

Hukou

11.S945 Urbanizing China

Outline

- Hukou Case and Dialogue
- Design of the course

Class 2 Summary

Is China an Outliner?

How is China unique?

- Scale
- Baseline
- Institutions

Institutions

- Hukou
- Land (and finance)

Hukou

Hukou

- What is it? Categories/Benefits
- Origin
- Consequence
- How to change it?
 - Abolish / Continue /Compromise
- People
 - Why do people move?
 - What's the life of a migrant?

What is Hukou?

Photograph of hukou certificate removed due to copyright restrictions.
Refer to image of [hukou certificate](#) on Wikimedia Commons.

常住人口登记卡

| | | | |
|-----------------------------|-------------|--------------|-------------|
| Name | 林子 | Relationship | 子 |
| Used Names | | Gender | 男 |
| Birth Place | 福建省厦门市思明区 | Ethnicity | 汉 |
| Father's Hometown | 福建省厦门市同安区 | Birth date | 2009年02月12日 |
| Citizen ID | 35020090212 | Religion | |
| Education | | Marital | |
| Employer | | Title | |
| Moved to Xiamen from | | | |
| Moved to this location from | | | |



Seal of Xiamen
Police Department
HoKou Office

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**(Non-agriculture)
Urban Hukou**

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Without Hukou

Cannot open bank account

Cannot buy air ticket or train ticket

Cannot get married

Cannot give birth to a child

Cannot find a job

Cannot get food

Cannot attend college/high school

Two Parts of Hukou (1958)

- Place of registration
- Type of Hukou

Two imbalances

- Regional imbalances
- Urban-rural imbalances

Mao's Era

Present

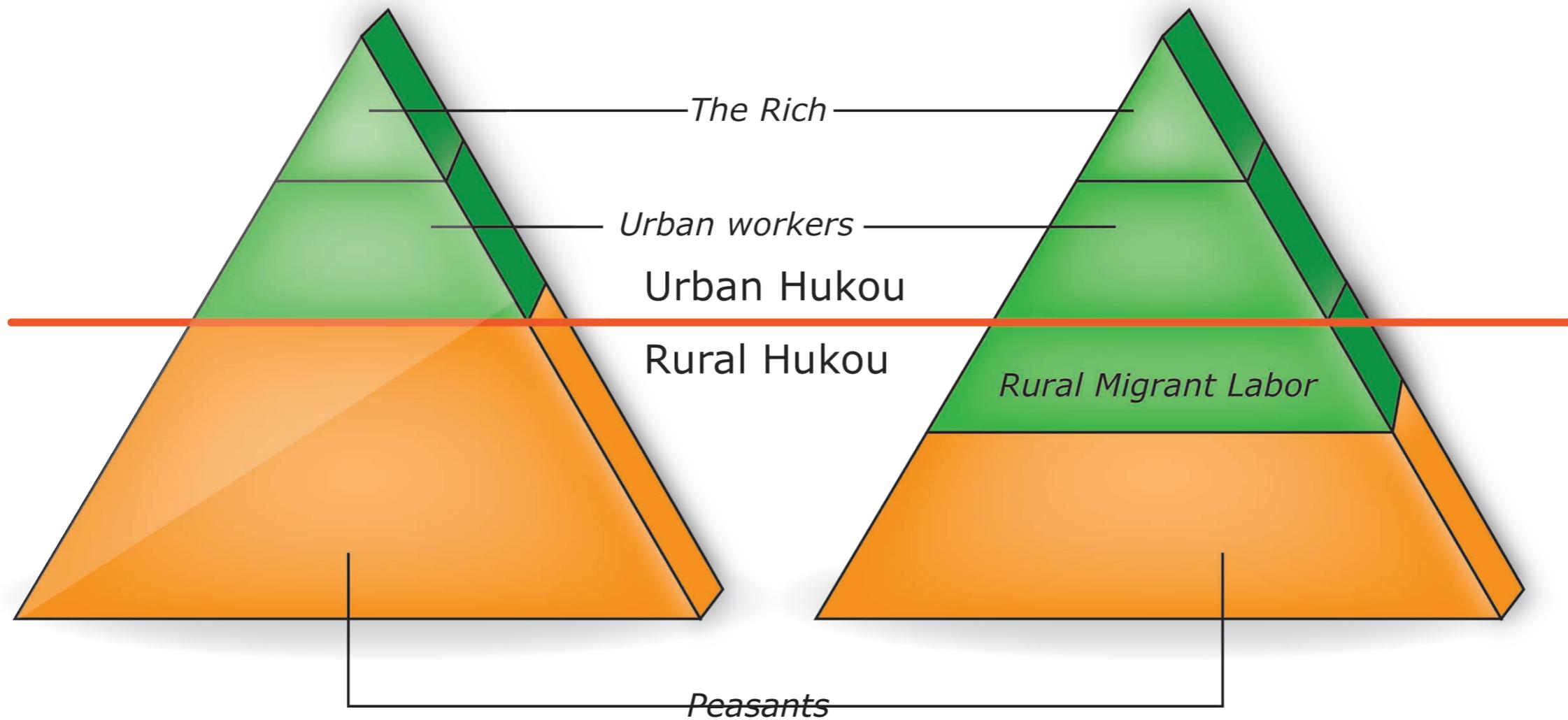
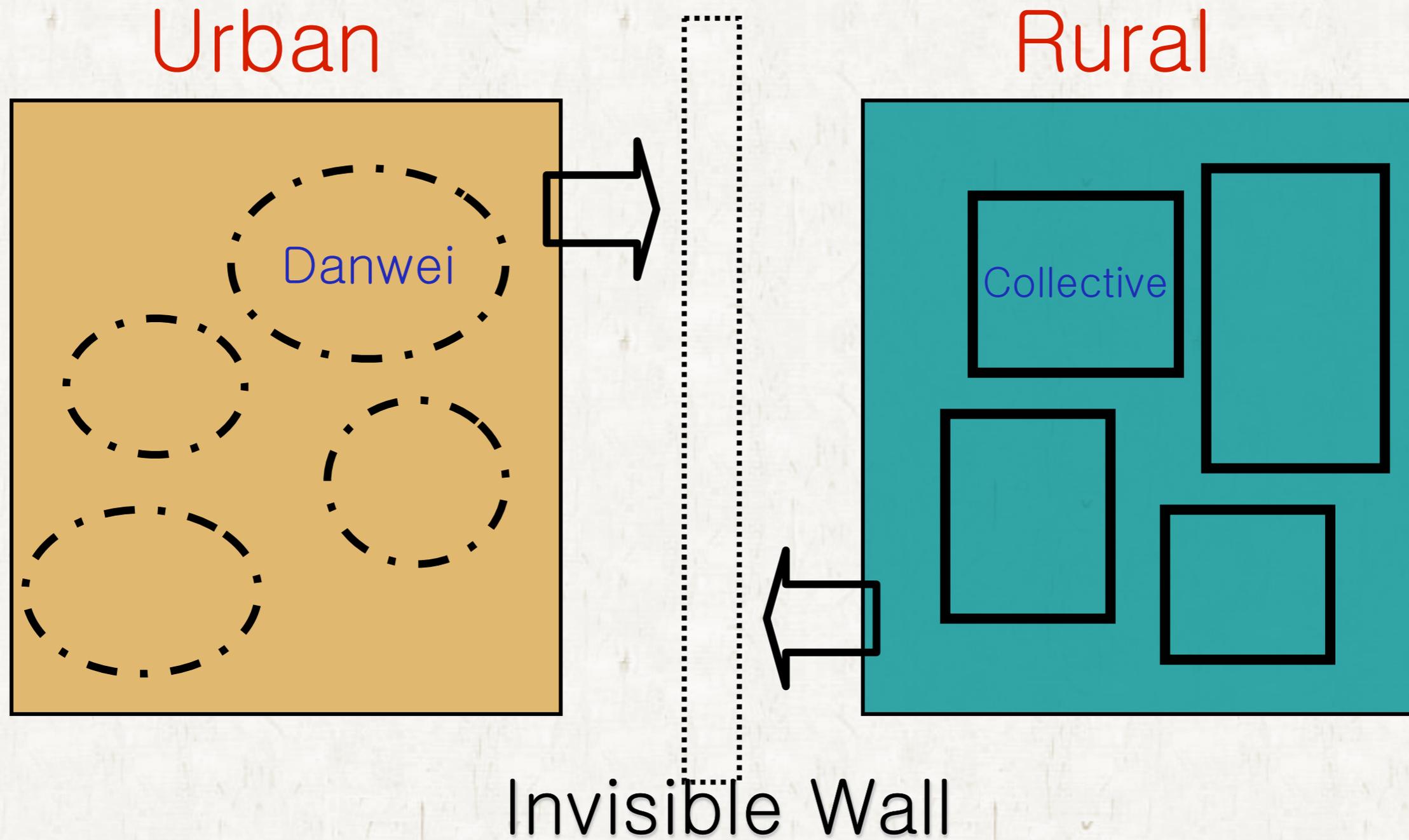


Image by MIT OpenCourseWare.

A Dualistic System



Cover of Chan, Kam Wing. *Cities with Invisible Walls: Reinterpreting Urbanization in Post-1949 China*. Oxford, 1994, and political cartoon about hukou from China Daily removed due to copyright restrictions.

What's the benefit of a
Urban Hukou?

Hukou System Today

- a benefit eligibility system: a tool of institutional exclusion rather than controlling geographical mobility
- the population of a city is divided into “local” and “outside” population.

Services gap

- Guangdong, NDRC Report 2012
- Natives can enjoy 17 types of services and benefits.
- But 10 types are off-limits to migrants, and the rest can only be "partially enjoyed" or "enjoyed in small amounts,".

Benefits Associated with Urban Hukou

Social Welfare

- healthcare and maternity benefit
- unemployment insurance
- pension

Education

- free access to local public schools (till 9th grade)
- college entrance exam

Housing

- housing provision fund
- affordable housing

Employment

- local urban Hukou preferred



Not transferrable
between cities

What if you don't have a Shanghai Hukou

Pension

- you pay 8%, your Shanghai employer pays 22%
- without a Shanghai Hukou, you are not entitled to the 22%

Medical

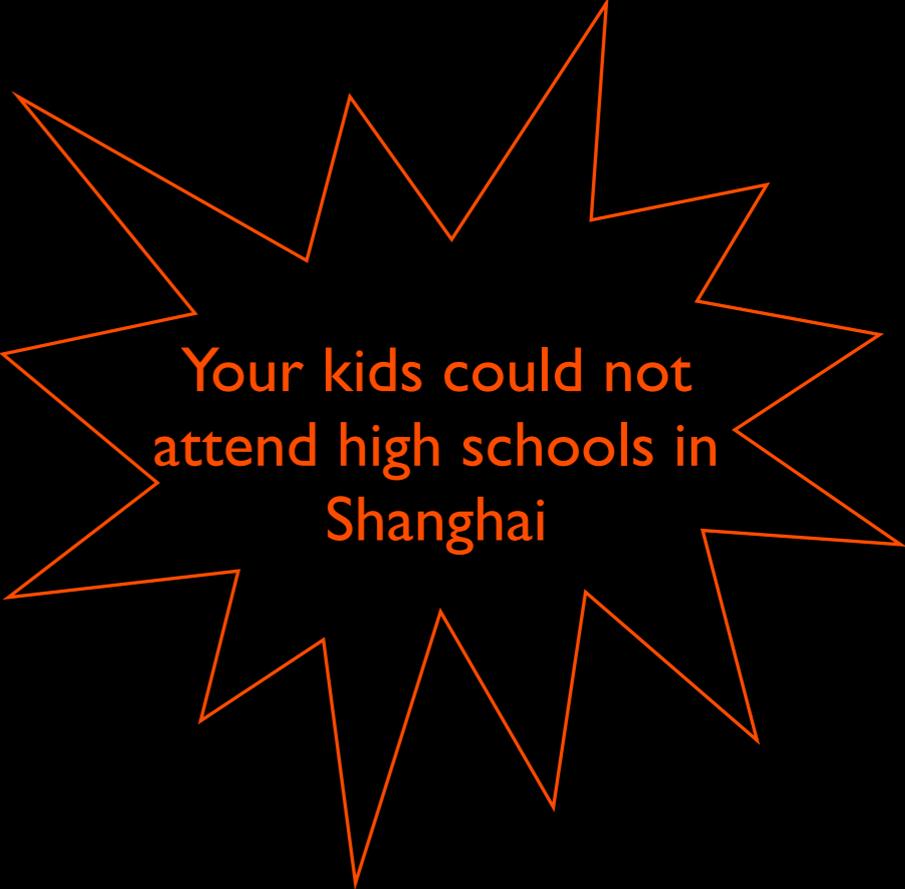
- you pay 2%, your Shanghai employer pay 12%
- enjoy 14% while you work in Shanghai
- but only 2% when you retire

Unemployment

- you pay 1%, your employer pays 2%
- enjoy nothing

Housing Fund

- full access, but your employer is not required to match your 7%.



Your kids could not
attend high schools in
Shanghai

College Entrance Exam (Chinese SAT)

| Province | 一批 | |
|-----------------|------------|------------|
| | Humanities | Sci./Tech. |
| Beijing | 532 | 501 |
| Shanghai | 471 | 455 |
| Hainai | 670 | 632 |
| 广东 | 587 | 585 |
| 湖南 | 554 | 534 |
| 湖北 | 518 | 540 |
| 河南 | 552 | 567 |
| 辽宁 | 560 | 520 |
| 山西 | 548 | 547 |
| Shandong | 596 | 586 |
| 福建 | 582 | 569 |
| 青海 | 443 | 400 |
| 陕西 | 540 | 537 |

| Tsinghua University | |
|---------------------|---------------|
| Humanities | Science/Tech. |
| 627 | 646 |
| 540 | 559 |
| 856 | 861 |
| 672 | 678 |
| 631 | 655 |
| 598 | 661 |
| 651 | 657 |
| 634 | 668 |
| 601 | 645 |
| 667 | 686 |
| | |
| 592 | 609 |
| 627 | 666 |

2009

Universities are allowed to admit relatively more students in Beijing & Shanghai: lower scores

Frauds occur all the time -- attended school in Shandong but moved to Qinghai one year before the exam

Suppose your score = 560, if you have Shanghai Hukou, or Shandong Hukou

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Students take exam at their Hukou province -- subject to admitting score at that province

I want a Hukou

Photograph of boy holding a sign with "I want hukou" written in Chinese removed due to copyright restrictions.

Infographic removed due to copyright restrictions.

Refer to: <http://news.house365.com/gbk/wxestate/system/2012/12/13/020981028.html>.

China's hukou system

- institutional mechanism defining the city-countryside relationship
- shaping important elements of state-society relations
- provided the principal basis for establishing identity, citizenship and proof of official status, it was essential for every aspect of daily life.
- Without registration one cannot establish eligibility for food, clothing or shelter, obtain employment, go to school, marry...
- bifurcated social order

Can you change
Hukou?

How to Change from Rural to Urban Hukou?

College

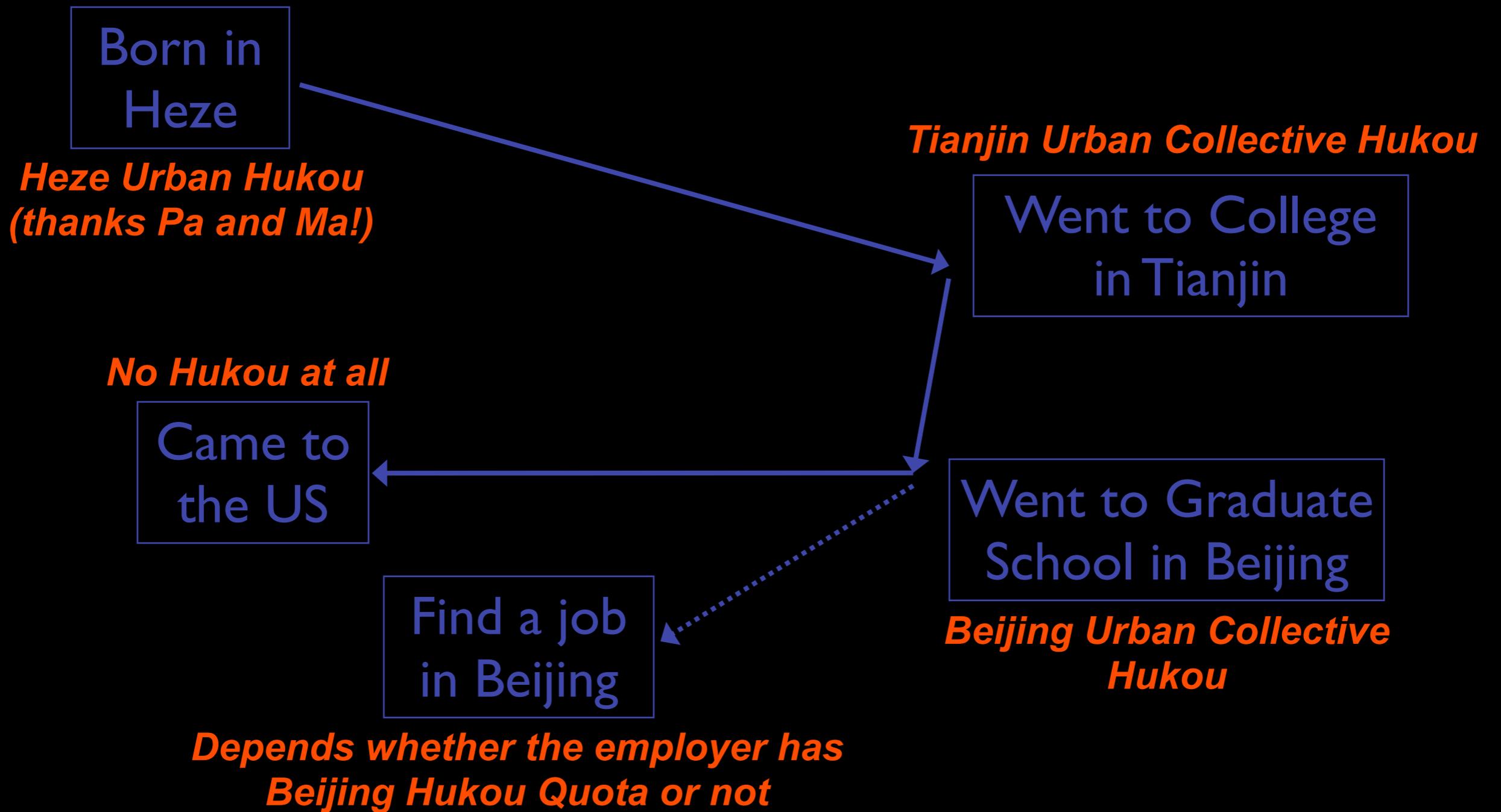
Investment

Marriage

Property

Eminent Domain

Changes of Hukou



Getting a Shanghai Hukou through Marriage

No time requirement on the marriage when

- One spouse has a PhD
- One spouse is an awardee of Provincial/Ministry level awards
- Shanghai hukou holder has a master degree (worked here > 3 years), or a bachelor degree in computer, electronics, communication working for a hi-tech firm

Marriage > 3 years when

- Shanghai hukou holder has a master degree and graduated > 3 years

Marriage > 5 years when

- Shanghai hukou holder has a high school diploma

Residence Certificate in Shanghai (Green card?)

Type A: Talented

- college degree
- investment 10 million RMB
- associated degree, investment 3 million RMB, with Shanghai real estate

Type B: employment based

- public agencies, university, major firms

Type C: relatives

Duration: 0.5, 1, 3, 5 years

270,000 in Shanghai by 2009

Evaluation System in Shanghai (150 points total)

Basics (55 points)

- age: < 35 10 points, >51 0 point
- Education: PhD 25 points, master, 23 points, college, 20 points, high school, 0
- employment: 10 points
- relatives: parents or spouse has Shanghai Hukou, 5 points
- housing: housing ownership certificate 5 points

Specialties (35 points)

- ability: Fellow of China Academy of Sciences 30 points
- professor able to advice doctoral students: 25 points
- associate professor: 20 points
- high rank officials or firm executives with a monthly income > 10,000 RMB

Policy Incentives

Migrant Worker Excellency Award

Photograph of award recipients removed due to copyright restrictions.

Why do people move?

- High pressure
- Low cost of transition
- Awareness / information
- Entrepreneurship

Graph showing urban-rural income gap removed due to copyright restrictions.
Source: Jia, Chen. "[Wealth Gap Survey to be Published](#)," *China Daily*, Feb. 07, 2012.

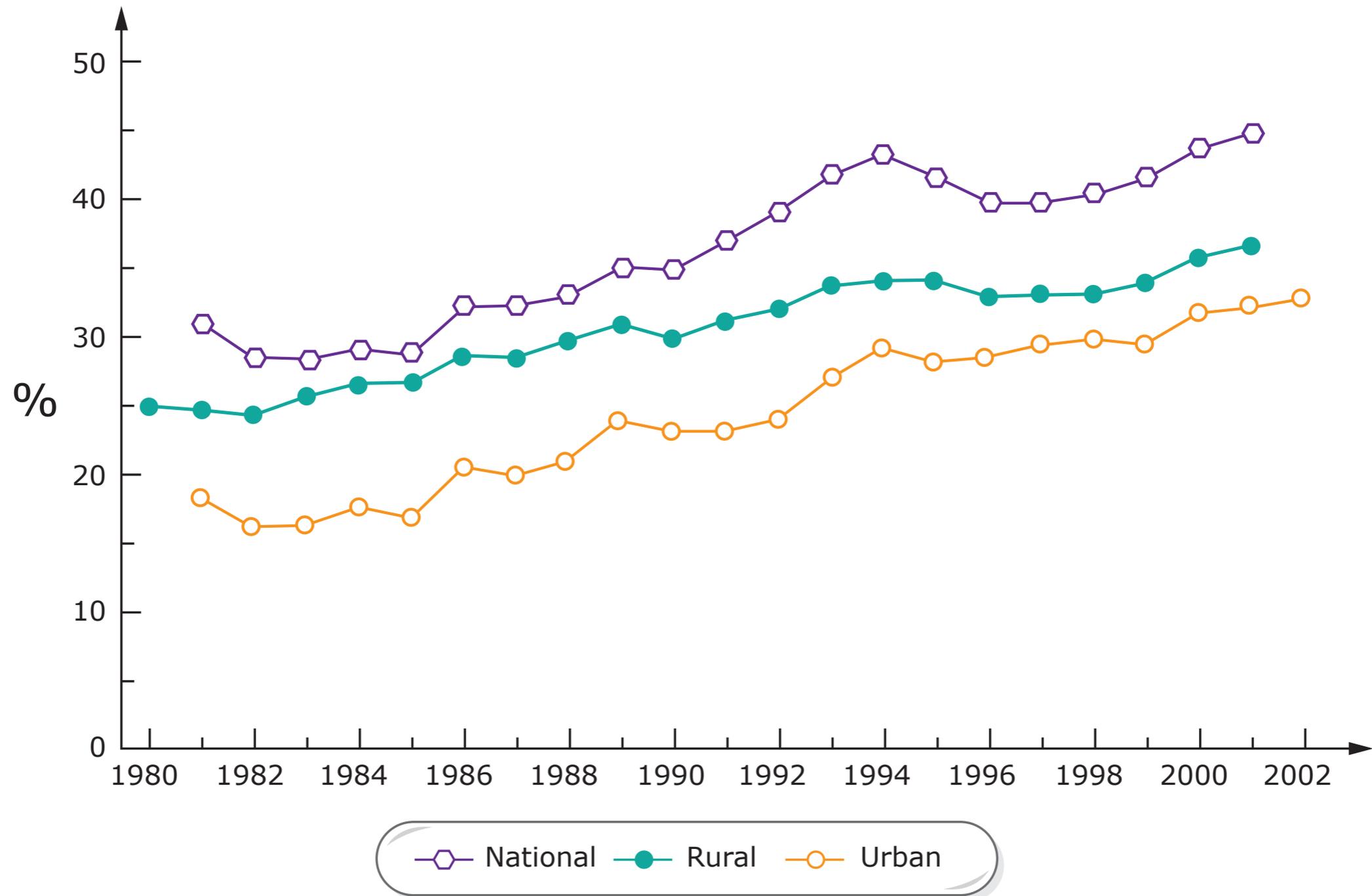


Image by MIT OpenCourseWare.

Gini Coefficients: Changing Inequality

Relative to those left behind

Migration increases income

Migrants have harsher working conditions than rural non-migrants

Migrants feel disrespected.

Migrants more likely to be robbed.

Migrants eat better

Migrants practice better hygiene (more frequent showers, teeth brushing; more likely to drink clean water)

...

The 30 largest interprovincial migration flows, 1990 census.

Map removed due to copyright restrictions.

Source: Fig. 2-3 from Fan, Cindy. C. "Modeling Interprovincial Migration in China, 1985-2000." *Eurasian Geography and Economics* 46, no. 3: 165-84.

The 30 largest interprovincial migration flows, 2000 census.

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Eurasian Geography and Economics 46, no. 3: 165–84.

Photograph of Chinese migrant workers removed due to copyright restrictions.

Photograph of Chinese migrant workers removed due to copyright restrictions.

Life of a Migrant



Factory dormitory, Shenzhen, Guangdong, November 2010.



Migrant construction workers at their sleeping place, Beijing, June 2007.

Photograph of Chinese migrant workers removed due to copyright restrictions.

Magnier, Mark. "China's Migrant Workers ask for Little and Receive Nothing," *Los Angeles Times*, Jan. 21, 2004.

“We will accelerate the establishment of a social safety net targeted at rural migrant workers in cities ...”

-- Premier Wen Jiabao,
March 5, 2007

Life of a migrant

- <http://www.youtube.com/watch?v=Jt9oNpa3Lj8>

Socioeconomic Significance

Connections

Made in China

Photograph of Chinese factory workers removed due to copyright restrictions.

Photograph of crowds in China's job fair (2009) removed due to copyright restrictions.

Cheap labor -->
Consumers

A Puzzle?

- The acceleration of China's pace of urbanization coincided almost perfectly in timing with a sharp decline of household consumption as a ratio to GDP

improve the income position of rural migrant workers
but increase precautionary savings motivations
due to the bifurcation created by the hukou system

Connections

- migration + cheap labor + economic growth (especially export-oriented manufacturing)
- migration + controlling the size of city + limited public finance to provide services
- migration + land ownership in rural areas --> “空心村”, “留守儿童”
- migration + property rights in cities --> non-hukou holders not allowed to buy property.
- urban management

How to change it?

Debate!

What if we abolish
Hukou overnight?

What if we don't
reform on Hukou?

Stake Holders

- Central Government
- Local Government: Beijing
- Local Government: Ya'an, Sichuan
- Migrant from Ya'an in Beijing
- Local farmer stayed in Ya'an
- A Beijing Native
- An Economist
- CEO of a Beijing Manufacturer

Why hukou has been so slow to reform?

- the costs on the governments to allow free mobility
- public finance (everyone will go to the city, have to provide infrastructure + services + welfare),
- social stability (public security still use hukou to control mobility. Eg. During SARS, Beijing hukou holders not allowed to travel around the country lest the spread of the disease. Eg. During major events, eg. non-Beijing hukou holders, especially those from Xinjiang and Tibet not allowed to enter the city.),
- food security (if peasants are not bound to their land, nobody would farm...)

What shall we do?

- What can planners do?
- What cities should be opened up to migrants first? How other matching policies should be in place before opening it up (affordable housing, school resources, etc)?

How do American
cities deal with it?

Design of the course

Cases and Connections

1 Preface

- Urbanization Out of Sync
 - Is China an Outliner?
 - Fundamentals: Hukou and Migration
-

2 Land & Money

- Land Use and Public Finance Institutions
 - Quota Market in Chongqing: De-spatialize Land Transfer
 - Brownfield in Beijing: How Cities Recycle Industrial Land?
 - Public Finance Innovations in Nanchang
 - Real Estate Development Process
-

3 Hardware

- Managing Car Ownership
 - Urban Infrastructure
 - Dispersion of Urban Agglomeration through High Speed Rail
 - Costs of Air Pollution: Human Health Damage
 - Progress in Energy Efficiency: Technology, Policy and Market
 - Financing Urban Access: Transportation, Urban Form and Land Grabbing
 - Untangling Complex Urban Issues through Emerging Big Data
-

4 Software

- Drifting and getting stuck: Migrants in Chinese cities
- Urbanization vs. Citizenization: Migrants in Wangjingxi Market
- Spatial Justice in Affordable Housing Design in Ningbo
- Preserving Beijing's Spatial Tradition in Rapid Urban Development
- Aging Society: Offering Care to the Elderly in the Confucius Society
- Forging Greater Xi'an: New Regional Strategies

Students' Role

| Options of class registration | 12 Credits | 6 Credits | Listener |
|--|-------------------|------------------|-----------------|
| Class participation 40% = 27% (in class idea notes) + 13% (discussion) | Yes | Yes | Yes |
| Literature synthesis 20% | Yes | Yes | |
| Team project 40% a) Idea: not graded b) Proposal: 10% c) Draft report: 10% d) Final report: 20% | Yes | | |

Listeners are welcome on one condition: to attend at least 70% of the classes and submit in-class idea notes.

Literature Synthesis

- Holes in the structure
 - Education
 - Law and rule of law
 - Property right
 - ...

Full of contradictions

- E.g. Environment
 - Biggest renewable energy
 - Biggest polluter

China Hype and China Bashing

- GDP: 9.5% per year for 30 years
- Urbanize 370m people without slum
- Raise hundreds of millions of people from poor
- Million miles of road, billions of square feet of housing
- Biggest CO₂ emitter
- Severe pollutions
- Political reform
- Inequality
 - urban – rural; east – west; within city
 - from one extreme to another extreme

Literature Synthesis

- Pairing of students
- Flip sides of the same issue

Team project

- Student Pairs
- Project idea and ppt (not graded)
- Project proposal and ppt (10%)
- Project draft report and ppt (10%)
- Project final report (20%)

Team project deliverables

| Project Proposal | Project Report (Draft and Final) |
|--|---|
| <p>Project Title</p> <p>Highlights</p> <p>Abstract (250 words)</p> <p>Key words</p> <ol style="list-style-type: none">1. Introduction<ol style="list-style-type: none">1. Context / Significance2. Objectives / Research questions2. Literature Review3. Methodology<ol style="list-style-type: none">1. Data2. Models / theories / methods4. Expected results5. Expected impact and policy implications6. References | <p>Project Title</p> <p>Highlights</p> <p>Abstract (250 words)</p> <p>Key words</p> <ol style="list-style-type: none">1. Introduction<ol style="list-style-type: none">1. Context / Significance2. Objectives / Research questions2. Literature Review3. Methodology<ol style="list-style-type: none">1. Data2. Models / theories / methods4. Analysis results and interpretation5. Discussion<ol style="list-style-type: none">1. Summary of research findings2. Impact and Policy Implications3. Limitation and future research6. References |

Please use [mendeley](#) or [zotero](#) for references. Follow the [APA](#) style. I'll provide two examples papers for you to learn about the formatting.

Team project

Both draft and final reports are COMPLETE documentation of your projects.

- Draft: the best you can do **before** my comments
- Final: the best you can do **after** my comments

Recommended Books

- Weiping Wu and Piper Gaubatz (2013) *The Chinese Cities*
- Fulong Wu, Jiang Xu, and Anthony (2007) *Urban development in post-reform China: state, market, and space*
- Thomas Campanella (2011) *The Concrete Dragon: China's Urban Revolution and What It Means For The World*
- John R. Logan (2008) *Urban China in Transition*
- John Friedmann (2006) *China's Urban Transition*

Generic logics

- Jinhua and ALL
- Every class, consistent
- Summary at the end of the term

Next class

Land Use and Public Finance Institutions in China: an Overview

Reading:

Introduction of China's Local Public Finance in Transition, Man and Hong ed., (2011) The Lincoln Institute of Land Policy

On the idea notes

- **inspire** you to think
- **connect** to other topics
- **personal** experience
- **change** of your prior notions
- What if you were the **presenter** today
- **research design**
- Ideas for team **project**

In Class Idea Notes

- Please write them now...

Urbanizing China

A reflective dialogue

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11.S945 Urbanizing China: A Reflective Dialogue
Fall 2013

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