

# FOREIGN EXPERIENCE

DOI: 10.15838/esc/2015.4.40.11

UDC332.1(510), LBC65.049(5Kit)

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## Research on the Sustainable Development of China's Urbanization



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Industrialization and urbanization are two main directions of China's modernization since the reform and opening up for more than 30 years; however, China's performance in these two main directions are quite different. The industrialization has promoted the increase of GDP which surpassed Japan in 2010, making China the world's second largest economy; in 2013, the GDP in the Chinese mainland was RMB 56.8845 trillion Yuan, not far from "ten trillion U.S. dollars"; on the contrary, although the urbanization of the Chinese mainland has improved to some extent, unable to match with the degree of industrialization and far behind that of the developed capitalist countries. From 1978 to 2013, the permanent resident population in cities and towns in the Chinese mainland had increased from 170 million people to 730 million people, with the urbanization rate of permanent resident population increased from 17.9% to 53.7%, an average increase of 1.02 percentage points. The

metropolitan areas of Beijing-Tianjin-Hebei Region, the Yangtze River Delta and the Pearl River Delta have 18 percent of population gathered in only 2.8 percent of national territorial areas, creating 36 percent of gross domestic product, so such metropolitan areas have been the main platforms driving the rapid economic growth of China and allowing enterprises to participate in international economic cooperation and competition. It's safe to say, focusing on the development of urbanization is the main task for China to achieve basic modernization in 2050.

In the future, the development of Chinese urbanization will face enormous challenges of population, resources and environment, so only the sustainable development will be feasible.

**First, population pressure.** In 2013, the urbanization rate of permanent resident population was only 53.73% in the Chinese mainland, and the urbanization rate of registered

population was only 35%, with a gap of 18%, indicating that more than 200 million migrant workers were unable to enjoy the urban basic public services, such as income, employment, housing, social security, children's education and so on, let alone family tragedies and psychological barriers, such as marital separation, stay-at-home children, stay-at-home elderly, sexual desire and so on. By 2050, there will be 1.6 billion people in the Chinese mainland with 70% urbanization rate, and 1.1 billion urban population in cities, which will exceed the sum of all urban population in developed countries. Are they able to live and work in peace and contentment?

**Second, resource pressure.** At present, among 118 resource-based cities in China, 44 cities are resource-exhausted. China's basic national condition is a large population with relatively a little (arable) land. With the progress of urbanization, more than 40 thousand hectares of arable land will be disappeared annually on average, increasingly approaching the red line of arable land of 120 million hectares. During 2000–2011, the urban built-up area increased by 76.4%, much higher than the urban population growth rate of 50.5%; the rural depopulation decreased by 133 million people, but the land for rural residential area increased by more than 2 million hectares. We can say that in the past 30 years, the urbanization development model with relatively extensive use of land has been a threat to food security. China is a country with serious water shortage, among 660 cities across China, more than 400 cities have suffered from water shortage to different extents, and 136 cities among these cities face to severe water shortages. Meanwhile, the groundwater of 50% cities has been subjected to the pollution to different degrees; the water crisis has emerged in some cities. The

shortage of healthy drinking water directly affects the public's health, and the excessive extraction of groundwater is likely to lead to the irreversible desertification of arable land and other disasters.

**Finally, environment pressure.** The World Health Organization released the latest urban air quality database on May 7, 2014, among 112 Chinese cities listed in the database, Lanzhou, Urumqi, Xi'an, Xining, and Beijing have the most serious degree of contamination, Beijing's PM 2.5 index is 56, ranked No. 77 in the world. WHO pointed out that the levels of air pollution in about half of the urban living areas are at least more than 2.5 times the level prescribed by the WHO, only 12% of the urban living areas are in line with the WHO standards. From the database, many cities are suffering from deteriorating air quality with the reasons of reliance on fossil energy, more vehicles, low energy efficiency of urban buildings and excessive use of bio-energy for heating and cooking.

With the development of urbanization and the expansion of cities, the chemical companies around many cities have encircled cities, and such chemical companies have brought tremendous risks to the urban safety. Furthermore, the garbage problem has been the urban environment problem with much concern in recent years, the national and local governments have issued corresponding policies in recent years with a wish to raise the ratio of waste sorting; however, there are still many problems.

The sustainable development of urbanization in China has to follow the law of development of urbanization, that is, people-oriented, driven by institutional innovation, and realizing intensive development, low carbon development and intellectual development.

### **I. Following the law of development of urbanization**

The urbanization is a natural historical process, a process of economic development that is bound to be encountered by China's social development; therefore, the urbanization has to follow the law, make the best use of the circumstances and keep the urbanization be a natural process.

Urbanization is the process of transfer of population from rural areas to urban areas, so it is necessary to promote the integration of urban and rural development, to narrow the gap between urban and rural areas, to realize the equal participation of the majority of farmers in the process of modernization, and to share the results of modernization. Furthermore, it is necessary to arrange the layout of urban and rural productive forces, promote modern agricultural development, and lead more urban funds, technologies, human resources, management, information and other factors of production to the countryside to support rural development. It is necessary to arrange the construction of urban and rural infrastructure, accelerate the infrastructure construction in rural areas, and strengthen the integration between urban infrastructure and rural infrastructure. It is necessary to arrange the urban and rural ecological environment construction and protection, and vigorously carry out comprehensive rural environment control to build beautiful countries. It is necessary to arrange the urban and rural public service supply, accelerate the extension of public goods to rural areas, and achieve the equalization of basic public services.

Advancing urbanization is huge and complex system engineering, requiring scientific planning, careful operation, strengthened co-ordination and orderly development. The main functional area

planning of China has arranged the overall layout of urbanization, proposing the strategic pattern of Two Horizontal and Three Vertical Urbanization Plan. In China, three metropolitan areas of Beijing-Tianjin-Hebei Region, the Yangtze River Delta and the Pearl River Delta has been formed, and then the Chinese government plans to gradually develop a number of metropolitan areas in the qualified Midwest and Northeast regions, so as to form the important growth pole driving the development of Midwest and Northeast regions, and to achieve the balanced development of space of national lands.

### **II. Being people-oriented**

The people is the key to advance the sustainable development of urbanization. Based on the development requirements of China's urbanization, the main task is to resolve the settlement of rural population transferred to towns and cities, and to improve the quality and ability of migrant workers into towns and cities.

Industrial development is the source and power of urban development and industrial agglomeration is the premise and basis of population agglomeration, so it needs to define the positioning of urban industrial functions, reasonably determine the keys to industrial development, optimize the industrial layout and develop the urban industrial systems with unique characteristics. Furthermore, it needs to strengthen the professional coordination and distribution between cities, enhance the abilities of small and medium urban industries to undertake tasks, in particular to increase the ratio of the service industry and to improve the innovation capability of cities.

Moreover, it needs to focus on improving the quality and ability of migrant workers into cities and towns, to give the equal opportunity to migrant workers for promotion in the soci-

ety; it also needs to strengthen the vocational training efforts, to increase financial input, to integrate the vocational education and skill training resources of relevant departments, and to implement the plans of enhancing the professional skills of migrant workers; it also needs to establish and improve the human resource market monitoring system, scientifically and orderly lead to migrant workers to select the occupational direction according to the demands of industrial development and changes in labor market, and provide basic vocational skills training for migrant workers free of charge; it also needs to perfect the rights protection mechanisms for migrant workers, safeguard the legitimate rights and interests of migrant workers, increase the social participation of migrant workers, and encourage and guide migrant workers to participate in party organizations, trade unions and community organizations to take part in community activities, community building and management, and cultivate the public awareness of the migrant workers, lead them to work and live with dignity and prospects.

Promoting the farmers' transformation into urban inhabitants has to adhere to the principles of free willing, defined classification and reasonable arrangement, fully respecting the wishes of farmers, developing the specific measures according to local conditions, giving priority to the stocks and orderly guiding the volume increase. The fact is that the migrant workers care only about the education of children rather than changing their registered permanent residences, the reasons are that: the first, the migrant workers in cities haven't permanent jobs; and the other, the rural census register is attached to the land contract right, the right to the use of cartilage, a variety of agricultural subsidies, relatively loose fertility policy, so the rural census register is relatively

valuable. This mentality of farmers indicate that the wish of attracting farmers to change domiciles and settling down in cities by the reform of the household registration system and by lowering the threshold into cities is the one-sided wish, the small cities or towns with great expectations are less attractive. The most popular citizenization form with the highest public consensus of reform is to allow the migrant workers holding their rural census registers and issue the residence permits to migrant workers for enjoying the basic public services of cities or towns. The reform of the census register system will focus on social justice, remove various interests attached to the census register, restore the population registration function of the census register and gradually create a fair environment allowing free migration of residents.

### III. Driven by institutional innovation

Urbanization is the natural development process based on economic development but also a complex process of social development; therefore, we must emancipate the mind and deepen the reform. At present, there are a number of reforms closely related to the advancing of new urbanization available, requiring careful research for stable advancing: the first is the reform of rural land management system, its key is to well implement the rural land ownership identification, registration and certification, reform and improve the rural homestead system, and to allow the rural collective land for construction to enter the market with the state-owned land coequally with the same rights and the same prices under the premise of consistent with the planning and use control; the second is the reform of land expropriation system, its key is to narrow the scope of land acquisition, standardize the land acquisition procedure and protect the interests of farmers whose

lands are acquired; the third is to improve the fiscal transfer payment system, specifically, establishing the link between the fiscal transfer payment and the citizenization; the fourth is to deepen the reform of the administration to further streamline and delegate real powers to lower levels. The development zones and high-tech zones playing an important role in the urbanization process are not government agencies, how to better play their roles and how to give them authorities corresponding their responsibilities are to be resolved by reforming and innovative thoughts and approaches.

Advancing sustainable urbanization not only is the construction of cities, but also should continuously improve urban governance, build the spirit of cities, improve urban civilization, and show good images of cities. Urban governance has to achieve five changes: **Governance object**, changing from the simple management of urban economic growth and spatial scale expansion to the management of the coordinated development of economy, society, culture and ecological environment in cities and to the unity between the pursuit of maximum urban welfares and the sustainable development; **Governance body**, changing from the centralized administrative management to the diversified social governance of government, enterprise and society; **Governance concept**, changing from the concept of focusing on construction rather than management to the concept of laying equal stress on construction and management, deepening the reform of urban management system, with public services oriented, transforming the functions of urban governments, cultivating a group of experts as urban management cadres, constructing and managing the cities with scientific attitudes, advanced concepts and expertise, and increasing the comprehensive

operational benefits of cities; **Governance approach**, promoting the public participation, and achieving the transformation from inefficient and extensive management to scientific, efficient and refined management and the transformation from domestic and inconsistent management to sustained and normal management; **performance objective of governance**, promoting the transformation from object-oriented performance goal to people-oriented performance goal, enhancing the fairness, inclusiveness and degree of civilization of cities, and improving their sense of belonging and happiness of the people.

Urbanization development requires a lot of capitals, the cost of citizenization per person is about RMB 100,000 Yuan, requiring more than 20 trillion Yuan for resolving the citizenization of only migrant workers; therefore, it is necessary to establish the cost-sharing mechanism composed of governments, enterprises and individuals, and properly connect the citizenization of rural migrant workers with the reform of rural property right system. The citizenization of rural migrant workers should not be based on the precondition that the rights of their original rural assets be abandoned, on the contrary, should be based on the rights identified, the approaches must be developed to help the farmers convert their various resources dominated and possessed in rural areas into assets voluntarily through market-based instruments, in this way, the rural migrant workers will move to cities with assets, breaking down the cost threshold of citizenization.

#### **IV. Realizing intensive development, low-carbon development and intellectual development**

Such a development requires increasing the utilization efficiency of urban construction

lands, so it needs to strictly control the increments, revitalize the stock, optimize the structure, improve the efficiency, and effectively improve the intensification of urban construction lands by following the idea of strictly observing the bottom line, adjusting the structure and deepening the reform. The development must be limited within the arable land red line, where in the red line refers to not only the quantity, but also the quality.

Such development must be based on local conditions and scientific layout to effectively improve the level of intensification of land use; first, it needs to establish the space control system of land use, strictly define the urban development boundaries, and resolutely control the unlimited expansion of cities; second, it needs to strengthen the economic and intensive use of industrial lands, increase the unit GDP productivity of land for construction, and decrease the land for fixed assets. Third, it needs to study and promote the mode and technology of land saving and intensify the land development of urban built-up area. Fourth, it needs to achieve the rational development and utilization of underground spaces of cities and develop the special development and utilization planning of such underground spaces. Fifth, it needs to reinforce the renovation of shanty towns and urban villages, and strive to achieve the targets of improving the living conditions of the masses, improving the appearance or environment and strengthening the rational use of lands.

In addition, it needs to focus on urban ecological environment protection, strictly define the basic ecological control lines and urban development boundaries. It needs to integrate cities with the nature to create the environment that residents could see mountains and rivers and be free from nostalgia, to achieve the intensive and efficient production space, livable and moderate living space, and beautiful ecological space, and to form the rational structure composed of production space, living space and ecological space.

Smart city is the new ideas and new models of intelligent urban planning, construction, management and service by using Internet of Things, cloud computing, big data, geospatial information integration and other next-generation IT. The construction of a smart city is important to accelerate the integration of industrialization, informatization, urbanization and agricultural modernization, and to improve the sustainable development of cities. In addition, it needs to play a decisive role of the market in allocation of resources, strengthen and improve the government's guidance, co-ordinate materials, information and intellectual resources, and strive to provide convenient public services, refined urban management, livable environment, intelligent infrastructure, effective and long-lasting network security, effectively improving the overall carrying capacity of cities and happy feelings of residents, and promoting the overall upgrade of quality and level of the development of urbanization.

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