

Post-Mao China: A Two-Class Urban Society in the Making

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Introduction

Though the Chinese society under Mao had never come close to one of equal citizenship as advocated in the Marxist doctrine, the urban social structure in the late Mao's era was relatively homogenous, made up of a great mass of wage workers in well protected state or quasi-state sector and a tiny, perhaps not the most visible, class of privileged cadres. Admired and touted by numerous outside observers at that time, the pre-reform Chinese cities, though bleak and drab, were devoid of beggars and squatters and of any apparent social disparity; indeed, allegedly free of many urban 'ills' such as poverty and crimes that were thought to be symptomatic of modern industrial urbanism (Murphy, 1975). What those observers did not know then or write about was that this urban orderliness and stability were achieved largely by immobilizing its population, especially those in the countryside. In essence, cities were closed off to the peasantry by 'invisible walls' (Chan, 1994b); poverty was permanently locked in the countryside. The result was a highly segmented society, divided along the occupational line of industrial workers and agricultural workers (the 'peasants', to simply follow the official translation) and through the geographical division of urban and rural sectors.

New forces unleashed by the Chinese economic reform since the late 1970s have gradually shaken the basis of previous social orderliness. The Chinese society has become more mobile in social and geographical terms. Making national headlines these days are restless migrants streaming to cities, bringing with them vitality, chaos — indeed, destitution and prostitution. Large numbers of rural migrants — probably the largest number in Chinese peacetime history — flowing seemingly out of control have now become a lasting feature of the post-Mao urban society (Goldstein and Goldstein, 1991). The government calls those sojourners *mengliu* or 'blind flows.' To the outsider's eyes, many Chinese big cities today look more like other boom towns in Asia, with the familiar vibrancy of bustling small family businesses and street vendors and similar social and economic problems. The new scene represents a stark change from the heavily regulated and dreary urban landscape under Mao. This article examines these changes and explore its social implications. It first explains the Chinese *hukou* system and its relationship with citizenship rights and social stratification, and then analyzes the changes in the mobility in the reform era and the socio-economic characteristics of the newly emergent social urban structure.

Citizenship rights and the *hukou* system before the reform

While various versions of the Chinese socialist constitution, first promulgated in 1954, devoted one of its four chapters to specifying the fundamental rights and duties of individuals — ranging from freedom of speech to freedom to protest (*Constitution of the PRC, 1954; 1982*), many of these individual rights have remained largely on paper. The general lack of civic, political and social rights in post-1949 China, especially during the Cultural Revolution decade (1966–76), can be partly attributed to the slow capitalist development in modern China and the lack of autonomy of cities,¹ and partly to the tradition of statecraft and Confucian ideology that put the strength of the nation or state above individual autonomy and rights (White, 1993).

Some fragile progress in developing civil society was made in the Republican period (1911–49), but it was quickly wiped out by the changes introduced by the Communist government. This 'state-first' ideology was only strengthened under the socialist rule, which was premised on Leninist-type proletarian democracy exercised through its vanguard, the Communist Party. Modern citizenship rights in the West were later rejected as 'bourgeois democracy' (White, 1993). Autonomy and rights for individuals and groups were not recognized, though the post-1949 constitutions still referred to these rights. A totalitarian system of social control was imposed on its population by the Maoist state.

One central component of the above system of social control is the *hukou* (household registration) system, which was restored in the 1951 first to monitor movement and residence of urban population, and further expanded to cover both the rural and urban populations in 1955 (Cheng and Selden, 1994). Apart from registering households based on occupations, the system was central to achieving draft industrialization desired by the Chinese leadership. In fact, it can be argued that the one-party dictatorship, planned economy, and *hukou* system were the three interrelated key tools in China's planned industrialization. The approach was premised on a differential treatment of two separate economic and social sub-systems and two populations. The urban-industrial sub-system was given priority and resources while the rural/agricultural sub-system was to supply raw materials at low costs to the industrial sub-systems to maintain huge industrial profits (Naughton, 1992). Administrative measures were necessary to contain the costs of urbanization in the process of rapid industrialization and maintain the imbalance of the two sub-systems, especially to prevent mobility from the countryside (Chan, 1994b). And the *hukou* system was one of the most powerful mechanisms to maintain this disequilibrium.

In its main form under Mao, the *hukou* system classified all the people into two main categories: the peasant (or, more commonly, rural) householders and non-peasant (or urban, loosely) householders (Chan and Tsui, 1992). Typically, persons registered as non-peasants were guaranteed certain supplies of daily necessities, ranging from foodgrains and edible oils, to cloth and other rationed items. They were also entitled to state-provided education, social and medical services, and often jobs (including security and retirement benefits) and housing for those who wished to work. These basic benefits protected urbanites' living standards, even in the most difficult years of the great famine in the early 1960s, and offered some upward mobility and opportunities for advancement. On the other hand, peasant households did not have any of these benefits and opportunities. Neither, as will be explained below, were they permitted to move out of their villages. One also inherited the classification from the mother and could be changed only in very exceptional

1 Capitalist development tends to create a social structure which provides elements of the necessary context in which democratic citizenship might arise (Barbalet, 1988). Urban autonomy is considered to be important in creating the legal foundations on which petty capitalism in the West developed (Weber, 1951) and the concept of modern citizen evolved (Bookchin, 1992).

cases; as Potter (1983) put it, it was a 'birth-ascribed stratification' system. As such, it is plain that it was the most single important system of social stratification in China. Resonating the same view, Cheng and Selden (1994) pointed out that it has served to define the city-countryside relationship and shape important components of state-society relations. Consequently, it forms the basis for 'establishing identity, citizenship and proof of official status'.

Since its full implementation in 1958, the household registration regulations have required every citizen to obtain clearance from the public security bureau before changing residences. A formal, permanent residential change from rural to urban would require the conversion of registration status from 'agricultural' to 'non-agricultural' (the so-called 'nongzhuanfei'). In the 1960s and 1970s, such a conversion was scarcely granted, only when a peasant 'entered' the state sector through one of the very narrow channels of state labor recruitment, state job assignments upon college graduation, or when agricultural land was requisitioned for urban purposes (*Hukou dengji tiaoli*, 1958; Koshizawa, 1988; Christiansen, 1990). These entries were, however, tightly controlled by a system of national and local quotas (Zhuo, 1994). The elimination of the urban labor market in 1958 by nationalization and collectivization programs also removed the possibility of urban employment without the state's sanction as urban collective enterprises, though theoretically still outside the state sector, were also placed under strict state control in the Maoist decades on the heels of the 'socialist transformation' campaign in the late 1950s. The conversion of household registration status was so strict that even marriage to an urban dweller, as a general rule, did not entitle one to a permanent urban residence status (Whyte and Parish, 1984; Zhang, 1987).

Furthermore, as the allocation of food rations and other consumer goods, and social services were directly linked to the household registration, the immense difficulty in the pre-1978 period in obtaining staple foods outside the state-controlled food rationing channels was a major deterrent to unauthorized migration. Further aided by local policing mechanism, including neighborhood watch groups staffed by 'grandma police' (retired elderly persons), the whole array of migration restricting measures was relatively effective. This is, in essence, a *de facto* domestic passport system (Chan, 1994b), similar to that used in Russia under the Czar and Stalin (Zaslavsky and Yuri, 1979; Smith, 1989). No wonder why one Chinese writer would liken the virtual impossibility of rural-urban permanent migration for the average peasant to 'climbing to heaven' (*nian yu shang qingtian*) (Gong, 1989). Of course, no system is perfectly watertight. A few managed to circumvent migration controls even under the strictest control by using illicit means such as bribery. Travel within the country, however, has never been banned by law. The law required that anyone who stayed three or more days outside his or her original residence place report to the local household registration authority. Those who stayed three months or more, however, had to obtain official approval (*Hukou dengji tiaoli*, 1958).

The suppression of rural-urban mobility, carried out as such, had far greater impact than just blocking unauthorized flows. At a wider level, it divided the society into largely isolated rural and urban segments, formalizing spatially-based social and economic stratification. On an individual level, in Solinger's (1993) words, 'the *hukou* system absolutely determined not just where a person could live but along with that the person's entire life chances — his or her social rank, wage, welfare, food rations, and housing.' In fact, one's fate. From the state's perspective, the ban on rural outflows safeguarded the welfare of the existing urban population, securing political security in the cities, where almost all state-organized industrial activities were located. This allowed the state to tap into monopoly profits of the industry for its revenues to carry out ambitious industrialization programs. To maintain handsome industrial profits in industry and keep down the urban welfare burden, the rural population were kept out of the city and were left in the countryside to fend for themselves.

Changes in the *hukou* system in the reform era

Two major developments in the Chinese economy in the 1980s have had the greatest impacts on rural-urban mobility and the implementation of the *hukou* system. The first is the dramatic rise in productivity in the countryside due to the reintroduction of family farming. This has made tens of millions of rural laborers redundant, only to be further let loose by the dismantling of agricultural collectives, the institutions which used to take charge of farming and deployment of rural labor. The other is the high growth of industry and commerce, largely occurring outside of state's plan, as the Chinese economy marketizes and participates actively in global trade. A mostly market-oriented 'non-state' sector, loosely defined to include collective and private enterprises, has since grown by leaps and bounds. Confusingly labelled as rural enterprises, many of them are in urban centers. These two developments have largely complemented to each other and have created a niche for the surplus farm labor.

However, these shifts could not have been possible without the concurrent changes in the leadership's attitude towards urbanization and consequently, migration. Relaxation of migration and employment controls started as the government began to recognize the value of cheap labor in China's bid to share the world market through its export-oriented industrialization strategy. They began in *ad hoc* ways in many locales in the early 1980s, along with the decollectivization of the farm sector. Restrictions on migration to urban towns, where the state's commitments to social welfare were lowest among all urban centers, were first lifted (Chan, 1994b). A significant and formal provision was made by the State Council in 1983. Under the new rule, peasants engaged in non-agricultural work in towns were allowed to obtain residence status provided that they did not claim any state-supplied benefits (including food grain) and had secured accommodation. (They are called 'households with self-supplied food grain'.) Furthermore, migration to urban centers through the 'temporary resident' route has been made legal since 1983 in some provinces and nationwide in 1985 (Solinger, 1985; *Reunin ribao*, 1985). That opened an important, but previously closed, gate for unorganized, 'spontaneous migration' (*ziliu renkou*), and a route to escape poverty for many who had labor or skills to sell to the city. About the same time, the ban on hiring in the countryside was lifted (Tang and Jenkins, 1990); peasants were also formally permitted to be self-employed or set up own shops in small, undesignated towns while retaining their rural household registrations (State Council, 1983; 1984). While all these have enabled self-employed peddlers, construction workers, craftsmen, shoe repairers, maids and the like, to enter many urban locations, these itinerant laborers are not entitled to benefits and public services normally available to the average urbanite. Whereas the orthodox Maoist practice was to fix peasants in farming and in the countryside, the reformed one, born in the context of a rapidly burgeoning agricultural labor surplus, is '*litu bulixiang*' — peasants can leave agriculture but not their village. The latter has been interpreted to mean that they must retain their formal rural affiliations, if not staying in their villages. This legally denies rural migrants access to state welfare benefits.

At the same time, formal rural-urban migration has also been made easier especially to help intellectuals and cadres who are separated from their families. The annual planned quota for '*nongzhuanfei*' — conversions of household registration status from 'agricultural' to 'non-agricultural' — has also been raised to 2 per thousand of the non-agricultural population (Liu, 1992). Besides, as part of the decentralization of administration, cash-strapped local governments have also capitalized on this opportunity to raise funds by selling urban residency rights to newly rich peasants. By early 1994, altogether 3 million urban resident household registration books had been sold to peasants, generating a revenue of RMB 25 billion *yuan* (*Sing Tao Daily*, 1994). This has also contributed to the rapid expansion in the number of the non-agricultural households,

developing into a situation described by one official press as being 'out of control' in 1992 (*Guangmin ribao*, 1992).

While expanded job opportunities in the urban areas are the basis for large rural-urban transfers in the reform era, the increasing availability of other 'ingredients' necessary to effect *de facto* migration is equally important. More expensive food grain and other foodstuffs are readily obtainable without ration coupons in free markets, or grain coupons themselves are available in the market (Huang, 1992). Though new private housing in cities caters largely to the affluent, temporary and semi-permanent housing, ranging from makeshift quarters at or near construction sites, to squatter huts and village houses at urban fringes, has appeared. As elsewhere, faced with unfriendly, if not totally hostile, environments, transients also congregate with those from the same region, who speak the same dialect, and form many little 'ethnic' enclave villages in major Chinese cities. The less fortunate may simply make-do for the night at railway stations, in factories they work or simply on the street. In short, the very minimal items (sometimes including forged identity cards) necessary for an urban living have become available in the market or black market due to the increasing commercialization of various economic sectors and the emergence of the an informal, at times underground, economy.

Equally important, post-Mao marketization and the erosion of state power have created a society that more diverse and complex and, admittedly, less transparent and harder to monitor and control. Many migrants these days depend on jobs, including those in the 'hidden' economy, that are outside the state's effective control. Indeed, many of them simply flout the Chinese rules and have never registered their stay with the authorities. The only significant, but temporary, curb to the surging urban influx in recent years was mainly brought by the economy, in the wake of China's austerity program in the late 1980s. Many construction projects were cancelled, leading to massive layoffs of migrant workers. But migration returned to an even higher gear in the early 1990s as China moves with greater strides in marketizing its economy.

A disadvantaged class of peasant migrants

What has emerged then since the early 1980s is a greater official — from initially tacit to later more open — acceptance of urban in-migrants on their own individual initiatives, mostly outside the conventional channels of entries to the state sector employment and without conversion of household registration status. These 'spontaneous' migrants have grown in significant number in cities and towns. As a result, two categories of urban in-migrants, one with formal urban household registration status and one without, have become the main forms today. Though the role of the *hukou* system has declined in the reform period,² the classification still means a lot and has produced a relatively clear social and economic stratification.

Drawing on the 'formal' and 'informal' sectoral categorization in the development literature (e.g. McGee, 1971; Santos, 1979), one can divide most new urban entrants into 'formal' and 'informal' groups. Informal migrants are those who have moved without household registration status in the urban destination. They are also officially classified as 'temporary' migrants or residents. As such, they are not classified as urban citizens by the

2 In the pre-reform period an urban household registration status generally implied access to all urban benefits. The situation has become more complex in the post-Mao period. A non-agricultural household registration status alone today, especially those newly acquired, does not automatically entitle one to all urban benefits. Generally, the registration status determines one's eligibility for urban education and employment while the commodity grain entitlement decides one's qualifications for subsidized foods and other commodities supplied by the state.

Table 1 'Floating population' in China in 1988-89

(a) Size of Floating Population in Selected Cities* (in Millions)		
Cities	Year	Size
Shanghai	1988	2.09
Beijing	1988	1.31
Guangzhou	1989	1.30
Wuhan	1990	1.20
Chengdu	1989	0.42
Taiyuan	1989	0.36
Harbin	1989	0.23
Jilin	1989	0.07
Hangzhou	1989	0.50
Zhengzhou	1989	0.37
Anshan	1989	0.16

(b) Floating Population: Reasons for Moves		
	%	Average reported length of stay (no. of days)
Seeking employment		
Nannies	9.0	307
Technicians	0.6	302
Construction workers	14.6	297
Other employment	10.5	236
Self-employed vendors	10.7	225
Self-employed repairers	2.9	207
	48.3	
Family/friends-related		
Seeking support from relatives	2.4	324
Visiting relatives and friends	8.0	224
	10.4	
Using Urban Facilities		
Study and training	4.0	210
Receiving medicare	3.2	136
On business	11.7	66
Attending meetings	1.8	16
Tourists	3.4	10
In transit	9.5	3
	33.6	
Others		
Vagrants	0.5	173
Unclassifiable	7.4	133
	7.9	
Total	100.0	195

* Total population size of these cities in 1989 = 33.79 million; Aggregated floating population = 8.01 million; Floating population as a % of population size of cities = 23.7%.

Sources: Compiled from Li and Hu (1991).

government. They have neither the political rights nor entitlements to the whole array of state-subsidized urban benefits as described before. Though not necessarily illegal, informal migrants face a situation that is very similar to that confronted by illegal immigrants in many countries, especially concerning political and civil rights. By forcing these transients into some form of illegitimacy, the Chinese state is able to shed a big portion of the social costs associated with the labor intake. Of course, some indirect or temporary state outlays are unavoidable (such as those resulting from use of transportation and other 'non-exclusionary' urban infrastructure — one only needs to take a brief look at the railroad stations during the Spring Festival period to realize the severity of strain migrants can have on China's rail system during this holiday and festive interlude when migrants return to home towns or villages to spend the Lunar New Year).

There are no official statistics that specifically cover the informal migrants; all the current numbers about migrants pertain to 'liudong renkou' (floating or mobile population). This category loosely includes the population staying in places for which they do not have a permanent household registration status (Li and Hu, 1991). As such, it includes tourists, people on business trips, traders, sojourners, peasant workers contracted from other places, vagrants, and other unemployed people (Table 1). The floating population, as the term suggests, are elusive and seasonal. Within any year, its size tends to be larger in the winter season when demand for work on the farms is low, and usually reaches its peak in February or March, immediately after the Spring Festival. The period of stay ranges from a couple of days to a few years, although most of them will make an annual trip back to their villages during the Spring Festival break. Also typical at this early stage of mobility transition, is also a significant amount of seasonal and circular migration.

For a more meaningful study, however, one ought to exclude short-term visitors and transients from the longer term movers. Chan (1994a) and Sha *et al.* (1994) estimated that the size of the floating population in urban areas to have been around 70 million in the late 1980s, equivalent to about one-quarter of China's urban population. Other observers have put the estimates of the floaters' size in 1993 and 1994 in the range of 80–120 million.³ If we stick to the late 1980s' figure of 70 million floating population and exclude migrants who had stayed less than one year in the urban place, the population size of the more 'permanent' movers could reach as large as 21 million.⁴ If we exclude only those who stayed less than six months, then the size can be as large as 35 million. They were mostly concentrated in major cities such as Shanghai, Guangzhou, Wuhan, and Beijing, and coastal provinces like Guangdong, Hainan, and Jiangsu. Dongguan City, a major foreign-invested export-processing center in Guangdong, has a ratio of migrants to non-migrants as high as 1 to 1.⁵

Not much has been written about the socio-economic characteristics of the informal migrants based on systematic and comprehensive statistics. Some cross-tabulations are only now possible with the availability of a sample dataset from the 1990 Census. Based on mainly a one-year residence criteria and excluding those under the age of five, the 1990 Census counted 34.1 million people who had a different place of residence in mid-1990 relative to that in mid-1985. Of all the migrants in this five-year period, 18.3 million fell into the category of formal migrants, people who moved with official approvals, including getting their household registers formally transferred to the destination place. This type of migration is similar to the 'within-plan' (*jihua nei*) migration typical in the

3 Figures given to me during interviews with researchers in the Chinese Academy of Social Sciences and State Council in Beijing in September 1994.

4 Tourists and people on business trips staying for only a couple of days to less than twelve months took up about two-thirds of the total.

5 Roughly half of Dongguan's 2 million-plus population are migrant workers, mostly females (information given by Dongguan's officials, December 1994).

Table 2 Characteristics of migrants,^a 1985–90

Reasons for migration (%)	Formal Migrants ^b		
	1	2	3
Employment-oriented			
Work transfers	18.2	4.6	12.6
Job assignments for graduates	10.6	2.8	2.4
Wuzong jingshang	1.8	46.3	8.2
Studies and training	20.9	3.0	1.9
Others			
Seeking support from relatives and friends	6.7	13.8	7.4
Resignations and retirements	2.1	1.0	0.5
Migration with families	13.7	8.3	4.1
Marriages	15.8	12.0	5.3
Others	10.3	6.3	7.6
Total	100.0	100.0	100.0
% of migrants employed (age 15+)			
Male	57.0	90.0	67.0
Female	64.0	66.0	61.0
Sectoral composition of migrant labor (%)			
Agriculture	33.44	19.12	56.27
Manufacturing and Utilities	29.13	38.60	19.69
Mining and Geological Prospecting	0.83	0.01	0.00
Construction	3.62	14.74	2.94
Transportation and Communications	4.50	5.44	2.83
Commerce and Catering	5.93	13.42	7.72
Real Estates and Public Facilities	1.80	3.64	1.63
Health and Sports	2.19	0.69	1.05
Culture and Education	7.42	1.92	1.94
Science and Education	1.23	0.24	0.84
Finance and Insurance	1.48	0.12	0.47
Government and Community Organizations	8.32	1.27	2.99
Others	0.04	0.11	1.57
Total	100.00	100.00	100.00

^a Migrants are defined as those who were staying in a different city or county on 1 July 1985 from that of 1 July 1990.

^b 'Formal' migrants: Migrants residing and holding household registration in the same county or city on 1 July 1990.

^c 'Informal' migrants: (1) Migrants who had resided in the destination place for at least one year and held household registration in another county or city; (2) Migrants who had resided in the destination place for less than one year but had left the original place of household registration for more than one year; (3) Migrants who resided in the destination place with household registration still undetermined.

Source: Based on the 1% sample tape of the 1990 Census, tabulated by Yang (1994).

pre-reform era. The remaining 15.8 million could be categorized as 'informal' migrants, whose movements did not receive formal approvals by the government (Yang, 1994). Specifically, they all lack hukou in the destination place in 1990 (Groups 1 and 2 of

Table 3 Migrant labour by occupation and sector, 1990 and 1991

	All Urban Population	Formal Migrants	Informal Migrants
(a) Occupation		National (1990)	
Professional and Technical	14.0	20.4	2.7
Administrative and Managerial	4.9	4.3	0.8
Clerical	5.6	9.6	1.6
Sales	8.1	5.9	15.6
Service	6.9	5.4	12.7
Industrial Workers	38.1	22.2	56.1
Farm Workers	22.5	32.1	10.6
Unclassifiable	0.2	—*	—*
	100.0	100.0	100.0
(b) Sector by Ownership		National (1990)	Hubei Sample Survey (1991)
State-owned	70.0	18.8	5.6
Collectives	25.1	55.0	19.6
Private and Self-employed	4.8	25.1	73.6
Others	1.1	1.1	1.2
	100.0	100.0	100.0

* Indicates less than 0.01%

Sources: National figures are from 1990 Census (State Council and SSB, 1993a). The Hubei figures are from Xu and Gu (1994).

informal migrants in Table 2).⁶ Understandably, since the 1990 Census defines migrants based mainly on a one-year length of stay or absence, it has excluded many short-term movers and seasonal circulators. As in censuses in other countries, those who are unemployed and do not have fixed abodes are most likely to be missed.

Table 2 shows that informal migrants were mainly work-related, a situation similar to what is found in other developing countries (Skeldon, 1990). Working-age male informal migrants, in particular, are close to full participation in work, compared to only 57% in the same age group of formal migrants. The high percentage of employment among adult informal migrants could also be partly attributed to the bias of the Census itself as identified above. While work-bound formal migrants were almost all in the 'work transfers' and 'assignments' category, referring to within-plan or approved inter-enterprise labor transfers, informal migrant workers were headed for *wugong jingshang* (seeking employment in industry and self-employed businesses), and mostly outside the state sector, as a 1991 Hubei sample survey illustrates (Table 3(b)). In fact, three quarters of them surveyed found jobs in private enterprises (largely self-employed), compared to only one quarter for formal migrant workers.

Table 3 further reveals the occupational and sectoral similarities and contrasts between formal and informal urbanward migrants. It is clear that the composition of occupations of formal migrants broadly resembles that of the urban population as a whole; actually, they are modestly over-represented in the professional and technical jobs. In contrast, 95% of the informal migrants were in clerical-level occupations or below.

6 Group 3 accounts for an insignificant 1% of all migrants and can be excluded in our analysis.

Cross-referencing with Table 2, it can be deduced that they were mostly manufacturing frontline workers, construction workers, and sales and service workers, in the unprotected, petty self-employed sector. The sample survey carried out in Hubei also shows that the fast-growing non-state sector absorbed most migrants — both formal and informal, whereas the population as a whole were mostly in the protected state sector. In the particular case of Hubei, informal migrants were predominantly in the self-employed sector while only slightly over half of the formal migrants were absorbed by collectives. Combining the various tables presented thus far and other available information, one can broadly identify five different employment channels whereby informal migrant workers are brought into the cities and towns:

Party vendors

After being suppressed for almost two decades, free markets for agricultural produce returned first to the countryside in 1977 and then cities in 1979. These markets have served as a major conduit, especially in the early reform years, through which peasants were able to come in to urban centers on a more regular basis, as vendors of produce coming out of their private plots. Free markets, which total number today exceeds 80,000, are an important part of the Chinese urban and rural retail systems (SSB, 1993). Everyday, millions of peddlers take to these markets not only vegetables, fish and meats, but also handicrafts and manufactures they bring in from other places. Some of them commute to cities daily; many others simply set up their second quarters and stay in.

Nannies

There has always been a strong demand for domestic helpers in large Chinese cities parallel with the rising number of double-worker families. With the reforms, the demand has quickly translated into real jobs for many country women. The government first organized the imports of these nannies from the countryside, mostly from Anhui, a province with a long tradition of exporting domestic helpers. As the demand for maids outstripped the supply controlled by the government, there has developed a larger unregulated, semi-legal nanny market in many cities (Liu *et al.*, 1988). A nanny job is the often first interim job for many female rural migrant-workers who have few marketable urban skills and are unfamiliar with urban settings.

Employment and self-employment in the urban non-state sector

The runaway growth of enterprises in non-farm sector outside the state's direct control is a hallmark of the post-Mao economy. These are the township and village enterprises (TVE), urban collective and private enterprises, and foreign-invested enterprises. Most of the 'rural' TVE are in the manufacturing sector and in towns and market towns. Urban non-state enterprises include small enterprises, many of which self-employed, providing simple consumer services such as repairs, the sale of foods and low-end products, and enterprises run and owned by foreign nationals, or jointly by them and locals. Among the non-state enterprises, the TVE is the most important single absorber of rural surplus labor. Rapid expansion of privately owned (co-operative and individual) rural enterprises was also a major factor in the growth of the TVE in the second half of the 1980s (Zweig, 1991). Employment in TVE rose from 35 million in 1980 to 87 million in 1990. In aggregate, non-agricultural employment in the non-state sector more than doubled in the same period, from 60 million to 130 million (Chan, 1994b). This rapid growth has generated millions of jobs for rural labor.

'Contract' and 'temporary' workers in state enterprises

In the reform era of competition, not all state industries would just watch their non-state rivals take advantage of cheap and docile migrant labor; instead, state enterprises have

also been actively engaged in the same game. State construction enterprise hire many peasant laborers, in the form of 'contract workers' and 'temporary workers' to fill strenuous manual and low-skilled jobs shunned by urban labor, as well as to trim indirect social costs of labor in the face of greater fiscal pressures. One report cites that rural laborers hired by state construction enterprises numbered about 420,000 in 1985, or 31% of the permanent work-force in the sector (Ban and Xie, 1986). As new urban labor supplies became more limited in the 1980s due to the success of urban family planning programs beginning in the mid-1960s, less popular trades such as construction, textiles, chemical, and sanitation all ran into great difficulties in recruiting frontline workers from the urban pool. These unfilled vacancies have largely been filled by migrant labor from the countryside. As in other countries, the 'temporary' label was more a legitimizing device used by enterprises to shed costs (namely, welfare benefits) than an indicator of the stability of workers' status: some of the 'temporary' laborers signed contracts for as long as 20 years (Ban and Xie, 1986).

Others

The foregoing explains the 'legal' urban employment channels whereby non-urban residents without proper household registration can earn a living. There are, of course, illegal channels that generate the necessary resources to support an urban living for many other migrants. These would include 'crimes', ranging from prostitution, illicit trading of foreign currencies and state-controlled commodities, producing fake products, to drug trafficking and robbery, as detailed in Huang's (1992) account of China's booming 'hidden economy'. Indeed, Chinese law has never forbidden its citizens to travel within the country, including to cities. The restriction on mobility has been directed against 'migration' (*qianyi*) and not so much against travel. In the past, this was largely done through the administrative controls of urban hiring, of daily supplies such as food grain, allocation of housing, and access to medical and education facilities, with the support of a wide urban neighborhood policing mechanism. Only in unusual times of threateningly excessive flows to cities did the authorities take measures to stop floaters on railroad stations or deny sales of train tickets to someone who could not present a legitimate reason to travel.

Marketization, however, has crippled most of these mechanisms. Many of the necessary ingredients for effecting migration have become available outside the state-controlled channels everywhere, beginning with food grains and foodstuffs, then housing, and even education (private schools). In addition, commercialization has also corrupted some officials and cadres, opening back doors to formal and informal migration. The effectiveness of the neighborhood watch mechanism meanwhile has been significantly eroded as elderly men and women find more gainful alternatives to spending their time. The residence control system has also been weakened by the fact that the police are simply too busy to deal with unreported stays (over three months) and overstays, as more serious, disruptive urban crimes have commanded their attention.

Greater mobility of the population has also made society less transparent and difficult to monitor (Malley, 1988). It has thus not been uncommon in recent years for migrants, who are unemployed or employed in small businesses, not to report or register their stay, even though technically they were breaking the law and could have faced deportation. In an attempt to regulate the flows, some cities stipulated in the late 1980s that temporary residence permits would only be given to those who had obtained a 'work permit' (*laodong xukezheng*), which could only be applied for by urban employers on behalf of prospective employees (Wei Wei Po, 1989a; 1990). These measures are akin in nature and in procedure to those used widely by other countries in dealing with foreign migrant labor. Amidst the surging urban inflows in 1993 and 1994, the Chinese government has declared a temporary ban on all new hiring of peasant labor by urban units beginning in March 1995 (*Renmin ribao*, 1994). The effectiveness of these restraint measures remains to be seen.

Table 4 Formal and informal rural-urban migration

Characteristics	Formal	Informal
Change in household registration	From agricultural/rural to non-agricultural/urban	No change
Entitlement to state-supplied benefits and opportunities	Full	From nil to temporary entitlements
Legal urban resident status	Full status	Illegal or temporary
The socioeconomic sector the migrant moves to	State sector and non-state sector	Mostly to non-state sector also as temporary worker in state enterprises
Mechanism of effecting migration	Transfers determined by bureaucratic decisions within plan limits	'Spontaneous' based on personal contacts and market information
Stability of moves	Relatively stable	Seasonal or semi-permanent
Labor characteristics of principal migrants:		
Skill level	Skilled and low-skilled workers	Mostly unskilled or low-skilled labor
Employment type	Mostly permanent jobs	Temporary or semi-permanent jobs in non-state enterprises; or self-employment
Housing	Same as other urban residents	Low-cost shelters or homeless

Among the peasant migrants, a handful might have been able to succeed and move upward via connections or entrepreneurship, but the great majority remain at the bottom or margins of the urban society. Fundamentally, unlike elsewhere, the disadvantage position of domestic peasant migrants in Chinese cities continues to be a function systematic and direct government policy and institutions. As generalized in Table 4, a major divide in today's Chinese urban social landscape remains closely cut along the line of household registration, which determines urban citizenship status and the eligibility for benefits and opportunities, and subsequently, their socio-economic position. The transients from the countryside are neither 'qualified' for civic, and political rights cities though these may not the most earnestly desired at this point in their struggle for survival.

Without urban *hukou*, peasant migrants are legally shut out of many urban openings, especially in the state sector.⁷ Many of them could only survive through self-employment. While the current version of the Chinese Constitution clearly states the right of all citizens to work, and the Ministry of Labor is charged with the duties of finding jobs for its citizens. In reality, work for peasant migrants has never fallen under the Ministry's jurisdictions, nor any other state agency's. Transient workers from the countryside are very much confined to temporary or unstable, and often arduous or dangerous, jobs.

7 In 1989, a massage saloon in Shenzhen looking for masseuses specified urban *hukou*, among other things such as looks, age and height, as one of the job requirements! (Wei Wei Po, 1989b).

shunned by urban job-seekers without even the minimal protection (Ming Pao, 1991). Their position is similar to that of migrant labor (especially foreign workers) and temporary workers in many other societies (see e.g. Burawoy, 1976; Hackenberg, 1980; Skeldon, 1990; Waldinger and Lapp, 1993; Spark, 1994). The fate of some 80 female migrant workers who were killed in a disastrous blaze in a textile factory in Shenzhen in November 1993 epitomizes some of the most hazardous and unfortunate conditions migrant workers face in today's China (*Far Eastern Economic Review*, 1994). Even those who may get more permanent jobs are likely to have no fringe benefits and little opportunity of advancement. In any event, subsidized, state-provided low-cost urban medical care are not meant for migrants without urban *hukou*, even though they work and live in cities. While in many countries, voluntary or charity organizations often step in to fill some of the gaps of helping indigent migrants, this is still noticeably absent in present urban China (see Chan and Chow, 1992).

In short, migrants without urban *hukou*, no matter how long they have been in the cities, are still referred to by other urbanites as '*naogmin*' (peasants) or '*mingong*' (peasant laborers) and looked down upon most of the time. Perhaps the clearest illustration of the second-class status of peasant migrants in the cities is the difficulty of migrants in marrying across the *hukou* boundary. Most migrants are separated from their families and in the young unmarried cohorts. While marriages between rural and urban householders are permissible under the Chinese law, it is still relatively uncommon in most parts of the country, except perhaps in the deltaic Guangdong (see Johnson, 1995), because the 'qualifications' of the two sides do not match. Wedding a migrant woman without urban *hukou* is considered to be a 'marrying down', and, to the more practically minded, with good reason. Such marriages could mean all kinds of hassles for the future offspring in the city: state-run urban public services, such as day-care centers, schools and clinics, are not open to these migrants' children. This discrimination occurs everywhere from big cities to small towns (see e.g. Zhu, *et al.*, 1991). However, under the recent moves to privatize some urban services, a few migrants' children have now been accepted in urban schools — though only after their parents have paid handsome extra fees, some as high as ten times the normal rate. In many ways, given the current quasi-internal passport system and the fact that many migrants are from a different region, it would not be too much of an exaggeration to say that the problems these domestic 'informal' transients face and the treatment they receive are not very much better than those encountered by illegal 'alien', foreign workers in many other countries.

In sum, a two-class social structure has been emerging in the cities of China: on the one side those for whom jobs, housing, education, subsidized food, and medical care are an entitlement, and on the other, those who must scramble for those goods or even do without, as Solinger (1995) points out. This breakdown is primarily, but not entirely, a matter of urban *hukou* holders versus those with a rural registration. For the latter group, the prospect of moving up, getting accepted and assimilated is meager at best. In fact, the opportunity structure of today for most of these migrants still bears heavily the stamp of social stratification forged over decades by the orthodox communist system. Huge social and economic disparities exist between the peasant migrants and full-status urbanites. The structure is an extension of the peasants/non-peasants' segmentation pre-existing the current era. Socioeconomic dualism is common in many developing societies, reflecting the different paces of technological development in different locales and sectors. In China under Mao, the dualism was also strictly enforced in spatial terms and by a system of almost hereditary classification of households. In the reform era, while the geographical divide has been largely broken down and tens of millions of peasants have been freed from the strictures of the command economy, their old position in the social hierarchy has not been fundamentally altered.

Concluding remarks

The foregoing has described the emergence of a new socioeconomic stratum in Chinese cities in the post-reform era. The appearance of peasants in droves in cities and towns today is, at its roots, a response to the economic and institutional restructuring taking place in the countryside, and the frenzy growth along the coast and in major cities. Long beleaguered by various of Mao's policies, many peasants today have shattered the shackles in search of a better life. Like their counterparts in other societies, a great majority of newly arrived peasant migrants live precariously on the informal economy and stay at the bottom of the urban socioeconomic structure. However, opportunity structures in China are not only determined by wealth, education, skills and connections as is typical of other modern societies, but also by one's household registration status defined by birth and cemented by law. This has greatly aggravated the disadvantaged position of migrants.

The loosening of migration restrictions in the post-Mao era must be considered a remarkable social progress in China since the founding of the People's Republic. It has at least restored some mobility to the peasantry and bring to the country a new way of living independently from the state. It has also certainly fuelled the expectation for a better life for the poorest in China, and migration has the potential to restructure society. In current China the government still does not accept these transients as equals in spite of their indisputable contribution to the Chinese post-Mao economic boom. Though poor and obviously most needy of help, these migrants fall almost totally out of the state welfare net and support system. This has not helped their adjustments to the new urban environment and assimilation into the urban society. Many of these migrant workers are now a crucial part of the urban laborforce, but the uncertainties surrounding their residency status only give rise to opportunities for employers, including the state, to further exploit their powerless 'temporary' position. In many ways, the nature of this form of exploitation is not much different from that of 'temps' and immigrant worker: elsewhere. But it is certainly more blatant and effective in China for there exist many institutional mechanisms of discrimination.

On the other hand, the unclear status has also fostered short-term behaviors among migrants: the lack of sense of belonging to a community and of being an urban citizen is arguably contributing to the less-than-constructive conduct of many migrants in cities including vandalism and more disruptive crimes. If the frantic growth of the Chinese urban economy cannot be assumed to go on in the near future, the social and economic consequences of a massive army of unassimilated migrant workers, many of whom unemployed too, can be disastrous. It is one story to maintain a disparate socioeconomic dualistic structure in two different locales under Mao's repressive regime and closed society; it is quite another to replicate the duality side by side within the city and in an era of opening and in the age of TV information. Solinger (1993) once raised the question of whether the floating population suggests a kind of sprouting of civil society in China. Although the answer is negative, Chinese history has shown that the power of the peasantry can be quite awesome in generating change, once they have left the field. The continuous widening urban-rural income gap in recent years would only make this proposition even stronger (Zhao, 1994).

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