Urbanization Challenges in the People’s Republic of China

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Scale of Urbanization

Percentage of Population in Urban Areas:
1950 to 2050

Urban Population Growth – 3 Processes

1. Reclassification of census areas
2. Natural population increase
3. Net migration gain
### Urban Population Growth (1): RECLASSIFICATION

<table>
<thead>
<tr>
<th></th>
<th>1978</th>
<th>2008</th>
<th>Percent Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities</td>
<td>193</td>
<td>655</td>
<td>239.4</td>
</tr>
<tr>
<td>Administrative Towns</td>
<td>2,173</td>
<td>19,234</td>
<td>785.1</td>
</tr>
<tr>
<td>Total</td>
<td>2,366</td>
<td>19,889</td>
<td>740.6</td>
</tr>
</tbody>
</table>

Source: Tie, 2010, 3
Urban Population Growth (2):

**NATURAL INCREASE**

- BUT natural increase lower in urban than rural areas
- Declining fertility and increasing life expectancy – natural DECREASE in some cities

Total Fertility Rate in China, 1950 to 2009

Source: Zhao, 2001; Peng, 2004, 136
Urban Population Growth (2):

Percentage of the Population Aged 0-14, 15-64 and 65+, 1950 to 2050

Population is aging

Age 15-64

Age 65+

Age 0-14


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Percent of the Population Living in Urban Areas and GDP Per Capita, 1970 to 2009

Source: ERS International Macroeconomic Dataset and UN World Urbanization Prospects: The 2009 Revision Population Database
Urban Population Growth (3):
NET MIGRATION GAIN

1. Number of Migrant workers increased from 38.9 m in 1997 to 140m in 2008

2. Increase in urbanization not equal to increase in urban population

3. Dissimilar provincial migration rates

4. Cities vs towns migration
Implications on Economic Development and City Administration

1. Urban areas as engines of growth
2. Urbanization as one of PRC’s strategic objectives
3. Assessing local governments’ performance
4. Tracking PRC urbanization vis-à-vis other countries
5. City hierarchies/jurisdictions
6. Local and fiscal autonomy
7. Residents registration system
Challenges & Policy Choices

1. Rapid urbanization versus moderate growth
2. Selective versus ‘distributed’ urbanization
3. Reclassification based on economic importance versus traditional administration
4. Large versus small and medium cities
5. Migrants asked to stay versus circular migration
Further Challenges

1. Shift from manufacturing to service industries

2. Converting farmland to construction land

3. Inadequate urban environmental infrastructure
Further Challenges

1. Urbanization disparities between regions
2. Unequal capacity to absorb migrants
3. Hierarchical structure constraints
4. Migrants registration
ADB support to policy choices

Provide government support to

1. Projected pace and spatial distribution of urbanization

1. Emerging urban structural pattern of the city system nationwide

1. Policy and institutional reforms; other interventions needed for sustainable urbanization
ADB Priorities

1. Basic infrastructure for central and western regions, small cities and towns

2. Policy options for social safety nets and migrant workers

3. Technical training and employment services for urban and rural areas
Partnerships and Knowledge

1. Knowledge creation and sharing on sustainable urban development

2. Urban good practices dissemination

3. Establish an Urban Knowledge Hub with Tongji University
Thank you!