China:

Urbanization and Migration
(chapter 5)

Outline

- Urbanization over time
  - Before 1949
  - The Socialist era 1949-78
  - The reform era 1978-
- Migration
  - Household Registration system
  - Migration during the socialist era
  - Migration since 1984

Nobel economics laureate Joseph E. Stiglitz:

- urbanization in China and technology developments in the U.S. are two most important issues that will shape the world’s development during the 21st century.

PM Li Keqiang

- Urbanization is a “huge engine” of China’s future economic growth.

"Urbanization is not about simply increasing the number of urban residents or expanding the area of cities. More importantly, it’s about a complete change from rural to urban style in terms of industry structure, employment, living environment and social security."

Chinese Cities

- 658 cities, 133 cities have >1 M pop
- More than 19,000 towns
- Urban population: 731 M, 54% of total pop
  - For the first time in history, more than 50% of Chinese live in cities (20% in 1980)
- Every year, 200-250 M migrants, 300M by 2030
Urban Development before 1949

- Long and elaborate history
  - Cities emerged in North China plain during Shang dynasty (1082 BC)
  - A well-established urban system for 2000+ years
  - National capital; regional centers; a network of county seats and towns
  - 3220 cities and towns in late 11th century; some have >1 million population
  - Splendid metropolis: Xi'an, Luoyang, Nanjing, Beijing...
- Largest urban population in the world, although the urbanization level was 6-10%

Dichotomous urban system

- Traditional Chinese cities
  - Walled cities with courtyard houses
  - Political/administrative centers with limited commercial functions
  - Government buildings at the center, "market" and ceremonial buildings at the periphery
Urban Development before 1949

- Dichotomous urban system
  - Traditional Chinese cities
  - Port cities
    - Maritime trade with SE Asia since Song dynasty
    - "Opium Wars": forced to open ports along the coast and rivers (Shanghai, Qingdao, HK, Macau...)
  - Russian and Japanese occupation of the Manchuria
    - More ports for factories
    - Rise of industrial cities in the Northeast
  - Port cities grew faster because of foreign trade

Western construction of Chinese cities

1920

The Bund 1937

Figure 3.3 Treaty ports and foreign colonies

China Custom House
The Peace Hotel
Urban Development in the Socialist Era (1949-1978)

- Widespread urban problems due to wars and foreign oppression
  - Rebuild Chinese cities – Socialist cities
- Socialist Transformation
  - Convert private economy into predominately state/collective owned economy
  - Welfare-oriented economy:
    - Create self-sufficient cities
      - From “consumer” cities to “producer” cities
      - Industrialization as the driving force
    - Beijing was the 2nd largest industrial city
- Embody socialist ideology of equality
  - Controlled and balanced urban development

Urban Development in the Socialist Era (1949-1978)

- Overall pattern
  - “Under-urbanization”:
    - Low level of urbanization in relation to industrialization
    - Migration control
    - Development of TVEs

Urban Development in the Socialist Era (1949-1978)

- Overall pattern
  - “Under-urbanization”
  - Volatility over time due to change in policy and ideology
    - GLF: Massive deportation of urban population during 1961-63
    - Cultural Revolution: “up to the mountains and down to the villages”, “sent-down”
  - “De-urbanization”, or “counter-urbanization”
Urban Development in the Socialist Era (1949-1978)

- Smaller cities, lower density
- Fewer qualities of “urbanism”
  - Functional, utilitarian
  - Less physical and human diversity
  - Few entertainment and recreational facilities
  - Lower spatial and occupational mobility
  - Lower prevalence of “urban problems”: crime, prostitution, poverty, homelessness ...

Uniformity, standardization, public housing

Classlessness

China’s “Anti-urbanism”? 

“...The ambience of the Chinese city - the apparently gentle pace of life, the throngs of bicycles, the village-like lanes and vegetable patches... all contribute towards an anti-urban illusion to which Westerners seem predisposed”.

Richard Kirkby (1985) Urbanization in China

China’s “Anti-urbanism”?

- Anti-urbanism (Ma, 1976)
  - Egalitarianism
  - Peasant origin, peasant revolution
  - History of colonialism and imperialism

Social and Political Constraints

- Anti-urbanism
- Pro-urban/Economic imperatives
  - Maximizing industrialization and minimizing of urbanization costs
  - “production first, consumption later”
  - Protecting the urban:
    - Hukou system, different entitlement
    - Scissor pricing system ...
- Military strategy
  - Hostile international environment
  - Construction of the “Third Front” (Sanxian)
- Both socialist ideology and practical concerns were important
Urban Development since 1978

- Deng Xiaoping gained power in 1978
  - Strategic shift from ideology to economy
  - Started “Open-door policy”
  - Launched economic reform
  - Relaxed migration control
- Rapid urbanization and urban development especially in the coastal region
  - First time ever, >50% population living in cities

Urbanization in the reform era

- Rapid urban development: growth in city size and number of cities
  - “Urbanization from above” – state investment
  - “Urbanization from below” – rural industrialization
  - “Urbanization from outside” – FDI
- Uneven urban development biased toward the coastal region
- Large cities develop faster because of FDI
Urban Development since 1978

- Change in urban definition also contributes to urban development
  - Power and resource related to urban status
    - It is in the interest of local governments to designate a place as urban, or move up the urban hierarchy (town->city, city-> municipality)
    - E.g. Chongqing

Chongqing: hilly; one of the three “furnaces” on the Yangtze River

Chongqing became the fourth municipality in 1997
Urbanization in the reform era

- Rapid urban development: growth in city size and number of cities
  - "Urbanization from above" = state investment
  - "Urbanization from below" = rural industrialization
  - "Urbanization from outside" = FDI

- Uneven urban development biased toward the coastal region
- Large cities develop faster because of FDI

Dongguan:
- FDI
- TVEs
- 8 million pop
- More migrants than locals

Table 5.2 Migrants in 34 Largest Cities in 2010

<table>
<thead>
<tr>
<th>Cities</th>
<th>Urban Population (millions)</th>
<th>Migrants (population without local hukou) (millions)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai</td>
<td>20.22</td>
<td>7.76</td>
<td>38.4</td>
</tr>
<tr>
<td>Beijing</td>
<td>16.49</td>
<td>8.97</td>
<td>49.1</td>
</tr>
<tr>
<td>Shenzhen</td>
<td>10.36</td>
<td>8.28</td>
<td>79.9</td>
</tr>
<tr>
<td>Guangzhou</td>
<td>9.7</td>
<td>6.87</td>
<td>70.5</td>
</tr>
<tr>
<td>Chengdu</td>
<td>10.78</td>
<td>2.46</td>
<td>22.5</td>
</tr>
<tr>
<td>Tianjin</td>
<td>9.56</td>
<td>2.99</td>
<td>26.1</td>
</tr>
<tr>
<td>Wuhan</td>
<td>7.54</td>
<td>2.31</td>
<td>31.4</td>
</tr>
<tr>
<td>Dongguan</td>
<td>7.27</td>
<td>5.67</td>
<td>79.9</td>
</tr>
<tr>
<td>Fuzhou</td>
<td>6.37</td>
<td>5.41</td>
<td>86.0</td>
</tr>
<tr>
<td>Hangzhou</td>
<td>6.32</td>
<td>3.54</td>
<td>56.1</td>
</tr>
<tr>
<td>Ningbo</td>
<td>5.82</td>
<td>2.08</td>
<td>35.4</td>
</tr>
<tr>
<td>Shantou</td>
<td>5.72</td>
<td>1.29</td>
<td>22.8</td>
</tr>
<tr>
<td>Nantong</td>
<td>5.21</td>
<td>1.65</td>
<td>31.7</td>
</tr>
<tr>
<td>Dalian</td>
<td>5.18</td>
<td>2.27</td>
<td>43.9</td>
</tr>
</tbody>
</table>

Cities with more than 5 million pop (14)
- 126.88
- 56.27
- 44.5

All cities and towns
- 665.58
- 221.43
- 33.30

Source: Chan, 2015.
Number of Migrants in Major Chinese Cities in 2007

<table>
<thead>
<tr>
<th>City</th>
<th>Migrants (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beijing</td>
<td>4.20</td>
</tr>
<tr>
<td>Tianjin</td>
<td>1.56</td>
</tr>
<tr>
<td>Shanghai</td>
<td>4.79</td>
</tr>
<tr>
<td>Guangdong Province</td>
<td></td>
</tr>
<tr>
<td>Guangzhou</td>
<td>2.32</td>
</tr>
<tr>
<td>Shenzhen</td>
<td>6.50</td>
</tr>
<tr>
<td>Fushan</td>
<td>2.31</td>
</tr>
<tr>
<td>Dongguan</td>
<td>5.24</td>
</tr>
<tr>
<td>Zhongshan</td>
<td>1.06</td>
</tr>
<tr>
<td>Jiangsu Province</td>
<td></td>
</tr>
<tr>
<td>Nanjing</td>
<td>1.24</td>
</tr>
<tr>
<td>Suzhou</td>
<td>2.58</td>
</tr>
<tr>
<td>Wuxi</td>
<td>1.37</td>
</tr>
<tr>
<td>Zhejiang Province</td>
<td></td>
</tr>
<tr>
<td>Hangzhou</td>
<td>1.14</td>
</tr>
<tr>
<td>Ningbo</td>
<td>1.25</td>
</tr>
</tbody>
</table>

Massive Rural-Urban Migration

- Guangzhou Railway Station before the Chinese New Year 2008
- The Last Train Home

Migration During the Chinese New Year

Household Registration (hukou) system

- Before mid-1950s, freedom of geographical mobility and residence choice
- Set up in the late 1950s
  - Classification based on birthplace:
    - urban (non-agricultural)
    - rural (agricultural)
  - Location based on place of registration:
    - permanent (local)
    - temporary (non-local)

The Hukou System Divides the Population

- Urban local
- Rural local
- Urban non-local (temporary urban migrants)
- Rural non-local (temporary rural migrants)
Different Entitlements based on hukou -- Institutional Discrimination

- Urban local hukou:
  - Grain supply (ration system: coupons)
  - Guaranteed employment in the state sector
  - Subsidized housing
  - Free medical care and education
  - Pension; recreation, non-monetary income...

- People with rural hukou or migrants with temporary hukou have none of these

- "Internal passport system"
  - Defines opportunity structure and social status

The Hukou System

- It was extremely difficulty to change hukou status. Limited channels to change rural hukou to urban hukou
  - Attending college
  - Joining the army
  - Job recruitment
  - Land requisition

- "Spatial imprisonment", "invisible walls" between the countryside and the city

Impact of the hukou System

- Low mobility during the socialist era
  - Employment certificate at the destination
  - Need permission from both authority at the origin and the destination
  - People without local hukou have no access to local services and welfare benefits.

Migration in the Socialist Era

- Controlled migration/Low mobility

Migration in the Socialist Era

- Organized migration
  - Labor recruitment
  - Frontier development
  - Major development projects
  - Job assignment for college graduates
  - Political migration

Go to the countryside, go to the border regions, go to places most needed by the motherland.
Migration in the Socialist Era
- Controlled migration/Low Mobility
  - Labor recruitment
  - Frontier development
  - Major development projects
  - Job assignment for college graduates
  - Political migration
- Spatial pattern:
  - Both rural-urban and urban-rural migration (esp. Cultural Revolution)
  - Coast to inland, border regions

Migration in the Reform Era
- Relaxed migration control: breakdown of the "great wall"
  - 1984 relaxation
  - Rural-to-town migration
  - No grain provision
  - Resident Identification Card (1986)
  - No hukou information
  - Phase-out of the Food Ration Coupon (liangpiao) System
  - Urban hukou status for sale
    - Blue Stamp hukou
      - A double-bite on peasants
- Spatial Pattern
  - Short distance: Most migration flows are within provincial boundary or between neighboring provinces
  - Mostly rural-to-urban
    - The Economist

Migration in the Reform Era
- Relaxed migration control
  - Higher mobility
    - 150-250 Million “floating population”
- Spontaneous/individual migration
  - Private sector in cities – demand for labor
  - Rural reform – supply of labor
- State organized migration
  - Three Gorges Dam → 1.2 M migrants

Population Flows
- Over 2
- 1 to 2
- 0.5 to 0.9
- 0.1 to 0.4
- 0.1 to 0.2

Interprovincial Migration
Net Migration as Percentage of Total Interprovincial Migrant (1995–2000)
- Over 2
- 1 to 2
- 0.5 to 0.9
- 0.1 to 0.4
- 0.1 to 0.2
- -0.5 to -0.9
- -1.0 to -1.8
- No data
Migration in the Reform Era

- **Spatial Pattern**
  - Most migration flows are within provincial boundaries or between neighboring provinces
  - Mostly rural-to-urban
  - Regional: southeast coastal regions; “peacocks flying to the southeast”
  - Distance decay

- **Migration reasons**
  - Occupational attainment
    - Sales, services
    - Construction
    - Assembly lines/factories
    - Sex/entertainment industry
Labor Shortage → Fight for Labors

Migration in the Reform Era
- Spatial pattern
- Migration reasons
- Occupational attainment
- Housing/living condition
  - Dorms
  - “urban villages”
  - basements
“Zhejiang Village” in Beijing

“Henan Village” in Beijing

Tangjialing (Ant Tribe)

“Mouse Tribe”

Migration in the Reform Era
- Spatial pattern
- Migration reasons
- Gender difference
- Occupational attainment
- Housing/living condition
- Increasingly large volume of urban-urban, professional migrants
Summary

- Urban development over time
  - Before 1949
  - The Socialist era 1949-78
  - The reform era 1978-

- Migration
  - Household registration system
  - Migration during the socialist era
  - Migration since 1984

- China Blue

- China Blue trailer