

**CHINA'S RURAL-URBAN MIGRATION (I):
ECONOMIC AND SOCIAL IMPACTS**

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Executive Summary

1. Chinese official statistics show that China's nominal urbanisation ratio, measured by the share of urban residence, reached 52.6% in 2012, signalling a new phase in Chinese urban age.
2. In the last three decades, the flow of youthful labour from the countryside and agricultural sector to the city and modern sectors has been responsible for sustaining the double-digit expansion of the modern sectors.
3. The convergence in economic growth between inland and coastal China has gained prominence for intra-provincial migration.
4. This rapid urbanisation during the past 30 years however has proceeded at the cost of a decline of traditional rural communities due to a continual drain of strong masculine labour.
5. The rural-urban migration has given rise to serious social problems in the rural countryside, among which the three more salient ones are the "left-behinds": women, the elderly and children.
6. These social problems caused by rural-urban migration are also closely related to inter-provincial migration, which usually causes prolonged separation between migrant workers and their families.
7. Surveys of metropolitan and rural areas around Shanghai show that the region has benefited from inter-provincial rural-metropolitan migration even though rural residents also suffer from social problems created by rural-urban migration.
8. To mitigate the social costs of labour migration, the Chinese government may need to equalise the development gaps between urban and rural areas as well as between coastal and inland regions.