the need to rely on market mechanism to achieve the effective supply of public space management. The supply of some supporting business such as internal canteen for commercial buildings belongs to this kind of problem. If dependent on government subsidies, then businesses do not comply with market behaviors. Thus, new market mechanisms need to be introduced to solve the problem. Another one is related to the newly-built public space and the long-term maintenance of its corresponding public products. For instance, the most realistic example is the operation and management of the City Bus No.1, 2, 3 opened in 2011 and 2012 for white-collars working in Lujiazui Financial and Trade Zone. Now the bus lines are operated based on the annual contracts between Lujiazui Financial and Trade Zone Management Committee and the bus company, while this is actually outside of the responsibility of the Management Committee to its long-term maintenance and the cost is relatively high compared with managing by the bus company. Thus it is essential to clarify the responsibilities of different departments and better operated.

In the current management system, the main advantage is that existence of the Lujiazui Financial and Trade Zone Management Committee from the perspective of comprehensive coordination of the government and complex interested parties in the market to make it function more perfectly. This is a very good system innovation in the construction of Lujiazui as an international financial center. However, the disadvantage is the Management Committee’s too much concern of the public function of the supporting business construction but ignoring the demand of its long-term maintenance and staff support. Thus, further system innovation is needed to better realize the region's public space management function, so as to the construction of Lujiazui international financial center to provide more powerful backing system management.

Based on the main problems referred before, responding to two kinds of function transformation improvements are needed in the future public space management of Lujiazui Finance Area.

Firstly, a market mechanism should be introduced and implemented to be more market-oriented with the government guiding principle. This is also a conformation to the world trend of retreat of direct government involvement. Coupled with the actual situation in China, the positive influence of government should not be ignored, hence this kind of market-orientation in the guidance of government management mode is much more suitable for Lujiazui. The introduction of market mechanism basically has the two solutions, one needs the government’s
stimulus policy support to have the whole commercial interests and the other one is to strengthen the government coordination function of enterprise's public interest. Therefore, the Lujiazui Financial and Trade Zone Management Committee should try to establish the public rationing system of public products through in-depth coordination of the interests of the owners' committee and government. Related corporations will be introduced into the management and the way of contracting-out may also be used in the public space construction projects.

The next solution is to strengthen the public space development function and straighten out following public space maintenance functions. The construction and management of public space supporting projects is one of the major tasks in public space management. It is recommended to establish the long-term mechanism characterizing for constructing the special funds, separating construction and management, funds going with projects and clarifying rights and responsibilities. In this management pattern, special funds, including financial appropriation, relevant enterprises and other stakeholders’ investment and the profit return of some projects, should be established to construct and manage the supporting facilities in public spaces. The funds need centralized management by relative functional departments with specific budget preparation, budget adjustments monitoring and performance assessment. Meanwhile, different departments should define its responsibilities and rights explicitly. Among which, Lujiazui Financial and Trade Zone Management Committee, as the specialized management institution in Lujiazui, bears the planning, design, construction and related organization work of related projects for public space, and leads in conjunction with relevant departments responsible for special funds management and use, while the General Affairs Office, as the coordination institution, is mainly responsible for organizing the project involved parties to the division of assignments.

6. CONCLUSION

In the big circumstances of globalization and combined with the current situation of Lujiazui Financial and Trade Zone, innovative actions should be taken to better develop its public space and make it more suitable for life. Introducing market mechanisms and clarifying responsibilities of different departments are the main measures to solve the existing problems emerging in public space management in Lujiazui. It will be an impressive and effective innovation to build Lujiazui Financial and Trade Zone into a modern CBD targeting at being an international financial center like London and New York. The basis of Lujiazui Financial and Trade Zone’s positioning is ‘multiple Lujiazui’, thus the improvements in public space management can promote Lujiazui development in diverse dimensions including life, culture, ecology and wisdom and change the previous public space function orientation of single function.
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