

Urban myth

Kam Wing Chan takes issue with China's rapid urbanisation, and warns that the rigid hukou system that denies millions of rural migrants access to rights and benefits is creating a permanent underclass in cities

In the popular media and the business world, urbanisation is often cited as the fundamental driver of global economic growth, especially for the next few decades. The assumption is that a rural-urban shift will transform poor farmers into industrial and office workers, raising their incomes and creating a massive consumer class. Imagine farmers who once led simple, subsistence lives becoming workers in the city, buying up apartments and furnishing them with appliances.

Not surprisingly, China has been considered the poster child for this linear model of rural-urban shift and accompanying inexorable consumption growth. To the China "boomsayer", even more impressive consumption is yet to come: another 300-400 million rural dwellers will be converted into city folks in the next 15 years. Prepare for China's urban billion, counsels McKinsey & Company. Think about how many millions of new apartments and how many cities like Shanghai will be needed for all these new arrivals; how many more Ikea-like home furnishing stores? The list goes on.

If one simply looks at the number of people relocating, China is indeed undergoing rapid urbanisation. But while its epic rural-urban shift has many of the trappings of what amounts to urbanisation elsewhere in the world, urbanisation in China is a more complicated phenomenon that requires a deeper understanding beyond the superficial, one-dimensional narrative.

Present-day China's urbanism can be quite deceiving as the statistics are often misleading, and city bureaucrats excel at choreographing window-dressing "image projects" and sequestering poverty. Most important of all, behind China's sparkly modern, urban facade there is one crucial foundation of its prosperity that is unique in modern times and continues to be largely ignored by the business literature: China remains an institutionalised two-tier, rural-urban divided society. This is a consequence of Mao-era social engineering that continues to this day. This division not only manifests itself in economic and social terms, as in many developing countries in the throes of urban transition, but is also tightly enforced in clear de jure terms, mainly through a system of hereditary residency rights, the *hukou*.

The *hukou* system has created two classes: on the one hand, an urban class whose members have basic social welfare and full citizenship; on the other, an underclass of peasants with neither of these privileges.

In Mao's era, peasants, forbidden to go into the cities, were confined to tilling the soil to grow food for urban workers. With China's opening up and participation in the global economy, peasants have been allowed to come to the city where they are compelled to take up low-paid factory and service jobs. Many of

these are dirty and dangerous. At the same time, peasants are denied access to urban welfare programmes and opportunities because the great majority of them are not allowed to change their *hukou* from rural to urban.

"Rural migrants" work and live in the city but they are not part of the urban class – not now and not in the future, no matter how many years and how hard they have worked in the city. This group now numbers about 160 million and continues to grow. The fact that they are purposely held down as a massive permanent underclass is precisely what supplies China with a huge, almost inexhaustible pool of

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super-exploitable labour. Little wonder that China is the world's largest – and the most "competitive" – manufacturing powerhouse.

China's rapid urban population growth trend is all too familiar. However, the majority of migrants to the city do not have urban rights. Alarmingly, the gap between the total population living in cities and the number of those who possess urban rights has widened as the country moves forward.

That expanding gap represents the great number of people who are in the city but not of the city. They receive nothing from the "benefits package" assumed to be associated with urbanisation: better housing, better educational opportunities and health care.

With meagre wages and no chance of legally settling in urban areas, they also lack an incentive to invest in a future in the city. They will not spend on major appliances in a place that does not want them. In fact, most migrant workers do not have the purchasing power that would position them even to dream of any decent housing in the city. Most remain crammed into

dormitories or consigned to the Chinese equivalent of slums – the "villages in the city", where they must eke out their living on the urban fringes.

Far from becoming the new consumer class, they form a mammoth underclass whose size will swell further. This in itself is frightening and will have serious implications. For the moment, it must be understood that this class has nothing to do with China's recent housing boom other than by providing muscle power at building sites.

When examining the notion of urbanisation as the path to rapid consumption expansion, it is clear that its relevance to China, under its current configuration of economic and legal inequities, has to be hugely discounted. There are many myths behind the perception and sustainability of China's recent economic rise. Urbanisation remains one of the biggest.

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Sum of life

Kelly Yang shares her experiences of university in America at an early age in an open letter to Hong Kong's youngest graduate



Dear March Boedihardjo, Congratulations on completing your bachelor's and master's degree this month from Baptist University at the age of 13. You are now officially Hong Kong's youngest graduate. As someone who has also skipped several grades and graduated from university and graduate school early, I would like to take this opportunity to tell you what lies ahead. Here's what you should expect as you head off to further studies in the United States.

From now on, and probably for the rest of your life, your age will be the most talked-about thing about you. When people talk about you, they won't say: "Do you know March?" They will say: "Do you know March the kid who entered university at nine years old?" Perhaps this is something you have already experienced. But it's about to get worse. In Hong Kong, educational achievements at a young age are, for the most part, admired and held in great esteem. Here, if you tell someone that you went to college at the age of nine, they'll think you're brilliant; in the US, they'll think you're freaky.

Your age will define who you are, whether you like it or not. For example, it has been years since I've skipped grades and entered university early. I'd like to think that I've accomplished things since graduating. But do you know the one thing people are most interested in hearing about when they meet me? What I did in college when I was 13. I've come to realise that nothing I do will change that. And while the attention is fun and novel at first, after a few years, you will hope and pray that everyone will just forget about your age. And here's how you do it – lie.

When I was in graduate school, I longed to fit in with the rest of my classmates who were five to 10 years older than me. So I lied about my age. The problem was, at Harvard Law School, most class events took place in bars. I was not able to enter those bars since I was only 17. You will not be able to either since you are only 13. Here are some great excuses for not going to bars: I'm claustrophobic, I don't like liquids of any kind, I have a severe peanut allergy and most bars serve peanuts, and I'm poor.

There are times, though, when you cannot lie about your age. For example, when your classmates decide to google you. Or when you want to date someone. I remember once meeting a cute guy. He asked me how old I was. I replied, with a little too much enthusiasm: "I'm almost 19!" I'll never forget his response. He said: "Anyone who still uses the word 'almost' when describing how old they are is too young for me to date." Moments like this made me realise the extent to which one small decision on education can fundamentally and forever change other important aspects of one's life – romantic, social and professional.

This is not to say that it's all bad. Your age will give you opportunities others only dream about. Doors may open for you simply because people are curious about you. They may have all sorts of ridiculous assumptions about you, but at least it's an opened door. Your life may never be normal but that doesn't mean it can't be grand. Good luck.

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No surprise would-be leaders seek Beijing's favour, not ours

Albert Cheng notes how front runners for city's top job backed tough police action

Vice-premier Li Keqiang's (李克強) three-day visit brought billions of dollars of "gifts" to benefit the city's economy, which should have been an occasion to celebrate. Yet, his visit was unfortunately overshadowed by claims of heavy-handed security by police. Politics has again ruined a good thing.

Security arrangements were slammed as excessive to the extent that they had caused immense inconvenience to a cross-section of the community. They also prompted criticism from journalists that the police action violated press freedom and restricted freedom of expression and assembly, which are guaranteed by the Basic Law. The public continued to voice its discontent even after Li had left.

It's rare to see the three front runners for the post of chief executive agree on something. Chief Secretary Henry Tang Ying-yen, former Legislative Council president Rita Fan Hsu Lai-tai and Executive Council convenor Leung Chun-ying all sided with the police in the face of mounting public discontent. Their motive was obvious – to demonstrate their unequivocal loyalty to the central government.

It's clear that no matter what the three have done in the past to try to win over public opinion, when it comes to crunch time, they will serve only one master – the central government. Public support is of course important, but the only kingmaker is Beijing.

It's still too early to expect candidates eyeing the top post to

truly respect public opinion and be held accountable. That day will come, in 2017, when universal suffrage takes effect and the chief executive is directly elected.

By then, hopefully, those jostling for the top position will not need to look up to Beijing so much; candidates will have to do their utmost to win votes.

Tang, Fan and Leung might have inadvertently banded together to support the police action, but their comments were fundamentally different from one another.

Tang's remarks caused the most offence to many people, especially the media; he called criticism of the police restricting freedom of expression during Li's visit "completely rubbish". But, if we look closer at how he came to make that comment, we will see that it wasn't planned, but was, rather, an off-the-cuff remark. It might have sounded the most offensive, but it wasn't premeditated. So, at least we know Tang is not a calculating person.

On the other hand, Fan's comments came across as scripted. She said the tight security surrounding Li's visit was inevitable to guarantee the safety of a VIP and that we had to observe official protocol. She said she didn't think the police prevented protesters from expressing their views to Li and the security measures had nothing to do with trying to please a top mainland official.

The fact that Li didn't see any protests didn't mean freedom of expression was suppressed in Hong Kong, she said. Her comments

might have sounded rather pleasing, but they were definitely "rubbish". To me, it's a classic case of fence-sitting. Hongkongers will no doubt see through her ulterior motive.

Finally, we have Leung, who tried to cool the overheated debate and calm public sentiment by defending the security measures, saying they were not exceptionally tough. He said the police would only step up security according to relevant intelligence information received to ensure the safety of visiting VIPs. However, he said he didn't know whether the police action during Li's visit was in response to intelligence reports, but added that we should trust their professional judgment.

It all sounded as if the police had received warnings of an imminent attack on Li. Leung has so much confidence in the police that maybe he should have defended Police Commissioner Andy Tsang Wai-hung after the tough treatment of reporters and students at the University of Hong Kong in an attempt to silence their protests.

No wonder Hongkongers want full democracy; they know that one of the most useful purposes of entrenching democracy is to allow their voices to be heard.

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China let down by its censors' defensive play

Patrick Mattimore says a freer media will help Beijing project a more confident national image

In June, when I wrote an "expert's take" on the media for the 30th anniversary edition of the *China Daily*, I was proud to consider myself a part of China's global media. Today, not so much.

I still believe, as I wrote then, that "Chinese newspapers are in a position to take the opportunity and be an innovative force on the world stage". However, it's clear that for it to happen, those newspapers need to push the government harder to relax control over what can be reported. News editors should make clear to Communist Party officials that important stories that get buried for politically sensitive reasons will rear their ugly heads and scream loudly when they are subsequently reported in the Western press.

In recent days, access to two stories from the *Washington Post* about China – one on media censorship – have been blocked on the internet in China. The media has also lagged behind in reporting about an ugly brawl that occurred between a US basketball team and a Chinese team during a "goodwill" match in Beijing.

The melee was a lead story in many US newspapers last Friday. China's *Global Times* didn't even mention the event, presumably to avoid embarrassment while US Vice-President Joe Biden was touring China. Xinhua reportedly did not have an immediate account of the game, and government censors were said to have removed stories about the game from Chinese websites.

When a government limits individuals' access to information, it makes the forbidden information more attractive. Psychologist Robert Cialdini calls this the principle of scarcity: people want things that are hard to get.

It's one thing for the government to insist that the Chinese media provide the world with a positive catalogue of the strides that China is making, but there must be a balance.

In America, there is frequent criticism of the right-wing news organisation, Fox News. It claims to present "fair and balanced" news but, outside its cadre of loyal viewers, few believe that is the case. The difference in the US is that the public has alternatives.

In addition to its own coverage, the Chinese media has an additional responsibility to press the government to unblock foreign coverage within China. It's hard to tell how China is doing on a world stage when foreign competition is not allowed to tell its story. Inevitably, that will necessitate frank discussions on censorship. By allowing the media a freer hand to report all the news and even welcoming outside criticism, Chinese officials will be promoting a stronger, more self-confident China to the world.

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Rebels will have to go the extra mile for Libya

Barak Barfi says considerable challenges remain, not least within the National Transitional Council

If the rebels in Libya are to ensure their revolution's long-term success, they will have to overcome the weaknesses that plague them. The rebels have formed a political body known as the National Transitional Council and a cabinet known as the executive committee. Though drawn from across Libyan society and staffed by people with technical skills, the groups have been hamstrung by problems.

Critics have derided the council's lack of transparency. They have also questioned the criteria used to select its members. Libyans say the council's chairman, Mustafa Abdel Jalil, favours dissidents who spent time in Muammar Gaddafi's prisons over those with the skills needed to rebuild the country.

It is not only the council's policies that could imperil the success of the Libyan uprising: Abdel Jalil is a dour figure who lacks the charisma characteristic of revolutionary leaders. Indeed, he has been unable to communicate a compelling vision of a new Libya.

A shortage of politically savvy leaders plagues the rebel-controlled east. Abdel Jalil has said its members would not run for office in future elections. But there has since been very little activity on the political front. Activists were reluctant to begin campaigning while rebels were still fighting. As a result, only two parties have been created in a country that has no experience with pluralist democracy. There are very few

voices consistently advocating the changes needed to secure the transition from an authoritarian to a democratic regime.

The danger of civil bloodshed imperils a post-Gaddafi Libya, too. Already, rebels in the east have exacted revenge on Gaddafi loyalists. With the council unable to impose discipline on its soldiers, such violence is likely to increase.

The council faces a number of economic dilemmas as well. Before the revolution, Libya produced nearly 1.6 million barrels of oil per day, accounting for 96 per cent of the country's export earnings. But, since February, the taps have run dry. In the interim, the council has largely survived on international aid and from the unfreezing of Libyan assets by foreign governments.

But these funds have been unable to fuel the economy of rebel-controlled territories. Libyans complain that they have not been paid their monthly salaries. Nightly power outages have left many in the dark.

The war's costs extend far beyond repairing oil installations and turning on the electricity. Cities will have to be rebuilt.

A post-Gaddafi future holds great promise for a people bereft of freedom for 42 years. But the council, having stumbled so far, will have to redouble its efforts to ensure it wins the peace.

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