



Changing migration patterns

## Welcome home

CHONGQING AND JINTANG

After three decades of migrating to the coast, the inland population is increasingly working closer to its roots

“RETURN to your hometown to work and care for your family”, reads a red banner strung over the main street of Fuxing, a hillside town in the heart of China. Until recently, farmers in surrounding villages dreamt only of getting away from their pumpkin patches and earning good wages in factories on the coast more than 1,000km (625 miles) away. Officials were happy to berid of them. Now they are desperate to get them to stay.

Jintang county, to which Fuxing belongs, once enjoyed the dubious honour of being the biggest labour-exporting county in Sichuan province. Poor, deep inland and badly connected with overseas markets, Sichuan had little choice but to encourage its huge, underemployed rural population to find work elsewhere. Officials from counties like Jintang used to tout the merits of their surplus labour—and trading on the stereotype of the tough and determined Sichuanese.

In the 1980s and 1990s the number of people from Jintang who were working elsewhere grew from almost nothing to 180,000 (out of a population of 900,000). More than a third of them went to factories in Guangdong province (see map on next page), the first area in China to cash in on the country's export boom. China's migrant workers like to stick close to others from their hometown, and many of Jin-

tang's workers ended up in a single district of Dongguan, a centre of labour-intensive production in Guangdong, making everything from electronics to clothing. A street in Dongguan became known as Little Jintang. Chinese media say the Communist Party chief of Jintang used to visit local factories to persuade them to hire his county's migrants. Six years ago Jintang set up an office in Dongguan for this purpose.

### The lure of home

A big change is now coming. Jintang is administered by Sichuan's capital, Chengdu, which like other inland cities is beginning to boom, thanks to a flood of government investment in recent years and the transfer of some manufacturing away from the coast in search of cheaper land and labour. In Fuxing walls and lampposts are plastered with job advertisements, not for work in distant coastal factories but for positions in and around Chengdu. Some of them offer jobs with Foxconn, a huge Taiwanese firm which makes Apple's iPads and other computer products at a plant near the city (for pay of more than 2,000 yuan—\$320—a month, says one pink poster). Foxconn's largest factory is in Guangdong, but it opened a huge, modern operation in Chengdu in October 2010, and has talked of expanding to an astonishing 500,000 staff within five years. Chengdu officials have been scrambling to make

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sure that as many jobs as possible go to locals (who appear undeterred by a number of unexplained suicides at Foxconn's huge plants in China).

By a roadside in Fuxing, a few dozen young men and women from the surrounding countryside wait with piles of baggage for a bus to take them to Chengdu (though technically in Chengdu, Fuxing is two to three hours' drive away from the city proper, much of it along a winding country road). It is just after the lunar new year holiday, a time when migrant labourers have for more than two decades returned to the coast after spending the festival in their home villages. But for many of those at the bus-stop, Chengdu is their final destination. They crowd around your correspondent, regaling him with stories of how wages in Chengdu are now not much lower than on the coast, and how jobs nearby are getting easier to find.

In a change with implications that resound beyond this small, remote corner of China, such stories mark the beginning of the end of a phase in China's development: one that was marked by lengthy journeys and often miserable lives in far-away, Dickensian factories. Isolated Fuxing will soon be just a few kilometres from an expressway. Villagers are excited about the new road, not only because it will make travel to Chengdu much easier, but because it will bring business and job opportunities closer. Workers in Fuxing are putting the finishing touches to a large new open market and shopping complex.

Officials across the county have been busying themselves with what until three or four years ago would have been an unthinkable task: persuading migrants to stay in Jintang after the new-year festivities rather than go back to the coast. They hold meetings with migrant-worker representa- ▶

tives and offer tax breaks and help secure loans for those wanting to start up businesses. A government-owned newspaper in Chongqing, a region neighbouring Sichuan, even published a photograph of policemen carrying the bags of migrants returning to spend the new-year holiday there. In a country where officials (and long-established city-dwellers) often view migrant workers with disdain, the signal was clear: welcome home. A stretch limousine was provided by a Chongqing boss as a free shuttle service for the workers (see picture on previous page).

Officials say that in 2011, for the first time, the number of local labourers migrating from one part of Chongqing region to another exceeded the number leaving for other provinces. Just a few years ago, 70% were going elsewhere. Xinhua, a state-run news agency, reported that since 2008, four-fifths of people leaving their homes for the first time in Henan, another big exporter of labour, had been migrating within Henan. Before then, it said, the same proportion had left for other provinces. In Sichuan the trend has been similar. In 2008, 58% of its 20m migrants were working outside the province. Last year the ratio dropped to 52%. A labour official in Chengdu says enthusiasm for staying close to home has been especially marked this year. One factor, he says, has been the difficulty that Europe's downturn has caused coastal factories producing export goods. (By no means all of the new jobs being created inland are in the export sector, the traditional employer of migrant labour.)

Migration over huge distances will remain a striking feature of China's labour market for years to come. Employment along the coast suffered huge disruption late in 2008 as a result of the global financial crisis, with millions of migrants losing their jobs. But it quickly recovered as exports revived and stimulus measures helped spur growth. Now coastal factories are back to hand-wringing about a shortage of labour, notwithstanding the dark shadow cast by Europe's misfortunes.

But recent changes in migration patterns, though they are only just beginning, may be more than temporary distortions caused by troubled Western markets. They reflect China's evolving economy and its ageing population. Even deep in the interior, the days of an abundant and apparently endless supply of cheap, young labour are over. The number of 15- to 29-year-olds peaked last year, according to UN estimates, and the working-age population as a whole will begin to decline in a few years. More than 90% of people under 30 from rural areas are already engaged in non-agricultural work, according to a report last year by the Development Research Centre, a government think-tank. So pressed are some businesses in Chongqing and Sichuan for semi-skilled

### The impact of Chinese migration

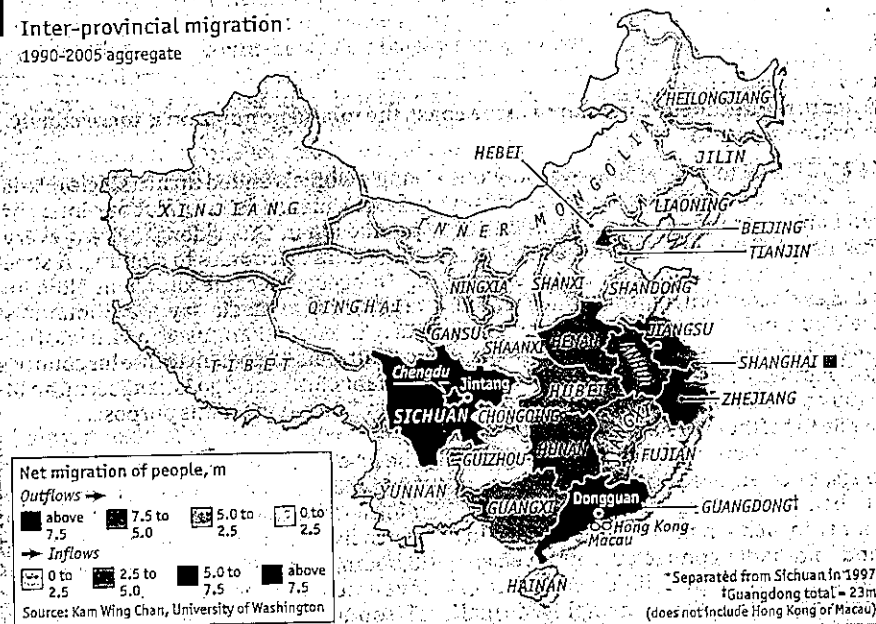
## We like to move it move it

Few forces have influenced the modern world economy as much as Chinese migration

**I**F YOU purchased one of the 1.8 billion mobile phones shipped around the world last year, there is a 50% chance it was put together in the Chinese province of Guangdong. There is also a good chance it was not assembled by a native Guangdonger, but by one of the millions of migrants who have left their homes and travelled to the coast to find work. Grinding poverty has long been a cause of migration and was the impetus again after the death of Mao Zedong in 1976. The story of migration since then is the story of modern China, as migrant workers have transformed China's economy. Kam Wing Chan of the University of Washington has compiled statistics which show that from 1990 to 2005—the most recent period for which reliable statistics are available—there was an

overall gross migration across provinces of about 80m migrants (see map). An increasing number also migrate within their own province. All told, some 230m Chinese spend most of the year away from their home town or village. This is almost a third of all people globally estimated by the UN to be migrating within the borders of their own country. Most migrants move in search of work. The number of rural Chinese working away from home is now almost 160m, or 12% of the country's population. The Chinese government's population-planning commission forecasts another 100m rural residents could move to cities by 2020. As migration patterns change, though (see previous story), expect to see rapid social and economic change across inland China.

Inter-provincial migration:  
1990-2005 aggregate



Videographic: Watch an account of Chinese migration at [Economist.com/chinmig12](http://Economist.com/chinmig12)

labour that officials this year helped companies from the two regions to visit other provinces in search of workers.

The shift in migration patterns may also reflect a rebalancing of China's economy. Domestic demand has made a bigger contribution to China's growth in recent years, driven by heavy investment in infrastructure and property. To serve this expanding internal market, firms do not need to nestle close to a port. The result is a fast-narrowing wage gap between the coast and the interior. In 2004 coastal wages for migrant la-

bourers were 15% higher than inland, according to a survey by the National Bureau of Statistics. Now, many workers in Sichuan say that taking into account transport costs and higher living expenses on the coast, less well-paid jobs closer to home are beginning to look much more competitive.

Experiments are under way in Chengdu and its environs, as well as in Chongqing, aimed at making it easier for migrants in urban areas to enjoy the same welfare benefits as registered city-dwell-

ers. Lack of access to such benefits, particularly to urban schools, subsidised housing and health care, is a big problem for migrants. Many leave their children behind in their villages to be looked after (often not very attentively) by grandparents or other relatives.

Between August 2010 and December last year, Chongqing awarded full urban-welfare rights to 3m migrants from its rural hinterland who had lived for a certain period in urban areas. Chengdu plans to eliminate welfare-related barriers to migration within the city boundary by the end of this year. This will mean that Fuxing's farmers will be able to migrate to the city proper and enjoy the same benefits as were once

enjoyed only by holders of urban *hukou*, or household-registration papers. The farmers will also be allowed to keep their land-use rights in the countryside. The reforms impose a big financial burden on local governments, but for the moment Chongqing and Chengdu—buoyed by a surge of government-led investment—are enjoying the kind of boom that was once confined largely to the coast. Chengdu boasted 15.2% growth in 2011, while Chongqing says its GDP grew 16.4%, faster than almost every other provincial area. The shift will create new problems even as it solves others, but it heralds a change of huge consequence for China's hitherto unbalanced development. ■

Sporting heroes

## Adopted son

BEIJING

Jeremy Lin's basketballing fame crosses the Pacific Ocean

CHINESE sports fans had been looking for a new hero to call their own. Their top football league was upended in the past two years by a vast match-fixing scandal (39 players, referees, owners and officials were recently sentenced to jail for their part in it). Chinese basketball had seen no heir to Yao Ming as international standard-bearer. Then along came Jeremy Lin, a Taiwanese-American phenomenon who has been the story of the season in the National Basketball Association (NBA). American basketball is hugely popular in China, as are successful foreigners of Chinese origin. Mr Lin ticked both boxes, as he set about amassing an awful lot of points on the court: On February 20th Chinese time, Mr Lin's team, the New York Knicks, played a game against reigning NBA champions, the Dallas Mavericks. The game appeared to pitch two very different players against each other: Mr Lin against the on-cue-hyped, Chinese-born-and-trained Yi Jianlian of the Mavericks. Mr Yi, it had been hoped, would succeed Mr Yao as a Chinese star in the NBA.

Mr Lin's popularity in China exposes a number of curiosities about the country's attitude to sport. Most obvious is that he is an American who is proud of his family's roots in Taiwan, an island that China claims—and a fact that complicates China's efforts to claim Mr Lin (and they have tried). But there are three other reasons Mr Lin's stardom could fluster the authorities. First, he is openly Christian, and the Communist Party is wary of the deeply religious. Second, he is not a big centre or forward, the varieties which are the chief mainland Chinese export to the NBA, in-



Lin's the man

cluding the Mavericks' Mr Yi (who stands at 7ft, or 2.13m tall). And third, in a sporting sense he emerged from relative obscurity, having been educated not in a hothouse American sports college but at Harvard, a prestigious but somewhat less sporty American university.

Mr Lin is everything that China's state sports system seems unable to produce. As a young boy, he might even have been denied entry into China's sports machine because of his modest height (he now stands at 6ft 3ins). One look at his parents, each of unremarkable stature, might have made evaluators sceptical. The Chinese machine excels at identifying and churning out physical specimens, rather than point guards (Mr Lin's position), who must be quick-witted, tactical maestros.

Indeed, Mr Lin's parents might never have allowed him anywhere near the system. To put a child (usually an only child) into the Chinese sports system is to surrender his upbringing and education to a bureaucracy that demands sporting success at any cost. If a child were to be injured or fail to make the grade as an athlete, he would for nothing have been separated from his parents for lengthy stretches—and given up his chance at an all-round education, to boot. Although poorer parents from rural areas may welcome the chance for their child to attend a sports school, with the chance of upward mobility, most middle-class Chinese parents prefer to see their children focus on schooling and exams. So China almost certainly has its own Jeremy Lin, but there is no path for him to follow.

China Central Television (CCTV), the national monopoly that usually broadcasts NBA games, has not joined in the "Linsanity", as American commentators have called the fever surrounding Mr Lin. CCTV told NetEase, a Chinese internet portal, that most Knicks games could not be shown owing to the time difference. But if the timing allows, it said, the games "will definitely be broadcast preferentially." It remains to be seen if that will happen.

Fortunately for Chinese sports fans, the internet provides a ready-made alternative to the state television system. Most of Mr Lin's games are being made available by live stream on the portal Sina.com. The game against Mr Yi's Mavericks was an exception, a mysterious black hole on Sina.com's NBA schedule. Frustrated Chinese fans had to go looking for dodgier streams elsewhere online. What they found was a closely fought game between the two teams, with Mr Lin again starring and leading the Knicks to victory 104-97. More poignantly, they saw their countryman, Mr Yi, remaining on the bench for the entire game, reduced to the role of spectator. As a glimpse of the Chinese sports system versus American soft power, it was perhaps deemed not fit for viewing. ■