

Urban Expansion or Real Urbanization: China's Challenges Ahead

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Chinese cities are expanding at an unprecedented rate. In last two decades, the urban expansion has nearly tripled according to official figures. Beijing, for example, has grown from one ring road to sixth ring road in a span of thirty years. Similarly, Shanghai has 6 city elevated roads including two ring roads, and 18 expressways. Other cities are no different. Important facet of this expansion is the increase in urban population. Statistics show that China's urbanization rate was 47.5 per cent at the end of 2010 and is expected to increase at an average annual rate of 4 per cent to reach 51.5 per cent by the year 2015 as per the 12th Five-Year plan. The debate, however, exists on what is the actual rate of urbanization in China with some scholars arguing it to be around 35 per cent if the agricultural population in cities is not included in the data.

Since 1950s, China has a system of registering the population under two different categories: agricultural population and non-agricultural population. Agricultural population is automatically referred to as the rural population and the non-agricultural population is the urban population; while some exceptions exist. However, the confusion over the actual numbers of urban population emanate: one, from the unclear definitions of migrant populations and floating populations in the city proper and suburban districts); two, from the redefinition of administrative boundaries and amalgamation of townships or counties over the years; three, the non-agricultural population of designated town being included in urban population.

Yet, the larger studies on the total number of urban population points to the rising trend. Mc Kinsey 2009 Report stated, "If the current trend continues, nearly one billion will live in China's cities by 2025." However, the basis of this rising urban population mainly lies in the demographic mobility, rather than the natural urban population growth. Hence, the issue of concern is the increasing number of the migrants in relatively developed cities which the Sixth National Census Data puts at 261 million as of Nov. 1, 2010. According to the latest figures of the Census data, the total Mainland's population has grown to more than 1.3 billion, while the annual average population growth is just 0.57 per cent over the past decade. Yet, the proportion of urban population has increased by 13.46 percentage points since 2000, reaching a total of 665.57 million that is 49.68 per cent of the total population by 2010. Beijing, for example, shows permanent residents of 19.61 million with an annual average population growth of 3.8 per cent over the last ten years. The Census also reveals that the number of residents coming from other parts of China and settling in Beijing has reached to 7.04 million in a decade that is an annual average increase of 10.6 per cent since 2000, meaning there is one outsider among every three Beijing permanent resident.

On the one hand, the increasing numbers of migrants contribute to the economic development; while on the other hand, it places greater pressure on urban infrastructure and amenities. Already the pressure of spending on urban infrastructure is huge for the Chinese government with Mc Kinsey 2010 report pointing to an expenditure of US\$ 116 per capita annually, while other rapidly developing countries with increasing urbanization rates like India only spending US\$ 17. Besides, the density of population in China will be greater in medium to large cities, in more developed regions, in future as the current Chinese National census shows the Pearl River Delta, the Yangtze River delta and the Beijing-Tianjin belt getting denser, thereby worsening uneven population distribution. This may create a situation of “over-urbanization”, wherein urban misery will rise and there would be visible expansion of informal sector. Already in large cities like Beijing or Shanghai one finds rise in the visible numbers of beggars and street peddlers. Scholars here also warn of the radical urbanization due to demographic mobility as this may lead to creation of “urban slums”.

In order to create a balance of urbanization and to reduce the urban-rural gaps, the Chinese government laid greater emphasis on the “three rural issues” over a decade ago. The main idea was to improve the conditions of the rural areas, so that the pull of urban centers declines. However, it seems that the urban-rural gap in social welfare entitlements and the greater opportunities of earning in developed regions are attracting more youngsters than expected. In fact, the informal and unorganized sector has grown manifolds. There are also studies pointing to the rising numbers of urban poor and rise in urban crimes. Hence, the decline in urban and rural balanced development and the lack of equally distributed wealth will pose serious challenges for the future development. There is an urgency to address the decline in social and economic inequalities that can lead to heightened social conflicts and social tensions. To create a more harmonized society, urbanization of rural areas with a stress on improving the living standards is the need of the hour.