

State Policy and Internal Migration

- A Study of the Household Registration (hukou) System in China

by

Minna Wallén

Master thesis, spring semester 2009

Master of Science in Global Studies

Department of Social Anthropology

Lund University

Supervisor: Steven Sampson

Abstract

In China, the past 30 years have been characterized by economic growth and rapid development that has transformed the nation into an important player on the international market. This phenomenal progress probably would have been impossible without the cheap labor force provided by the Chinese countryside in the form of migrant workers. Millions of rural people circulate the nation today in order to find jobs and earn money. The underdeveloped countryside cannot provide the incomes needed to support the giant rural population, and the Chinese nation is highly segregated when it comes to wages, social services and welfare benefits, access to education and employment. This thesis argues that these unequal conditions to a great extent are affected by the hukou (household registration) system, which registers all citizens as rural or urban, agricultural or non-agricultural. Within this system, all civil social rights are tied to the place of registration and the urban citizens have for a long time been privileged over the rural ones. In this way, the Chinese state has created a highly unequal society in which people are categorized and divided based on their geographical location. The thesis focuses on the hukou system as a single case study of an extreme case of state control over population movement, with particular emphasis put on the migrant workers in urban areas and the effects that the hukou system has on their lives and on the society in general. Migration theory, migration in relation to development and the state, migration patterns in China, causes for migration and the development and effects of the hukou system will be discussed in this study.

Keywords: hukou, China, migration, migrant worker, the state.

Contents

1. Introduction.....	5
1.1 Problem formulation – A Conflict of Interest.....	5
1.2 Aim of the study	6
1.3 Research Question	8
1.4 Structure of the Thesis	8
2. The Study of Migration and Development	10
2.1 Migration Theory.....	10
2.2 Migration, Development and the State.....	12
2.3 Migration and Development in China	15
3. Model and General Framework	19
4. Method – The Single Case Study	22
5. China's Floating Population.....	25
5.1 Domestic Migration in China	25
5.2 Migration in the PRC.....	27
5. 3 Growing Regional Gaps and Poor Integration.....	30
5.4 Why Do People Migrate?	32
5.4.1 Economic Causes	33
5.4.2 Social- and Kinship Networks	37
5.4.3 Marriage Migration	39
6. The Chinese Hukou System	42
6. 1 Origins and Development to 1949	42
6.2 The Hukou System 1949-1978.....	43
6.3 The Hukou System 1978-today	49
7. Effects of the hukou system	54
7.1 The Hukou System as a Political Tool	56
7.2 The Hukou System's Effects on Society and People.....	57
7.2.1 Income Gaps and the Distribution of Investments	57
7.2.2 Access to Welfare Benefits and Social Services.....	59
7.2.3 Access to Education.....	61
7.2.4 The Labor Market	65
8. Summary and Conclusions	69

8.1 Summary.....	69
8.2 Conclusions.....	71
8.3 Implications	75
9. References.....	78

1. Introduction

1.1 Problem formulation – A Conflict of Interest

In the land of China, with a population of 1.3 billion people, the state tries desperately to keep track of its giant population. The main tool it has at its disposal is the so called hukou system, a registration system with the aim of monitoring, controlling and at times stopping the movement of the population. Domestic migration in contemporary China is one of the greatest mass movements seen in history. Every year, hundreds of millions of people circulate between the villages, towns and cities of China. Most of them are looking for employment, even though there are other important factors contributing to the decision to migrate. The migration is not problem-free, however, as it is largely controlled by the government, mainly through the hukou system. The hukou (household or residential registration) system is a unique institutional arrangement aimed at closely controlling population movement, but with the additional function of making sure that the great surplus of laborers in China is used in a way that benefits urban development. Under the Chinese hukou system, all citizens must be registered, and every change of residency and location is closely monitored. Like all bureaucratic control systems, the hukou system ultimately affects the people whose lives somehow are determined by it. In China it is the migrants, and their families who often have invested a lot in their journey to the cities, whose lives are largely affected by the framework of the system, in ways that will be further discussed in this thesis. Born in the rural countryside, they are to a great extent tied to the land, and the ones who move to the cities are constantly reminded of their rural past, and are in a way “second class citizens” in their own country. The hukou system limits their opportunities, and has done so for a long time – migrants are deprived of their right to social benefits and often can only get the most low-paid, dirty and often dangerous jobs. The Chinese government, on the other hand, has been and still is forced to find solutions to the problem of controlling its gigantic population of 1,3 billion people. Faced with the task of monitoring and keeping control of the movement of the largest population in the world, the government seems to believe that it has to somehow reduce the internal migration and the hukou system has apparently been considered the best way of doing this. China’s extremely rapid urban development during the past thirty years would have been impossible without the big group of migrant workers moving into the cities. They constitute the never-ending source of cheap labor available to employers at factories and

other places of work in the Chinese metropolises. The hukou system restrains the migrants' rights to social benefits, such as insurance, health care or subsidized housing, in the cities. At the same time the system allows the leadership to keep control over the great population and avoid a possible mass movement into the already rapidly growing cities of Guangzhou, Shanghai, Beijing etc. There is, thus, an apparent conflict of interest presiding here. The state sees to its best interests and tries to build the Chinese (urban) economy and industrialization, while the migrants naturally wants to have a piece of the success that is China today, and to which they have contributed so much. In this thesis, I have mainly focused on the migrants' side of the conflict, investigating their interests and the ways they are discriminated through the hukou system. The perspective of the Chinese state is surely interesting as well, but much too big of a topic to be further explored here.

1.2 Aim of the study

The aim of this thesis is to demonstrate three things; 1) how the hukou system in China functions and has developed, 2) how patterns of migration are constituted in China and 3) what the effects of the hukou system are. I am particularly interested in the hukou system's discriminating effects, i.e. how some people are privileged and others disadvantaged depending on where they were born. Even though it naturally is not the only determining factor, the geographical location plays an important role in deciding the life opportunities for individuals in China. I want to illustrate this by putting particular emphasis on the migrants in China; look into how internal labor migration is constituted in China, investigate what factors are important when decisions about migration are being made, and how the hukou system affects society and individuals' lives in China. The emphasis concerning the latter will be especially put on the way the hukou system has created and still is reestablishing a dualistic society and economy which means that regional gaps are big and that people have different opportunities depending on where they are located. Income gaps, unevenly distributed state investments, access to welfare benefits and education, and a segmented labor market are being investigated. With the help of migration theory, as well as the perspective of migration in relation to development and the state, I wish to illustrate how migration has been viewed since the founding of the PRC (People's Republic of China) and how migration and development

actually can benefit from each other. Another aim of this thesis is to look at the research done in this field, and to see if there is any important topic missing in the existing literature concerning the hukou system, the “floating population” in China and the ways the state is controlling development and migration.

The hukou system is an interesting contemporary phenomenon, especially when put in the context of development and state control over its population. I perceive the hukou system as, on one level, an efficient form of registration and population movement monitoring and as, at another level, an extreme case of state control. The most intriguing aspect of the system is, in my view, that it so completely can be used to determine where people should live and which rights they should be entitled to – things that for most people living in countries with less rigid registration systems, seem completely absurd. Instead of all national citizens being equal and have the same basic rights, in China the great majority of the population is to a certain degree excluded in societal life and do not have the same opportunities as the more privileged part of the population. The state can completely decide over its population’s whereabouts, and uses the powerful hukou system to do it. Furthermore, the hukou system is an important political tool as well, providing the CCP (China’s Communist Party) with an excellent instrument for reassuring that the political power stays with the CCP elite, the urban population. Extremely few people of the rural population are members of the party, and the great majority of the party members hold urban hukou. Unlike other registration systems, the hukou system is a way for the state to impose exclusion on certain people and to treat people differently depending on their category for registration. I also find the hukou system to be interesting since it is influenced by, and given authority from, so many sources:

the PRC *hukou* system draws its extraordinary institutional legitimacy, operational effectiveness, and cultural support not only from the power of an authoritarian state but also from the Chinese family or clan structure, regional and community divisions, the tradition of parochial political structure, and the fact that a *hukou* system existed in China for a very long time before the PRC came into being (Wang 2005: 24).

Hence, the hukou system in its current form has a long history and is legitimized through a pool of different practices and traditions in China. This thesis argues that the hukou system causes a great deal of hardship for a big part of the population even though it has proven effective in order for the state to practice control over the mobility of the population. I will show that the system is highly complex and multifaceted and functions as the state’s main tool

for controlling population movement. It is an odd and unusual system and its complexity is associated with the dualistic society existing in China today. I will discuss a variety of effects of the hukou system on people's life strategies as well as on greater societal structures. I will mainly, with my starting point in the model constructed below, focus on the Chinese hukou system as a bureaucratic institutional framework and describe how people behave given the constraints of this framework.

1.3 Research Question

As stated above, population movement in China is today characterized by its massive migration flows from rural to urban areas and the state's efforts to control these. This thesis explores the relation between individual migration strategies and state policy by using the example of Chinese mass migration and the influential hukou system. Hence, the main questions that I intend to answer in this thesis are as follow:

How does the state migration control system affect individual life strategies? What are the effects of the system on the Chinese society as a whole? This thesis argues that the hukou system generates contradictory effects, being both a means of integrating city and countryside and as a source of conflict between city and countryside.

1.4 Structure of the Thesis

The thesis is divided into a number of chapters, each of which discusses different topics related to the hukou system and the Chinese context. In chapter 2, I deal with the theoretical framework of the thesis. I begin by giving a brief introduction to the main ideas within migration theory, with a special focus on the ways migration has been theorized within anthropology. This has a somewhat historical focus to it, as I describe the development of migration theory. I then move on to discussing migration and its relationship with development and the state. I discuss what kinds of effects migration can have on the development of a nation, i.e. whether migration is positive or negative for development. Different standpoints are being discussed, and I talk about these matters in general and on a

more abstract level, before moving on to discussing the Chinese context. The role of the state is also brought up to discussion, as I try to understand how the state can impose its policies and strategies on migration in order to boost development in the desired direction. I conclude that there is still a lot of research to be done concerning the relationship between internal migration and the state. After this, the example of China is being investigated briefly, in order to give the reader a better understanding of the context within which the hukou system operates. In chapter 3, the general framework of the thesis is put forward, together with a model intending to illustrate how the Chinese state's use of the hukou system and the creation of a dualistic society with a segregated economy and poor integration between the rural and the urban areas, has largely affected the large flows of migrants circulating China today. In chapter 4, the method of the thesis is presented. The case study method is being discussed and the strengths and weaknesses of it are being weighed against each other in order to show the qualities and limitations of the use of this method. A short presentation of the types of material used in this thesis is offered as well. In chapter 5, I have put the emphasis on the people most affected by their hukou status – the migrants. The migrant laborers are an interesting and fascinating group in the Chinese society and their lives are indeed influenced by the hukou system. I present how population movement has developed in China during the PRC and how growing regional gaps have preserved the cities' privilege over the countryside. Thereafter, I want to investigate why the rural people in the Chinese countryside move, i.e. what the most important reasons for migration are. I discuss migration caused by economic factors, social- and kinship networks, and marriage migration. Chapter 6 begins with a description of the development of the hukou system, its origins and progress from 1949 till today. The purpose of the chapter is to give the reader a presentation of the system and the background information needed to fully understand the discussion about the hukou system in the thesis. In chapter 7, the effects of the hukou system are the main theme. I look at the hukou system as a political tool, and then go on to demonstrate how the hukou system affects such matters as income, access to welfare benefits and social services, education and the labor market. Thereafter, in chapter 8, I discuss the matters taken up in the thesis on a more in depth level, trying to give the reader a summary of what has already been said and concluding how the hukou system is related to the state, migration and development. I try to refer back to the matters brought up earlier in the thesis and to tie up the ends. After this, the references are listed in chapter 9.

2. The Study of Migration and Development

2.1 Migration Theory

The story of the so called floating population in China is not new, nor unique. There have always been people moving from the countryside to the cities and back again, around the world and over the centuries. They have gone through hardships and often been transformed into outsiders, not completely integrated in their new place of residence, upon arrival in their place of destination. Whatever the cause of migration, identities have been recreated and people have had to find their new place in the world. In the modern society, the construction of “we” and “them” is constantly recreated, as boundaries change and new people are included or excluded (Eriksen 2004). And migration has traditionally been especially sensitive when it comes to inclusion and exclusion, identity creation and the “we versus them” dichotomy. Writes Solinger; “...migration throws up a specter of an overwhelmed state, of assaulted citizenry, and of rampant social turmoil: the vision of the optimist...seems to many to be just a mirage” (Solinger 1999: 3). That migration is controversial in many cases is obvious. Whether it is fellow countrymen moving into the cities from the countryside, or foreigners crossing the border, migration is a constant subject for discussion - among researchers, migrants themselves, the original population already dwelling in the places of destination and within governments. Within anthropology, migration is a relatively new focus of study. In the 1950's and 1960's, migration started to be given attention by anthropologists as ideas of static culture and strict territorialism were abandoned. As cities began to fill with rural migrants in traditional areas for anthropological fieldwork, the subject began to be fully explored (Brettell 2000: 97). When theorizing about migration, anthropologists have focused “less on the broad scope of migration flows than on the articulation between the place whence a migrant originates and the place or places to which he or she goes. This includes exploration of how people in local places respond to global processes” (*ibid*: 98). The micro level of analysis and theorizing is a traditional method for the field of anthropology, in which the interest for individuals, the household or groups is the most important. Within migration theory, Nancie Gonzalez (1961) has created a typology that, according to Brettell, has been frequently used by anthropologists. It is a typology listing the following five types of migratory wage labor: “seasonal migration”, “temporary, nonseasonal migration”, “recurrent migration”, “continuous migration” and “permanent removal” (Gonzalez 1961: 1265). The

second type of migration, temporary migration, is the type of migration discussed in this thesis. In Gonzalez's typology, these migrants usually move alone and do not bring their families to the destination. The typical migrant is young and unmarried. According to Gonzalez, these young migrants move because they want to see the world and earn money to buy high status items to gain prestige at home. Temporary migration is an effective way of integrating surplus labor: “[a]nother avenue for draining off a labor surplus is temporary, nonseasonal migration. If this labor surplus is channeled into activities which increase the flow of wealth into the society, the general standard of living will probably increase, even though the economic base remains the same” (*ibid.* 1266). The migrant will partly support the family back home, and will experience a period of great adventure and meet a lot of new and exciting people, according to Gonzalez. This kind of migration usually leads to an imbalance between the sexes, meaning that there is often a surplus of unmarried women in the places of origin since so many young men migrate. While the Chinese labor migrant might not fit perfectly into this category, I do find a few characteristics that they have in common. That this kind of migration provides an extra source of income and that it brings new ideas back to the home village or town is true for China's temporary migration, whereas the predicted imbalance in the sex ratio cannot be completely true since so many Chinese women migrate as well. Gonzalez's typology gives us an idea of how earlier anthropologists dealt with the study of migration. The categories identified by her, can be important when discussing the hukou system as well. The typologies give us an idea of the type of migration which is most common in China today, of why and how people called temporary, non-seasonal migrants move around.

In migration theory, there is usually a distinction made between “push” and “pull” factors, which need to be taken into account when discussing motivations for migration. The push factors are those “life situations that give one reason to be dissatisfied with one's present locale”, while the pull factors “are those attributes of distant places that make them appear appealing” (Dorigo and Tobler 1983:1). Push factors can, for instance, be economic insufficiency, limited access to resources, or lack of a social network. Pull factors can also be economic ones – the opportunity to earn money might be bigger in the place of destination. Other pull factors could be the wish to join a family member or the desire to explore life in the city. The so called modernization theory within migration research, stresses the economic push and pull factors as replies to differences in wages, resources and labor in the place of

origin and the place of destination. Wage labor is viewed as offering more opportunities than agricultural work and can provide the capital needed to survive in the countryside. The “bright lights” theory on the other hand, has emphasized the excitement of city life which draws young migrants to the urban areas and wage labor. The modernization theory assumes that “the movement of people from areas that had abundant labor but scarce capital to areas that were rich in capital but short of labor would ultimately contribute to economic development in both sending and host societies” (Brettell 2000: 102-103). In the view of the modernization theorists, a more equal balance of capital and labor, resources and population pressure would eventually be created, which would lead to the definitive elimination of differences between urban and rural areas. Migrants would, through saving and investing money, be the ones bringing change to their rural homes. As Brettell points out, however, this vision has not always come true. On the contrary, the money earned by the migrants is often spent on consumer goods and the skills learned at the place of destination cannot always be easily transferred to the native area. In the end, instead of migration creating prosperous and self-dependent towns and villages in the countryside, these places become migrant-dependent and population movement has resulted in several generations of migrants (*ibid*). The modernization model’s push and pull factors still prevail in current migration research, but the linear development it assumes has to be reconsidered. The push and pull factors often work simultaneously, and it can be hard to completely separate them from each other.

2.2 Migration, Development and the State

Migration, and especially international migration, is often viewed by scholars as a net advantage to development in the place of migrants’ origin because of money sent home by migrants. Remittances are circulated from the richer places of the world which often are places of destination for migrants, to the developing parts of the world which are the places of origin. The Migration Policy Institute (MPI) states on its website that remittances are the most concrete connection between migration and development, and that in 2006 the official flow on money totaled over US \$ 280 billion worldwide (Migration Policy Institute). Internal rural-urban migration has also been seen as a desirable process in which “surplus labor was withdrawn from traditional agriculture to provide cheap manpower to fuel a growing modern industrial complex” (Todaro 1987: 361). The historical-structuralist approach within

migration theory, for example, views migration as a part of “a global economy, core-periphery relations, and the development of underdevelopment” (Brattell 2000: 103).

According to this approach, development encourages migration, rather than stemming it, since “development creates inequality and raises awareness about the larger society and hence enhances a sense of relative deprivation. The net economic value of migration accrued to the city and not the countryside, to the core and not the periphery” (*ibid*). Here, the global market is the focus as well as the way capitalist development has generated specific migration streams through disrupting, displacing or attracting local populations.

Migration can, however, also bring with it negative effects. For instance, rural-urban migration has been given attention as a contributor to the increasing urban unemployment. Population movement into urban areas can be a source of “chronic and rising urban surplus labor” as the cities cannot find employment for the growing urban population (Todaro 1987: 362). Migration is thus very ambiguous and its relationship to the development of the nation is not clear-cut. Farrant et.al. (2006: 386) give a few examples of possible positive development effects of migration, including increased global economic efficiency, new opportunities for the migrating individual, inflow of remittances, reduced unemployment in sending area, increasing trade flows, stimulation of investment in education and individual human capital. The possible negative effects includes loss of skilled workers which also could lead to reduced growth and productivity, lower return from public investments in public education and selective migration leading to increasing income disparities and the creation of a society dependent on remittances.

Deshingkar and Grimm, in their contribution to the International Organization for Migration’s (IOM) book published in time for the United Nations High-Level Dialogue on International Migration and Development in September 2006, believe that internal migration “can play an important role in poverty reduction and [that] it should not be controlled...By underplaying or ignoring the vast contribution that migrant labour makes to the economy, governments escape the responsibility of providing them with adequate living conditions, minimum wages and freedom from exploitation and harassment” (2006: 50). They state that out of all types of internal migration, the rural-urban one is the one most likely to boost development. One reason for this is that wages often are higher in the cities than in the countryside, and another is that work in the cities usually comes along more regularly than agricultural work that is dependent on the crop seasons. Deshingkar and Grimm worry about the fact that many

national leaders still have not acknowledged rural-urban migration as an effective way out of poverty and toward economic development, and that they try to hinder this activity through population movement control and limitations on informal sector activities (ibid. 57). Studies from around the world show that migration actually has highly positive impacts on poverty reduction and economic development, according to Deshingkar and Grimm. Referring to a range of studies, they say that migration has significantly positive effects on people's lives and well-being and that restriction on population movement can turn out to be counterproductive. Even though there is no official data for the economic contribution of labor migration, the estimates are that it plays a significant role in boosting economic growth. In India, for example, an estimate is that 90 percent of all workers within construction are labor migrants. Furthermore, “[w]ithout migrant labour, timely transplanting and harvesting would not be possible in many parts of South Asia, especially where land parcels are too small to mechanize. Many industries geared towards export use migrant labour: prawn processing and garment manufacturing are but two” (ibid. 84). Policymakers and national leaders throughout the globe have tended to see migration mainly as a problem that is threatening social and economic stability. Many policymakers have therefore tried to control and regulate internal migration. In Africa, control of population mobility is an implicit part of many agricultural and rural development policies. Apartheid South Africa, with its “pass laws” hindering the non-white part of the population from migrating and moving outside of their birthplaces, was the most outright policy to prohibit migration. This policy was removed in the 1980's, but around Africa today there still are many countries trying to limit migration and urbanization. Special permits, fees, fines, roadblocks and harassments are ways of preventing migration throughout the African continent. In India, the view of migration is also negative, but here the approach toward regulation is a bit different. Here rural development programs aim to reduce migration by creating employment opportunities and regenerate resources in the countryside (Deshingkar and Grimm 2006: 87).

As we can see, the relationship between development and migration is highly dependent on the role of the state. The state is a key player in a country's economic development, and the way the leadership handles migration can have significant effects on the reduction of poverty and resource allocation. Through policies of development programs, punishment arrangements and benefit measures the state can control the movement of its population and choose how to deal with questions concerning urban overpopulation, rural underdevelopment,

economic progress and urban-rural integration. However, within migration theory, the role of the state has not been particularly emphasized or researched. According to Fan (2008: 2), the theories concerned with international migration is to a much larger extent interested in the state, laws, policies and legislatives than those concerned with domestic migration. There is, hence, a need for domestic migration theory to further explore the role of the state and state institutions in relation to development. This is especially important when we look at formerly socialist transitional economies. It is in these economies that the state plays the most prominent role and where the state has gone through the biggest changes. Russia and China are two such economies, where the state still plays a crucial role in shaping of the society (ibid. 3). The role of the Chinese state in the country's development and migration control will be discussed further below.

2.3 Migration and Development in China

The past 30 years have been crucial in the development of the Chinese nation. The new approach of opening-up and economic reform have dramatically transformed China from a rather backwards, isolated and poor country into a modern market economy known to the rest of the world, in which millions of people have been lifted out of poverty. Migration in China has been highly restricted for a long time, but in the 1980's when the laws regulating it were loosened, large-scale migration started instantly. Today millions of people migrate each year, most of whom are looking for employment. Labor migration is one of the most important features of the success of the Chinese economy today. The GDP has grown at an estimated rate of 10 percent annually during the past few years, and the migrants have certainly contributed to this. These low-skilled and cheap laborers are hard working, many in number and easy to employ, making them attractive to not only domestic employers, but to foreign investors as well. There is also evidence showing that internal migration in China has affected the development of the countryside, through remittances and the accumulation of skills and knowledge brought back home to the places of origin. Still, migration and rural development has to a large extent been affected and restricted by strategies initiated by the state, such as the hukou system.

The state in China plays an important role in restricting migration and controlling population movement. The adoption of market economy has not diminished the state's role as the "ultimate planner that guides and regulates the economy" (Fan 2008: 3). The CCP dominates the state and lays the foundation for all economic planning in China. The definition of the Chinese state is broad. Not only is the central government included here, but also local governments and agencies and institutions that are "authorized for planning purposes". Since the late 1970's the Chinese state has left the Maoist idea of central planning and has taken several steps toward a developmentalist agenda. The political ideology has today a secondary role and instead the economic development and policies such as marketization, decollectivization and fiscal decentralization are top priorities for the state (*ibid*). Policies emphasizing agriculture have given place to industry- and service oriented policies that focus on modernization. The state's approach toward labor has changed as well. In Maoist times, the state took care of the employment of school graduates, job transfers and collective agricultural work. Job mobility was low and the state completely controlled labor migration. The hukou system prevented rural-urban labor migration and by tying the rural work force to the countryside, the state could guarantee that the urban areas received the necessary quantities of low-prized agricultural products. In the cities, the state initiated industrialization based on mainly heavy-industry after the Soviet development model. Thus, "the state erected barriers between the city and the countryside in order to advance a specific model of development" (Fan 2008: 4). In this way, the state in China has created a society in which peasants are second-class citizens and where the urban population is privileged in all spheres. By allowing people to be temporary migrants, the state makes sure that the urban industries have the necessary flow of cheap work force needed for its developmentalist model while, at the same time, ensuring that the migrants return back home after a certain time without burdening the state (*ibid*). Fan calls this approach the state's migrant labor regime, saying that the peasants' institutional and social inferiority and the extreme rural labor surplus are the main aspects explaining the peasants' pursuit of urban employment despite the low salaries. "Without social insurance and labor rights infrastructure, the migrant labor regime is a safe haven for urban and industrial employers that thrive on cost-minimization and exploitation" (*ibid.* 5). According to Fan, the state is the key factor distinguishing China from other developing nations holding large numbers of unskilled labor used in labor-intensive industrialization. She argues that the Chinese state is actively channeling and constraining migrant workers to specific sectors and jobs – the low-waged, dirty and sometimes dangerous

jobs at construction sites, in factories and the like. Writes Fan (2008: 5): “Temporary migrants in Chinese cities are not spillovers from the primary sector; rather, they are blocked by the state institutions from entering the primary sector. The migrant labor regime is, in essence, the product of a system that defines opportunities by hukou status and locality and that fosters a deep divide between rural and urban Chinese”.

The state’s interests play important roles when policies are being made concerning the population’s movement and opportunities. The state, eager to keep the ancient concept of harmony within society while still provide the industry with the cheapest possible labor force, is in conflict with the interests of the migrants. They are hungry for fortune, money and education – something that should be available independent of place of birth. In order to become one of the most successful economies in the world, China has produced an incredible pool of cheap labor, seemingly without paying much attention to the interests of the people. With the countryside being underdeveloped and not very prosperous, people are forced to move into the cities to look for employment. Here, we find a true contradiction between the benefit of the state and the rural population turned migrants. It is in the interest of the state to keep the large labor source available to the urban industries, which means that they in a way benefit from keeping the countryside underdeveloped and the jobs there limited and low-paid. However, in order to keep the cities stable and under control, the state also limits the migrants’ opportunities and wellbeing in the cities. By not granting social benefits and other profits to this group of people dwelling in the cities, they ensure that the urban areas do not become overpopulated and that the urban elite can continue being the most privileged group in China. This is, of course, in strong contradiction to the migrants’ interests. The rural population has a limited access to state resources such as job opportunities, higher education and housing, and many are forced to become migrants in order to support themselves. They move to the cities in hopes of better job opportunities and most of them are employed as cheap unskilled labor, making more money than in the countryside but at the same time facing discrimination and marginalization in the cities. In the words of Fan (2008: 105):

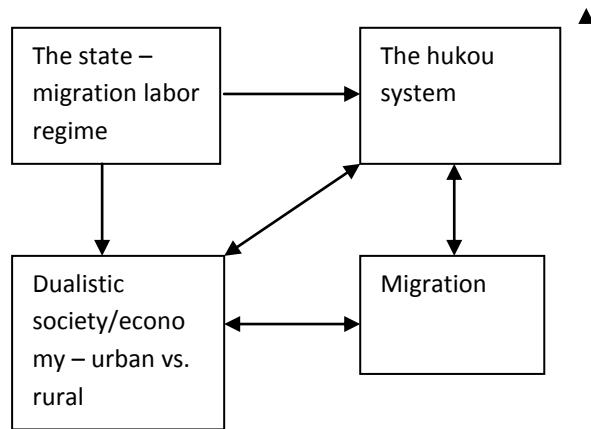
The migrant labor regime is one that is grounded on maximization of productivity by extracting as much labor as possible from migrant workers... This demand-side explanation is exhibited through labor market practices that are discriminatory and exploitative... At the same time, peasant migrants’ main objective of monetary gain and

their plan to eventually return to the countryside mean that job tenure, loyalty, and career development are of little importance.

The household registration system is an old system, aimed at keeping the people under control by regulating their movement and carefully monitoring their registration. In short, the hukou system in its current form was initiated shortly after the communists came to power in China, 1949. In China, people have their social benefits, such as health care, insurance, pensions, subsidized housing and education, tied to their place of registration. If you were born in the countryside, that is where your social rights are located. The urban areas have traditionally been privileged over the countryside – in terms of development, employment, resources, and life opportunities. The hukou functions as a kind of passport, and it is extremely hard for a regular rural person to change his or her hukou status to an urban one. This means that when you decide to move, you have no legal right to the benefits mentioned above in your new place of residency. Since migration in China has sky-rocketed in the last centuries, many millions of people are today living in places other than their birthplace (or their parents' birthplace). There are, thus, in China today a big number of people who are not entitled to a range of social benefits at their current residence. They are Chinese citizens but cannot enjoy the same rights as their fellow city men who are registered in the cities. Many of these migrants go back and forth between the city and their home village, becoming temporary labor migrants.

3. Model and General Framework

The state, the hukou system and internal migration are at the focus of this thesis. They are interrelated in the sense that they are closely tied together as the core of current population movement and mobility policy in today's China. In the model below, we can see a simplified illustration of reality, with the state, the hukou system, a dualistic and segmented society divided into a rural and an urban part, and migration.



In this model, I try to demonstrate how structure and agency are intertwined – that is, how the state has initiated the hukou system as a control of population movement, which has indirectly contributed to the dualistic society present in China today (structure), and finally how these features affect migration (agency). This is the main focus of this thesis, but it is also important to remember that migrants not only are shaped by the context but that they also shape the context (political, economic, social and cultural) that they act and live within (Brettell 2000: 119). This interrelationship is demonstrated by the double arrows in the model. The strong Chinese state, and specifically what Fan calls the migrant labor regime mentioned above, is a fundamental part of the Chinese society and economy. The CCP and its institutions are the main decision makers and constitute the state in China. They rule the political arena and there is no noteworthy opposition permitted. The CCP also has a lot of saying in the economic arena, even though the reform period has brought some change and has liberalized the market economy. Fan argues that the Chinese state has redefined itself in developmentalist terms since the reform period started in the 1970's. It has, however, kept control instruments from the socialist times which are used in order to control mobility of the population and steer it in

ways that advance the state's interests. Most importantly, the state has created the migrant labor regime, which is characterized by "low wages, manual work, poor working conditions, and other features that appeal to industrial and services employers and enable the penetration of global capitalist modes of production similar to those in newly industrializing economies" (Fan 2004: 284). The state is indeed an important factor in the study of migration flows in today's China. The CCP leadership in China has actively decided to blow new life into the century-old registration system, the hukou system. This system is the main institutional instrument the state has to control population movement and regulate internal migration. The system, which will be explored and explained further in chapter 6, is a complex set of rules that in the end prohibit people from settling at any place they desire. It deprives people of their right to social benefits and security that they have as citizens. The hukou system regulates urbanization and keeps people from settling in the cities on a permanent basis. On the other hand, the nation has the largest population in the world and the hukou system can be perceived as a means used by the state to avoid overpopulation and urban slums. Either way, the hukou system has clearly contributed to the formation of a dualistic society, meaning that there is a huge gap between the rural areas and the urban areas. In all spheres – politically, economically and socially – the cities are privileged over the countryside. The new market economy and rapidly growing industrialization has benefitted the urban areas where domestic and foreign investment has resulted in employment opportunities and relatively high wages. Here, a new and strong middle class has developed. The countryside, on the other hand, remains largely backwards and undeveloped. While the urban areas have received a great deal of state sponsored help in terms of food rationing and subsidies, the rural areas have been forced to be self-dependent. This led to two different economies as well, since the economic problems to a great extent had to be solved by the peasant population themselves without state support. In this context it might not be very surprising that as soon as the reform period started and it became easier to move and find employment elsewhere, millions of rural people decided to go to the cities in spite of the harsh hukou system.

In this thesis I will argue that internal migration in China from the countryside to the urban areas is highly affected by the hukou system which sometimes makes the lives hard for the migrants. The fact that migration takes place on a large scale in China despite the rigid hukou system indicates a great deal of agency and determination among the migrating part of the population. I will further argue that the state uses the hukou system in order to arrange a

migrant labor regime, making sure that labor is maximized while not seeing to the best interests of the people constituting that labor.

This hypothesis – that a strong state which initiates a rigid registration system in order to control population mobility, and a segregated and dualistic society and economy affects migration in China today – will be the main framework for this study. Here I will show how this outline corresponds to the life situations that the Chinese temporary migrants experience and how agency interacts with structure in this way. The hukou system, I will show, provides the Chinese state with an effective tool for controlling and excluding people from certain areas as it finds appropriate. Through the hukou system, the state has a bureaucratically valid excuse to use the labor force coming in from the rural areas in jobs and sectors that benefit the state's interests and boost the urban development through cheap unskilled labor. It is different from other countries' systems of registration and control since it so decisively channels people into specific jobs and even societal sectors (in terms of class, location and benefits). Its rigidity makes upwards class movement hard and even though the migrants earn more money in the cities than in the countryside, it is hard for them to become equal (in terms of wealth, feelings of belongingness and class) to the local urban population or the permanent migrants. By using the hukou system, the Chinese leadership manages to close the door to well-paid jobs in prestigious sectors for the migrants who are forced to take the lowest-pay jobs at sometimes dirty and dangerous workplaces where they have virtually no rights and where working conditions are hard. In this thesis, as I mentioned in the introduction, I seek the answers to issues concerning the hukou system in relation to migration in China and how people and the society are affected by these two contemporary phenomena. The emphasis lies mainly on the macro level, i.e. how the system is affecting societal structures such as segregation. There will, however, also be some focus on the personal experiences of the people living within the system and how they act given the restraints of the system.

4. Method – The Single Case Study

In the two previous chapters I have outlined the general framework for this thesis. I have talked about migration in general and in relation to development and also put forward an idea of the Chinese situation when it comes to these matters. In the following chapters I will present a case study of China. This will exemplify the theoretical parts in the beginning and show how the hukou system works in practice. The case study as a method is used within the traditional social sciences, including anthropology, and usually gives answers to questions of “why” and “how” (Yin 2003). Hammersley and Gomm (2000: 3) state that case study research refers to research that “investigates a few cases, often just one, in considerable depth”. The essence of the case study is that it “tries to illuminate a *decision* or set of decisions: why they were taken, how they were implemented, and with what result” (Schramm 1971 quoted in Yin 2003: 12). Yin adds that a case study can also be focused on individuals, organizations, processes, programs, neighborhoods, institutions and events. Furthermore, a case study “investigates a contemporary phenomenon within its real-life context...” (ibid. 13). In this thesis the contemporary phenomenon studied is the hukou system, as mentioned above. The real-life context is the internal migration taking place all throughout China today, as well as the migrant labor regime and the state’s quest for development. I have chosen to study the hukou system as a single-case study, since it constitutes what Yin calls an *extreme* or *unique* case (ibid. 40). Every country has its own way of registering people and keeping track of their whereabouts. The Chinese hukou system, however, is unique in the way it so obviously excludes people and categorizes them according to location. People are tied to a certain geographical position and it is usually hard to get away from that position. This is why I find it to be an extreme case of state control, registration and exclusion based on geographical location. The aim of this single-case study is to “capture [the] case...in its uniqueness, rather than to use ...[it] as basis for wider generalization or for the theoretical inference on some kind” (Hammersley and Gomm 2000: 3).

The strengths and weaknesses of the case study vary according to the way the method is used. Factors such as the number of cases studied, how detailed the study is, the size of the cases and the way the researcher conducts the study and the degree of description, explanation etc,

influence how the method should be evaluated. One strength of the single-case study is that the researcher can discover causal processes that are hard to find through other forms of research, since the single-case researcher studies the case in-depth, over time and “in the real world” rather than artificial settings (Hammersley and Gomm 2000: 5-6). The critique against this argument is that it is unclear how to distinguish conditional from necessary relationships, and what role theory plays in the analysis (*ibid.* 6). Furthermore, there are questions about the role of the researcher and authenticity as well as the ability to generalize and whether this is important or not. The case study, thus, has weaknesses just as all other methods of research. However, for this thesis I found it to be the most appropriate way of conducting a study. I want to show how an extreme case of state control has resulted in a strict registration system that has largely controlled the movement of the population and contributed to the preservation of social stability at the expense of the freedom of the people. The single-case study method is convenient for this thesis, since it allows me to study the contemporary phenomenon in depth and to investigate the causes and effects of state control and the hukou system.

The case study described here is based on research documentation carried out by academic scholars and organizations (United Nations, different human rights organizations, Migration Policy Institute and International Organization for Migration), with a few references to official Chinese sources and journalistic accounts. The academic sources I have used in this study are all found through academic data basis online. Among the academic scholars referred to, some are by far the most experienced when it comes to migration in China and the hukou system (for instance Solinger, Wang and Fan to mention a few). Many of them are Chinese themselves, while others are foreigners with a great deal of experience from China. I find these references to be reliable since they are gathered from academic sources of information. However, these scholars are often rather biased in favor of the abolition of the hukou system, and are often critical toward the state and its migrant labor regime. This has probably influenced my perception of these matters as well. On the other hand, the information about the hukou system and migration from official Chinese sources is parsimonious and not easy to find, and hence I have turned more to the sources that provide extensive information. The organizational sources referred to are mostly reports based on statistics, policy evaluations and the like. The academic researchers as well as the journalistic investigators have all spent time in China conducting field work in different places of both origin and destination. Their material includes case studies with interviews and quotes to a larger extent that the

organization reports. I believe that this mix of references forms a reliable platform for this thesis. In the following chapters I will first describe population movement in China, with the focus on the PRC period, and then discuss the hukou system's historical development and current form. After this I will describe what kinds of effects the hukou system has on the Chinese society and its people.

5. China's Floating Population

This chapter focuses on the migrating population in China. In the model drawn in the beginning of this thesis, I argued that migration in China is highly affected by the hukou system, and also mentioned that migration takes place in spite of the hukou system. It seems clear that without the existence of the hukou system, migration in China would look very different. The state has, through this registration system managed to control migration and restrict the opportunities of the migrants. In the following, I give an illustration of migration in China, how it has developed during the course of time and how the so called floating population is being perceived by their fellow countrymen in the cities. I go on by discussing the great regional differences present in China today, leading to the dualistic society and economy presented in the model. After this I want to explore why people in China migrate and move between different areas. I want to illustrate how migration is highly dependent on the state's migrant labor regime and how this has affected population movement during the last few decades in China. As will be discussed below, I find the economic causes for moving to be the most important ones whereas there are several others, such as social networks and marriage, which play important roles as well.

5.1 Domestic Migration in China

“Floating population” (*liudong renkou*) is an expression used to describe the big number of people moving around in China, commonly welling into the cities from the rural areas. In China, “floating” people are not the same as “migrating” people. Officially speaking, these people are not considered migrants in China, since they are seen as floating around, not settling permanently. This floating is usually a result of the hukou system which is not granting them a change of their hukou status (Solinger 1999: 15). Fan (2008: 23), describes the definition of the floating population as follows:

Different from temporary migration, floating population is not based on comparing two points in time but is a stock measure that counts all individuals whose hukou location is not at the usual place of residence. A person who moved to the destination more than five

years ago is still considered part of the floating population if he/she has not yet moved the hukou to the destination.

In this thesis, I make no explicit difference between “floating population” and “migrants”. As we will see in the following, I do make a difference between permanent and temporary migrants (following Fan 2002 and 2008), with the latter group as my core focus of interest. If nothing else is mentioned, the term migrant refers to temporary, rural people migrating to an urban area, most often with their mind set on finding work.

It seems rather impossible to give an exact number of migrants – people living at a different place than the one they are registered in - in China today. The most commonly estimated number, however, is that the migrants today amount to between 120 million and 150 million people. Most authors and researchers referenced in this thesis give this number as a hint in order to show how many people we are dealing with. Recent official sources, however, estimate that the number could be as high as 210 million (The Chinese Central Government’s website). The majority of the Chinese interprovincial migrants originate from the central south provinces and from southwestern China (for example Anhui, Jiangxi and Hunan). The most important destination provinces are located on the eastern coast (for instance Guangdong, Jiangsu, Shanghai and Fujian) (Fan 2008: 37-39). The main goal of these farmers-turned-migrant workers is to “...make money and get rich in the cities” (Zhang 2001: 1). Some of the migrant workers manage to bring a small capital with them to the cities, and can start up a small business and take part of the blossoming free market in today’s China. Most of them, however, are poor farmers who only have their labor force to sell. They are often employed in construction sites, restaurants, factories, street cleaning and similar jobs, which the urban permanent population is unwilling to do. Shen (2002: 363) calls the jobs available for the temporary migrants, 3D (Difficult, Demanding and Dangerous) jobs. Some are not lucky enough to find employment, however, and these people often drift around from place to place without finding any job (Zhang 2001: 2). “Permanent migrants” and “temporary migrants” are two different groups of migrants. The first category refers to those migrants who are sponsored by the state and significantly privileged over the latter category which is “outside of state plan” and inferior to the first group. Writes Fan: “The young, distorted, and segmented labor market fully reflects the institutional barriers blocking peasant migrants from prestigious jobs, as well as individuals’ position in a rigid institutional hierarchy” (Fan 2002: 103).

5.2 Migration in the PRC

During the first decades of communist rule in China it was very hard for the Chinese people to move and resettle in a new area. The regulations were harsh and the majority of the population was tied to their rural land through their hukou status. The insufficient access to employment and resources of food and housing made the government focus on satisfying the urban population and their need for these things. The rural population played an important part in keeping a constant flow of products available to the urban population. But in the 1950's, China actually faced quite a large urbanization, as many migrated into the cities in search for industrial employment. As a result of the disastrous GLF and the economic crisis that followed, however, the state sharply restricted rural-urban migration again. Between 1960 and 1978, it was practically impossible to change one's hukou status from an agricultural to a non-agricultural one (Mallee 2000: 85). Migration was tightly controlled as a means to keep stable social order. Urban population was seen as a serious potential threat to state power and because of this,

urban life was rigidly controlled with work units and neighbourhood committees dominating most aspects of city life. Migrants did not fit neatly into this system. Security officials viewed them as ‘rootless’ people who, lacking the constraints of government and community, were prone to behave in ‘antisocial’ or criminal ways. Labor migration, posing a potential threat to social and political stability, was conceptualized primarily as a public order issue (*ibid*).

In other words the government regarded the migrating population, far away from its home villages, as uncontrollable and simply did not let them come into the cities. They were not in the place where they “were supposed to be”, and this worried the state. Mallee (2000: 85) points out that this made the relationship with the state very different for the rural population and the urban citizens, respectively. Whereas the rural part of the population was supposed to be completely self-sufficient and could only depend on itself, the state provided the urban population with everything they needed.

Since 1978, when the reform era started, much has happened in terms of migration in China. As soon as the state let go of some of its control and people were allowed to move, there was

a wave of migrants pouring into towns and cities, especially in the coastal areas. The state, interested in industrialization and development, had to realize that an increased productivity was impossible without a free labor market and a change of the pre-reform model of economy. The “iron rice bowl” was replaced with a system based on competitiveness and the state to a large extent retreated. The number of SOEs (State Owned Enterprises) decreased and gave place to a growing number of privately owned companies and to foreign-invested business. Consumerism has transformed China as well, and the efficiency in labor has increased significantly, constantly producing new and more products for the domestic and foreign markets (Fan 2002: 107). The rural population, having been highly restricted mobility-wise for the past decades, now saw its opportunity to look for employment in the prosperous areas by the coast (and, today, in the Special Economic Zones – SEZs) that now needed fresh labor force. Many new job opportunities were available for the migrant workers – nannies, restaurants waiters and factory workers are examples of jobs that require cheap labor and that the local urban population was (and still is today) uninterested in doing (*ibid*). Not only the growing demand for labor in the cities, resulting from a wide range of changes there, caused this massive migration. Reforms made in the countryside also affected the growing migration; the abolition of collectives in the agricultural areas meant that rural people were now free to pursue non-agricultural activities. Many started selling their products at markets and the long-distance trading ban was lifted in the beginning of the 1980’s. Now people could stay in the cities for a longer time without having to depend on rationing coupons for their sustenance (Mallee 2000: 89). Millions of migrant workers were employed by the urban enterprises. They were cheap to hire and they were willing to take on jobs in mining and construction that usually were hard to find labor for. The state’s view of the migrant workers started to change during this period; “the authorities gradually came to see ‘temporary’ labour as a way to reconcile the urban need for (cheap) labour with the state’s need to reduce the financial burden of urban entitlements” (*ibid*).

In the last years of the 1980’s, China was stricken by serious inflation. This led to the cancellation of many construction works and the closing of rural enterprises. Despite the drop in employment opportunity, the rural to urban migration increased during this time. This, says Mallee (2000: 91), is evidence showing that migration is not simply a result of urban demand. The continuing migration despite the decline of job opportunities is a clear example of the Todaro model (which will be discussed later in the thesis), stating that the *expected* wages in

the cities are the real temptation that makes people move, and not necessarily the *actual* incomes levels there. Between 50 and 60 million of rural individuals were working in the cities at the beginning of the 1990's (Mallee 2000: 91).

Every year around the Spring Festival (or New Year Festival) in January or February, millions of migrant workers are returning to their home villages to celebrate, bring home remittances and to meet their families and friends. Students and state employees are going home as well for the festival, but it is the migrants who are getting all the attention from media and the authorities. In 1989 around this time, there was a growing sense of panic apparently visible among the authorities concerning the amount of migrant workers coming back to the cities after visiting their home towns or villages. The transportation system, highly underdeveloped, could not handle all the people returning and soon the phenomenon of "migrant worker wave" was established – the migrants seemed to simply pour into the cities without a plan or realistic purpose. Mallee (2001: 91-92) states that this expression and view of the migrants had two long-term consequences. The stereotypical image of migrants "as 'blind' drifters who, propelled by enormous rural employment pressure ('surplus labourers'), 'flocked' to the cities or 'roamed' around the country in search of work" was further strengthened. It also helped to reinforce the image of rural migrants as a social problem and public order issue (*ibid*). The migrants coming to the cities are often not welcomed by the other population residing there. They are often considered to be displaced and are repeatedly looked down upon by the local urban residents. Despite their incredible efforts and contributions to the economic development, the migrant population continues to be considered, by some, a social problem. According to Fan (2008: 113), migrant workers are often, publicly and officially criticized for "overloading urban infrastructure such as transportation and housing, creating chaos in urban management, violating the birth-control policy, engaging in criminal activities, and spreading sexually transmitted diseases". In a way, due to the lack of a stable structural position in society, the migrants are parts of neither the rural nor the urban part of the nation. (Zhang 2001: 27). The migrants have always had a hard time being accepted socially by the other urban population, and the integration process has been slow. At the same time, they might lose their identity in the rural areas as well when leaving their villages behind. The social segregation caused by the hukou system, is a serious problem in China today and an obstacle to successful integration and assimilation.

5. 3 Growing Regional Gaps and Poor Integration

In 1992, Deng Xiaoping made his famous journey to the south, visiting cities like Guangzhou and Shenzhen and declaring them the first SEZs. The economy in these areas soon boomed and became even more prosperous than before, with high profits and efficient productivity. In the countryside, however, the situation was different. Agricultural income decreased due to changes in prices and the restoration of the compulsory grain deliveries. Furthermore, taxes, levies and extortions made life even harder for the peasants. Therefore, “[w]hile the economy as a whole grew at a dazzling pace, the differences between the richer and poorer parts of the population became more pronounced” (Mallee 2000: 93). Now, urbanization grew at a slower pace and the total migrating population was estimated to somewhere around 80 million (*ibid*). Throughout the reform period, the hukou system has restricted migration and has worked as a tool for controlling the so called “floating population”, and the integration of the new urban population leaves much to desire.

Wang and Zuo (1999: 277-278) suggest five factors explaining the gap between the migrant workers holding rural hukou and the local urban population. The first concerns the labor market, which is highly segmented. As I already have mentioned, the migrants often take on dirty, dangerous and low-wage jobs that the urban local population are unwilling to do. The temporary migrants and the local urban population “...participate in two different labor markets”. While occupations with higher status, such as enterprise and government leaders, official clerks and other white-collar jobs, to a high percentage are occupied by local residents, only a very small number of temporary hukou holders have jobs like these. The second reason given by Wang and Zuo is the low wages and poor benefits provided for the migrants. They mention subsidized housing, meals provided at work, childcare, transportation and entertainment as benefits that are given to the local employees, but inaccessible to the migrant workers. The general cash income of migrant workers is significantly lower than that of the local employees, even though the first group work longer hours every week than the latter. Temporary housing and residential segregation is the third aspect taken up by Wang and Zuo as a cause to the big gap between local residents and rural migrants. The great majority of the local people can uphold a fairly big living space per person (15.7 square meters in 1995, according to Wang and Zuo). The migrant workers, however, usually live at the workplace or at the employer’s home. Fan (2008: 109) writes that providing living space

for the workers is a strategy that many employers take to in order to utilize the workers' labor force to the fullest. By requiring the migrant workers to sleep and eat at the work site the employers make it easy to "...impose disciplinary regulations on the workers, facilitates employees' working long hours, and isolates migrants from the world outside the work place" (ibid). Even for those migrants who rent their housing, the per capita living space is about half that of the local residents. The rent is also higher, about six times that of the local resident renters. As if this was not bad enough, Wang and Zuo conclude that "[n]ot only do rural migrants pay much more for much less space, what they get is often also inferior housing" (Wang and Zuo 1999: 278). Individual instead of family migration is the fourth cause listed. Many of the migrating rural people are either single or married but with the spouse residing at a different place. Hence, most migrants are moving without their family. Since the urban labor market demands a young and diligent work force, this high share of unmarried migrants might not be surprising. Social segregation is the fifth and last reason. Wang and Zuo state that the migrant population is not well integrated with the rest of the urban population. Like other researchers, as we have seen, they observe the stereotypical image of the migrants that local residents often hold – that migrant workers are ignorant, dirty and often criminal. The hard conditions for the migrants in the cities make many of them stay there for a few years and then return home to the rural town or village where they came from, go back to agricultural work or start up a small business of their own.

The reform period's changes in the hukou system have opened up for an enormous increase in migration in China and have led some scholars and observers to conclude that the system is no longer very valid or effective. This statement is, however, not backed by most of the scholars whose research I have studied (as will be illustrated in chapter 6). On the contrary, the hukou system has transformed power relations and today Chinese domestic migrants are exposed to a great variety of discrimination. The human rights organization Human Rights in China (HRIC) states that the reforms of the hukou system were never aimed at stopping the control of migration prevalent in the earlier decades of CCP rule. Instead, says HRIC, they have "constructed complex new barriers to migrants' entry into the cities and a web of discriminatory rules that effectively put them in a similar situation to "guest workers", illegal migrants or *sans papiers* in rich countries" (HRIC 2002: 1).

5.4 Why Do People Migrate?

In the text above, I have tried to give the reader an idea of the development of domestic migration in China, and an illustration of the great gaps between the local urban residents and the migrant population that prevails in the cities. We have seen that many of the migrants in the cities are discriminated against because of the hukou system and that they in many cases are regarded as second class citizens. Furthermore, the hukou system is an obstacle to migration, highly restrictive to both permanent movement and the access to employment in certain sectors. Despite this, the Chinese still migrate on a large scale. So, why do people migrate to these environments that often are clearly disadvantageous to them? In the following I want to explore *why people move*. I will now look more deeply into the empirical data provided through books and articles and further explore how different factors contribute to the decision-making. The push and pull factors discussed in chapter 2 will be exemplified in this chapter. More specifically, I have chosen to look at economic causes for moving (which I find to be the most important ones), social and kinship networks as causes of migration, and, finally, marriage migration.

Fan (2008: 54) emphasizes the heterogeneity of migration reasons, saying that one should look at different types of and motives for migration in order to fully understand population movement in China. A common dichotomy used to categorize migration motives is that of *economic* versus *social* (including life-cycle) reasons. The economic motives include such factors as “job transfer”, “job assignment” and “industry/business”, whereas “friends/relatives”, “retirement”, “joining family” and “marriage” belong to the social motives. The “study/training” reason is harder to categorize, as it can be both considered an economic reason as well as a life cycle change. This dichotomy is used in the 1990 and 2000 censuses, which are “...by far the most comprehensive national-level sources of data on population movements in China”, according to Fan (*ibid*: 13). These censuses are based on material printed by the National Bureau of Statistics and are frequently used by researchers. The economic versus social dichotomy is, however, not enough when trying to understand migration in China. State institutions are strong in China and particularly the hukou system has played a key role in shaping population movement in the nation. As noted in chapter 2, the role of the state is not satisfactorily emphasized in much of the literature concerning

migration. Fan calls for another dichotomy, that of “state sponsored” (plan) migration, versus “self-initiated” (market) migration (*ibid*: 55). Plan migration is initiated and controlled by the state and is authorized by the state in a way that benefits the state’s interests. Migration initiated by the state is “within state plan” and is often associated with changes in hukou status allowing people to become permanent migrants (Fan 2008: 55-56). “Self-initiated” migration, on the other hand, is “...primarily initiated by the migrants themselves and tends to be identified with market forces and regarded as activities ‘outside of state plan’” (*ibid*: 56). These migrants cannot count on receiving local urban hukou status, and are not as privileged as the plan (or permanent) migrants. “Industry/business”, “family/relatives” and “marriage” are usually considered self-initiated motives for moving, while “job transfer”, “job assignment”, “joining family”, “retirement” and “study/training” are considered state sponsored motives. This dichotomy helps out in the categorization and simplification of migration in today’s China. In the following, I will be discussing the three motives behind self-initiated migration, i.e. the industry/business (called economic causes), family/relatives (called social- and kinship networks) and marriage.

5.4.1 Economic Causes

I will start by looking into the economic factors causing migration. As we know, the most common places of destination are the cities and coastal areas, and the most common place of migrant origin is the countryside (Zhu 2007: 66). As I have already stated, the countryside in China is highly underdeveloped compared to the urban areas and the income gaps are big between the two areas. This gap is the most significant feature of the rising inequality in the reform period. In 2000, the rural income was 35.9% of that of urban income. In comparison, in 1985 it was 53.8% of the urban income (Qin et al. 2009: 71). The income gap has, thus, increased during recent years. In the reform era, China’s transitional economy has moved away from the Maoist economic thinking, and is now identified by uneven regional distribution. Writes Fan (1999: 959): “[u]nlike Maoist policies, which made an effort to spread resources to inland provinces, post-Mao development policies have unequivocally favored coastal provinces, where disproportionate state investment has been allocated...”. Movement from the poor countryside to the more prosperous coastal areas is, thus, often a result of economic factors.

The developmentalist state needs the cheap labor force that only a poor and underdeveloped countryside with a great surplus of labor can offer. Being unable to support oneself and one's family on the salaries provided in rural labor such as agriculture, is a strong incentive for moving away and becoming temporary labor migrants in the cities' growing economy. The market economy and the freer labor market, including township and village enterprises and a growing number of privately owned enterprises, existing in China today surely makes the cities an attractive option for rural people willing to work hard in order to earn money. This means that population movement in China is largely influenced by, and perhaps even dependent on, changes in state policy (Yu 2008). The large quantity of surplus labor makes it hard for rural people to find employment in the countryside and causes many to go look for jobs in the cities. In a survey from 1985, the contributing peasants stated that the most common reason for moving to the cities was that agriculture could not produce a large enough income. The second most common reason was that they had too little land to produce the adequate grain and that the surplus labor in the countryside was too large (Solinger 1999: 154). Fan (2008: 71) quotes a woman saying "In our family there is plenty of labor but very little land. I had nothing to do at home, so I decided to find migrant work". This quote further strengthens the conception that the economic motives for moving are by far the most prevailing ones. However, the so called "Todaro migration model", stresses that the actual income level in the urban centers is not the primary motive for migration. Instead, it is the migrant's expectation of the salaries available in the cities that is critical when he or she decides to move. With the starting point in the urban-rural differences in expected income, rather than actual income, the migrant has to consider the relative benefits and costs of migration. Such aspects as possible unemployment need to be calculated and compared to the possible income that could result from migration. In other words "[a]s long as the **present value** of the net stream of expected urban income over the migrant's planning horizon [i.e. how long it will take to find employment] exceeds that of the expected rural income, the decision to migrate is justifiable" (Todaro and Smith 2006: 341).

Another aspect confirming the importance of the economic motivations is the fact that many temporary migrants choose to stay in the cities only for a limited period of time. They often see the city as a place to make money, and not as their home. The insecurity of the labor market - in terms of employment and discriminatory wages - makes the loyalty to the employer low among the migrant workers and the chance of building a successful career is

very small. Furthermore, the lack of urban hukou leaves most peasant migrants no other option then to return home after earning a certain amount of money (Fan 2008: 113).

According to Yang (2000: 179), the average period of stay for an employed migrant worker is 259 days. It is estimated that about one third of all migrants in China will return home. The consequences of the great level of return migration can be both positive and negative. For example, return migrants can bring with them capital, skills, knowledge, technologies and entrepreneurship which benefits the countryside. On the other hand, return migration further aggravates the problem of surplus labor in the countryside (Zhao 2002: 377). The decision to become a temporary migrant is usually based on a few other economic considerations, besides the purely monetary ones. The potential migrant also has to evaluate, for instance, the potential loss of the opportunity to cultivate one's land in the village. Rural land, in China, is usually allocated on a rent-free, contract basis. This implies that to leave the land could mean an opportunity cost (Knight and Yueh 2009: 80). Hence, a range of things need to be thought through before making the final decision to move: "the combination of the security provided by access to land, the cost of withdrawal from the village, the relatively low income from farming, the lack of security in the city, and the difficulties of urban settlement means that for many rural households the best available option is to send out a migrant on temporary basis" (ibid).

It is observed that the migrant income benefits the total rural income. In 1999, the migrant income was counted to approximately 9.25 percent of the total rural income, and in 2003 the number was up to 13.2 percent (Fan 2008: 118). This shows how important migration is for the revenues and living standards of the rural population – the Chinese countryside is dependent on migration. Migration is, however, not only benefiting the countryside - the cities owe a lot to the migrant workers as well. They are the ones who work hard around the clock in order for the urban Chinese economy to grow at the amazing pace it has during the last decades. The cities and the government need them in order to be able to provide the rest of the world with cheap consumer products, export huge quantities of products every year, and offer the cheapest labor force available for foreign investors. Still, the leadership and the urban local residents do not welcome the migrant workers with open arms; "They see the migrants workers as a necessary evil – necessary to the economy but harmful to the legal order" (van Luyn 2008: 2).

One migrant worker who has left the countryside in order to find employment in the city is twenty-two-year-old Bai Chuiying who left her home village at the age of seventeen. She lives now in Beijing and tries to find employment as a hairdresser. Once arriving in the city, she found out that the image she had about city life was not corresponding to reality. She has had a hard time finding job as a hairdresser, which she was trained for. As so many other migrant girls and women, she had barely started working before she was asked to do ‘more’ – meaning sexual services. When she refused, her boss immediately fired her. Chuiying says that many of the girls perform these services because they want to earn more money: “They earn \$600 a month, four times as much as with just cutting hair. For many girls the temptation is irresistible” (quoted in van Luyn 2008: 99). In the end, she would like to go home to her village but wants to make enough money first. She needs it in order realize her dream of opening her own hairdressing salon in her home village. She says that she wants to show other peasant girls that they have opportunities and that they can profit from the cities (*ibid*). The story of Chuiying shows how rough life in the cities can be for a migrant worker looking for employment and money. The fact that peasant girls can earn as much as \$600 by prostitution in the cities, compared with the income levels in the countryside, surely must lead many young girls into this industry.

As we have seen, the insufficient income levels in rural areas as well as the amount of surplus labor are key factors leading people to migrate to more prosperous areas in hopes of better employment there. The remittances sent back home constitute an important share of the total rural economy, meaning that the countryside is relatively dependent on migration. Many migrants move to the cities with the sole intention to make money and improve their own life situation. However, many of them only stay for a certain period of time and few settle down permanently. This shows that few of them feel like the city is their home. The hukou system also hinders them from settling down permanently in the cities. The story of Chuiying illustrates the harsh conditions for the migrants in the cities, and how far some of them are willing to go in order to make money.

5.4.2 Social- and Kinship Networks

Many migrants in China do not only move to the cities due to economic factors. Many follow in the tracks of others, usually family members or friends who have moved there before them and who can help out with employment and housing. Social networks as well as kinship networks are essential factors contributing to the decision to migrate. Within anthropology it is considered important to study these kinds of networks, not only as important to the migration process, but also as providers of human capital (Brettell 2000: 108). In China, the migrants' social and kinship networks are usually made up of people migrating from the same place to the same destination, settle down in the same area and sometimes work for the same employer. Most of the Chinese migrants, just like migrants around the world, are "...drawn out of their home places by friends, relatives, and fellow villagers" (Solinger 1999: 176).

According to Solinger, the percent of migrants who move to the cities because their family or friends were able to locate a job for them there, is probably over 50 percent nationwide (*ibid*). Employers seem to prefer this kind of recruitment as well, often ordering their employees to bring more labor force from their villages back home. For the migrant the fellow villager or relative can, in addition to finding a job, offer help with accommodation, emotional support and sustenance (*ibid*). Many migrants do not trust the local governments and employment agencies that actively try to recruit people, but rely instead on their social networks when looking for employment elsewhere. Fan (2008: 98) quotes a man in Sichuan talking about these matters:

Most of the time, employment agencies cannot get you a job even after you pay the fee. Or, they'll find you low-paying jobs that are too demanding. Sometimes the employer [via employment agencies] refuses to pay even after you've finished the work. Therefore, most people prefer to find jobs via their relatives and friends. You only need to give them a gift, or you simply owe them a favor. Relatives and friends can tell you everything about the work place, the wage, etc. Then you can decide whether you want to take the job or not.

The poor integration of the migrants into the urban society, further explains why people want to move and stay with other people from their village or friends and relatives. In the city, such characteristics as different dialects, different cuisine and regional culture, make the migrants segregated from the rest of the urban population (Fan 2008: 111). The comfort of a social

network consisting of people who share one's origin and presumptions surely is reassuring. Many migrants live together with people they know from back home, and they often band together when going out for a walk, shopping or watching a movie since they are afraid of being bullied if they go out by themselves. Some even form mutual help groups, and "stand in for sick fellow workers, lend each other money, and fight (in the street or with the boss) if necessary" (Mallee 2000:98). In many places, the migrants originating from a certain place often form an ethnic community in the city of destination. The most known and researched of these is the Zhejiang Village in Beijing, where natives from the province of Zhejiang (and especially from the Wenzhou municipality) clustered and together built a special community of their own, only to see themselves being forced out of it in 1995. The village became fully constituted in 1986, as thousands of people poured in to the city. In the middle of the 1990's, an estimated one hundred thousand people resided here, most originated from Zhejiang (Solinger 1999: 254). It seems a bit unclear how large a territory the village holds, but it is spread over numerous large suburban neighborhoods in the capital. Even though the boundaries of the village are somewhat fuzzy, it is clear that the area in question is quite significant in size (Zhang 2001: 19). Zhejiang Village is a perfect example of how important the social and kinship networks are for contemporary Chinese migrants. When new migrants arrived, they were immediately taken care of by the earlier migrants, who provided them with jobs in the village's niche business of textile. Most were involved in tailoring trade, assembling, manufacturing and selling of garments, whereas the remains were occupied with serving and helping the tailors and salespeople. For some time, the village was left to its own without interference from the state, and soon the people living there had established their own restaurants, barbershops, hospital, repair shops, kinder garden, markets etc. The need for outside assistance steadily decreased and the community became self-supportive and somewhat independent from the state, and highly dependent on function support networks of fellow county-men (Solinger 1999: 254). However, in 1995, the Zhejiang village was targeted by the state. In the time period of two weeks, thousands of migrant workers residing here were forced to leave the city and were driven away to Beijing's most remote parts. Houses were torn down as well, in what Zhang (2001: 1) calls a "...battle for space, power, and social order".

Migration due to the connection to family members, friends and fellow villagers is an important aspect of migration in China. This motive for moving is, however, also closely linked to the monetary reasons. Most of the migrants, who follow someone they know to the place of destination, usually do so because the contact can arrange employment (often at the same work place as he or she is working) and also help finding housing. The social networks are very important for many migrants at the place of destination. They form communities that in many ways are separated from the bigger community surrounding them, and migrants find comfort in having familiar people around them. The fact that migrants often recruit new migrants to the cities clearly shows that migrants in China are not “blind drifters”, pouring into urban areas uncontrollably and that “labor migration of peasants and their incorporation into urban work do not take place haphazardly” (Fan 2008: 97). The migration from specific areas to specific destinations, followed by the employment in certain jobs and sectors and the whole job search in general is indeed highly orderly and organized (*ibid*).

5.4.3 Marriage Migration

In addition to the factors of economy and social networks, marriage as a motive for migration is important as well, in order to understand the patterns of internal migration in China.

Marriage is traditionally considered a social motive for moving, and a result of personal interest and desire. However, marriage can also be seen as an economic motive for migration and is thus a bit harder to categorize than purely monetary motives and social networks. In the following we will look deeper into marriage migration in China and what role the hukou system plays in shaping the lives of people involved in this kind of migration. As we have seen, migration during the Mao-era was highly restricted. Actually, marriage was one of the few acceptable reasons for moving permitted by the state. Marriage migration has mainly meant that women are the mobile ones, moving a certain distance to her new husband’s home (Davin 2007: 84). Marriage has traditionally been considered highly important for the well-being of a woman, and has been the cornerstone of gender roles in the Confucian China. Getting married has, hence, been an inevitable life event for Chinese people. This stress on marriage has been especially strong in the patriarchic countryside, where hypergamy (marrying up) has often been the only way out of a life in poverty and misery (Fan 2008: 139). In the past, marrying someone not far from one’s home village has been the most

common practice of marriage migration. Since marriage in rural China historically has been, and might still be, a result of pragmatic transitions and economic interests, the proximity of the two families is rather important. The families arranging the marriage are interested in “...the continuation of the family line, increase in family labor resources, formation of networks, provision of old-age security, and transfer of economic resources” (*ibid*: 140). With time, and especially in the reform period, the marriage migration has expanded spatially. Today, long-distance marriage migration is fairly common and women move between provinces to a greater extent than before. In 2000, 12 percent of inter-provincial migration was due to marriage. The gender difference is significant – 20.5% of the women in one survey stated that marriage was the main motive for moving, whereas only 2.8% of the men moved due to marriage (Davin 2007: 84). The direction of movement usually goes from poorer areas to areas with higher income. More precisely, people usually move from China’s western parts to the more prosperous eastern regions (Bossen 2007: 103). This is partly due to the increasing economic gaps in today’s China. These regional gaps drive people to migrate to the more wealthy regions and many do this through hypergamy. The increasingly important long-distance marriage migration can, thus, at least partly be explained through economic development. By marrying a man from a wealthier province, the woman tries to improve her own poor life situation. As it is hard or impossible to gain a permanent hukou status in the cities, many women might hope that they will acquire this through marriage. An important point, taken up by Fan (2008: 142) is that the hukou system is indeed significantly affecting the marriage patterns in China. Peasant women who lack urban hukou status and who come from a modest background are not very desirable on the “urban marriage market”. Therefore, the opportunities for women wishing to marry up have been restricted to rural areas. Fan claims that it is very hard for rural migrant women to find an urban husband, and that the only urban men available to them are those who have some kind of undesirable attribute, such as old age or disability. Furthermore, the fact that hukou status until recently was inherited through the mother meant that many urban men avoided marrying rural women since their children would then have a rural hukou status as well. A few years ago, however, this was changed so that today children can inherit the hukou status of either parent.

Even though long-distance marriage migration has increased, most women still move to places rather close to their home. Characteristic of the marriage migrating women in China is

that they are low-educated and come from poor areas. They are also low-skilled which affects their competitiveness on the urban labor market and in the cities overall. Those who have the most severe human capital and locational constraints are most prone to resort to marriage migration. They have very limited opportunities for social and economic mobility other than marriage, and their willingness to move long distances and be away from familiar environments can be interpreted as a price they are willing to pay in order to overcome these constraints (Fan 2008: 149).

As we have seen, marriage migration is not purely a social factor, but actually plays an important economic role for many people in today's China. Labor migration opens up for marriage migration as well. As people start to move around the nation, the marriage market of available spouses is extended and people can end up moving to various parts of the country, depending on the origin of the husband. Therefore, migration that started with purely economic motivations can result in completely different motivations. I would, however, like to argue that the economic motivations for migration are the most important. The authors quoted in this thesis all seem to agree that the economic aspects are the dominant for the floating population moving back and forth between the city and countryside. As we have seen, motivations for migration that at first glance look like social or personal can in fact be highly economic. Marriage is one such blurry motivation hard to categorize.

6. The Chinese Hukou System

In this chapter I will describe the Chinese hukou system in depth. Its development during the PRC as well as its present form will be in focus, and I intend to give a thorough description of the implications of the system.

6. 1 Origins and Development to 1949

The Chinese hukou system, or registration system, has a long history dating back to the 3d century and the Qin dynasty. Almost all dynasties since that time, as well as Guomindang's Republic of China (1912-1949), have adopted the system to various degrees and with varying effectiveness. At present, the hukou system "...divides and organizes the people based on locational and family-membership differentiation as recognized and determined by the state" (Wang 2005: 32). The system in today's China has its origins in the so called *xiangsui* and *baojia* of imperial times. The *baojia* system was fully implemented by the Qin Kingdom in western China in 375 B.C. In 221 B.C. when Qin finally united China, the *baojia* registration system was expanded and became nationwide. At this time, writes Wang, the state increased its social control over the population: "Everyone was required to report residence, age, gender, and profession to the authorities. The state verified such information three times a year, and everyone needed official approval to change registration before moving. Illegal migrants were called *wangmin* (fugitives) and subject to prosecution and harsh punishment" (Wang 2005: 35).

As we can see, the hukou system has deep historical roots in the Chinese society and even though the functions of the system have changed during the course of time, the emphasis on control over the population's mobility, collection of personal information and preservation of sociopolitical stability has continued to be stressed throughout the centuries. During the dynasties following Qin, the hukou system was used to different extent and in different settings. During the Yuan dynasty (1271-1368), for instance, registration was based on ethnicity, family membership and profession. The ruling Mongols particularly used the ethnic registration as a means to exclude and discriminate the Han Chinese (Wang 2005: 41). In the

last two dynasties, the Ming (1368-1644) and Qing (1644-1912) dynasties, the hukou system was even more deeply implemented. During both dynasties, people were obliged to hang plaques outside their doors, revealing their hukou information such as native origin, number of residents and the presence of any possible guest. All families had to be ready for inspection of this information at any time. The Qing leaders also used the registration system to keep track of criminal individuals who were registered in special books in order for the officials to keep better control over them (ibid). The nationalist party Guomindang (also called Kuomintang) that founded and ruled the Republic of China (1912-1949) also used the hukou system, especially to target the greatest internal enemy, the CCP (Chinese Communist Party). Families were organized into different categories and officials appointed by the state ruled these people on a local level. “Political and ideological deviance became something that households watched each other for” and the CCP later admitted that this kind of control turned out to be very important in weakening the communists (ibid. 42). The PRC hukou system is colored by its origins, but there have also been several reforms of the system since 1949 that have determined the faiths of millions of Chinese, in terms of mobility and life opportunities. In the following, I will look closer at the PRC hukou system and the development from the Mao era through the reform period beginning in the late 1970’s, to the present time.

6.2 The Hukou System 1949-1978

From the very beginning of the power shift in 1949, when the CCP took over as the leader of the country, the hukou system played an important role. According to Wang (2005: 44), the CCP leaders decided to blow new life into the practice of the hukou since history had showed it to be an effective tool for social control and organization. The role model for China at this point was the Soviet Union, whose registration system *propiska* “...provided the new ideological coating, political rationale, and practice example for the CCP” (ibid). The system was an attempt by the new leadership to deal with the demographic pressure resulting from the nation’s socialist industrialization (Wu and Treiman 2004). In the beginning of the 1950’s, however, the hukou system functioned mainly as a monitoring mechanism of population movement, and was not aimed at controlling this movement. This was actually a period characterized by relative freedom of movement, and the constitution from 1954 even

guaranteed the people's freedom to choose location of residency and the right to migrate freely (Chan and Zhang 1999: 820). But the new socialist industrialization grew rapidly and as a part of the first Five-Year Plan, millions of peasants from the countryside were recruited to the metropolises as labor force. Yet others were moving into the cities to find employment by themselves. This caused great demographic pressure on the urban areas, and when the pressure became too big a problem the government began to use the hukou system as a means of distributing the population, by excluding certain people from the metropolises. The hukou system was used to send back millions of unemployed migrants that had already moved to the cities, from their home villages and –towns (Wu and Treiman 2004: 364). At least in the beginning of the 1950's, people largely accepted relocation mainly because of two reasons. First, the moving was done without force and people moved fairly voluntarily. Financial support from the state facilitated the process and only those in need of "ideological re-education" were subject to compulsory relocation. The second reason was that many migrants were provided with land and other state subsidies once they returned to the countryside. "This support, plus free transportation, attracted many unemployed and poor urban residents, particularly recent migrants from the countryside" (Cheng and Selden 1994: 648-649).

In the very beginning of the 1950's, as the industrialization in China started to kick off, the food scarcities in the country became clear. In 1953, the CCP leaders decided that rationing was needed, and the peasants were forced to sell a certain share of their grain to the state. At the same time as the hukou system was reinforced in 1955, the State Council introduced the Temporary Methods for Supplying Urban Grain Rations, which made clear that only the urban population were to benefit from the state's grain rationing. Anyone residing in the cities without the proper registration could not take part of the food rationing and the hukou system played a big part in resource allocation of this time. The grain rationing was yet another aspect contributing to the effective restriction of internal migration in China (Solinger 1999: 43-44). Soon the rationing was extended from only concerning grain, to involve also cotton and oil crops and after a few years it included all major foodstuff and agricultural products. By forcing all peasants to sell a share of the products to the state, the government tried to channel rural capital to the cities (Cheng and Selden 1994: 657). The communist China showed, in the early years of the 1950's, close to an obsession with solving urban problems and securing the livelihood of the urban population. The state took on a big responsibility towards the citizens in the cities and guaranteed them housing, employment and, as

mentioned, food. For many years to come, Chinese cities lacked all those problems of urban slums and poverty that other metropolises around the world have been forced to face.

Continuous unemployment, beggars and squatter settlements have been absent in Shanghai, Beijing and the other big cities of China. By controlling the inflow of people to the cities, the number of urban dwellers was kept low and this made welfare programs easier to implement. By contrast, of course, the countryside was extremely poor and it would take a long time until the development of the cities reached these regions. When the state removed its financial responsibility from the countryside, the economic problems had to be solved by the rural society instead, which led to a dual system in which the surplus from the countryside poured into urban state projects and the state capital benefited only the cities as well (ibid. 650-651).

In 1955, the State Council passed *The Directive Concerning Establishment of a Permanent System of Household Registration* (Cheng and Selden 1994: 654), thus implementing a full-scale hukou system, where people were categorized as either “agricultural” or “non-agricultural”. In other words, this is when the practice of giving people a specific hukou status came into practice, which brought with it “... a sharp differentiation of rights and privileges and extremely stringent conditions for converting from rural to urban status” (Wu and Treiman 2004: 363). The classification is based on a person’s geographical location (urban or rural) and on the person’s socioeconomic status (agricultural or non-agricultural). Each citizen is obliged to register in one, and only one, place of residency. This local hukou determines a person’s right to a range of benefits and welfare services in a specific location (Chan and Buckingham 2008: 588). The hukou system is very much a birth-subscribed system and until recently hukou status was only inherited from ones mother (Chang and Zhang 1999: 822). It was, and still is today, very hard to change one’s hukou status. In the earlier version of the regulations regarding hukou from 1951, only the cities had been included, whereas the 1955 version the countryside was embraced as well. The year before, the responsibility for the administration and control of population movement had been given to the police force (Cheng and Selden 1994: 654). Writes Chan and Zhang (1999: 818-819) about this system:

Unlike population registration systems in many other countries, the Chinese system was designed not merely to provide population statistics and identify personal status, but also directly to regulate population distribution and serve many other important objectives desired by the state. In fact, the *hukou* system is one of the major tools of social control employed by the state. Its functions go far beyond simply controlling population mobility.

With this regulation, all in-fluxes of people into the cities were controlled by the state and all movement within the rural area, and the cities as well, was regulated. It became much more complicated to move, and permits were required even for moving within one's own township (Cheng and Selden 1994: 656). Two other administrative institutions were crucial for the effectiveness of the hukou system in restricting the internal migration; the communes and the *danwei*. In the countryside the collective communes were the basic unit in which people worked and lived. They enabled the local government to tie the farmers to the land. In the urban areas, the *danwei* was the workplace organization that provided the workers with social services such as medical care, housing and child care. Without it, it was hard for people to survive in the cities. This "...tight administrative control on both sides virtually eliminated unauthorized rural-to-urban migration in the prereform era" (Wu and Treiman 2004: 364). The registration processes were closely associated with the grain rationing mentioned above. All individuals registered in a household were classified in resident committees, work units, schools etc. Lists with the names of these persons, in addition to hukou cards, were sent to the local government, where grain-supply cards were issued. The cards had to be taken to the local grain stores where they could be exchanged for grain tickets that then had to be presented at restaurants and other places in order to get the desired products. Every time the number of family members changed through marriage, birth, death etc, this had to be reported in order for the grain supply to be increased or decreased accordingly. In this way, the hukou registration and the grain rationing were highly related, and there was a remarkable differentiation made between urban and rural residents (ibid: 658).

In 1958, the final version of the hukou law that was to become nationwide was publicized, with Chairman Mao's signature; *Regulations on Household Registration in the People's Republic of China* (Wang 2005: 45). Now, the state had even more power to control the population movement, through "...a system of migration permits and recruitment and enrolment certificates" (Chan and Zhang 1999: 820). This regulation is the version of the hukou system that is still in place in today's China. In this version, every citizen of China was included in the registration system and it became extremely tough to get a permit for moving or to change one's hukou status; "Neither employment hopes nor the desire to reunite families constituted acceptable reasons for migration" (Cheng and Selden 1994: 664). A person lacking an urban employment or school certificate had to get hold of a moving-in certificate issued by the police in the city of destination. Holding this, one could then apply for a

moving-out certificate at the police station in one's home town or village. While there had previously been no problem to get the latter certificate, after 1958 the local authorities would not let anyone leave the rural area without a moving-in certificate (*ibid.* 663). In the 1958 regulation, urban residents were registered according to a household classification, while the rural residents were registered within the commune; "The regulations explicitly linked *hukou* status with collective membership for rural residents" (*ibid.*). The problem of growing gaps between the cities and the countryside was still not a part of the official discussion, and the state continued to invest capital and other resources in the cities, leaving the countryside behind. The successfully restricted migration in the 1950's was, according to Cheng and Selden, an effective combination of the tightened *hukou* system, controls regarding the collectives, emigration programs focusing on transfer of people from big cities to smaller towns and villages, food rationing and restricted travelling (*ibid.* 662). However, while the state tried to further sharpen the conditions for travels and movement in 1958, the internal migration actually grew even bigger. This has to do with the Great Leap Forward (GLF), and the fact that the state was more occupied with developing and industrializing the nation, and that many of the new harsh regulations issued were often simply ignored by enterprises looking to recruit new employees. Companies desperately needed workforce for their factories and other places of work in order to meet the expectations of the new industrialization. In 1958 alone, some 38 million people were reported to be leaving the countryside for the cities. Furthermore, in the chaos caused by the GLF (when tens of millions of people died as a result of famine due to the state's unbalanced and inconsiderate concentration on rapid industrialization and unstable development), administrative control was temporarily broken down and this of course made it more difficult for the state to control migration. Between 1958 and 1960, therefore, millions of people once again rushed into the cities in search of jobs and money – the greatest population movement seen in China at that point in history. When the disastrous results of the GLF became clear to the government, it responded by once again implementing full-fledged *hukou*, in order to reduce the urban population. The distinction between city and village became clear once more, and during the next two decades rural-urban migration was nearly completely closed by the state. Through the *hukou* system, the state now "...exercised iron control over residential and work patterns throughout city and countryside" (*ibid.* 664-665).

The hukou system turned out to be an effective tool for the state to control its population, especially after 1960. People were tied to their place of birth (or, to the birthplace of their husbands in the case of women) and their freedom of movement was highly restricted. Hence, people were forbidden to move to a different place of choice within their own country. This made a move on the social hierarchy principally impossible as well. Very few people could climb up that ladder, even though some were allowed to climb down. As already mentioned, the hukou system was severely weakened during the GLF when people could move around relatively free. The result was that, by 1963, close to 20 million state employees and about 26 and 28 million urban hukou holders had been transported back to the countryside. The remaining urban population became an even more privileged group, even though they are a minority in China. The rest of the population, the majority, has prevailed in the countryside. Writes Wang (2005: 47) about this division:

The majority of the Chinese people, in the rural areas, have all been designated “agricultural population” regardless of what they do for a living. Ranging from 73 to 88 percent of the total population, they constitute the institutionally excluded in China under the PRC *hukou* system, economically, politically, socially, and culturally.

The system has not been completely unchallenged, though. During the Cultural Revolution 1966-1976, the hukou system was threatened. The Red Guards, especially the angry peasants living and working in the cities but holding only a temporary hukou, partly crushed the hukou system. Much of the hukou registration was destroyed and the angry temporary hukou holders in the cities became permanent urban residents. The system was, however, soon reinstalled again; “The *hukou* system’s functions of social control and institutional exclusion were maintained and even further rigidified afterwards” (Wang 2005: 47). During the two following decades, the hukou system held the Chinese population in a firm grip, not allowing any labor mobility or urbanization and tying the workers to their *danweis* and communes. The gap between the countryside and the urban areas grew deeper in terms of, for instance, income and living standards. There were a few things that a person holding a rural hukou could do to change it and these included obtaining a college education “through politically determined selection”, joining the military and becoming an officer or following a set of special marriage arrangements (*ibid.* 48). During the Cultural Revolution an attempt by the state to narrow the gap between the urban and rural areas was initiated. Millions of young students were sent to the countryside, to “be reeducated by the peasants” (*ibid.*) They had to give up their privileged

urban hukou and go to the villages to work and live with the peasants in a campaign that also ended in disaster as all these youngsters were taken out of school, missed years of education and were separated from their families. Many of them took matters in their own hands and returned home illegally, but the majority were only allowed to go home after demonstrations and protests in 1979 (Mallee 2000: 88).

Despite its efforts, during the 1960's onwards, the state still seemed to struggle with the growing urban population and the measures taken only further deepened the division between the urban and the rural. The urban hukou status was, not surprisingly, very attractive and many people desired to achieve it. According to Cheng and Selden (1994: 667), “[t]he Chinese state established two hierarchies for income, housing, grain rations, education, medical and other services... employment and retirement. In every sphere, the city was privileged over the countryside, and state sector workers over collective farmers”. Alongside these differentiations, there were also gaps within the different classifications. Hence, bigger cities were privileged over smaller ones and so on (*ibid*). The hukou system, thus, continued to be the main state institution controlling population movement, preventing rapid urbanization and deciding people's life opportunities, through the 1960's and 1970's until the reform period began in 1978.

6.3 The Hukou System 1978-today

Mao Zedong died in 1976 and soon afterwards the so called “Gang of Four”, with Mao's widow Jiang Qing as one of its members, was captured and its members put on trial. After having ruled for a short time, Mao's designated successor Hua Guofeng was removed from power. The Chinese reform period began in 1978 after Deng Xiaoping had gained power over the nation and started his reform politics that were to completely transform China into a more open country, a huge producer of goods and a crucial player on the international market. The hukou system was to be transformed as well, and these changes were closely connected to the changes in the other fields such as the market-oriented economic reform, political decentralization and pressure from the marginalized rural population. The decollectivization starting in 1978 released millions of people previously tied to the land of their villages. The nation was set on market economy and in order to become a socialist market economy, the

workforce had to be increased (Wang 2005: 49-50). In 1981, the state encouraged urban enterprises to start employing people holding agricultural hukou. According to Mallee, the reason for this is clear; employing low-wage rural workers was a good deal for both the enterprises and the workers. Industries such as mining and construction, which had had a hard time finding urban laborers, benefitted tremendously from this. The migrant workers were much cheaper to employ, not only because their salaries were lower than the urban workers'; they also did not receive the welfare package that official state workers were provided with. The government's attitude toward migrant workers gradually changed due to the enterprises' preference for employing these people (Mallee 2000: 89).

In 1983, an important reform in the hukou system was implemented. It was called "self-supplied grain household" (*zili kouliang hukou*) and meant that peasants were permitted to transfer their hukou to market towns as long as they could find employment, uphold a stable residence and handle their own food rations (Wong and Wai-Po 1998: 975-976). Two years later, in 1985, another important reform was initiated; *Provisional Regulations on the Management of the Temporary Residents in Cities and Towns*. According to these regulations, everyone staying or living outside of their permanent place of registration for more than three days are required to get a temporary hukou permit. Anyone who moves to a new place needs to register at the local police station within three days of arrival. When the person registered leaves that place, the permit should be cancelled. Starting from 2001, all hotels and inns with more than fifty beds are obliged to have a computer system directly linked to the local police in order to instantaneously report guests' personal information and scan their photos (Wang 2005: 73-74). The 1985 regulations legalized the floating population and officially made it legal for people to live outside their permanent registered location (Wong and Wai-Po 1998: 976). These reforms are very important, since it opened up for the massive rural-urban migration that has taken place ever since. The number of *liudong renkou* (floating population) today accounts to somewhere between 120 and 210 million people.

In 1985, yet another reform was put into practice; *Regulations on Resident Identity Card in the People's Republic of China*. All citizens over the age of 16 are required to carry with them an identity card and be prepared for inspection by the police. This allowed the state to better monitor the population. The people are now no longer collectively registered, but individually which gives them greater mobility. The card has "a national serial number, personal information, and the *hukou* location of its holder, but without the discriminatory, insulting

reference to *hukou* categorization” (Wang 2005: 52). The identity card is a must for the Chinese people in their daily life. Without it basic things like marriage arrangements, voting, military service, school enrollment, booking flight tickets, remitting money, applying for social services etc, are impossible (Wong and Wai-Po 1998: 976). In the late 1980’s, a new kind of hukou was introduced. This transitional hukou “has a status between temporary residency and permanent household registration” (*ibid.* 977). This hukou is called “green card”, “blue card”, “blue chop household registration” or “blue-seal hukou”, depending on locality. The blue-seal hukou means that the holder has the same rights and status as the permanent local population, and he or she also has an opportunity to obtain permanent hukou after five years of qualified residency (Wang 2005: 51). In order to qualify for a blue-seal hukou, the applicant must have skills that the concerned department finds necessary and also pay a fee of 5,000 yuan. This system became so popular that the population of small towns grew rapidly within just a few years. In 1994, the system was introduced in Shanghai and, in 1996, in Shenzhen. The purpose of the blue-seal system in Shanghai was to “attract capital and people of caliber into the megacity” and the requirements to be fulfilled in order to get a blue-seal hukou here are much higher than in towns and smaller cities (Wong and Wai-Po 1998: 978).

The state abolished its grain monopoly in 1985 and the food rationings in the cities began to disappear in 1987. Urban employment, housing and public facilities became more accessible to outsiders as well, even migrant workers. However, writes Wang (2005: 51), “[t]he *hukou* system’s discriminatory role in resource allocation...remains significant in areas like education, especially higher education”. In 1988, the local governments in Lalian county and Quanjiao county of Anhui province started experimenting with selling urban permanent hukou. In exchange for a fee, peasants who desperately wanted to change their rural hukou to an urban one could do so. Within a few years most counties provided this service, with the price ranging from a few thousand yuan to several tens of thousands. This system, naturally, benefitted the richest peasants who could pay the price for an urban hukou, while it made no significant difference to the great majority of the peasant population (Wong and Wai-Po 1998: 977). The practice of buying a hukou did, however, become so widespread that the Ministry of Public Security in 1992 had to issue an order that firmly prohibited the practice. Some officials even lost their jobs and were brought to trial because they had been changing people’s hukou statuses in exchange for fees (Mallee 2000: 93). The practice of selling hukou

did not reform the registration system, but rather added to the dichotomy between the urban and rural areas and simply strengthened the already existing differences (Wong and Wai-Po 1998: 977). In 1998, yet another important change of the hukou rules was initiated. From now on, children could inherit their father's or their mother's hukou status, which made rural-urban or cross-regional marriage very convenient for migration, at least for the next generation (Wang 2005: 52).

As we have seen, the hukou system in China has gone through a great deal of reforms since the reform period started in 1978. After the death of Mao Zedong and the coming to power of Deng Xiaoping, the nation has gone through one of the biggest transformations of all times. The transition to a market economy demanded a significant number of cheap laborers and the state began to see the migrants as a profitable means in the quest for development. The rigidity of the hukou system was loosened to some degree through the many reforms initiated. The perhaps most important one was the temporary hukou permit implemented in 1985. This reform legalized the floating population and opened up for the massive migration we see in China today. Despite all of the reforms, the hukou system seems to still be discriminatory, and the dichotomy between the urban and rural population still prevails today.

As the migration politics and the hukou administration became more liberal and less rigid, more and more people moved to the cities and the urban share of the population grew rapidly. Wang points out, however, that the CCP government has been afraid to lose the hukou system as a politically useful institution of exclusion and social control, and that it tried to sharpen the conditions for the hukou system several times during the 1980' and 1990's. For instance, the hukou authority has been centralized and some unauthorized changes of rural hukou to urban hukou have been stopped. In 1988, Beijing ordered that more than two million workers whose papers were not authorized be fired from their work and sent back to the countryside. The year after, the central government ordered local governments to better control transfers of hukou statuses which led to a reduction of such transfers by over a million cases in two years. This toughening of the rules regarding hukou often was a result of the failure of softer policies. After a year or two, however, these sharpening of the rules usually disappeared (Wang 2005: 52). As we can see, the hukou system is still prevalent in the Chinese society today. Even though reforms have been made to make the hukou system better suited for the conditions of a market economy and developed nation, the state still uses it to control the mobility of the population. The division between countryside and urban areas is clearly as

present in the 2000's as it was in previous decades. The countryside continues to be several steps behind the cities and the population there is marginalized in comparison to the urban inhabitants. In their "China Human Development Report" (2005) the United Nations is discussing the unequal living conditions for the urban and rural population. According to this report, "The average social security expenditure per capita in urban areas is 10 times that of rural areas. Thus, the social security premiums of urban employees are continuously increasing, while rural migrant workers, employees of township enterprises, and farmers – who represent the majority of Chinese labor – are virtually excluded from the system" (UNDP 2005: 62). The migrant workers are the worst off. The report shows that many work extremely long hours in hard and sometimes dangerous workplaces, are paid the lowest wages, are not covered by any insurance and have the lowest living standards (*ibid.* 87). We can thus see that the hukou system still matters today and that, despite the changes initiated, many people still suffer from this system. The hierarchy within the nation is clear, with the urban population being well off in comparison to both the rural population and the migrant workers residing in the cities. The system is "...a major source of injustice and inequality, perhaps the most crucial foundation of China's social and spatial stratification, and arguably contributes to the country's most prevalent human rights violations" (Chan and Buckingham 2008: 583). There does not seem to be an abolition of the hukou system in sight in the near future.

To conclude this rather short summary of the history of the hukou system, we can see how it has been developed in order to achieve controlled development in China. Through the hukou system, the PRC government has managed to include certain groups into the privileged societal stratum, while at the same time exclude those not wanted within it. By privileging the urban areas over the rural ones, the state has now created a pool of a cheap, surplus work force that can be used at any time. The labor needed to build China's new economy is there to be taken advantage of, without the state having to take any real responsibility for its wellbeing. The hukou system is clearly a key factor influencing Chinese internal migration. Rather than initiating an abolition of the hukou system, the government has made sure it has been "...reformed and made more flexible to serve the new need to reregulate peasants on the move" (Zhang 2001: 23). The effects the hukou system has on the Chinese society will be discussed in the following.

7. Effects of the hukou system

From the description of the various types of migration and the historical account of the development of the hukou system, we can conclude that the hukou system is a crucial institutional arrangement which helps the authorities to monitor and control population movement and –distribution. Economic migration is usually a result of insufficient income levels in the countryside, and the rural populations' disadvantage of having rural hukou. Due to their hukou status these migrants are excluded from certain job sectors and are usually employed in low-waged and sometimes dangerous jobs. In an attempt of avoiding this scenario, many potential migrants consult their social networks before deciding to move. Knowing someone in the place of destination is a security meaning that one can receive help in arranging employment and housing. Since the state does not provide the migrants with these things, they are highly dependent on their families and friends. Marriage migration could work as a way of upwards social movement for many women. For many women holding rural hukou, and without many chances of improving their life situations, marriage migration can be an opportunity for escaping their poor homes. However, the rural hukou holders are not particularly attractive on the national marriage market, and many are restricted to moving within the rural areas. Thus, the hukou system affects marriage migration as well. In this chapter, I will investigate more in-depth the hukou system's effects on the lives of the migrants and the society as a whole. These factors are important since they highlight an essential part of the hukou system, i.e. the way the system influences the lives of the people living under it and the greater societal structures as well. Since every Chinese citizen is "...politically and socially, if not completely economically, stratified and governed according to his *hukou* type and location on a near-permanent basis by the government" (Wang 2005: 147), it is interesting to see how this stratification influences people's daily life as well the aspects of integration and access to benefits and services. In China, it is practically impossible to discuss regional differences and relationships between social groups as two separate phenomena. Under the hukou system, there are not only vertical class differences between people, but horizontal spatial differences as well. Discrimination in China is to a great extent based on the horizontal stratification created by the hukou system, dividing people into different socioeconomic spheres depending on where one resides or was born. Therefore, people are extremely connected to location and the conditions presiding there. In this chapter, I focus on the discriminatory effects caused by the hukou system and the state's migrant labor

regime in order to demonstrate the full scope of the effects that the registration system in China can pose on the population. More specifically I will focus on regional differences such as income differences, unequal distribution of resources and public services, the access to education and the segmentation of the labor market in order to show how the state (through the hukou system) divides the population into unequal groups and thereby keeps the great rural surplus of cheap labor intact. The chart below illustrates how differences in income and access to social welfare benefits are distributed among people who hold urban hukou and rural hukou respectively. The group holding rural hukou has been divided into two subgroups, illustrating the differences between the local rural population and the migrating population. The sources of the information provided in the chart will be referenced in the text below. The function of the data in the chart is to give the reader a rough idea about the situation, and not as an absolute truth.

	Urban hukou holders in urban areas	Rural hukou holders in rural areas	Migrant workers (rural hukou) not registered at place of current residency
Annual per capita income	11,802 – 4,745 yuan (year 2000)	5,596 – 1,331 yuan (year 2000)	Approximately 7500 yuan (year 2002) ¹
Access to pension	Accessible – 70%	Limited access – 3%	No access in current location
Access to unemployment insurance	Accessible	Reliable information not found	No access in current location
Access to medical insurance (year 2003)	Fairly accessible – 40%	Limited access – 21%	No access in current location
Access to education	Accessible	Accessible	Limited access in current location
Types of employment accessible	All sectors including white collar jobs and state employment.	Agriculture. Township enterprises.	Manual work. 3D jobs.

¹Shi 2008: 12. Exchange rates found at URL: <http://www.smidigt.se/valutaomvandlare/> Access 2009-05-19.

7.1 The Hukou System as a Political Tool

Before we go into more detail about these matters of the effects of the hukou system, however, I want to discuss how the hukou system is contributing to the political stability of China. The system, as we know, has been a strategic instrument used by the Chinese leadership since the 1950's to monitor and control movement, settlement and access to resources. The government has arranged so that people are spatially segregated and that power is kept within the party and the urban elite. The hukou system has allowed the leadership to easily rule and control the population and the authoritarian state has been able to continue this work without much interference. Wang writes:

The *hukou* system has enabled a political structure in the PRC that is completely dominated by the urban residents, who have never been more than 26 percent of the population. In the mid-1990s, over 10 percent of urban *hukou* holders were CCP members, whereas less than 2 percent of ruralites were among the estimated fifty million party members (Wang 2005: 115).

Practically every political CCP leader, at all levels in the political hierarchy, since the 1960's have been urban hukou holders. The rural hukou holders, who constitute the great majority of the population, have been virtually absent from any political representation in Beijing or at provincial and prefectural levels. Further down in the political hierarchy, there can be found some representatives holding rural hukou. However, writes Wang, these are hired by the state on a contractual basis and need to move back home as soon as the contract runs out. Simultaneously, they lose their benefits and salary as well as their temporary urban hukou. All higher military officers hold or are guaranteed urban hukou. All police officers hold urban hukou, except those assistants working in rural areas. All state employees hold urban hukou as well. Most highly educated people are likely to be urban hukou holders (*ibid*). In this way, the urban hukou holders form an elite which is highly influential and powerful in China's politics. The majority of the population is left behind, limited in many ways by its rural hukou and without many chances of upward class mobility. The political stability is also manipulated by the state when it comes to elections. The state makes sure that the urban minority elects the majority of all political deputies. Likewise, in the past four CCP People's Congresses, none of the members have been reported to have rural hukou (for more information about the political manipulation see Wang 2005: 115-117). This stable and

undemocratic political system is hence dependent on the hukou system, and has proven to be effective. Stability of this kind comes at the price of the rural population's political rights and the unevenly distribution of power. Also, adds Wang, the rural population is unlikely to protest against this undemocratic political system and to cause any serious political instability. This is doubtful since "this family-based agrarian population is much less concentrated, much less group-conscious, much less organized, and much less informed than the urban population" (ibid. 117). Wang, whose material has been used extensively in this thesis for describing and analyzing registration in China and its effects, is highly critical toward the hukou system. He writes that "[f]or a socialist PRC, the existence of such a complicated, comprehensive, rigid, highly entrenched social stratification, created and maintained by the people's government, is indeed one of the great ironies in human history" (Wang 2005: 135). Within this context, it is interesting to think about the prospects of any "real" democratic system developing in China in the future. The circumstances discussed above show that the current political system in China is very strong and stable and that without the great majority being able to speak up this does not seem very likely. It is not the focus of this thesis to discuss the prospects of democracy in China, for me it is only important to understand how the hukou system has contributed to the political stability in China under the CCP. In the following I will discuss the impact of the hukou system, both on people's daily lives and on the more general societal structures.

7.2 The Hukou System's Effects on Society and People

7.2.1 Income Gaps and the Distribution of Investments

One of the greatest evidence of the inequalities that the hukou system has contributed to is the income gap between urban and rural areas. Last year, 2008, China celebrated 30 years of opening up, reform politics and remarkable economic progress, but the inequalities in the country are still great and far from everyone can enjoy the fruits of the economic success. The urban-rural income gap is still big today. In a report published by the UNDP it is stated that in 2007, "...the urban-rural income ratio in per capita income was 3.33 to 1. If distribution of spending on public services, including compulsory education, basic medical care and others are taken into account, the ratio reaches 5-6 to 1" (UNDP 2007: 33). We can thus see how the

inequalities that China has faced throughout its existence still prevail today. The dual economy, which is a result of the hukou system and an uneven distribution of resources and state investments, continues to thrive and cause significant regional discrepancies. State investment in development and research has been extremely unevenly distributed over the different provinces, writes Wang (2005). In 1994, six provinces received 54 percent of the funding aimed at these causes. In 1996, Shanghai had the highest per capita state investment, 2,348 yuan, to be compared to Henan which received the lowest per capita investment from the government – 278 yuan. The big metropolises keep receiving the highest rates of foreign investment as well; by 1998, 88 percent of all foreign investment in China was concentrated in the eastern and coastal areas. Furthermore, in 2000 the eastern provinces' share in the national GDP was as high as 67.98 percent. This area is composed of 36.7 percent of the total population, 10.7 percent of the land but as much as 60.1 percent of all urban hukou holders. By comparison, the western area's share of the GDP was in 2000 only 13.1 percent (Wang 2005: 128). These numbers say a great deal about the differences among China's provinces and regions, and serve as a clear motivation for people's desperate desire to move to the more prosperous areas. There is also a great difference between urban hukou holders and rural hukou holders when it comes to income. In 2000, the highest annual per capita income among urban hukou holders was 11,802 yuan (in Shanghai) and the lowest was 4,745 yuan (in Shanxi). Comparatively, rural hukou holders' highest per capita annual income that year was 5,596 yuan (in Shanghai) and the lowest was 1,331 (in Tibet) (ibid: 130). In 2002, the average monthly income for migrant workers holding rural hukou was approximately \$100 (Shi 2008: 12), which equals an annual average income per capita of about 7,500 yuan with today's exchange rates. A commonly used tool to measure inequalities in a country is the Gini coefficient. The Gini coefficient has a scale from 0 to 1, where 0 means perfect equality and 1 means absolute inequality. Hence, “[t]he higher the value of the coefficient, the higher the inequality of income distribution...” and vice versa (Todero and Smith 2006: 814). In 2002 the Gini coefficient for China was 0.45, a very high value indeed, illustrating the great inequalities in the country (UNDP 2005: 30). Wang finds all these great differences in income and investment directly connected to the hukou system: “Rural residents on average make only a third of urban income, and some actually earn less than 20 percent. The impetus for the ruralites to flow to the cities appears to be strong and lasting. Simultaneously, for the urbanites, the need to keep *hukou*-based migration restriction in place also appears to be imperative” (ibid).

As we can see, the income levels in China are related to the hukou system. In the urban areas, where the majority of the urban hukou holders reside, the income levels are higher than in the rural areas where practically everyone holds rural hukou status. This makes people move to the cities with hopes of getting better wages and perhaps become urban hukou holders. In addition, the rural labor surplus forces a great deal of people to seek employment in the eastern and coastal areas. The state investments are also unequally distributed over the country. The prosperous eastern and coastal areas receive the great majority of this money, as well as the foreign investment. These differences in wages, income and investment clearly illustrate the large regional gaps existing in China today, and we have also seen how this gap is related to the hukou system. However, not only income and investments are unequally dispersed across the Chinese provinces.

7.2.2 Access to Welfare Benefits and Social Services

Welfare benefits are extremely unevenly distributed among the population as well. As the economy is growing and China is transforming into a more developed country, the government should now work hard and strenuous in order to be able to provide public services and benefits, such as pension, unemployment insurance and medical insurance to the whole population. However, the hukou system is still offering and taking away these services to people depending on their place of residency.

I will start by looking at the pensions system in China. In order to get a pension, men need to be 60 years old and women 55 years old and have to have paid 15 years of individual premiums. However, the rural population residing in the countryside in reality has no retirement age at all (Leung 2003: 76). All workers employed by the state and all self-employed receive pensions, meaning that the system covers practically all urban workers. According to the Human Development Report by UNDP, by the year 2000 the pension system covered 70 percent of the urban elderly while only 3 percent of the rural elderly were covered. Nationwide, there was a clear gender division, with men being covered by the system to a much greater extent than women (UNDP 2005: 63). Furthermore, the report shows, there is a significant inequality in the amount of money distributed through the pensions in the rural and urban areas respectively. In the cities, the average amount available to the pension receivers is

20 percent higher than that in rural areas. Even within the areas great differences exist. In the urban areas, urban hukou holders receive 110 percent more in pension than those living there but holding rural hukou (*ibid*). Overall, the Chinese old-age pension system is far from perfect. Family is still the most important source of support for China's elderly. According to Salditt et al (2008: 57), approximately 45 percent of all elderly in the country live with an adult child and roughly 90 percent of the Chinese are willing to support their parents financially. Salditt et al also state that there are reforms taking place in China concerning the pension system. However, at this point the government's first priority is, perhaps not surprisingly, to establish a running old-age support system in the urban areas whereas there is no "financial provision" for the rural elderly (*ibid*).

The pension system in China seems to be taking the same road as the income levels. The hukou status decides to a great extent whether an elderly receives financial old-age support or not. The dualistic economy once again affects the rural hukou holders negatively, as they miss out on a lot of the benefits provided to the urban population. According to UNDP, the unemployment insurance is equally unevenly distributed among the population. Currently, all urban enterprises and urban workers are covered by this insurance. Migrant workers in the cities, however, are not covered even though they are the ones most likely to be unemployed. The UNDP report states that "current regulations do not require enterprises to pay for unemployment insurance for rural migrant workers. While official data are not available, surveys show rural migrants are largely bypassed by the system" (UNDP 2005: 65). Medical insurance is another social service which includes a limited part of the Chinese population. In 2003, about 55 percent of the urban workforce was covered by it. Comparatively, in rural areas only about 21 percent was covered (*ibid.* 66). The costs for medical insurance are shared by the government, the employer and the employee. Since the wages in the countryside are significantly lower than in the cities, as noted above, the proportion of expenses for medical insurance to the rural workers' income is considerably higher here. Peasant migrants in the cities lack medical insurance all together. In 2008, the government initiated an annual allowance aimed at financially support disabled children in Beijing. Starting in January this year, all disabled children in the city will be given an annual allowance of 1000 yuan. The migrant children are, however, not included in the program. Man Xiaobing, a twenty-seven-year-old migrant worker whose three-year-old daughter is deaf, thinks this is unfair, saying "It's good news, but only for Beijingers...Even though we don't have Beijing hukou we

should still have the same rights as Beijing residents" (China Daily 2008-12-04). Since 2002, however, there has been some improvement concerning the medical insurance coverage nationwide. That year, the government implemented a publicly funded medical insurance, and "the State Council introduced rural cooperative medicare and increased support for medical insurance for serious diseases" (UNDP 2005: 66). Despite this effort, the differences between the cities and the urban areas are still big. The measure has been fully implemented in the urban areas, and covers all categories of urban workers. In the countryside, on the other hand, the measure is only just being experimented with (*ibid*). There are still significant shortages in professional medical staff, technological equipments and appropriate facilities in the countryside. Many rural people are still not covered by the medical insurance system and there is a lack of medicine and medical care (Dib et.al 2008: 2).

In China, the safety net of social services and welfare benefits is far from completed. Many citizens face hard times in the case of unemployment, lay-offs, old age or disease and disability. However, at the moment, the urban hukou holders are far better covered by the social security net provided by the government than the rural hukou holders. Even though the subject needs further research, it is quite clear that the rural population and the migrant population holding rural hukou is to a large extent excluded from this kind of welfare services provided by the state.

7.2.3 Access to Education

Wages, pensions and insurances are but three examples of the way the hukou system is discriminating the rural population. Access to education is also highly dependent on which hukou status one has. The greatest difference in access to education seems to be that between local hukou holders and the migrants living outside of their registered residency. The matter of education offered to migrant children has been much debated in China in recent years (see for instance China Daily 2004-08-26 and Xinhuanet 2007-05-21). As more adult migrants now tend to stay longer in the cities than before, they are more willing to bring their families along, thus creating a big group of migrant school-aged children in the places of destination. The requirements for a child to be enrolled in an urban school are, firstly, that the child lives in the local school district and, secondly, that the child also is registered within that district

(Liang and Chen 2007: 30). Children of migrants are less likely to be enrolled in a local school since their parents have to pay a much larger enrollment fee than do the local urban population. Given the fact that the majority of the floating population consists of low-skilled and low-waged workers, the fees requested are often too big for the parents to pay. For elementary school, the enrollment fee is 2000 yuan, whereas the fee for high school is 50,000 yuan per year (*ibid*). Fan (2008: 114) quotes a migrant working in Guangdong, saying “Will I be staying in Guangdong for good? Absolutely not. We don’t have [local] hukou here, which makes life very difficult. My children will be going to school soon. Without a hukou in Guangzhou we cannot afford sending them to school here”. Many of the migrants, thus, return to the countryside when their children are old enough to go to school. Some urban schools simply refuse to take in migrant children altogether. In order to provide education for these migrant children, a new phenomenon of migrants schools (i.e. schools enrolling only migrant children) have emerged in cities like Beijing and Shanghai. These schools are run by migrants themselves, and according to Fan (2008: 127) there were approximately 280 such schools in Beijing in 2004. These schools provided education for about 50,000 migrant children residing in the city – which constituted only one-fifth of all school-aged migrant children there. The standard of the schools is, however, low. A typical migrant school in the city is characterized by “...delayed age at school enrollment, low socioeconomic background of parents, high mobility among students, and problems with teacher qualification and school infrastructure” (Liang and Chen 2007: 31). Despite these problems, the migrant schools demonstrate the high degree of organization that exists among the migrants. This is yet another sign pointing to the fact that the migrants are not “blind drifters”, moving around uncontrollably, but that they actually are relatively organized and structured.

Difficulties with paying enrollment fees and inability to provide education for their children are common motives for the migrants to return home after a few years in the cities. This is by many considered a better option, according to Fan (2008: 127). Liang and Chen (2007:35), in their case study of school enrollment among children in Guangdong province, conclude that “...permanent migrant children have the highest rate of school enrollment, followed by local children in cities, and temporary migrant children”. That permanent migrant children have the highest rate is explained by the socioeconomic profile of their families. Many of them are for instance state employees and their children tend to be enrolled in school. As we can see, hukou plays a significant role when it comes to the available education for Chinese citizens

and their children. However, there are also other aspects affecting whether or not migrant children are going to school. The duration of the stay in the city is, for instance, of considerable importance when looking at the educational level among migrants. Liang and Chen (2007) found that the longer the migrants (both permanent and temporary) stay in the cities, the more likely are their children enrolled in school.

Hukou status is thus important for the education available to Chinese children, and particularly plays an important role for migrant children. However, the significance of hukou is also present at higher levels of education. College and university admission is likewise highly affected by the hukou system. Higher education during the PRC has been the main entrance into socioeconomic and political upwards mobility. To get a college degree is the most important hope for those few in the backwards and undeveloped areas who are talented and lucky enough, to legally change their hukou status from agricultural to non-agricultural. Only by achieving this can they resettle in the cities and increase their opportunities to good employment and comfortable living for themselves and their families. Writes Wang (2005: 139):

By passing the examination in subjects decided on and graded by the state and then managing to graduate from a state-accredited college – all are still state-run in the 2000s – anyone can acquire an urban *hukou*...Furthermore, although since the late 1990s college graduates have no longer been guaranteed state jobs, college education still is the key to economic and social advancement in a nation filled with hundreds of millions of low-skilled and unskilled laborers.

In the beginning of the 2000's, the Chinese colleges were enrolling between one and one and a half million students annually. In 2004, for the first time, the number of enrolled students holding rural hukou was bigger than those holding urban hukou. The entrance tests are considered to be fair and equal for everyone in the Chinese society, with blind grading, computerized selection for admission and so on (Wang 2005: 140). Despite this seemingly fair way of conducting enrollment and admission, the hukou system still makes the college system discriminating against rural hukou holders. Every citizen hoping to get admitted is obliged to do the entrance tests at colleges located in their place of registration, regardless of where in the country they live at the present time. All provinces, metropolises and regions have their own quotas for college admission and the number of applicants varies greatly. According to Wang, the number of applicants or student performance in one particular

province does not decide who is accepted into college; rather, it is the location of the colleges and state directives that decide. The distribution of the colleges makes it hard for the rural population to be enrolled in a college program; “[in] 2001, there were about fifty thousand college applicants but over a hundred colleges in Beijing; in nearby Shandong Province, there were four hundred thousand college applicants but fewer than fifty colleges” (*ibid.* 141). The universities are obliged to admit a certain number of students from areas outside where the university is located. These numbers are, however, extremely low considering the number of applicants. Wang gives an example: the top university Tsinghua University was obliged to enroll 600 out of 60,000 applicants from Beijing every year between 1998 and 2001, whereas the number of admitted applicants from Shandong Province was 100 out of 300,000 (*ibid.* 143). This, in combination with the fact that most top universities in China are located in the metropolises, makes it harder for a person holding a rural hukou to be accepted to a college and receive a prestigious education. According to Wang, there are even more evidence of discrimination within the college admission process. For instance, the minimum admission score for getting accepted at universities outside the metropolises are higher than in Beijing and other cities. In conclusion, it is apparently much easier to get admitted to the desired university – at any location – if one holds urban hukou. In addition to these admission rules, there are two more ways for the urban youngsters to get into college. Every year, the universities admit a few off-campus students. These students are not sponsored by the state, and do not hold subsidized housing on campus. They therefore need a place to live that is located outside of campus and have to be able to afford to support themselves during the semesters. In this way, “residents of the urban centers where most colleges are located have another chance to go to college, with admissions scores even lower than the published minimum” (*ibid.* 145). Another way for the more wealthy individuals to get into college is the self-paying admission. The government allows universities to admit a certain number of students that are outside of state mandate of planning. They must pay higher tuition fees and arrange their own housing, and are often admitted through significantly lower test scores. This way into college, by paying, is naturally only available to people in urban areas with a certain amount of money at their disposal (*ibid.*). Based on the information provided by Wang, I think we can conclude that the Chinese college admission procedure is not as fair as one might think after a first look. The role of hukou status seems to be very much present in this process. To implement a national system could be one way to eliminate the favoring of students from the urban areas and give everyone a fair chance at being admitted. On the other hand, the

practice of paying to get into university might be a way for some people to get a second chance at education and can perhaps help the universities financially. According to Wang, there has been a great deal of criticism in China against the admission system. For instance, in 2001 three college applicants in Shandong Province (which has the highest minimum scores for admission) sued the Chinese Ministry of Education. They all had very high test scores, well above the minimum scores needed for top universities in Beijing. However, being as they were registered in Shandong they could not get into any college at all (*ibid.* 147).

7.2.4 The Labor Market

The urban labor market, as noted above, is clearly segregated, with the migrants and the local urban workers employed in different sectors. I will now look more deeply into how the hukou has contributed in shaping this structure of segmentation. In China under the PRC, the state plays an important and strong role concerning most aspects of political, economical and even social spheres. Traditionally, the state has also had power to decide over labor and employment. Before the reform period, the urban labor force was employed in the state sector, more specifically in the so called SOEs (state owned enterprises). Here, as noted above, everyone belonged to a *danwei* (work unit) which provided the urban worker with everything he or she needed. This included housing, food rationing, child care etc. In the countryside, on the other hand, people were more or less forced to form communes, and live and work together in big collectives. In the reform period, when the communes were closed and the restrictions on movement were loosened, people have migrated on a massive scale as described in chapter 5. The creation of a free labor market opened up a range of job opportunities available to the Chinese population in the urban areas. Writes Fan (2002:107) about the transformation of the urban areas: “cities have begun to evolve from purely productive agents to becoming consuming entities characterized by consumerism, burgeoning markets, a division of labor, a thriving service sector, a growing middle class, and a more international and Western outlook”. The migrants are, however, not allowed to completely take part of this extreme transformation in the cities. Knight and Yueh (2009: 80) observe that “generally, migrants have been permitted only in the ‘residual’ urban wage jobs not wanted by residents. These tend to be the lowest wage, lowest skill, least pleasant jobs. Nevertheless, migrant urban wage can greatly exceed (standardized) rural alternative incomes...”. While

most of the local urban population can choose more freely at the labor market, migrants are to a great extent given jobs in sectors with a lot of hard, manual work. The urban labor market is characterized by segmentation, as opposed to competition, between migrant workers and non-migrant workers. Since they are employed in different sectors, they rarely compete for the same jobs, and their roles in the labor market seem to be rather complementary. The migrants often take the jobs rejected by the local urban population (*ibid*). In the 2000 census, 66 percent of all temporary migrants were employed in industrial work, the most dominant sector employing migrants. Commerce and service followed, employing respectively 12.2 and 8.7 percent of the migrants. Permanent migrants, who usually attain urban hukou, are much better represented in professional work (26.5 percent according to the 2000 census, to be compared with 6.9 percent of the temporary migrants) (Fan 2008: 101). Temporary migrants are, furthermore, more vulnerable on the labor market. Their salaries are more dependent on market forces, and they often lack the kind of information, contacts and alternatives (Knight and Yueh 2009: 81) needed in order to be competitive in the job searching process. Whereas the urban enterprises are more than willing to hire the cheap labor that migrants constitute, the urban local governments have restricted them from hiring as many of them as they would like. In order to protect the urban population and secure their employment, governments at different levels have imposed fees and controls on enterprises to make sure that they do not employ too many migrants at the expense of the local urban population (*ibid*). In a range of cities across China, there are sets of rules excluding migrant workers without urban hukou from jobs and occupations. Employers are forced to have a number of permits and bureaucratic papers in order to be able to hire migrant workers. Some cities have a list of jobs available to the local urban population, jobs available to the migrant work force and jobs available to both groups but still preferring the local urban workers. At places, the number of migrants that the enterprises were allowed to hire, was also dependent on the unemployment rates of the local urban population. Therefore, “it is to be expected...that migrant employment would be curtailed as a policy response to rising urban unemployment in China but would be relaxed as and when labor market conditions permitted” (*ibid*). In this way, the occupational stratification has been institutionalized (Nielsen et al. 2006: 43).

Thus, the jobs available to the migrant workers are often dirty, dangerous and demeaning. They are highly overrepresented in this category of jobs, which the local urban population refuses to do. Additionally, when the migrants do work at the same working place as the local

urban work force, they seem to be paid less (Nielsen et al. 2006: 43). Knight and Yueh (2009: 84) associate the situation at the Chinese urban labor market with a perspective of insider versus outsider. The insider, the local urban employee, and the outsider, the migrant worker, are employed in different parts of the labor market. If they are employed within the same segment, they are so on different terms. The insider has power over the wage setting procedure and is protected from competition. The outsider, on the other hand, is occupied in “bad” jobs with the salary, despite its dependency on market forces, pressed down under the level that would exist if the labor market had not been segmented (*ibid*). Fan (2008: 104) quotes a man commenting on the labor market situation:

There isn't really a market for choosing jobs. Enterprises always prioritize recruiting employees with local hukou. We migrants don't have many options. Most of the jobs men can get via friends and relatives are in construction. It's as if there are no jobs other than construction. Last year I changed jobs twice. The only thing that hasn't changed is that wherever I went I did construction work.

The hukou system and the segmentation of the labor market are thus closely interrelated. Many critics, who argue in favor of increased marketization, hold the belief that “hukou impedes the establishment and operation of a labor market, hinders efficient allocation of human resources, and in turn holds back marketization” (Fan 2008: 48). By hanging on to the hukou system, the state and employers risk losing potentially valuable staff for the enterprises, since it excludes people based on location instead of personality or appropriate qualifications. As previously noted, usually temporary migrants stay in the cities for less than a year, even though circular migration is common, i.e. that a migrant often move several times back and forth between the place of origin and the place of destination. The hukou system and the time-specific employment in the cities probably have a lot to do with this. Many migrants work extremely hard within this segregated labor market that allows them to earn more money than at home but also treats them as inferior to the local urban population and does not provide them with a successful career. Furthermore, the urban labor market is uncertain, and a migrant can easily be laid off. Many of the temporary migrants dream of moving back home and start a business of their own, thus escaping the segmented urban labor market, the often hard working conditions and becoming more self-dependent. Aiguo, a migrant worker in Shenzhen is an example of this. To the journalist van Luyn (2008: 28), he says:

Of course I don't want to stay in Shenzhen. Ultimately I want to go home...I love Longbeixiang [his home village]. That's where I belong. As soon as I have enough money, I'll go back. That will be in about three to five years. Then I'll start my own business...In the city there is nothing to fall back on. If a factory closes its doors here, you're on the street, but at home I always have my land. I like that certainty.

Based on this discussion of the Chinese urban labor market, we can thus conclude that segmentation is indeed present and prominent. The rural hukou holding migrants residing and working in the cities and the local urban population are participating in two different segments of the labor market. The local urban population seems to be highly privileged over the migrating population. They have a wider choice of jobs available to them and are better paid than the migrants. The migrants, who are predominantly occupied in the informal sector, face temporary employment which often means low job security and instable income. Their rural hukou often also means that they are not well educated and thus forced to take any job available, despite the long hours, low wages and unsafe working conditions. The segmented labor market further deepens the division between the local urban population and the migrant workers, and makes integration even harder.

8. Summary and Conclusions

The focus of this thesis is to illustrate the hukou system's effects on individual life strategies as well as its effects on the society at large, as a source of integration, conflict and the creator of differences. I wanted to illustrate how the hukou system is a policy initiated by the state that is used in order to closely monitor and control the movement of the population and that has profound effects on segregation and division in the society at large. My hypothesis is that the strong Chinese state has initiated the hukou system in order to control population movement, which also has affected the segregation between rural and urban China, and that these factors have significantly affected migration. The historical description of the development of the hukou system illustrates how it has been used – as a tool for monitoring population movement at first and then as an instrument for deportation of people out of the cities and for keeping control of social stability. Today its functions may have shifted, but are none the less still important. Migration, I argue, is affected by the hukou system and I have discovered that it particularly is the lives of the migrants in the cities and in the countryside that are particularly affected by the hukou system. The low income levels in the countryside, the segmented labor market, the lack of social services and access to education in the cities are the main features affected by the hukou system that, in turn, affects patterns of migration and individual life strategies. Here follows a summary of the chapters in this thesis, and then a presentation of the final conclusions that can be drawn from the presentation and analysis above. I conclude this thesis with suggesting some implications and new problems that I believe need to be researched further.

8.1 Summary

This thesis takes focuses on the Chinese hukou system, and especially how it affects the lives of the migrant workers circulating the nation today in search of employment or for other reasons. In the context of migration theory and migration in relation to development and state policy, this thesis argues that migration is highly affected by the hukou system. I have used the single case study in order to exemplify how a state can use a bureaucratic institution (such as the hukou system) in order to control population movement and, furthermore, to preserve

social stability. The hukou system is an important instrument for the state's migrant labor regime, in which the state maximizes the labor force provided by the migrants while not taking care of their wellbeing or civil rights. The hukou system is perceived of as an extreme case of state control over the population; a state policy that to a great extent ties people to a geographical location. The single case study method is advantageous since it has allowed me to look deeply into one case which makes it easier to distinguish patterns of causes and effects. The material used in this thesis is mostly academic books and articles, gathered from academic data bases. I have also used material from different organization, such as the United Nations and the human rights organization Human Rights in China. Furthermore, I have a few references to journalistic accounts as well as to the Chinese government's official website. I find this to be a useful mix of sources, allowing me to analyzing many sources of information.

In chapter 5, internal migration in China is discussed, showing how people have started moving excessively since 1978. Today, an estimated 150 million people or more are living at different place than they are registered in, and most of them are temporary migration. I have shown that economic factors causes are the most important ones contributing to the decision to migrate. Social- and kinship networks also make many people move, since they provide the migrant with a sense of security. Many temporary migrants feel alienated and marginalized in the cities and the social networks seem to give the migrants support and comfort. Marriage migration can be a way for, mostly women, to marry up but, as we have seen, women holding rural hukou are not very attractive on the urban marriage market.

The development of the hukou system is discussed in chapter 6. The hukou system has deep roots in the Chinese society, and was blown into life again after the CCP came to power. Today, the system regulates migration and affects many aspects of a migrant's life. The rural or urban hukou status given to each and every Chinese citizen, to a large extent affects their lives. Even though the function of the system has changed during the past 30 years, it is still important and constitutes an effective state control tool.

The main effects of the hukou system, as described in chapter 7, are: differences in income levels and state investment, the access to social services, the access to education and the segregated labor market. I have shown how the income levels in rural areas are significantly lower than the urban ones and that state investment, as well as foreign investment, is

unequally distributed among the different areas. Concerning social services and welfare benefits, the migrant workers in the cities have no access to these in their current place of residency. Even here, the urban population is privileged over the rural population. Migrant children cannot even get access to education in the cities. The fees are significantly higher for migrants than for the local urban population and many choose to either start schools of their own or return back home when their children reach school age. The admission procedures for higher education are also discriminating towards rural hukou holders who have a harder time getting admitted to desired universities. The segregation of the labor market is the last effect of the hukou system on the Chinese society described. The jobs available to migrant workers are very different from the ones available to the local urban workers, and the migrants are usually employed in sectors with dirty, dangerous and difficult jobs.

8.2 Conclusions

The discriminatory nature of the hukou system has been outlined above. The unequal and segregated society in which the Chinese population lives today has also been demonstrated and the patterns of migration have been discussed. The controversial and unique feature of the hukou system, which makes it stand out among registration systems in other countries, is that it not only aims at monitoring population movement and arranging statistics, but actually is a tool used by the state to control migration and preserve social stability. By not letting people move into the cities, China has for a long time avoided the creation of urban slums visible in so many other big cities, especially in developing countries. However, on its quest for modernization and industrialization, the Chinese state has ignored the development of the countryside, and the segmentation between the different areas has grown bigger. By using the hukou system as a tool, the state made sure that the rural population stayed in the countryside and produced goods and supplies needed in the urban cities. This division between the rural and urban areas still prevails in China, and I believe it to be one of the most important structural factors affecting the migration taking place there today. The underdevelopment, the insufficient inflow of capital, the great surplus of laborers, the low wages and the general backwardness of the countryside stand in significant contrast to the prosperous cities which have benefitted the most from the reform period. The push factors of the countryside and the

pull factors of the cities are thus quite apparent, and today people migrate on a large scale despite the rigid restrictions imposed on them due to the hukou system.

The main conclusions to be drawn from the presentation and analysis above are, first, that the lives of migrant workers in the city are highly affected by the hukou system and that it also affects how people migrate. As we have seen, the migrant workers often feel extremely alienated and marginalized in the cities. They are forced to take the most low-waged, dirty and dangerous jobs. Their rural hukou and their status as *mingong* (migrant worker) is a constant source of discriminating treatment by their fellow city dwellers and the government has for a long time often viewed the migrants as thieves, criminals and sources of social unrest. This image of the migrant population does not match the picture drawn in this thesis. From the picture painted by experienced scholars, we can conclude that the migrants are, on the contrary, well organized and most of them live law-abiding lives quite isolated from the local urban population. This cannot, of course, be true for all migrants and many have probably given in to criminality - but the one-sided perception held by the state and the local urban population needs to be revised. The migrants' rural hukou status seems to be an important factor contributing to the strong bonds to the native village and to their fellow villagers. Since all know how hard it can be to be a newcomer in the city, most migrants form social networks that one can turn to for help with employment and housing but also for company, comfort and entertainment. Many migrants trust only kin and fellow villagers migrating before them, to suggest a decent job and housing and hence often follow in the migrating tracks of these. Before moving, most migrants explore their chances of finding employment in the city, and weigh this with other factors such as the expected urban salaries and the loss of income from agriculture. This shows that most migrants have a clear plan when heading for the city, rather than migrating "blindly" as often portrayed by the state and media. In short, the alienating effects that the hukou system have on peasant migrants in the cities, has led to certain closeness and to networks of mutual assistance among the migrant workers.

Second, the hukou system also significantly affects the migrants' lives in the cities in more ways than the purely social. Within the highly segregated labor market, as illustrated in chapter 5 and 7, local urban workers and migrant workers do not compete for the same jobs. Migrant workers are usually employed in the sectors offering 3D jobs – jobs that are difficult, demeaning and dangerous. The jobs as construction workers, waitresses, nannies and factory

workers are shunned by the local urban workers and the lack of competitiveness in the labor market is instead replaced by deep segmentation. Even when migrants are employed at the same place as local urban workers, they are usually lower paid and not treated as equals. Stories about cruel employers, harsh working conditions and substandard housing facilities attest to additional consequences that the migrant workers have to face. The conditions they work in are, hence, not the best to say the least, and yet many of the migrant workers earn substantially more than they would back home. Many of them send home remittances or bring the money with them to their families when they return home for Spring Festival. The state obviously benefit from this arrangement of temporary migration. By taking advantage of the never-ending source of labor force that the countryside provides, the state can offer cheap labor to the industries that want to place their unit of production in urban China. By using the policies of the hukou system, the state also makes sure that the migrants do not stay too long in the cities and that they return home every now and then without troubling or burdening the state's resources too much. As long as the countryside is poor and underdeveloped, the people there will have no choice but to take the jobs available to them in the cities. This migrant labor regime extracts as much labor as possible from the migrant workers while not taking care of their economic, social or work-related security. The segmented labor market is one of the most visible effects of the hukou system in the Chinese cities, and illustrates the discriminatory strategies set out by the migrant labor regime.

Furthermore, since the citizens' rights to social services and welfare benefits are tied to their location of registration, the migrants living at a different place than the one they are registered in face hard times were they become sick, unemployed or simply old. Medical insurance, unemployment insurance and pension are all unavailable to the migrant workers in their present place of residency. But the migrants are not the only rural hukou holders lacking these services. As we can see in the chart in chapter 7, the social services and benefits are unequally distributed among the population. The state has clearly privileged the urban part of the population when it comes to this. While the insurances and old age pension system are fairly well established in the cities, the rural population has almost no access to these at all.

Migrants are overlooked and disregarded and receive none of the above in their new place of residency. Not even those who have stayed in the cities for several years have access to medical insurance, unemployment insurance and old-age pension. This complete disregard for the interest and welfare of the migrant workers and the rural population is naturally an

obstacle to the development of the countryside. People need a security net of social services in order to feel safe enough to stay in the villages and encouraged enough to be willing to begin developing the area. In order to make the migrant workers equal to the local urban population, these benefits need to be available to them as well and individuals' hukou status should no longer be the factor determining the access to welfare benefits.

Education in China is relatively equally distributed among the cities and the countryside, and has resulted in a high percentage of the population able to read and write. The migrants, however, are discriminated in this area as well. As described above, migrants have to pay significantly bigger fees in order to enroll their children in a regular urban school. Most migrants obviously cannot afford these fees, and many return home to their native villages when their children reach school-age. Migrant schools in the cities have a hard time finding qualified staff and the facilities they reside in are poor. The result is, one presumes, that these migrant children receive inferior education compared to the local urban children which surely has significant effects on the educational stratification in society and across social classes. On the other hand, the foundation of urban migrant schools, as well as the establishment of migrant villages, markets, restaurants etc, demonstrates the organizational skills and determination among migrants to create a decent life for themselves and their families in the cities. Within time these communities might have grown stronger and the quality of education might be improved by employing well educated staff. The best alternative would, of course, be that migrant children could go to the same schools as the local urban children. This would probably increase integration between the two groups significantly.

So what about the future? Will the system keep going forever or will it eventually be abolished? And what about the situation of the migrants? As far as the abolition of the hukou system, it does not seem to happen in the foreseeable future. Plans to replace the dualistic registration system with a unified system has not been implemented (Fan 2008: 52) and even though Chinese media constantly report how the government intend to change the system and improve the migrants' situation nothing really happens. The long history of the system and the legitimacy given to it by the strong Chinese state provides it with a solid base and before there is an alternative that the CCP feel comfortable with, I doubt they will abolish the hukou system. The migrants and the rest of the rural hukou holders are still highly discriminated within the hukou system. And even though they seem organized in their migration, as I have described above, they are not organized enough to have formed any trade unions or similar

organizations to protect their own interests. However, recently they have been given increasing attention in domestic and international media, and organizations such as the UN and independent human rights organization work for drawing attention to their situation. Thus, the situation for China's temporary migrant workers might improve somewhat in the future, but this of course requires a stronger commitment from the national leaders and a lot of work on the rights of workers in general. If differences between the social classes are to be decreased and if people are to feel more equal, they need to be equal in the eyes of the state first. I think that the abolition or diminution of the hukou system could contribute a great deal to the integration of the different geographical and socioeconomic parts of the nation.

8.3 Implications

We have seen that the state in this socialist transitional economy plays a significant role and has managed to keep tight control over population movement, the economy and the development. The hukou system is perhaps the most important instrument the state has used in order to control these matters. The effects of the hukou system listed above are deep and profound. The majority of the Chinese people, particularly the rural population and the migrants, are affected by the system and the state keeps close control of their whereabouts. I believe that the implications generated by this study mainly concern the state and questions regarding the migrant labor regime. That the state is using the hukou system to control population movement is quite clear and I find it important to study this matter further. The state's perception of the migrant workers as a source of labor and its own responsibility towards them should be investigated further. At this point I do not find the existing material to be enough. The state's relation with development is another aspect that needs to be studied further. One problem with this is, of course, that it is hard to get access to the relevant information such as official documents and state plans. That the state has a migrant labor regime is a perspective that I find to be highly interesting, and this should be analyzed on a deeper level, and put in relation to development and patterns of migration. Within migration theory, the role of the state should also be given more attention. In order to find relevant relations of causes and effects, the role of the state needs to be theorized.

The subject of hukou has been quite well researched and Chinese internal migration even more so. There is a great deal of literature on the patterns of movement that migrants follow, how they decide to move, their discriminatory social roles in the cities, return migration and the impact migration has on the countryside (for instance Fan 2008, Zhang 2001, Solinger 1999). Likewise, there are a number of books and articles that explore the historical development of the hukou system and its discriminating nature (for instance Wang 2005, Chan and Zhang 1999, Cheng and Selden 1994). The two subjects are often combined since the hukou system and the migrant workers are so intertwined. The negative effects of the hukou system are most experienced by the rural and migrating population, and they are the ones that should tell the academic world about their experiences. It would be interesting to see the stories of the migrants and the rural population described more in-depth in academic material. In my view, there is an apparent need for more anthropological work in this field. Long-term fieldwork, with interviews and participant observation has been done, but the books written are mostly journalistic in their character (for instance van Luyn 2006 and Wong 2008), and I think that there is a call for this kind of research within the academic world as well. Particularly I believe there is a need for in-depth interviews investigating migrants' experiences of the structure, effects and obstacles of the hukou system. This would give the migrant workers described in this thesis a face and a voice and this is indeed very important. Comparative case studies would be interesting too, I am particularly interested in a comparison between the effects of the Chinese hukou system and the Indian cast system, but of course there are other comparable systems that would serve as interesting cases as well.

Academics also should continue to study the future of the hukou system, since it will play a role in the general development of the whole nation – in terms of politics, civil rights and economy. One important aspect to investigate further is how the people of China resist the system and if there are any forms of organized groups that actively protest and struggle for the rights of migrants and the rural population. Resistance in China in general is an interesting subject, with the strong state that has forbidden organizations such as the Falungong and that actively tries to repress all types of political opposition. It has been 20 years since the demonstrations at Tiananmen in Beijing and the massacre that followed. In this light, it would be highly interesting to see how people protest today and what tools they have at their disposal. The rural population has not shown any signs of organizing and protesting against

the hukou system, but this subject needs to be further researched in order to be able to say anything about the future of the system.

9. References

- Bossen, Laurel 2007: “Village to Distant Village: the opportunities and risks of long-distance marriage migration in rural China” in *Journal of Contemporary China*, Vol. 16, No. 50, pp. 97-116.
- Brettell, Caroline B 2000: “Theorizing Migration in Anthropology” in Caroline B Brettell and James F Hollifield (eds) *Migration Theory – Talking Across Disciplines*. New York and London: Routledge.
- Chan, Kam Wing and Will Buckingham 2008: “Is China Abolishing the *Hukou* System?” in *The China Quarterly*, Vol. 195, pp. 582-606.
- Chan, Kam Wing and Li Zhang 1999: “The Hukou System and Rural-Urban Migration in China: Processes and Changes” in *The China Quarterly*, No. 160, pp. 818-855.
- Cheng, Tiejun and Mark Selden 1994: “The Origins and Social Consequences of China’s Hukou System” in *The China Quarterly*, No. 139, pp. 644-668.
- China Daily 2004-08-26: “Migrant children to receive education fund”. URL: http://www.chinadaily.com.cn/english/doc/2004-08/26/content_368825.htm Access 2009-05-04.
- China Daily 2008-12-04: “Disabled kids to get allowances”. URL: http://www.chinadaily.com.cn/regional/2008-12/04/content_7270483.htm Access 2009-05-19.
- Davin, Delia 2007: “Marriage Migration in China and East Asia” in *Journal of Contemporary China*, Vol. 16, No. 50, pp. 83-95.
- Deshingkar, Priya and Sven Grimm 2006: “Internal Migration and Development: A Global Perspective” in IOM International Organization for Migration’s *Migration for Development: Within and Beyond Frontiers*. Geneva: IOM International Organization for Migration.

Dib, Hassan, Xilong Pan and Hong Zhang 2008: “Evaluation of the new rural cooperative medical system in China: is it working or not?” in *International Journal for Equity in Health*, Vol. 7, No. 1, pp. 1-8.

Dorigo, Guido and Waldo Tobler 1983: “Push-Pull Migration Laws” in *Annals of the Association of American Geographers*, Vol. 73, No. 1, pp. 1-17.

Eriksen, Thomas Hylland 2004: *Rötter och fötter: identitet i en ombytlig tid*. Nora: Nya Doxa.

Fan, Cindy C 1999: “Migration in a Socialist Transitional Economy: Heterogeneity, Socioeconomic and Spatial Characteristics of Migrants in China and Guangdong Province” in *International Migration Review*, Vol. 33, No. 4, pp. 954-987.

Fan, Cindy C 2002: “The Elite, the Natives and the Outsiders: Migration and Labor Market Segmentation in Urban China” in *Annals of Association of American Geographers*, Vol. 92, No. 1, pp. 103-124.

Fan, Cindy C 2004: “The state, the labor migrant labor regime, and maiden workers in China” in *Political Geography*, Vol. 23, No. 3, pp. 283-305.

Fan, Cindy C 2008: *China on the Move – Migration, the state, and the household*. London and New York: Routledge Taylor & Francis Group.

Farrant, Macha, Anna MacDonald and Dhananjayan Sriskandarajah 2006: “Migration and Development: Opportunities and Challenges for Policymakers” in IOM International Organization for Migration’s *Migration for Development: Within and Beyond Frontiers*. Geneva: IOM International Organization for Migration.

Gonzalez, Nancie L Solien de 1961: “Family Organization in Five Types of Migratory Wage Labor” in *American Anthropologist*, New Series, Vol. 63, No. 6, pp. 1264-1280.

Hammersley, Martin and Roger Gomm 2000: “Introduction” in Roger Gomm, Martin Hammersley and Peter Foster (eds) *Case Study Method*. London, Thousand Oaks, New Delhi: SAGE Publications.

Human Rights in China 2002: *Institutionalized Exclusion – The tenuous status of internal migrants in China's major cities*. URL:

<http://hrichina.org/public/PDFs/Reports/HRIC-Migrants.pdf> Access: 2009-03-26.

Knight, John and Linda Yueh 2009: "Segmentation or competition in China's urban labor market?" in *Cambridge Journal of Economics*, Vol. 33, No. 1, pp. 79-94.

Leung, Joe C.B 2003: "Social security reforms in China: issues and prospects" in *International Journal of Social Welfare*, Vol. 12, No. 2, pp. 73-85.

Liang, Z. and Y.P. Chen 2007: "The educational consequences of migration for children in China" in *Social Science Research*, Vol. 36, No. 1, pp. 28-47.

Mallee, Hein 2000: "Migration, hukou and resistance in reform China" in Elizabeth J. Perry and Mark Selden (eds) *Chinese Society – Change, Conflict and Resistance*. London and New York: Routledge.

Migration Policy Institute – URL:

<http://www.migrationinformation.org/DataHub/remittances.cfm> Access: 2009-04-22.

Nielsen, Ingrid, Russell Smyth and Mingqiong Zhang 2006: "Unemployment Within China's Floating Population – Empirical Evidence from Jiangsu Survey Data" in *The Chinese Economy*, Vol. 39, No. 4, pp. 41-56.

Qin, Duo, Marie Anne Cagas, Geoffrey Ducanes, Xinhua He, Rui Liu and Shiguo Liu 2009: "Effects of income inequality on China's economic growth" in *Journal of Policy Modeling*, Vol. 31, No. 1, pp. 69-86.

Salditt, Felix, Peter Whiteford and Willem Adema 2008: "Pension Reform in China" in *International Social Security Review*, Vol. 61, No. 3, pp. 47-71.

Shen, Jianfa 2002: "A study of the temporary population in Chinese cities" in *Habitat International*, Vol. 26, No. 3, pp. 363-377.

Shi, Li 2008: "Rural Migrant Workers in China: Scenario, Challenges and Public Policy" published by Policy Integration and Statistics Department, International Labor Office, Geneva. URL: <http://www.ilo.org/wcmsp5/groups/public/---dgreports/> Access 2009-05-19.

Solinger, Dorothy J. 1999: *Contesting Citizenship in Urban China – Peasant Migrants, the State, and the Logic of the Market*. Berkeley, Los Angeles and London: University of California Press.

The Chinese Central Government: “China vows to strive for balanced rural and urban development”. URL: http://english.gov.cn/2008-10/19/content_1125270.htm Access 2009-03-03.

Todaro, Michael P 1987: “Internal Migration in Developing Countries: A Survey” in Richard A Easterlin (ed) *Population and Economic Change in Developing Countries*. Chicago: University of Chicago Press.

Todaro, Michael P and Stephen C Smith 2006: *Economic Development – Ninth Edition*. Harlow: Pearson Education Limited.

UNDP (United Nations Development Programme) 2005: *China Human Development Report*. URL: http://www.undp.org.cn/downloads/nhdr2005/NHDR2005_complete.pdf Access 2009-03-27.

UNDP 2007: *China Human Development report: Access for all – Basic public services for 1.3 billion people*. Beijing: China Translation and Publishing Cooperation.

Van Luyn, Floris-Jan 2008: *A Floating City of Peasants – The Great Migration in Contemporary China*. New York and London: The New Press.

Wang, Fei-Ling 2005: *Organizing Through Division and Exclusion – China’s Hukou System*. Stanford, California: Stanford University Press.

Wang, Feng and Xuejin Zuo 1999: “Inside China’s Cities: Institutional Barriers and Opportunities for Urban Migrants” in *The American Economic Review*, Vol. 89, No. 2, pp. 276-280.

Wong, Linda and Huen Wai-Po 1998: “Reforming the Household Registration System: A Preliminary Glimpse of the Blue Chop Household Registration System in Shanghai and Shenzhen” in *International Migration Review*, Vol. 32, No. 4, pp. 974-994.

Wong, Ola 2008: *När tusen eldar slickar himlen – Kinas väg mot framtiden*. Stockholm: Ordfront.

Wu, Xiaogang and Donald J Treiman 2004: “The Household Registration System and Social Stratification in China: 1955-1996” in *Demography*, Vol. 41, No. 2, pp. 363-384.

Xinhuanet 2007-05-21: “Hukou ‘an obstacle to market reform’”. URL:
http://news.xinhuanet.com/english/2007-05/21/content_6128486.htm Access 2009-05-04.

Yang, Hong 2000: “A comparative analysis of China’s permanent and temporary migration during the reform period” in *International Journal of Social Economics*, Vol. 27, No. 3, pp. 173-193.

Yin, Robert K 2003: *Case Study Research: Design and Method, Third Edition*. Thousand Oaks, London, New Delhi: Sage Publications.

Yu, Renqiu 2008: “Introduction: Labor in a Changing China” in *International Labor and working-class history*, Vol. 73, No. 1, pp. 1-6.

Zhang, Li 2001: *Strangers in the City – Reconfiguration of space, power, and social networks within China’s floating population*. Stanford, California: Stanford University Press.

Zhao, Yaohui 2002: “Causes and Consequences of Return Migration: Recent Evidence from China” in *Journal of Comparative Economies*, Vol. 30, No. 2, pp. 376-394.

Zhu, Yu 2007: “China’s floating population and their settlement intention in the cities: Beyond the *Hukou* reform” in *Habitat International*, Vol. 31, No. 1, pp. 65-76.