

Comparative Study on the International Exchange Capability and Strategy of Chinese Megacities in Digital Age: A Case Study of Beijing and Shanghai

Zhi Li^{a,*}, Jing Lu^b, Tianrui Li^c

China Institute of Development Planning, Tsinghua University, Haidian District, Beijing, China

^alizhi2001@tsinghua.edu.cn, ^blujing@mfa.gov.cn, ^c13621085250@163.com

*Corresponding author

Keywords: international exchange capability, city internationalization, megacity development strategy

Abstract: With the advent of the digital age, the urban ecology and development models of the world's major international metropolises are facing new opportunities and challenges. Beijing and Shanghai, two major centers of international exchange in China, each have their own urban development advantages and constraints. Both cities have enhanced their respective international communication capabilities and international development strategies. This study compares the internationalization development paths of the two cities through empirical and policy analysis in order to inform urban construction and urban public administration. It strives to identify and summarize the general laws of the internationalization development of Chinese cities through this comparative study.

1. Introduction

In the midst of the global digital revolution, the urban landscapes of major international metropolises are experiencing profound transformations. China, with its rapid urbanization momentum, epitomizes this shift, particularly exemplified by the bustling hubs of Beijing and Shanghai. These megacities have emerged as trailblazers in embracing the opportunities presented by the digital age, showcasing innovative strategies that redefine urban development paradigms on a global scale.

In recent years, Beijing and Shanghai have strategically embarked on a journey to accelerate their international transformation and development. This strategic foresight has propelled them to the forefront of urban innovation, earning accolades for their ground-breaking initiatives in various facets of urban governance, infrastructure enhancement, and socioeconomic progress.

One of the hallmarks of their success lies in the meticulous attention given to urban infrastructure development. From state-of-the-art transportation networks to sustainable energy solutions and futuristic smart city technologies, Beijing and Shanghai have prioritized the creation of robust physical frameworks that underpin the functionality and resilience of their urban ecosystems.

Moreover, the remarkable strides made in the realm of urban governance have been pivotal in shaping the livability and vibrancy of these megacities. Through the adoption of data-driven decision-making processes, citizen engagement platforms, and transparent governance structures, both cities have fostered environments conducive to innovation, inclusivity, and efficient service delivery.

Beyond the tangible infrastructural and governance advancements, Beijing and Shanghai have also spearheaded initiatives aimed at enhancing the quality of life for their residents. From green space expansion and pollution control measures to affordable housing programs and cultural revitalization projects, these cities have demonstrated a holistic approach to urban development that prioritizes the well-being and prosperity of their citizens.

Furthermore, the internationalization of Beijing and Shanghai extends beyond mere economic prowess, encompassing cultural exchange, diplomatic outreach, and global leadership in key sectors

such as technology, finance, and trade. By leveraging their status as global megacities, Beijing and Shanghai have cemented their positions as dynamic hubs of innovation and collaboration, attracting talent, investment, and partnerships from around the world.

The study of Beijing and Shanghai's international development trajectory holds profound significance not only for China's urbanization journey but also for the global discourse on sustainable urban development. By distilling the lessons learned from their experiences, policymakers, urban planners, and scholars worldwide can glean invaluable insights into effective strategies for navigating the complexities of urbanization in the digital age.

In essence, the success story of Beijing and Shanghai serves as a testament to the transformative power of visionary leadership, strategic planning, and proactive engagement with the challenges and opportunities of the digital era. As these megacities continue to evolve and innovate, they stand as beacons of inspiration for cities worldwide, illuminating a path towards a more resilient, inclusive, and prosperous urban future.

2. Strategic design of Beijing and Shanghai for their respective international development

As the top two biggest internationalized cities in China, Beijing and Shanghai are different in many aspects and have their respective advantages.

Beijing is located in the northern part of Northeast Asia, with a relatively dry climate and lack of water sources. The nearest port, Tianjin, is more than 200 kilometers at Bohai Sea. It has no outstanding geographical advantages, no maritime access, and a cold, dry climate. Shanghai, on the other hand, has several hundred years of history as an international port city. It is a famous international shipping and trade center with natural coastline and proximity to the Yangtze River, also known as the Golden Waterway. It enjoys superior natural advantages over Beijing for international exchange. Due to its less advantageous geographical location, Beijing is less influential than Shanghai as an international trade and transportation hub.

In terms of economic development, Shanghai is one of the most important finance centers in China, with a high level of internationalization and open exchange and well-developed finance, trade, and service industries. As the capital of China, Beijing also has strong economic strength, but compared with Shanghai, its strength is more reflected in politics, science and technology, and culture.

From the aspect of industrial characteristics, Shanghai has remarkable advantages in finance, shipping, trade, automobile manufacturing, and information technology. Beijing has outstanding strength in scientific and technological innovation, education, research and development, culture, and art, including many of China's top universities, research institutions, and cultural heritage sites.

From the perspective of international influence, Shanghai has the advantage as China's largest port and free trade zone, as well as its global reputation as an international and influential city. As the political and cultural center of China, Beijing has hosted important international conferences and two Olympic Games, in 2008 and 2022, and also plays an important role on the international stage.

In terms of urban atmosphere, Shanghai is one of the most international, fashionable, and modern cities in China. It has a bustling business district, diversified dining and entertainment venues, and advanced urban planning concepts. Beijing, on the other hand, is famous for its long history and culture, magnificent architecture, and rich artistic resources, all while retaining a more traditional aesthetic and street layout.

Based on their different urban characteristics and advantages, Beijing and Shanghai have adopted different approaches to development and internationalization under the guidance of the central government.

2.1. Beijing adopts a development strategy that prioritizes political and diplomatic over economic functions

Beijing regards the construction of the international exchange center as a key part of its "four centers" positioning as the capital (see Table 1). It takes political and diplomatic functions as its

main focus, builds an open image of the city from the perspectives of science and technology, culture, education, and tourism, and regards international exchange capability necessary for international cooperation. Beijing has adopted a development strategy different from that of other national capitals and large cities. Beijing focuses on gradually migrating traditional industries, particularly energy-intensive, high-polluting, and low production capacity industries to Xiongan, the sub-center of the capital (Tongzhou), Hebei, and Tianjin. At the same time, it has adopted policies to attract, support, and encourage high-end manufacturing, high-level finance, high value-add industries, and high-quality labor. This strategy has clarified Beijing's urban positioning, enhanced its political and diplomatic functions, and significantly improved its urban environment [1].

Table 1 Comparison table of Beijing's "Four Centers" and Shanghai's "Five Centers".

Beijing's "Four Centers"		Shanghai's "Five Centers"	
Name	Content	Name	Content
Political Center	Beijing is the political center of the country and home to state institutions such as the Central People's Government and the National People's Congress. It centralizes the core institutions of state decision-making, administration, and political activities, and undertakes important state political responsibilities.	International Economic Center	Shanghai is an international economic center with comprehensive economic strengths in finance and industry, vital to global resource allocation and control.
Cultural center	Beijing is an important birthplace and inheritance of traditional Chinese culture, with a wealth of historical sites, museums, libraries, art institutions and cultural venues. It holds many important and influential large-scale cultural events and art exhibitions, attracting art lovers and tourists from home and abroad.	International Financial Center	As an international financial center that reflects China's economic strength, Shanghai plays a core role in resource allocation and comprehensive service functions.
Center for International Exchanges	Beijing is an important center of China's foreign exchanges and international cooperation. Many international conferences, forums and activities are held in Beijing. Foreign embassies, multinational companies and international organizations have their headquarters or branches in Beijing.	International Trade Center	Shanghai plays a hub role in the global trade and investment network, facilitating the flow and development of international trade.
Science and Technology Innovation Center	With many higher education institutions, research institutes and technology enterprises, Beijing is an important base for scientific and technological innovation in China. Beijing has gathered science and technology talents and resources, resulting in significant advantages in the development of the science and technology industries. Beijing actively promotes scientific and technological innovation and entrepreneurship, nurtures and attracts high-tech enterprises, and strives to become one of the world's leading scientific and technological innovation centers.	International Shipping Center	Shanghai has the ability to allocate global shipping resources and has an important influence on the global shipping industry.
		Science and Technology Innovation Center	Shanghai aims to become a science and technology innovation center with global influence and economic competitiveness.

At the same time, Beijing has also encountered challenges in building sustainable momentum in its development. The development of an international metropolis cannot be separated from its economy and industry, and it may face so-called urban diseases such as population pressure and industrial pollution. Beijing's urban development policies are globally unprecedented, and its policy

and development achievements deserve attention and in-depth study.

In addition, the positioning of Beijing's "four centers" is not symmetrical from the administration level. The political, cultural, and science and innovation centers can all be defined from an international perspective. Therefore, if the international exchange center is well built, it will complement the goals of the other three "centers", which is one of the reasons Beijing's international development policy has received such special attention.

2.2. Shanghai adopts a highly open development strategy focusing on economic and financial functions

According to the development focus of the Chinese central government, Shanghai is the most important window of China's opening up to the outside world and should therefore speed up the construction of "five centers." This is the main priority of Shanghai's urban construction (see also Table 1). From the perspective of the city's development orientation, the "five centers" all have distinct international characteristics. They are respectively labeled "international", indicating that Shanghai's urban orientation is based on high-level opening up. The the "five centers" serve to coordinate and drive all aspects of economic and social development, adhere to overall planning, coordinate promotion, facilitate key breakthroughs, and seek continuous improvement of the city's energy level and core competitiveness.

As a leader in China's reform and opening up and an international metropolis with strong links to the rest of the world, the central government's policy objectives for the development of Shanghai are to focus on the important mission of building an international economic center, a financial center, a trade center, a shipping center and a scientific and technological innovation center by promoting high-quality development and building a new development pattern [2].

The above goals show that Shanghai's "five centers" are developed around the city's international development path and that this internationalization has a clear economic and financial orientation. Shanghai has historically had the greatest advantages in international finance and its related industries. Shanghai's emergence as an international financial center has played a leading and exemplary role in trade, shipping, science and innovation, industry, and other fields [3]. Shanghai undertakes the important task of accelerating its development into a world-class international financial center and setting an example for exploring the concept and business model of international financial development with Chinese characteristics.

The outside world has long expressed concern about the financial competition between Shanghai and Hong Kong, due to its important position in the East Asian financial market. Shanghai should explore a unique development model in finance and trade so as to achieve healthy competition and a mutually beneficial relationship with Hong Kong.

3. Comparison of international exchange capabilities between Beijing and Shanghai

3.1. Shanghai has a higher density of international personnel exchanges than Beijing

The port of Shanghai is one of the busiest container ports in the world and maintains close connections with major ports around the world. At the same time, Shanghai also has two large international airports, Pudong Airport and Hongqiao Airport, making it an important international shipping center. According to the Shanghai Bureau of Statistics, there will be more than 172,000 entry-exit vehicles (ships) at Shanghai ports in 2023 and more than 19.6 million people entering and leaving the city. The number of inbound tourists from January to November 2023 reached 3,199,700, a year-on-year increase of 457% [4].

According to the Beijing Border Inspection General Station, the number of people entering and leaving the Beijing port reached 9.6 million in 2023, and more than 62,000 inbound and outbound flights were handled, an increase of 16.8 times and 2.5 times respectively. At the same time, Beijing Municipal Bureau of Culture and Tourism data shows the number of inbound tourists in Beijing from January to November 2023 reached 1,040,426, an increase of 359.2% [5].

The number of inbound tourists in Shanghai is nearly three times that of Beijing, and the number

of people entering and leaving the country at its ports is more than twice that of Beijing.

3.2. The number of foreign nationals in both Shanghai and Beijing has declined

In the sixth national population census, Shanghai had a foreign population of 208,300. In the seventh national census, the foreign population in Shanghai was 163,954, a decrease of about 40,000. At the time of the sixth population census in 2010, 107,445 foreigners and residents from Hong Kong, Macao, and Taiwan lived in Beijing. By the time of the seventh census, the statistical bulletin showed that the total number of Hong Kong, Macao, and Taiwan residents and foreigners in Beijing was only 62,812, a large decline from the sixth census. Not only is there a big gap in the absolute number of foreigners in Beijing compared with Shanghai, but the downward trend is even more obvious.

According to foreign-funded statistical agencies, the permanent foreign population in Shanghai will be 750,000 in 2022, including 350,000 from the United States and 230,000 from Japan. Foreigners are concentrated in Shanghai, with the largest number in Pudong, Minhang, and Changning districts, followed by Xuhui, Jing'an, Luwan and other districts. In addition, there are Songjiang, Qingpu, and other suburbs with more foreign enterprises and better environments. Shanghai has overtaken Hong Kong to become the number one city in China where foreigners live.

3.3. Foreign investment in Shanghai is higher than that in Beijing

Shanghai is one of China's major financial centers, with numerous banks, securities companies, and insurance institutions. It has attracted a large number of domestic and foreign financial institutions, becoming one of the most important financial hubs in Asia. The establishment of the Shanghai Free Trade Zone has further promoted Shanghai's international development, providing a more convenient investment and trade environment and attracting many multinational companies and innovative projects. According to the National Bureau of Statistics, the number of foreign-invested enterprises in Shanghai stood at 97,757 in 2019. According to the work report of the Shanghai Municipal Government, from January to December 2023, 6,017 new foreign-invested enterprises were established in Shanghai, an increase of 38.3% over the same period last year. The actual use of foreign capital amounted to \$24.087 billion, up 0.5% from the same period last year. The total volume of Shanghai's foreign trade in 2023 will reach 4.2 trillion yuan, an increase of 0.7%. In 2023, Shanghai will add 65 regional headquarters of multinational corporations and 30 foreign-funded R&D centers, bringing the total number to 956 and 561 respectively. In particular, the American Chamber of Commerce in Shanghai, with more than 1,000 member companies and 2,800 members, is regarded as the "Voice of American business in China."

Compared with Shanghai, as of 2019, Beijing had a total of 45,000 foreign-funded enterprises, accounting for about 5% of the country and only half of Shanghai's total [6]. The Beijing Municipal Bureau of Statistics reported 1,729 new foreign-funded enterprises were established in the city from January to December 2023, a year-on-year increase of 22.8%, mainly in four industries such as scientific research and technical services, and the city's actual utilization of foreign investment was 13.71 billion US dollars, 3.7 billion US dollars less than the previous year. The total import and export value of Beijing in 2023 was 3.65 trillion yuan, up 0.3% year on year. In 2021, Shanghai ranked 8th and Beijing 11th, in a ranking of the world's most attractive international cities for foreign investment released by FDI Intelligence, a think tank affiliated with the Financial Times.

3.4. Beijing's international political exchange function is stronger than Shanghai's

As the political center of China, Beijing bears important responsibilities for national policy-making and diplomatic activities. Beijing boasts rich political resources and international exchange opportunities. Political stability and a favorable environment for development has laid the foundation for Beijing to play a greater role on the international stage. Of the 183 countries that have established diplomatic relations with China, the vast majority have established embassies in Beijing. Beijing has 55 sister cities at the municipal level and 44 at the district level (including 28 in Chaoyang, 4 in Xicheng, and 3 in Dongcheng).

There are 76 consulates in Shanghai, including those of the USA, Japan, Germany, France, UK,

Canada, Australia and Singapore. There are 20 entry-exit permit halls in the city. By the end of October 2023, Shanghai and its related districts had established sister-city relations with 94 cities (provinces, states, regions, prefectures, counties, or districts) in 59 countries around the world. According to UIA's statistics on the number of registered headquarters of international organizations, as of 2021, Beijing has 133 representative offices or headquarters of international organizations that have obtained membership in the Federation of International Associations, while Shanghai has only 29.

3.5. Beijing is similar to Shanghai in terms of international talent development and entrepreneurship

Beijing is home to many of China's most famous higher education and research institutions, such as Tsinghua University, Peking University, the Chinese Academy of Sciences, and Chinese Academy of Social Sciences. These institutions provide an excellent platform and environment for attracting international talent and scientific and technological innovation, helping Beijing become an important center of international scientific and technological innovation. According to Quacquarelli Symonds QS, an international higher education information agency, Beijing ranked 384th and Shanghai ranked 380th among major cities in terms of study abroad affordability in 2020. According to GTCI's Global Talent Competition Index Report 2020, in terms of the global talent attraction index, Beijing and Shanghai scored 52.9 and 54 respectively, with little difference.

In terms of ease of doing business, Beijing scored 78.2, slightly higher than Shanghai's score of 77.7, according to the Global Talent Competition Index report released by the *Institut Européen d'Administration des Affaires* (INSEAD) in 2020. In a survey of foreign companies in Shanghai, the city is reported to have a more mature business environment, with a variety of business services such as banking, financial services, and legal consulting, which makes it easy to obtain the necessary business support for the development of foreign companies' talents. Pudong New Area announced that it will implement the Global Talent Recruitment Partnership Program (GTP) to support foreign talents as legal representatives of public institutions and state-owned enterprises.

Beijing has introduced 25 measures to further strengthen the work of stabilizing foreign investment, gathering high-end and high-quality resources from around the world and taking the lead in breaking through the longstanding regulation that only foreign capital can run schools for children of foreigners, improving the availability of international education and facilitating the lives of foreign investors. Another important measure is to promote the construction of international hospital projects in key areas such as Chaoyang District and Haidian District.

4. Comparison and analysis of problems in the international development of Beijing and Shanghai

4.1. Shortcomings of Beijing's internationalization development

(1) Geographical location: Compared with Shanghai's coastal position, Beijing is landlocked far from the sea, which limits the development of international trade and logistics. Despite the availability of excellent land and rail transport networks, sea transport remains a vital part of global trade.

(2) English proficiency: Compared with Shanghai, the prevalence of English in Beijing is relatively low, which may impact international exchange and the development of the service industry.

(3) Market openness: Although Beijing is the capital of China, historical, policy and administrative reasons have kept its market less open than Shanghai, and there are still certain restrictions on foreign investment. In order to attract more foreign investment and international enterprises, Beijing can further deepen reforms, relax restrictions on market access, and encourage market competition.

(4) Environmental pollution: In the past, Beijing has faced serious air pollution problems, which has lessened the appeal of the city and made it harder to attract international talent. In order to

improve environmental quality, Beijing has taken a series of positive measures, such as promoting the development of clean energy and strengthening the control of industrial and automobile exhaust [7].

4.2. Weaknesses in Shanghai's international development

(1) Pressure of dense population: Shanghai is one of the largest cities in China with a high population density, which creates challenges in urban management, traffic congestion, and environmental protection.

(2) Cultural soft-power: Compared with Beijing and other major cities, Shanghai still has room for improvement in terms of cultural soft power and needs to further strengthen the development of cultural industry and creative fields. (what evidence is there for this?)

(3) The prevalence of English: Although Shanghai has a high degree of internationalization, compared with other major global cities, the prevalence of English in Shanghai still needs to be improved.

4.3. The roles played by Beijing and Shanghai in the process of regional opening up and the common challenges they face in the new international environment

Beijing and Shanghai play important guiding roles in opening up to international exchange the Beijing-Tianjin-Hebei region and the Yangtze River Delta region respectively. They also both have a substantial impact on the development of their neighboring regions. While some challenges are shared, each city faces its own unique problems.

(1) Beijing and Shanghai both play leading roles in their respective regions. Beijing has played an important and driving role in promoting the integration process of the Beijing-Tianjin-Hebei region. As a political, cultural, and innovation center, Beijing, Tianjin, and Hebei Province strive to achieve coordinated growth and promote the overall export-oriented development of the regional economy. As a core city in the Yangtze River Delta region, Shanghai plays a leading and exemplary role in opening up China internationally. Shanghai's high degree of internationalization has attracted a large number of foreign investment and multinational companies while also promoting the outward-oriented development of surrounding areas.

(2) Beijing and Shanghai both take the lead in promoting regional integration. By taking advantage of its geographical proximity to both Tianjin and Hebei, Beijing has deepened economic and social cooperation and exchanged goods to promote the openness of these two cities. As a capital city with frequent foreign exchange, Beijing can attract more foreign capital, foreign companies, and international organizations and promote the opening up and development of Tianjin and the Bohai Rim region. In the Yangtze River Delta region, Shanghai promotes coordinated economic development and integration of the Yangtze River Delta through regional cooperation, such as the Hangzhou Bay area and the Jiangsu Southern Science and Technology Innovation Corridor. Such cooperation can improve the openness and competitiveness of the whole region.

(3) Address common challenges and overcome their own difficulties. Challenges facing the Beijing-Tianjin-Hebei region in its international development include environmental protection, resource shortages, and population mobility. The Yangtze River Delta region faces its own set of challenges, including traffic bottlenecks, pressure on resources and the environment, and the need to upgrade industrial structure. To a certain extent, both Beijing and Shanghai suffer from insufficient market initiative, insufficient overall resource investment, overlapping competition for regional development, lack of resilience in international market changes. In the face of changes in the international environment, such as the rise of anti-globalization and trade protectionism, the increase of global economic uncertainty, and the adjustment of global supply chain and technological innovation, the Beijing-Tianjin-Hebei region needs to adjust while the Yangtze River Delta region needs to strengthen its innovation capacity and accelerate industrial transformation.

Shanghai can enjoy the results of integration in the Yangtze River Delta with the reform and opening up, especially the development of Pudong. Beijing, meanwhile, needs to invest more efforts to strengthen the coordination and integration of the Beijing-Tianjin-Hebei region, from general public recognition to the adaptation of specific rules and regulations for the cooperation

between cities.

4.4. Challenges brought by the digital age to the international development of Beijing and Shanghai

The rapid development of digital technology and artificial intelligence is profoundly changing the lifestyle and behavior of urban residents. Smart cities bring smart life. The emergence of new technologies such as artificial intelligence, the meta-universe, virtual reality, digital payments, driverless driving, intelligent transportation, new energy and intelligent pipe networks, online education, digital tourism, robot elderly care services, and more have greatly improved the convenience and satisfaction of urban residents' lives and improved the efficiency of governance.

However, the widespread use of sensors and video acquisition systems, facial recognition, identity information acquisition, digital credit portraits, and big data positioning and tracking also bring legal and ethical issues such as the right to privacy. These systems can easily lead to discomfort for international residents.

Interpersonal communication and information access through the Internet have changed the social structure of urban communities and greatly influenced urban culture. Harmful Internet culture, Internet fraud, and other criminal risks are prominent. The information bubble and the limitation of Internet communication also lead to value conflicts in urban culture.

The development of digital communication means and various types of information sharing have become a source of attraction and influence in smart cities. While facilitating communication between people with different language backgrounds, the use of translation and interpreting tools also puts greater pressure on digital infrastructure such as network connectivity.

In addition, the digital service interface of Chinese metropolises such as Beijing and Shanghai is different from that of Western countries, the convenience of personnel exchanges with various countries is hindered to some extent. The phenomenon of "digital outlier" appears in countries with rapid digital development and refers to the incompatibility of program interfaces and standards for data application scenarios in different countries due to gaps in digital development. For example, Apps such as Alipay and WeChat Pay, Didi Dacha, and shared bicycles are not convenient for foreign visitors to use. This leads to difficulties in international exchanges and alienation of certain digital user groups.

When people in different international cities move across borders, they have to adjust not only "jet-lag" but also "digital-lag", that is, the docking difference between different digital platforms. This has led to unprecedented changes in international interactions between cities. For example, digital payment means and social platforms in East Asia are independent of the primary digital interaction platforms used in the United States and Europe. For example, Grab and Didi, Ins and WeChat all have different usage habits and customer groups from Uber and Whatsapp. Differences between 5G and 6G communication modes also bring about problems such as the compatibility of communication equipment. These problems are not unique to Beijing and Shanghai, but also the exchanges between other multinational cities have put forward new requirements for digital connectivity capabilities and data standard consistency.

5. Key Findings and Main Conclusions

(1) Beijing and Shanghai, as the two most open international metropolises in China, have a series of common characteristics in the process of their urban internationalization development, reflecting the distinctive characteristics of Chinese urban modernization.

First of all, the international development of Beijing and Shanghai has distinct characteristics of central guidance and planning. In the process of urban development, the central government has made strategic positioning for the development of the two cities based on top-level design. The central government has invested more resources in the policy intervention of public administration agencies, the design of land planning and uses, and the promotion of the international image of cities.

Secondly, the local governments of Beijing and Shanghai also have strong policy guidance for

urban development, which has a great influence on the industrial layout, residents' living habits, and even the development direction of urban enterprises. In the process of the cultivation and use of international resources in cities, the government has a high degree of intervention and financial investment.

From central to local governments, the direction of urban development, the guidance of key industries, and the distribution of local industries are carried out in accordance with the unified policies of urban development. At the same time, in accordance with the principle of "the people's city built by people", the government attaches great importance to the satisfaction of urban residents and gives full attention to the building of international standard cities.

(2) The international development of Beijing and Shanghai is closely connected with the process of urbanization in China, and it is also integrated into the overall layout of economic development in their respective regions.

For example, the development of Beijing as an international exchange center has always been in line with the coordinated development of the Beijing-Tianjin-Hebei region, while the internationalization of Shanghai has also been fully linked with the overall internationalization level of the Yangtze River Delta region. This model provides a unique urban development concept that takes the designated city as the regional leader promoting the overall opening-up of the region in the process of China's continuing urbanization.

Under China's unique political and administrative management system, only ultra-large cities such as Beijing and Shanghai have the capacity for strong regional outreach. With enormous advantages at the administrative level, they can carry out superior policy communication and coordination with other cities, including the interconnection and unification of urban development planning, which is difficult to achieve in many Western countries.

(3) The path of urban internationalization in Beijing and Shanghai follows the law of natural evolution of cities, clearly reflecting the leading development planning.

The development of cities has its own historical and physical geography laws. The main force of the evolution of cities such as Beijing and Shanghai is the residents in the cities, and the natural laws have been followed from the aspect of culture, historical preservation, urban functions, industrial layout, and so on. In particular, the inflow of international people, the formation of international communities, and the concentration of international enterprises and foreign investment are all market-oriented, with free trade and independent choice as the principle.

But at the same time, due to the strong policy guidance for China's urban development, the role of urban development planning cannot be underestimated, and indeed, in the development of Beijing and Shanghai planning has made important contributions, achieving universally recognized development mileposts. In contrast with urban construction planning, urban development planning is overall layout and task planning for national economic and social development within the city limits, and an important policy tool for Chinese-style modern urban governance.

In terms of urban internationalization, both Beijing and Shanghai attach great importance to planning guidance. For example, Beijing has formulated the Plan for Strengthening the Function Construction of the International Exchange Center during the 14th Five-Year Plan Period and the Special Plan for Promoting the Function Construction of the International Exchange Center in Beijing, which defines the spatial pattern of "one core, two axes, and multiple sectors". Shanghai has formulated the *Master Plan for the City of Shanghai (2017-2035)*, the *14th Five-Year Plan for the Construction of a Socialist International Cultural Metropolis of Shanghai*, and the *14th Five-Year Plan for the Comprehensive Promotion of Urban Digital Transformation*, which have drawn up blueprints for the city's international development.

The unique development planning system and tools of Chinese cities are different from those of other countries in the world. They are also useful explorations and attempts to keep in line with China's practical needs.

References

- [1] Li Zhi. Beijing: Building an International Exchange Center and Displaying a New Form of

Urban Civilization [J]. World Knowledge, 2023, (18): 14-19.

[2] The 14th Five-Year Plan for Shanghai's National Economic and Social Development and the Outline of the long-term goals for 2035 (Chinese version), <https://www.shanghai.gov.cn/nw12344/20210129/ced9958c16294feab926754394d9db91.html>

[3] Zhu Yunjie, Yu Hongyuan. The Construction of Shanghai's Foreign Communication Center from the Perspective of Urban Globalization Track [J]. City Observation, 2023, (02): 14-27+159.

[4] Statistical Bulletin of Shanghai Municipal National Economic and Social Development in 2023, on the official website of the Shanghai Bureau of Statistic.

[5] Beijing Statistical Yearbook 2023. On the official website of the Beijing Municipal Bureau of Statistic.

[6] Beijing Foreign Investment Development Report 2020. Jointly released by PwC and the Beijing Municipal Bureau of Commerce, 2020.

[7] China Institute of Development Planning, Tsinghua University and Deloitte China. International Exchange Center City Index 2022 [J]. New Urbanization, 2023, (03): 68-69.