

TRANSFORMING URBAN VILLAGES: SOCIAL STRATIFICATION IN MIGRANT COMMUNITIES IN CHINA

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INTRODUCTION

The importance of the divide between urban and rural areas in China has been well recognized in the literature of Chinese demography, especially migration studies (Cheng and Selden, 1994; Yang, 1993). Migration in general and rural to urban migration in particular in the pre-reform era was strictly controlled. Since the implementation of economic reform, China in the past two decades has seen an increasing number of migrants (estimated between 20 to 80 million) moving crossing county boundaries (Solinger, 1999; Liang and Ma 2004), with a significant proportion moving from rural to urban areas. Although many migrants from rural areas moved to cities in search of better life, many from rural areas were only able to take up "3 D" jobs (dirty, dangerous, and demanding) and that were not attractive to the local residents at the earlier decades of the reforms (Yang and Guo, 1996; Guo and Iredale 2004; Wang and Zuo, 1999; Wang, Zuo and Ruan, 2002). In recent years, with the re-structuring of state-run enterprises, changes in labor market in urban areas, and increases in unemployment in urban areas, it has also been observed that an increasing number of former employees of state-run enterprises come to compete with rural migrants for jobs in informal sector, which they previously would not like to take (Cai and Wang,

2003). For many decades, the dichotomy of urban and rural was one of the important determining variables in explaining many social and behavioral differentials, including the patterns and outcomes of rural to urban migration (Guo and Iredale, 2004). However, in recent years, with rapid urbanization process and the increasing number of rural to urban migration, the original status and structures of urban communities have been transformed remarkably. The simple rural/urban dichotomy is no longer adequate to provide explanations to many issues in migration, especially the formation and transformation process of migrant communities. Many Chinese cities have been expanding so rapidly in terms of their territorial boundary and population size and the traditional urban communities have been joined by newly transformed and emerged "urban villages", which traditionally were rural communities. Recognizing the importance of rural/urban dichotomy in understanding some issues of migration in contemporary China, this paper goes one step further to differentiate the status and structure of migrant host communities in cities and attempts to understand to what extent the status and structure of host communities determine the patterns of social stratification within migrant-concentrated communities.

The paper discusses two types of communities in Chinese cities in terms of administrative status, *urban resident community*, under the administration of Neighborhood Committee (*ju wei hui*) and "urban village" which was originally a *rural resident community* but was converted to be part of urban area but is still under the administration of Village Committee (*cun wei hui*). The name "urban village" was commonly used to indicate the ambiguous nature and transforming role of this type of newly emerged communities. With rapid urbanization and expansion of urban boundaries in recent decades, some agricultural lands in the periphery areas of large Chinese cities have been re-zoned into residential or commercial areas. The original rural resident communities, administrated by Village Committees, have been transformed into semi-urban and semi-rural territory, where the housing ownership still remain in the hands of rural residents and the land use rights belong to collective. It is those newly transformed "urban villages", together with some disadvantaged urban resident communities, that have attracted a large number of migrants and their families.

DATA¹

Data used in this paper are from a recent survey in five Chinese cities: Beijing, Shejiazhuang (Hebei province), Shenyang (Liaoning province), Wuxi (Jiangsu province), and Dongguan (Guangdong province). In each of the five cities, 5 communities were selected. The fieldwork was carried out from April to October 2003.

Three types of data were collected: structured questionnaire for individual respondents (both migrants and non-migrants); community profiles, and intensive interviews with individual respondents. The structured questionnaire was mainly used to obtain detailed information about migrants and local residents in the communities, including household structure, living conditions, income and consumption patterns, employment status, interactions with other members of the communities. In each city, five communities were selected based on the types of community, e.g. either migrant-concentrated communities or mixed communities of local residents and migrants. In migrant-concentrated communities, 100 migrant households were randomly selected and one adult member from each of the selected households then was interviewed using the structured questionnaire. In the mixed communities of local residents and migrants, around 50 local residents and 50 migrants were selected to fill in the individual questionnaire. The type of the five communities in Dongguan was different from that of other cities. All five communities were predominantly migrant-concentrated communities, as this reflects the population structure of the city.

In addition, a profile for each selected community was constructed under a carefully-designed guideline. Key information obtained from the community profiles include: the process of community formation or transformation since the 1980s; migrants in the community, social and economic activities of the community; living conditions and public facilities, and community management and relevant policies concerning migrant population in the community.

Ten intensive interviews of six migrants and four local residents in each city were conducted using an open-end interview guideline. The key information obtained from local residents include: basic

¹ See Guo and Zhang (2005) for details of profile of 25 selected communities in five Chinese cities.

demographic characteristics of the respondents, observation of the changes in the community since the 1980s; changes in occupations and income for local residents since migrants moved in the community; interaction between migrants and other members of community. Additional information obtained from migrant respondents include: migration experiences, comparisons between their current social economic situations with their pre-migration situation, and perception of future settlement plan in the city. The total number of intensive interviews in the five cities was 50.

The five cities selected in this study have various levels of social and economic development and various types of public policy on migration. Five migrant-concentrated communities were selected in each of the five cities, which include migrant-concentrated communities and mixed communities with migrants and local residents. In the five cities, 2,531 respondents were interviewed, which include 1,972 migrants and 559 local residents.

Beijing As the capital city, Beijing is the economic and cultural centre of the country, which is also one of the major migrant-attractive destinations. The 5th population census shows that Beijing has a population 13.82 million, of which 77.5% are urban residents (National Bureau of Statistics of China, 2001). Beijing is chosen to represent the economically advanced cities with strict migration policies in China. A full-scale migrant census conducted in November 1997 in Beijing revealed that, by the time of the survey, there were about 1.58 million migrants who had been to Beijing for at least three months (Office of Beijing Migrant Census, 1997). It has been recognized that migrants, especially those with rural backgrounds, tend to be concentrated in a number of "migrant villages", such as Zhejiang Village, Henan Village, Anhui Village, and Xinjiang Village – referring to their places of origins (Xiang, 1998; Jeong, 2000; Solinger, 1999). Many smaller scale, but also visible, migrant communities scattered around the outskirts of the city. In Beijing five communities were selected, three migrant-concentrated communities and two mixed communities with local residents.

Shijiazhuang is the capital city of Hebei province in the North China Plain region with a population 9.2 million (35% urban population) in 2000 (National Bureau of Statistics, 2001). Shijiazhuang is the first major city in China that has recently adopted a radical reform policy in *hukou*, which allows

all eligible migrants to obtain an urban *hukou*. According to the new policy, those migrants who have been employed as contract workers in Shijiazhuang for more than two years are entitled to have an urban *hukou*, and their family members are also granted urban *hukou*. Since as early as 1995, Shijiazhuang has started to implement some experimental programs that officially grant urban *hukou* status to those migrants who didn't have local *hukou*. Two of the five communities in Shijiazhuang selected were migrant concentrated communities and three are mixed communities with local residents and migrants.

Shenyang is the capital city of Liaoning province in North-east China with a population of 7.2 million in 2000 (National Bureau of Statistics of China, 2001). It has been an important industrial city with many state-run steel-making and coal-refining enterprises. As one of the most important cities in the region, Shenyang has attracted a significant number of migrants from surrounding North-east provinces. It has been reported that some scattered migrant communities have appeared on the outskirts of the city in recent years. But there is little information available about these communities. With strengthening economic reforms, especially state enterprise reforms, the city has also seen an increasing number of workers laid-off from state-owned enterprises. Some of these laid-off workers have taken up "3 D" jobs that were previously regarded as "migrant's jobs". Five communities in Shenyang were selected, three migrant-concentrated communities and two factory workers concentrated communities.

Wuxi is a medium size city in Jiangsu province with a population of 4.3 million in 2000 (National Bureau of Statistics of China, 2001). Like other medium-sized cities in southern Jiangsu province, Wuxi is highly developed with a significant share of collective economy, even during the reform era. Since the pre-reform era, Chinese government has actively promoted a "small town" urbanization strategy that aims to avoid the problem of over-urbanization. Although Wuxi is not a small town in any sense, it is only a regional city surrounded by a number of similar scale cities in the area. The patterns of migration and urbanization in cities like Wuxi are very much different from that of the other cities in the country. Unlike large cities, the control over migration to Wuxi is not as strict. Housing is much more affordable to both local residents and migrants alike. Five communities in Wuxi were selected, three migrant-concentrated communities in city districts, and two mixed communities with both migrants and local residents.

Dongguan is a medium size city in Guangdong province in Southern China with a population of 6.5 million in which about 5 million were migrants (National Bureau of Statistics of China, 2001). Dongguan is another type of small city that has developed rapidly in the past two decades. Dongguan is close to one of the two "Special Economic Zones", Shenzhen, and a number of highly developed cities such as the provincial capital Guangzhou and Hong Kong. Like similar cities nearby, Dongguan is known by its export-oriented manufacturing industry, which produces small electronic appliances, toys, clothing, and shoes. In the past two decades, Dongguan has attracted a large number of migrant workers from all over the country, especially young rural girls from nearby or interior provinces. Many migrant workers live in employer provided dormitories.

"URBAN VILLAGES" IN CHINESE CITIES

It has been well documented that China's household registration system, or *hukou*, has divided the entire Chinese population into two categories, agricultural and non-agricultural residents, since later 1950s. The importance of the type of household registration goes far beyond determining type of residence. It also determines eligibility for, and access to, government provision of social services and benefits. Non-agricultural status, for most of the past four decades, conferred access to a wider variety of goods as well as to non-agricultural employment, public housing, free medical services and retirement benefits (Yang, X. 1993; Yang, Y. 2003). For many decades under China's planned economic system, urban housing was not only an indicator of the standard of living, but also the most important social welfare item. Inequality in housing space has been an important element of overall inequality in urban China (Wang, 2003). Although the entitlements such as housing and other benefit items have been much reduced in recent years, urban residence still provides a much better quality of life than that of rural residents who are at the bottom of the hierarchy of residential status.

Administratively, agricultural and non-agricultural residents are under different management systems. Non-agricultural residents, who are considered "urban population", are under the administration of "Neighborhood Committee" (*Ju wei hui*), while agricultural residents, who are considered "rural population", are under the administration of "Village Committee" (*Cun wei hui*).

These two types of committees are the basic units of administration system in China's urban and rural communities since mid-1980s.

Since the implementation of economic reform, especially since 1990s, the number of cities and the size of urban centers have increased dramatically. The number of cities was 461 in 1990, but increased to 675 in 2000. The number of large city centers with 1 million and above non-agricultural residents was 31 in 1990, but increased to 38 in 2000. The number of medium-sized cities with 300,000 and above non-agricultural residents was 119 in 1990, but rapidly increased to 196 in 2000. As a result of rapid process of urbanization and urban expansion, the land mass covered by the urban areas increased from 7.6% in 1984 to 18% of total land mass in 1996 (Hu, 2005). If migrants and non-agricultural residents who have resided in cities were included, the decade of 1990 to 2000 would see a much more remarkable increase in urban population.

As fertility rate in China's urban areas has reached very a low level since mid-1980s, the natural increase of urban population has been very slow (Yuan, 2003; Zhao, 2001). In addition to the migration of rural population to cities, the rapid process of urbanization has been achieved mainly through two other types of urban growth: expansion of existing cities and establishment of new urban centers. The former type includes the expansion of urban boundaries to the areas where previously were agricultural or semi-agricultural areas and the development of new urban districts. In this process, many counties were re-classified as new urban districts. Shenzhen, one of the "Special Economic Zoon" cities in Guangdong province, is a typical example of the second type of urban growth – establishment of new urban centers. Both types of urban growth - expansion of existing cities and establishment of new urban centers – have resulted in the transformation of land use in the affected areas from primary agricultural usage or semi-agricultural usage to urban residential or commercial usages. Consequently it resulted in the transformation of original communities, including the nature of the communities, the structure of the communities and the administrative system of the communities. Ideally, if one agricultural or semi-agricultural community was transformed into an urban district, the residents residing in the community should also be converted to "non-agricultural residents" status, as they no longer were engaged in agricultural production, and therefore should become officially recognized members of "urban population". However, this is not the case in China's urbanization process. Residents in this type

of communities are still under the management of “Village Committee” and their members are still regarded as “rural population”, even though their lands have been converted to urban district for the purpose of residential or commercial usages. “Urban villages” have been observed in many Chinese cities, including the five cities selected in this study.

“Urban villages” are normally located at urban periphery areas where the members of communities are still regarded as agricultural residents and under management of Village Committees. Although “urban villages” exist in almost all Chinese cities, they are more prevalent in more rapidly urbanized cities in China’s east and south-east regions. In Guangzhou, the capital city of Guangdong province, 20% of total urban areas are regarded as “urban village” areas, consisting of 139 Village Committees (Li, 2004). In Beijing’s three urban districts, Haidian, Fengtai and Chaoyang districts, there are 112 Village Committees occupying an area of 180 square kilometers, which is 17% of total central urban area in these three districts². It is in this type of “urban villages” where many migrants from other regions find their places of residence in Chinese cities, especially large cities.

With rapid urbanization and expansion of urban boundary in recent years, some “urban villages” were emerged from the originally agriculture-predominant area in the periphery areas of Chinese cities. One of the selected communities in Beijing in this study, Tujing Village in Haidian District, is located in the periphery area outside of the central urban district, with both urban residential and commercial land and small plots of agricultural land. A number of science and technology parks, such as “Space Technology City”, “Zhongguancun Software Park”, and “Shangdi High Tech Park”, have been established in the area. Most of original residents of Tujing Village have been employed by the enterprises in the science parks or in the surrounding areas. However, the village is still under the administration of Village Committee, which in theory has collective ownership over the land of the community. In recent years, an increasing number of migrants have sought rented houses or apartments in this village. Tujing has been gradually transformed to a migrant-concentrated community, a typical “urban village” in which migrants have outnumbered local residents.

² Authors’ own estimation based on the figures provided by Beijing Statistical Bureau.

Many Chinese cities have also seen rapid transformation of villages or small towns to medium size urban centers in a short period of time. One of selected cities in this study, Wuxi of Jiangsu province, is well known by its strong collective economy and rapid industrialization in recent decades. Three out of the five selected communities in this study are newly transformed “urban villages” with highly industrialized economy, but at the same time, are still under management of Village Committees. Migrants from other part of Jiangsu and other provinces started to move to these “urban villages” in mid-1980s to take up employment opportunities in the newly developed enterprises. Changan Township in another studied city, Dongguan of Guangdong province, also experienced similar experience of rapid transformation from a village to a highly industrialized city. In 2003, in the 13 Village Committees in Changan Township, the number of migrants in Changan township reached 600,000, which are 20 times of local residents (Chen, 2003).

The transformation or emergence of “urban villages” in many Chinese cities has been a relatively new phenomenon in recent decades, and it has been a direct result of rapid urbanization and industrialization. It has brought new elements into the urban administrative system in China. Many of these “urban villages” have maintained their original administrative structure. The most significant difference between an urban community, which under the management of Neighborhood Committee and an “urban village” which under the management of “Village Committee” is that the Village Committee has collective ownership over the land and other collective assets of the community, while Neighborhood Committee normally does not have such ownership. In addition to having the ownership over the land of the community, a Village Committee normally also manages village-run enterprises and other economic activities and distributes income, pension, welfare and other benefits to its members and their families. A Neighborhood Committee, on the other hand, does not have ownership of the land in the community, and it does not manage collective enterprises. Members of Neighborhood Committees normally get income, pension, and other welfare and benefits from their employers or district/city governments. It is observed recently that some Neighborhood Committees in large cities, such as Beijing and Shanghai, have played an active role in distributing services, such as basic medical services and other welfare programs, to the residents in the communities. However, Neighborhood Committees normally do not have function of generating income and revenue through managing commercial enterprises.

CONCENTRATION OF MIGRANTS IN “URBAN VILLAGES”

“Urban villages” in many Chinese cities have become popular destinations of settlement for floating population, or temporary migrants, especially those with agricultural household registration status. Because of the periphery locations (often close to newly established industrial enterprises) and availability of affordable rental properties (often under private ownership), migrants started to move to these “urban village” communities. In some communities, such as the ones mentioned above, Changan Township in Dongguang and Tujing community in Beijing, migrants have outnumbered local residents. With further expansion of urban boundary and continuous influx of increasing number of migrants, the territory of “urban villages” in large Chinese cities will continue to expand.

Although many urban resident communities, which are normally located in more central locations of the city, could also attract migrants, they normally could not accommodate a large number of migrants due to limited supply of rental properties and expansive rental prices. Affordable properties in this type of urban resident communities include basement units of residential buildings and self-built houses and shelters which normally are poorly constructed without permission of urban planning authorities. The urban communities which could attract large number of migrants are either have available and affordable housing or with geographic proximity to large scale commercial retail centers or industrial sites. Fieldwork observations in one of communities in Beijing, Miaopuxili Community of Fengtai District, suggested that migrants are concentrated in one particular area of the community where a large number of single-storey shabby houses were built in 1950s and now were abandoned by local residents. Another urban community, Liuhe Community in Shenyang, where a large number of migrants have moved in, is located very close to one of the largest small goods wholesale markets in the North-east region.

Although migrants have been seen both in urban resident communities and ‘urban villages’, they are more concentrated in “urban villages”. The proportions of migrant population in “urban villages” are much higher than that in urban resident communities. Tables 1 shows the major community characteristics in five cities, including the types of community, proportion of migrants in the community, whether the community offers collective welfare and benefits to its members and

Table 1. Major Characteristics of Communities in Five Cities

Community	Changes and types of community	% of migrants	Collective enterprises and benefits available	Private dwelling entitlement
<i>Beijing</i>				
Xiaojiahe	Changed from Village Committee to Neighborhood Committee in 2001	72%	VE***	yes
Miaopuxili	Joined by a nearby Neighborhood Committee in 2002	10%		
Dongjie	Joined by a nearby Neighborhood Committee in 2002	43%		
Tujing	Village Committee	78%	VE, Pension, yearly dividend	yes
Beijie	Combined with another Neighborhood Committee in 2001	13%		
<i>Shijiazhuang</i>				
Taoyuan	Village Committee	29%	VE, collective housing	
Dangjiazhuang	Village Committee	76%	VE, collective housing	
Dongli Nanjie	Changed from Village Committee to Neighborhood Committee in 1988	26%	VE	
Beidu	Village Committee	52%	VE, pension	yes
Shizhuang	Village Committee	80%	VE	
<i>Shenyang</i>				
Ertazi	Re-structured Neighborhood Committee in 2002	11%		
Tieling	Re-structured Neighborhood Committee in 1999	5%		
Liuhe	Re-structured Neighborhood Committee in 1999	25%		
Changnan	Re-structured Neighborhood Committee in 1999	6%		
Nankazimen	Re-structured Neighborhood Committee in 1999	26%		

Table 1 (Cont.)

Community	Transformation and types of community	% of migrants	Collective enterprises and benefits available	Private dwelling entitlement
<i>Wuxi</i>				
Nanjian	Re-structured Neighborhood Committee in 2001	18%		
Yangmingjinxing	Village Committee	19%	VE, collective housing	
Sumiao	Village Committee	34%	VE, collective housing	
Qingshan*				
Longshan	Village Committee	19%	VE, collective housing	yes
<i>Dongguan</i>				
	Village Committee	84%	VE, employee benefits	yes
Xiaobian-shangyang				
Zhenan **				
Xiaobianxiayang	Village Committee	90%	VE, employee benefits	yes
Anli **				
Zhendixincun	Village Committee	94%	VE, employee benefits	yes

Notes:

* Qingshan community is not a typical residential community. It is a fresh goods retail market where a large number of migrants work.

** Zhenan and Anli are not typical residential communities. They are two "Science and Technology Parks" that employ a large number of migrant workers.

*** VE – village-own enterprises.

whether the members of community are entitled to build private dwellings on the collectively-owned land.

As shown in Table 1, among the five selected communities in Beijing, Xiaojiahe and Tujing are typical "urban villages" under administration of Village Committees, in which the proportion of migrants are much greater than that in the other three urban resident communities administrated

by Neighborhood Committees. These two communities all own village-run enterprises. Members of these two communities are entitled to build their own private dwellings in the communities. Tujing community even provides aged pensions and yearly dividend to its members. Four out of five selected communities in Shijiazhuang are all administrated by Village Committees, which are typical "urban villages". The five selected communities in Shenyang, on the other hand, are all urban resident communities administrated by Neighborhood Committees. Similar to what was observed in Beijing, the proportion of migrants in the four "urban villages" in Shijiazhuang are much greater than that in the five urban resident communities in Shenyang. Although the differences in the proportion of migrants in the four selected communities in Wuxi are not as great as what was observed in other three cities mentioned above, the proportion of migrants in the only urban community, Nanjian, is still the lowest. The more extreme cases are the three "urban villages" communities in Dongguan with the majority of residents being migrants.

It is very clear that migrants are more concentrated in those "urban village" communities in all five cities. The five cities have remarkably different levels of social and economic development and migration policies. As the capital city of the country with a population of more than 15 million, Beijing has always adopted a very strict migration policy. It has been very difficult to gain a permanent residency – locally registered household registration status, or *hukou*, in Beijing. Only those who are highly educated with PhD degree or in high professional, managerial positions are eligible to apply for a locally registered Beijing urban *hukou*. On the other hand, another city in this study, Shijiazhuang has adopted a much more relaxed migration policy since mid-1990, allowing anyone who had been working and living in Shijiazhuang for two years with a stable place of residence to apply for a local urban *hukou*. Wuxi, Shenyang, and Dongguan have also adopted very different migration policies and their economic structures and levels of development have also been very different. However, there is a clear similarity in terms of the pattern of concentration of migrants in all five cities, that is the "urban villages", which are resulted from rapid urbanization and urban boundary expansion, have also facilitated the urbanization process by accommodating the increasing number of migrants in their communities. With the existing urban planning and urban administrative policies in many Chinese cities, the capacity of absorbing the increasing number of migrants in urban resident communities has been very limited.

The plausible explanation of the pattern of concentration of migrants in “urban villages” in Chinese cities is that the “urban villages” are neither typical urban resident communities nor typical rural resident communities. The collective ownership of community land is a legacy of their original status of agricultural community. Land was previously cultivated for primary agricultural production. However, in the process of rapid expansion of urban areas in many Chinese cities, some of the agricultural land in these communities was taken away, but in most cases the rights to residential housing plots for the members of communities, and sometimes even some agricultural land, are preserved. In addition, most of “urban villages” are conveniently located in the newly established industrial or commercial areas, which could benefit the development of their original collective economic entities, in the form of village enterprises. The private land ownership has facilitated the private dwelling building. The development of village enterprises in these “urban villages” may have provided employment opportunities for the members of communities as well as migrants. However, this pattern of concentration of migrants has also generated many problems in the communities, including creating much greater inequality between local residents of the communities and migrants, especially those with agricultural household registration status, which will be examined in the next section.

INEQUALITY BETWEEN MIGRANTS AND LOCAL RESIDENTS: COMPARISON OF TWO TYPES OF COMMUNITIES

As discussed in the previous sections that although migrants can be found in both “urban village” (administrated by Village Committees) communities and urban resident communities (administrated by Neighborhood Committees), they are more concentrated in “urban village” communities. Benefited from the legacy of previous collective economy, especially in terms of collective ownership over the community land and village enterprises, the local residents in “urban villages” are normally entitled to much more benefits than their migrant neighbors in the community. The other urban resident communities where migrants moved in to normally are more disadvantaged urban communities, in which the supply of affordable housing is limited and living conditions are inadequate. Basement units and self-built shabby houses or shelters are typical types of housing rented out for migrants. Migrants, especially rural migrants, are more likely to end up in these two types of communities. The results of the five-city study show that the patterns of

inequality between migrants and local residents in these two types of communities are quite different, which may reflect the different economic and administrative structures of the two types of communities.

It should be noted that in this study, 10 out of 25 communities in the five cities were “mixed communities”, which included both migrants and local residents (both migrants and local residents were sampled to answer individual questionnaire). The other 15 communities are “migrant-concentrated” communities, in which the proportions of migrants were much greater (only migrants were sampled to answer individual questionnaire). This section will only analyze those “mixed communities” to understand the inequalities between rural migrants and local residents in terms of housing conditions and income.

Housing Conditions

Table 2 shows the average square meters of housing space per person in the household for migrants and local residents in two types of communities in four of the five cities. The five communities selected in Dongguan do not include local residents, so they are not included in the comparison.

Table 2. Housing Space per Person in the two types of Communities (square meters)

Community	Local residents	Migrants	Ratio (migrants/locals)
Beijing (Neighborhood Committees)	14.56	9.06	0.62
Shenyang (Neighborhood Committees)	10.97	5.62	0.51
Shijiazhuang (Village Committees)	33.61	10.95	0.33
Wuxi (Village Committees)	49.66	14.02	0.28
Total	30.33	10.38	0.34

The results suggest that in both types of communities, migrants lived in much smaller housing space per person. However, the difference of housing conditions (in terms of space) between migrants and local residents is much greater in Village Committee communities, which are regarded as “urban villages”, than that in Neighborhood Committee communities, which are considered as urban resident communities. The ratio of housing space per person between migrants and local residents in Shijiazhuang and Wuxi (urban villages) are only 28% and 34% respectively, while the ratios are 51% and 62% for Shenyang and Beijing (Neighborhood Committees) respectively.

The greater inequality in housing conditions between migrants and locals in “urban village” communities could be related to the changes of these communities from originally agricultural predominant communities to “urban village” communities, in which most of agricultural production functions have been removed while the collective ownership of land and other assets are still in place. Local residents in this type of community are entitled to build their own dwellings on the land that was allocated to them. Many local residents are able to build self-use houses as well as houses for rental and other commercial purposes. This kind of benefit is not available to local residents in the sampled urban communities, in which the supply of units and apartments is limited, and sometimes ownership of these properties are still in the hand of original developers of the residential areas, which in many cases are state-run or collective-run enterprises. Residents themselves do not have the ownership to the land in the communities. The urban resident communities, where considerable migrants were found, are normally relatively disadvantaged communities, in which the living conditions are poor and social economic status of local residents are low. In order to gain rental income, many local residents in these urban communities are willing to take the risk that once migrants move in, the image of the community would be negatively affected in the eyes of local residents in other more prestigious communities, as well as in the eyes of local authorities.

Income

The communities selected in this study are all relatively disadvantaged communities in the five cities, as the main focus of the survey was on urban poverty in migrant-concentrated communities. The hourly wage rate is used in analyzing the income inequality in this paper. The results reveal

that the two types of communities show different patterns of income inequality between local residents and migrants.

Table 3 presents the hourly wage of local residents and migrants, and the wage ratio between local residents and migrants in the two types of communities, urban resident communities (administrated by Neighborhood Committee) and “urban villages” (administrated by Village Committees). On average the members of the selected communities, including both migrants and local residents, were among economically disadvantaged social groups. Based on the hourly wage rates presented in Table 3, the monthly income per capita in Beijing’s Neighborhood committee communities could be converted to 1,286 *yuan* for local residents and 1,233 *yuan* for migrants (the average working hours per week was 60), and the estimated monthly income per capita for Shijiazhuang’s “urban villages” could only be converted to 880 *yuan* and 468 *yuan* respectively. Based on the presented hourly wage figures, the income levels of members of selected communities were much lower than the average income levels in each of these cities and provinces.³ From Table 3, it is clear that the migrants in both types of community earned less hourly wage than their local resident counterparts. In the urban resident communities, the income differences between migrants and local residents are not as great as that in the Village Committee communities which are considered as ‘urban villages’. The hourly wage ratios between migrants and local residents in urban resident communities are 0.96 and 0.97 respectively in Beijing and Shenyang while the ratios in “urban villages” are only 0.75 and 0.79 respectively in Shijiazhuang and Wuxi respectively. This indicates that migrants fare more or less the same as their local resident neighbors in the same communities if they could live in an urban community that is administrated by a Neighborhood Committee. In other parts of the city, migrants who end up living in one of the newly transformed “urban villages” would fare worse than their local resident neighbors.

³ In 2003, the average monthly income per employed person was 2,109 yuan in Beijing, 932 yuan for Hebei province, 1,084 yuan for Liaoning, and 1,309 yuan for Jiangsu (National Bureau of Statistics of China, 2004).

Table 3. Average Hourly Wage in Two Types of Communities (*Yuan*)

Community	Local Residents	Migrants	Hourly wage ratio (migrants/locals)
Beijing (Neighborhood Committee)	5.36	5.14	0.96
Shenyang (Neighborhood Committee)	3.09	3.00	0.97
Shijiazhaung (Village Committee)	3.67	1.95	0.53
Wuxi (Village Committee)	4.49	3.35	0.75
Total	4.28	3.39	0.79

DISCUSSIONS AND CONCLUSIONS

The rapid process of urbanization in Chinese cities has been a direct result of rapid economic development in recent decades, and it has also generated many problems. Along with the incomplete but drastic transformation of traditionally agricultural communities to “urban villages” in many Chinese cities, the structures and functions of urban administrative system have become more complex. The distinction between the traditional “urban community” and “rural community” has become blurry in the age of massive rural to urban migration. The penetration of rural migrants in urban labor market and the urban resident communities has brought new challenges to the urban administrative system. When the formal administrative channels are inadequate to accommodate the massive amount of migrants, especially rural migrants, “urban villages” has emerged rapidly to respond to and accommodate migrants’ need for affordable housing as well as employment opportunities in many Chinese cities. However, it is in those “urban villages” that a new underclass has emerged who are outside of the formal social and administrative systems in the cities with limited resources and have no or only limited access to urban welfare programs and public services.

There are considerable differences in the patterns of migration settlement in the urban resident communities, administrated by Neighborhood Committees, and “urban villages”, administrated by

Village Committees. The proportions of migrants in the “urban villages” are noticeably greater than that of the urban resident communities (Neighborhood Committees). Private land/housing ownership has provided opportunities for the residents in the “urban villages” to lease their spare rooms or self-built houses to migrants for rental income. With minimum living conditions, the rental rate in these communities was low and attractive to migrants. In contrast, most of residents in the communities of Neighborhood Committees are unable to have spare rooms or self-built houses to rent out. Sometimes temporary houses/shelters were built in these neighborhood committees for rental purpose, but they could only provide limited supply of housing in these communities, and therefore only a small proportion of migrants are attracted to the communities. It is these newly emerged “urban villages” that have attracted a large proportion of migrants, especially those with agricultural *hukou* status.

Although in both types of communities, local residents normally fare better than migrants, considerable differences in living conditions between the local residents and migrants in “urban villages” and urban resident communities can be clearly observed. In the urban resident communities, local residents enjoyed *noticeable* better living conditions than that of migrants, while in the “urban villages”, the living conditions of local residents are *much* better than that of migrants in the same communities. The rental income in the “urban villages” becomes the major income of local residents, which is not the case of the communities of urban resident communities.

The newly emerged “urban villages” and the urban resident communities show different patterns of inequality in terms of levels of income. The income of the local residents and migrants are not significantly different in the urban resident communities (Neighborhood Committees) while in “urban villages” the income of migrants is considerably lower than that of local residents. This is due to the legacy of previous collective economy in this type of communities that distribute some basic welfare and benefits to their members, which in turn may have created greater local/migrants inequality. Urban neighborhood committees selected in this study, being relatively disadvantageous, on the other hand, do not normally have such welfare re-distribution system, and therefore the impacts on the inequality between locals and migrants are not as great. The results of this study suggest that the two types of migrant-concentrated communities show noticeable different patterns in social re-stratification process. With this observation in mind, it would be

reasonable to expect that it is possible that the migrants in those newly transformed or emerged “urban villages” could end up becoming the most disadvantaged members of the host community, and therefore the most disadvantaged members of the host city. A new class of urban poor has been generated in this type of communities.

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