# Migration and China's Urban Transformation

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#### Context

- Command to market economy
- Agricultural to manufacturing economy
- Autarky to open regime
- Demographic transition China has made the demographic transition under unusual circumstances and in less than 20 years. China will grow old before it has had the opportunity to grow rich.
- Rural-based to urban-based society

#### Migration in a larger context

- Between 1980 and 2000, share of agricultural employment declined from 68.7 to 50.0 percent, manufacturing from 18.3 to 22.5 percent, and services from 13.0 to 27.5 percent.
- Urbanization level increased from 19.4 to about 40 percent.
- Income disparities between urban and rural areas, as well as regional imbalances, remain large.
- Magnitude of 120-150 million migrants.

#### Migrant features

- Primarily from rural to urban areas, and involves circular movements in search of work.
- Mobility rate is highest for rural areas in the coastal region.
- 70 percent is short-distance migration (within province). Much inter-provincial migration originates from the central and western regions and flows to the coastal region.
- Concentrated among the most economically active group (between the age of 15 and 34). Male migrants outnumber females (about 2 to 1).

#### Double divides

- Rural-urban divide
- Two kinds of citizenship, urban and rural, that were created during the era of state socialism now form the basis of the broadest kind of social inequality in China.
- Local-nonlocal divide
- A number of factors make China's rural-urban migrants more like immigrants from developing to developed counties than internal migrants within developing countries.

## Migrant access to urban housing

		Availability to migrants	
Type of housing	Qualification	Own	Rent
Commodity housing	Anyone, but only those with local urban hukou can qualify for bank mortgage loans	Yes	Yes
Economic and comfortable housing	Local urban residents with low or medium income can purchase at subsidized price		Yes
Municipal public housing	Sitting local urban tenants can purchase and trade units on secondary housing market		Yes
Work-unit public housing	Sitting local urban tenants can purchase and transfer on secondary housing market		Yes
Low-rent housing	For rental to local urban residents with the lowest income		
Resettlement housing	For local urban residents relocated from areas undergoing redevelopment		Yes
Private housing	Pre-1949 urban housing units passed on within family and housing in rural areas	Yes	Yes
Dormitory housing	Housing managed by local enterprises or institutions		Yes
Migrant housing complex	Housing managed by local government agencies for migrants		Yes

#### Migrant housing – temporary

• Migrants tend to live in dwellings that have less stable structural features (such as sheds on construction sites) and are used for working or storage purposes in addition to serving as residence.





#### Overcrowded

• Overcrowding seems to be a feature of migrant housing, with each person using about a third of the space occupied by a typical urban resident (7.8 v. 22.9 square meters).





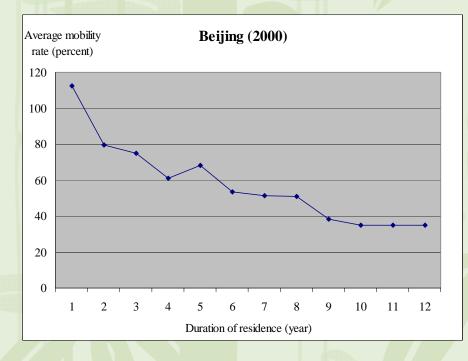
#### Lack of facilities

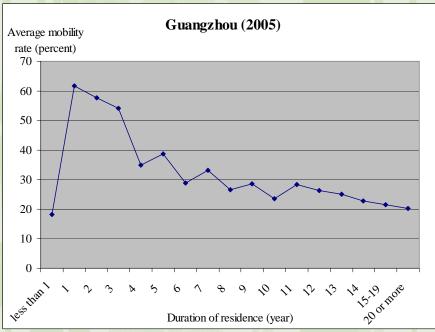
• About 69 percent of migrants surveyed in Beijing and Shanghai have no access to bathroom facilities (either shared or private) inside their housing and 71 percent with no kitchen.





## Drifting in the city





#### Drifting in the city

- Migrants continue to be on the move in the city. With substantially higher mobility rates than local residents, they experience more residential instability.
- Mobility rates change steadily by duration of residence.
   As migrants stay longer in the city, their average annual mobility rates decline significantly.

#### Getting stuck

- Majority of migrants appear to be trapped in two dominant housing types in spite of high mobility rates.
   These are renting private housing and living in dorm or workshed.
- Few migrants make the transition from renters to owners after years in the city. Main explanation lies with local controls on migrant settlement, which force people into more of a bridgeheader existence than they otherwise prefer.

#### Overcoming housing barriers

• Absence of formal housing market available to migrants leaves them heavily reliant on their social networks for information. This situation requires the development of an informal housing market to fill the gap.

			Initial housing		Previous housing		Current housing	
		Number	%	Number	%	Number	%	
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By self		10	12.3	21	20.6	31	22.8	
Through work		49	33.3	36	35.3	41	30.1	
	With help from people at work	5	1.8	6	5.9	15	11.0	
	Assigned dorm or housing	44	28.1	30	29.4	26	19.1	
Through informal network		70	54.4	40	39.2	52	38.2	
	Friends and acquaintances	8	7.0	20	19.6	26	19.1	
	Relatives	38	28.1	12	11.8	13	9.6	
	Covillagers	24	19.3	8	7.8	13	9.6	
Inconclusive responses		1	0.8	5	4.9	12	8.8	
Total valid interviewees		130	100.0	102	100.0	136	100.0	

#### Transforming the city

- Shanghai has a history of residential differentiation, dating back to the pre-1949 period. Urban space was differentiated into upper and lower ends in central city.
- Residential differentiation markedly declined after many years of building public housing and accelerated efforts to redevelop shanty areas.
- Shanghai's residential patterns have changed steadily during the reform era, with the combined effect of central-city redevelopment, new housing construction, and satellite-town program.

### Situating Shanghai

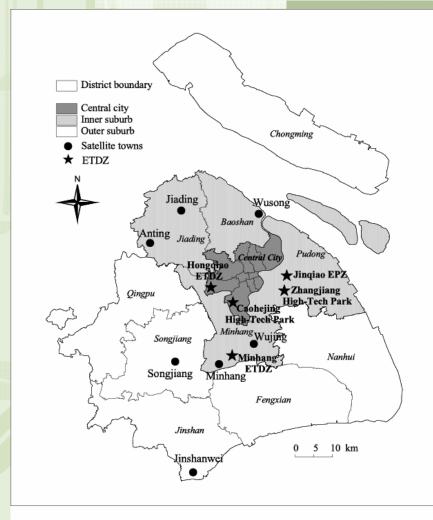


Figure 1. Metropolitan Shanghai

Source: Yeh (1996).

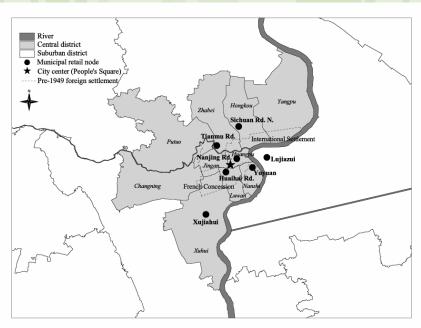
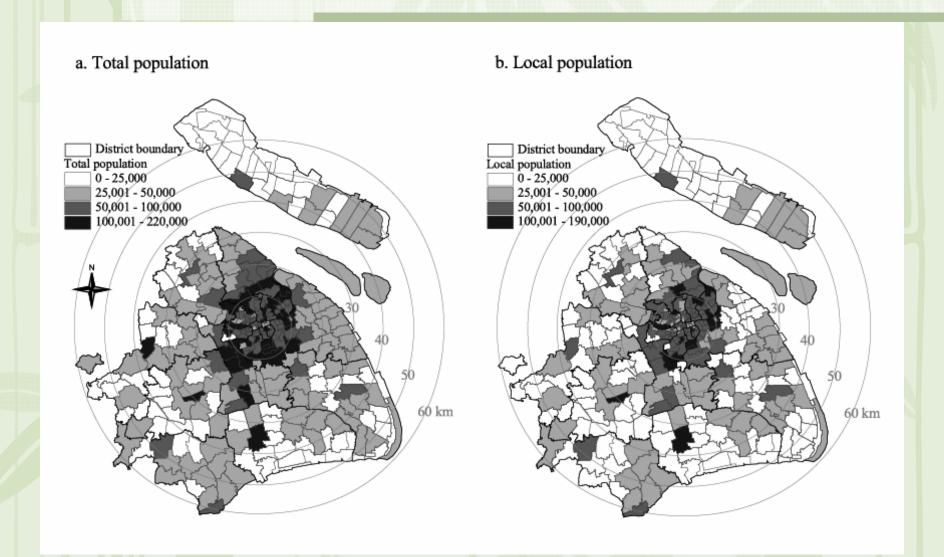


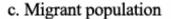
Figure 2. Central Shanghai

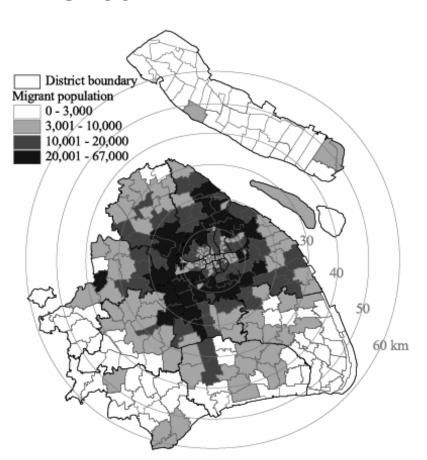
Sources: Gamble (2003), Wang and Zhang (2005).

### Distribution of population

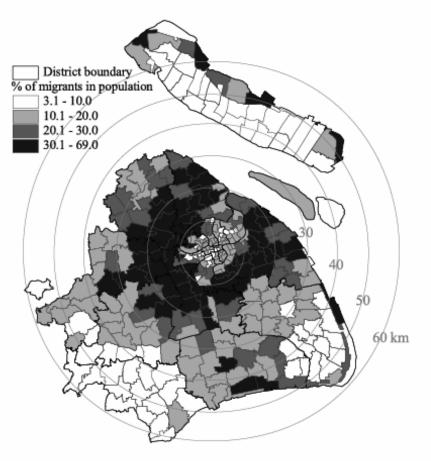


## Distribution of migrants





#### d. Share of migrants in total population



## Selective development





#### **Implications**

- Since most migrant housing is in much worse conditions than local housing, increasing migrant concentration increases residential differentiation.
- Shanghai will see the return of some pre-1949 divisions where migrants dominate poorer neighborhoods in less desirable locations.
- Although some migrants may adjust to urban life well, others are becoming the bulk of an emerging group of urban poor.