

URBAN VILLAGES IN CHINA

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Executive Summary

1. China had undergone tremendous urban transformations in the reform era. The country's urbanization rate increased from 17.95% in 1978 to 46.59% in 2009.
2. Urban spatial expansion frequently by-passes rural residential land to reduce financial cost of the urban governments. This gives rise to China's urban villages. The phenomenon is more common in economically prosperous regions.
3. China's urban villages are hybrid communities in which indigenous villagers are no longer engaged in agricultural production while their residential land, grass-roots organizations and ways of life remain rural.
4. In prosperous regions, urban villages are usually over-built by villagers to maximize rental income in the absence of planning control.
5. Urban villages suffer from problems such as over-crowding, poor infrastructure, illegal economic activities, high unemployment rate among indigenous villagers, social conflicts, and spatial segregation.
6. On the other hand, urban villages also help enhance housing affordability, boost economic competitiveness, add vitality to urban life, increase central-city diversity, and serve the social needs of land-losing indigenous villagers.
7. Urban village renewal and redevelopment programs (UVRR) are for correcting the perceived problems.
8. UVRR programs have so far over-focus on physical transformation and nominal organizational restructuring while neglecting the "soft" aspects, such as vocational training for villagers or public financing.

9. Whether and to what extent illegally constructed spaces should be compensated is a very tricky issue. The benefits tied to the village membership add another obstacle to helping urban villagers acquire a truly “urban” identity through the UVRP programs.
10. Urban village tenants, mostly migrants, are likely to lose the low-cost housing in the cities as a result of the UVRP programs. Without alternative social housing programs in place, large-scale renewal of urban villages will create more problems than it solves.