

Kwansei Gakuin University  
 Social Sciences Review  
 Vol. 18, 2013  
 Nishinomiya, Japan

## Urban Contradictions in Socialist China's Economic Miracle: Enigma of Socio-Economic Dualism in Hyper-Modernization\*\*

On-Kwok LAI\*

### 1. Hyper-Modernizing China's Urban Syndrome

Juxtaposing a socialist state-commanded yet market-driven (somewhat successful) economic development, socialist China's mega-urbanization project makes millions of people escaped from absolute poverty (of less than 1 US\$ per day) and urban dwellers are becoming richer but having more housing problems since economic liberalization in early 1980s. Over 9% of annual GDP growth since 1980s in the People's Republic of China (PRC) is a multiple economic miracle: historical both in Chinese and global history; the hyper-modernization processes result in over 50% of its population are now (2012) residing in cities—mostly by migrant-workers drawn from rural areas (Bowring 2013; NBSC, 2011). Yet, there are enigmatic consequences of socialist China's hyper-modernization, this paper examines structural conditions (and contradictions) of low income housing development in (post-)socialist China's rapid urbanization, as the socialist state's (inertia) neoliberal economic initiatives to foster development.

---

\* Professor, School of Policy Studies, Kwansei Gakuin University.

\*\**Acknowledgement:*

This paper is derived from an ongoing project on *Sustainable Society in Comparative Perspectives*, with generous supports from Kwansei Gakuin University's Special Research Leave Fund (2013–14), Individual Research Fund and School of Policy Studies Research Fund, Honorary Professorship, Dept. Social Work & Social Administration at The University of Hong Kong, and Visiting Professorship at United Nations University—Institute of Advanced Studies. An extended version of this will be appeared on in B.Aldrich & R. Sandhu (2014). *Urban Slums in Comparative Perspective*. New Delhi: Sage. Many colleagues provide views and supports during this study. The normal disclaimer applies. Comments are welcome: oklai@kwansei.ac.jp

## 1.1 Economic Miracle-driven Urban Contradictions in Socialist State's Developmentalism

China's economic growth with over 9% for several decades since its Open Door Policy in late 1970s, received much attentions and coined as miracle by neoliberal economic agencies like IMF and the World Bank as the world model for liberal economic development. More recently, it is the world's second-largest economy: despite its recent slowing economic growth, down from 9.2% (in 2011) and 10.4% (in 2010), China's economy still expanded impressively by 8.2% in 2012, vis-à-vis the developed (like OECD) countries.

In (post-)socialist China, the mode of (semi-)planned urbanization is the consequence, as well as the representation, of political struggles over socialist ideologies on pro-capitalist development: urbanization and segregations are intertwined with the state's urban governance in pre-1970s era, but more or less as structurally anchoring on the emerging market forces in the last thirty years: the influence of the Chinese Communist Part (CCP) ideologies on national (pro-growth economic) developmentalism (to secure the legitimacy of itself) and the political struggles within the CCP, and perhaps more importantly, the national economic problems encountered and the pragmatic policy responses in different periods along the path for semi-integration with global capitalist economy (Lai 1998, 2001, 2007). The CCP's pragmatism and expediency are evolving with their strategies as the timely *modus operandi*.

Rapid urbanization mirrors the liberalization of the economy since 1978. The relaxation, and the subsequent demise, of the household registration (*hukou*) system was a direct result of rationalization of labour force in rural areas' modernization which produced increasing number of redundant peasants—the push factor of rural-to-urban migration; coupled with the incapability of the rural economy to provide incentive for people to staying in the rural areas.

The surge of housing demand from those rural-to-urban migrants became a major problem for urban municipalities and local governments which had almost no funding to cope with this sort of newly developed and differentiated demand, as most of the housing stocks were within the control of production sectors: work-units (*danwei*). Under these constraints, paralleling to the commodification (commodity housing: *shangpinfang*; commercialization) of public housing by work-units (*danwei*), it is not surprising that, having no housing stock, urban municipalities had difficulty assuming a significant role in the housing reform through the initiatives for alternative (commodity) housing. Furthermore, the urban crisis was also exacerbated by the underdevelopment of infrastructure in urban areas, or the bottleneck problem. This was coupled with the inertia against the SOEs reform and the monopolistic power of local authorities in (under) pricing the land and property

market. Since 2004, the *hukou* system though is only serving the personal information registration purpose and no more controlling on people mobility; but the *hukou* system excludes the incoming migrants from access to public services. And most SOEs no longer consider affording housing provision are their basic service to their employers—all have to go for market to get residence (Lai 1998, 2001, 2007).

Affordable housing is a key concern not just for local citizens already living in cities, but also the migrants, as well as all international investors who have to secure residence for their workers (Lai 2007; Li and Duda 2010). The combined effects of rural-to-urban migration driven by relative poverty, breakdown of *hukou* system, and the ever-increasing population pressure with under-provision of affordable housing are the sources of social conflicts, segregation and social exclusions of various forms—all these are part of the formation of the permanence of those (over 250 million migrant, floating, population having) nomadic sub-classes of (urban) citizenship. Hence, urban problems become the China's Syndrome of rapid urbanization: dualism of various forms can be witnessed in any part of China today. Perhaps the most contrasting, if not the worst, urban phenomena are the juxtaposition of super-modern high-rise architecture with pre-modern manual (cheap) labour for service industries of domestic waste collection, and those 21st century high-tech, foreign imported, luxury cars running side-by-side with the pre-modern, century-old, man-powered carts, in Chinese world class cities like Shanghai. The CCP recently had to acknowledge this dualism with policy to address the problems—trying to demonstrate the benevolence of an affective state (Yang 2013).

## **2. The Property Market-driven Multiple Deprivations in China**

Slum settlements are disappearing from new urban architecture in China but they are remaking in different forms; mostly in the sub-markets, are less concentrated or en masse in a particular location, more likely be in transient and nocturnal temporary (Mahadevia, et al.,2012). Those living in “slum-equivalent” spaces are not just those “laid-off workers, underpaid and underprivileged migrant labourers from the countryside,” due to economic reform (Solinger 2006: 177), but also those working as middle-lower, lower and poor sub-classes. Migrants and long term residents alike are suffering from different forms of deprivations in China's internationalizing cities. These sub-classes have to bear with the rocket-high living cost in the market place; or the *guanxi* (functional social relationship based) “rationing” of public housing, education and health services by the CCP cadres, who can determine who gets what with the subtle rule for the so-called “*guanxi*-privileged access to” limited urban services.

## 2.1 The Everlasting Nomadic Rural-to-Urban Great Migration

The influx of over millions of migrant workers from pre-modern village living to super-modern cities' temporary housing in China, since its late 1970s economic liberalization policy, has been characterized by four major dynamics. First and foremost, it is nomadic yet seasonal: not just because of most migrant workers' returning home for a few weeks during Lunar Chinese New Year (the Spring Festival). More problematically most migrant workers do not have, and will not likely have, any formal urban resident status (no household *hukou* registration). Second, the scale of a few hundred millions—the 2011 official data from the Sixth National Population 2010 Census indicated over 261 millions—is unprecedented in Chinese and human history (NBSC 2011). Third, there is a trend that the momentum for rural-to-urban migration due to the continual economic reform (migrant-workers at large) has been on the rise: There has been an 81% increase for the population mobility with different household registration from the last place of their residence (rural) place for new working (urban) site from the year 2000 to 2010. Last but not least, the share of urban dwellers (following the official household *hukou* registration) has crossed the bench mark of 50% in 2010. Rapid urbanization has been taking place in the past 30 years and will continue for the future as well.

With an ever expanding urban yet internationalizing economy, to cope with both domestic demand and external business for exports and exchanges, laborers have been drawn from the less developed rural localities *en masse*. The most obvious case is by one of the major subcontractors for information and communication technologies gadgets (i-Phone, i-Pad, i-Pod, Kindle, PlayStation, etc.), the Taiwanese electronic manufacturing group—Foxconn (<http://www.foxconn.com/>). It has employed, and provides factory-residence for, more than one million rural-to-urban migrant workers in several different major coastal Chinese cities.

Contrasting the export-led rapid industrialization which calls for rural-to-urban labour mobility *en masse* are perhaps the most significant yet invisible migrants moving into the rapidly urbanizing localities to take up the dirty, dangerous and demand jobs (which no longer attract city dwellers) in both formal and informal economies (Loyalka 2012). Due to low status and poorly paid job conditions, the nomadic lower, sub-and-under-classes are subject to various forms of discrimination and segregation in the modernizing cities of the internationalizing market forces, and to local government neglect. Living in temporary housing or even homeless is common for these members of the under-classes. The mega traffic, back-and-forth flows, during the one-month long “Spring Movement” before and after the Lunar Chinese New Year, when over 250 million migrant workers return to their home villages demonstrates the deep contradictions in working, but not living, in cities.

The experience of the rural to urban migration in China context is obvious: those migrant workers not acquiring functional social networks with local residents at hosting locality (lineage and kinship based social relationship) were more prone to suffer from problems of adjustment, adaption and integration. They risk being trapped in permanent poverty and falling into the nomadic under-sub-classes in urban areas (Hsu 2012; Yang 2013; Yue, et al. 2013). There is neither much actual calling from the CCP nor any local government for actual policy initiatives for the acceptance or socio-economic integration of nomadic migrant workers in cities. Therefore they remain nomadic!

The household registration system of *hukou* in particular has the strongest discrimination effect upon migrants' working life chance in Chinese transitional economy (Gravemeyer, et al., 2010; Whyte, Ed. 2010). Furthermore, local government policies, officialdom and their control on an individual's socio-economic rights in the emerging segregated markets have been shaped not just the labour processes, but also contribute to the emergence and subsequent formation of urban dualism. This dualism between rich and poor, local residents and migrants, formal and informal economic activities -- along the geo-social contours of the household registration system (*hukou*)—is embedded in a highly differentiated, segregated labour market –cum– public service rationing.

Urban housing conditions in (post-) socialist China have idiosyncrasies; the most obvious ones are the institutional discrimination against migrant workers in super-modern cities, and the party cadres' power over human rights. The nomadic under-subclasses in China are very different from their counterparts in other developing economies like Brazil, India and Mexico. There migrants have been settling in whatever form of temporary housing *in-site* they can find, while they launch a long term battle for their urban survival. This has contributed to a differentiated class struggle in the urban arena, constituting the new metropolis (Pieters and Schoukens 2012). But the CCP cadres' urban managerial control on household registration (*hukou*) rations public services, segregating and excluding the migrants; thereby making them as permanent nomadic social subclasses without socio-economic integration in cities.

## **2.2 Perpetual Urban Dualism in China's Continual Economic Revolution**

(Post-)Socialist China's economic reform is urban biased: the continual reform contributes to the formation of the middle class and this nascent bourgeoisie class opts for individualistic lifestyles of their own; more even so for those being bought up as the only-child in the family (under *One-Child Policy* implemented at the same period with economic liberalization in the late 1970s) who yearn for foreign brand luxuries and palace-like private property-home, if affordable). This is a dramatic

moving away from utopian Maoist socialism. More specifically home ownership, mostly through mortgaging one's house, becomes China's new middle class dream. But the urban dream is underlain by the risk of becoming one those in the under-classes; disenfranchised and underprivileged in urban core (Bowring 2013; Kung, et al 2013).

China is one of the fastest-growing urban agglomerations in the world; at the top of hyper-modernization and rapid economic reform-after-reform. But housing question is still problematic in the (post-)socialist city. The typical neighbourhood suffered from multiple deprivations and several households had to co-live in partitioned tenements:

the average dwelling area per capita is 9.8 m<sup>2</sup>, which is much lower than the average standard for Guangzhou (18.19 m<sup>2</sup>) and almost half the standard of workers' villages (17.6 m<sup>2</sup>). Most public housing in this neighborhood cannot be sold to sitting tenants because of poor indoor facilities and the complexity of ownership (e.g., some are properties without owners and some are private property but under public trust), and only 27.8% of interviewees own their housing. While the rent for public housing has been relatively stable, private rentals have increased by 2.74 times in the past 10 years, resulting in increases in living expenditure (Yuan, et al. 2011, p.730).

Furthermore, many urban dwellers have experienced deprivations in urban services, and/or actual poverty since late 1980s. China's pro-market continual reform has been creating new urban poverty of various forms: not only the increasing number of those low income people who cannot catch up with the rise of housing and commodity prices, but the dis-enfranchised and underprivileged groups created by property-development's forced evictions and the ever-increasing rural-to-urban migrant enclaves. It juxtaposes the continuing destruction of neighbourhood and social fabrics under urban redevelopment strategies for new property development and nation building projects, e.g., Beijing Olympics 2008 and Shanghai Expo 2010. What is distinctive about the Chinese urban transformation process is the discriminatory-cum-discretionary role it plays in shaping and creating multiple deprivations, new and old, and poverty of all variations. And multiple deprivations are not necessarily associated just with low income ((Lin, et al., 2011; Wu et al., 2012; Yuan, et al., 2011).

As a result, social inequalities in housing and urban deprivations have been causing conflict between the haves and have-nots, poor and rich, and more problematically, tearing down the social fabrics in communities, and extending the urban dwellers' cynicism, if not open criticism, of the CCP. Nobody knows whether China's aggregated urban contradictions will turn into another revolution in the

quest for basic housing rights, but deprivations-driven social unrest is on the rise, challenging the governability of the CCP and its local state machineries.

### **2.3 From Urban Dream to Nightmare: Free-Falling of the Middle Class?**

The so-called “new urban dream of China” has been formed with the twining of property market development and middle class’ homeownership through the maximization of one’s economic value in the market place with the new production of private housing and the consumption of new residential spaces (Abramson 2011; Zhang 2010). The urban processes shape not just the new identities of various social actors according to their social (housing) class, but also their access to economic means through a functional social network to the CCP’s cadres, e.g., *guanxi*, the functional social reciprocity in socialist China. More specifically, the emergence of new social agencies for rapid urbanization, like real estate developers, property agents, homeowners –cum– investors, juxtaposing those who are excluded from new urban spaces, is historically new for (post-)socialist China. Despite their differential and heterogeneous compositions, all of them have the heightened sense of insecurity (no trust on collective commons or society as a whole), partly due to the rise and fall, gain and lost, in the property market cycles, and the problematic governance of the CCP over its economic and political project for state developmentalism; or alternatively, the party-cadre-leaders’ self-interest at different level of the state machinery (Abramson 2011; Su and Tao 2012).

Perhaps the best kept twin-secret for the dark side of urban economic in China is epitomized by the permanence of the so-called “mortgage slaves” (*fang nu*) for young (age 25 to 35) professionals who secure a better job but have to contribute a significant amount (30–40%) of their income to housing mortgage as long as their working years; and problematically, the ever-increasing numbers of the so-called “ant tribes” (*yi zu*) or recent university graduates who are entering a severely competitive labour market without much hope for securing a permanent job (*The Economist*, 28. Jan., 2012). Accordingly, as many as three million young professionals, born in or after the mid-1980s, most recently graduated from universities, stay in slum-like conditions, e.g., underground redundant infrastructure like the sewage system or the bunkers built during Cold War era no longer use, in overcrowded temporary housing at the peripheries, and commuting in-and-out, of big cities like Beijing (*Al Jazeera* 2012).

While the increasing number of “mortgage slaves” is a norm for, reflecting the booming, property market, the prolonged period (say 20–30 years of mortgage for young professionals) it is not uncommon given the rocket-high property price and the stagnation of urban wage (*vis-à-vis* living costs and property prices). But those paying long and high mortgage-payments have to forfeit their family wish-list. And

as disposable income is minimally for survival, they are not happy to be property-bound and their own and family's quality of life suffers in return.

In strong contrast, those well-educated “ant tribe” members suffer not just the bad living conditions with a downward-spiralling of their wages, social status and competitiveness, but also the urban dreams for better life and future through hard work and learning, and loyalty to the state's continual reform agenda for national development with economic liberalization) is lost. For the last decade alone, there were over 20 million Chinese graduates yearly attempting to enter the highly competitive labour market and most of them were disappointed. Surveys show young white-collar workers in cities were not happy and have no sense of security for the future:

After two decades of economic reform, per capita GDP has risen 13-fold, and average salaries in major cities are on par with those in many developed countries. The post-80s generation. . . many find themselves squeezed by skyrocketing housing costs, rising prices for basic necessities and family pressures (*Al Jazeera*, 2012).

Obviously, and as happened recently, the post-1980s generation, highly differentiated in the opportunities structure of being the “ant tribe” or the “mortgage slaves”, has commonly voiced their complaints and angers through various demonstrations, using various pretexts, say, the Sino-Japanese territorial conflicts over Daiyou / Senkaku Islands, or urban conflicts and problems arising from the officials' abuse of power. This is the most worrying problem for the CCP leadership: given the permanence of the “ant tribe” and “mortgage slaves”, coupled with many other disenfranchised groups — these urban tribal groups become not just the source of, the incubator for, discontents and anti-government appeals, but they have the 21st century knowledge of using new media and organization strategies to challenge the CCP-party legitimacy for socialist China's state developmentalism!

### **3. Socialist China's Urban Future beyond Hyper-Modernization**

The exponential growth of the urban economy has been drawing migrant-workers out from villages and towns into the urban sector—One of the historical phenomena of China's hyper-modernization project with rapid urbanization is the nomadic population flow. The influx of migrant workers in rapidly urbanizing localities shapes the formation of new nomadic under-classes. Because they have no household registration, *hukou*, or are merely temporary residents, they have no entitlements for public services such as housing, medical care or education. For



many local governments, these migrants and temporary residents have not been considered for any urban policy development. In short, they are left to live their own life; left out of any public service development. This highly differentiated, if not divided or dualistic, policy reference conditions the formation of slum or underprivileged temporary settlements and contradictions in urban China (Abramson 2011; Chen et al. 2011; Lai 2009; Lin et al. 2011; Tang et al. 2011; Wu et al. 2012).

### **3.1 Permanence of Urban Dualism in the State Developmentalism?**

Moving beyond the consensus on neoliberalism about Chinese economic miracle, it should be stressed that there is an almost complete monopoly of property development by the state apparatus in China, particularly the local state's control over the land use (change) for rapid urbanization. Local governments (and their party cadres) can pocket the "windfall profits" thanks to the CCP absolute power to offer any (low) compensation terms in the name of nation interests. Urban processes in many (townships to be) cities has been captured by the pro-growth alliance of the CCP leaders and their cadres and increasingly powerful businessmen (Su and Tao 2012; Kung et al. 2013; Yang, Ed., 2012).

Hence, the active land conversion for (commercial and real estate developments in premium locations) higher land price, coupled with the speculative market forces, reinforces the state-induced urbanization process (Chen et al. 2011; Kung et al. 2013; Xu 2011). The continual economic reform has completely changed the urban landscape; super-modern high-rise architecture and luxurious housing are built onto the logistic networks and hubs of highways, international airports and high-speed trains. Seemingly urbanity offers a better yet expensive quality of life. But clearly, all these have stringent monetary and social class-specific prerequisites. Urban dualism thus is an integral part of 21st Century urban China.

One of the main problems of the Chinese differential dualism of hyper-development, which can be seen benefiting the new rich but creating the under-classes, is that it is structurally embedded in Chinese (authoritarian?) communist champion for state developmentalism. Both central and local governments are pro-economic growth, neglecting the equitable (equalization of life chances for) public services.

And the dualism between rural and urban sectors, as well as the dualistic life chance in cities, must be addressed for China's future. For instance, despite the minimal poverty alleviation impact by inter-governmental fiscal subsidies directing to specific target group like farmers, a recent detailed analysis argues that "to reduce income disparities more effectively in the rural sector, China requires more centralized management of program design to ensure that subsidy programs are

aimed at the poor and low income groups” (Lin & Wong 2012: 45). There needs to be continual reform goals for equitable fiscal provisions both horizontally and vertically in the Chinese administrative system.

Obviously, this call should not be just for administrative reform, but a more fundamental change of the CCP’s *modus operandi* for development at large. This also applies to any mitigating measures to address the syndrome of hyper-modernization, social dualism, with various forms of inequalities in both urban and rural sectors. At the least there should be actions to prevent the party cadres’ and officials’ from “ripping-off” the development benefits.

### **3.2 Socialist Nostalgic Rediscovery: Economic Reform for Whose Interest?**

China’s pro-urbanization (land asset and housing property) developmentalism is structured and aligned by the shifting of fiscal power from the central to local states, coupled with a new reciprocity exchange favouring the localities (Kung et al. 2013; Lin 2007). This is demonstrated by the CCP’s daunting task of using both fiscal and monetary policy instruments as counter-cyclical measures for the stimulation of real estate market development while attempting to stabilize the property (and retailing) prices (Kung et al. 2013; Su and Tao 2012; Xu and Yeh 2009, Yang Ed. 2012). The structural linkages between central and local governments, as well as the pro-growth ideologies for a better future, are echoing each other in the powerful elitist circles; but there is not much resonance at both urban and rural grassroots levels.

Under neoliberal economic hegemony for continual urban reform, the transformation has many repercussions for every aspect of people’s life and their survival. The last two-decade of accumulated frustration over the broken reform promises is in strong contrast to the beginning phase of economic reform in the mid-1980s. For veteran urban dwellers, the urban experience in the early reform era was distinguishably new, from bad to good, if not euphoric, for a better future under new ideology of liberalizing economic development for everyone. Then, the bad experience of the past, class struggles under the “continual” Cultural Revolution, etc., was somewhat forgettable (and forgivable). What Ho and Ng term as “public amnesia of the socialist past.”, metaphorically referring to an empirical phenomenon that occurred only decades ago seem no longer to be questioned by most people in the present (2008, p.390; cf. Gravemeyer, et al. 2010).

But the new social insecurity is obvious: the number of employees in China’s informal sectors (not covered by any social security) has increased, *vis-à-vis* the formal employment. The ratio between the informal and formal sectors are from 1:4 to 1:2, for the period 1996 to 2001 (Pieters and Schoukens 2012: 156; Cheng 2010). More are employed with no job or social securities! Due to the new urban economy, many citizens are left out of the social security arrangements entirely; not to

mention the impossibility of upward socio-economic mobility for many urban dwellers. Hence the dualism between the formal and informal economies is also reality for new urban China. Arising from these frustrations and disappointments is a strong resonance from the disenfranchised groups for the nostalgic ideals about fairness and equality under Chinese Communism in those old, poor days; as shown in the mobilization for “Singing Red Songs”—the red songs praise are the Maoist revolutionary ideals of the goodness, justice and fairness of Chinese communism under CCP leadership. But these social virtues have been burnt in the fire of continual pro-market reform. As the “Red-Song” episode is one of the many legacies of communism in China, they will be haunting the CCP as long as socio-economic (mega-urbanization) dualism continues.

The uniqueness of China's ascendancy, the three-decade long economic miracle with over 9% GDP growth annually, and its geopolitical success in the global capitalist system, has created both internal conflicts (contradictory to the CCP goals for “fair and just” socio-economic development.)and external tensions. These reinforce socio-economic contradictions like urban unrests, coupled with the exacerbating political un-governability of the CCP's project for communist-state capitalism (CMP 2013; Hung, Ed. 2009; Huang 2011; So 2010; Yang Ed. 2012; Yang 2013). China embraced not just neoliberal economic strategies up since 1980s but more state developmentalism in 2000s onwards (for perpetual economic supremacy to serve the CCP's legitimacy to govern 1.3 billion population), while only benefiting those self-chosen or appointed communist agencies and power elites. The CCP claims for providing basic services, housing and health care alike, for free, are merely propaganda, as experienced by urban dwellers—permanence of the exploited under-classes and underprivileged in urban dualism. For these alone, there will be challenges for China's urban future.

## Reference

- Abramson, D. (2011). Transitional Property Rights and Local Developmental History in China. *Urban Studies*, 48(3): 553–568.
- Al Jazeera*, (2012). 101 East: China: Broken Dreams, 24. August 2012:  
<http://www.aljazeera.com/programmes/101east/2012/08/201282294320474807.html>
- Bowring, P. (2013). China's Urban Slowdown. *The Wall Street Journal*, 11. October 2013, p.9.
- Chen, J., Guo, F. and A. Zhu (2011). The Housing-led Growth Hypothesis Revisited: Evidence from the Chinese Provincial Panel Data. *Urban Studies*, 48(10) 2049–2067.
- Cheng, Zhiming (2010). Poverty in China's Urban Communities: Profile and Correlates. *China Report*, 46(2): 143–173.
- China Media Project (CMP, 2013), A Brief History of the “Red Songs”, Journalism and Media Studies Centre of The Hong Kong University: <http://cmp.hku.hk/2011/06/10/13105/>

- Gravemeyer, Stefan, Gries, Thomas and Jinjun Xue (2010). Income Determination and Income Discrimination in Shenzhen. *Urban Studies*, 48(7) 1457–1475.
- Ho, W. C. and P. Ng (2008). Public Amnesia and Multiple Modernities in Shanghai: Narrating the Postsocialist Future in a Former Socialist “Model Community” *Journal of Contemporary Ethnography*, 37(4): 383–416.
- Hsu, Jennifer (2012). Layers of the Urban State: Migrant Organisations and the Chinese State. *Urban Studies*, 49(16): 3513–3530.
- Huang, Philip C. C. (2011). Chongqing: Equitable Development Driven by a “Third Hand”? *Modern China*, 37 (6): 569–622.
- Hung, Ho-Fung. (Ed., 2009). *China and the Transformation of Global Capitalism*, Baltimore, MD: Johns Hopkins University Press.
- Kung, James K. S., Xu, C. and F. Zhou (2013). From Industrialization to Urbanization: The Social Consequences of Changing Fiscal Incentives on Local Governments’ Behavior. [http://ihome.ust.hk/~sojk/Kung\\_files/KXZ\\_Industrialization\\_3-31-09.pdf](http://ihome.ust.hk/~sojk/Kung_files/KXZ_Industrialization_3-31-09.pdf), in David Kennedy and Joseph E. Stiglitz (Eds.), *Institutional Design for China’s Evolving Market Economy*, Oxford: Oxford University Press.
- Lai, On-Kwok (1998). The State’s Governance and Housing Question in a Transitional Economy: The Political Economy of Housing Policy in China Reconsidered. *Habitat International*. 1998, 22(3):231–243.
- Lai, On-Kwok (2001). Rise and Fall of the Production Based/Bias Housing Regime in China, 1949–1999: A Political Economy Perspective. In: R. V. Sandhu (Ed., 2001). *Sustainable Human Settlements: The Asian Experience*. New Delhi: Rawat Publication.
- Lai, On-Kwok (2007). Urbanization and Social Segregation in Chinese Cities under Globalizing Forces: China’s Rapid Urban Transformation in Question. In: R. S. Sandhu and Jasmeet Sandhu (Eds.) *Globalizing Cities: Inequality and Segregation in Developing Countries*, New Delhi: Rawat Book.
- Lai, On-Kwok (2009) The (II) Logics of Urban Poverty in a Globalizing World: The Nomadic (sub) Citizenship in Chinese Societies in Comparative Perspective, In: R. S. Sandhu, J. Sandhu and B. Arora (Eds., 2009). *Urban Poverty in Developing Countries Issues and Strategies for Sustainable Cities*. New Dehli: Bookwell.
- Li, B. and M. Duda (2010). Employers as Landlords for Rural-to-Urban Migrants in Chinese Cities. *Environment and Urbanization*, 22(1): 13–31.
- Lin, G. C. S. (2007). Reproducing Spaces of Chinese Urbanisation: New City-based and Land-centred Urban Transformation, *Urban Studies*, 44(9): 1827–1855.
- Lin, W. and C. Wong (2012). Are Beijing’s Equalization Policies Reaching the Poor? An Analysis of Direct Subsidies under the ‘Three Rurals’, *China Journal*, 67 (Jan.): 23–45.
- Lin, Y., de Meulder, B. and S. Wang (2011). Understanding the ‘Village in the City’ in Guangzhou: Economic Integration and Development Issue and their Implications for the Urban Migrant. *Urban Studies*, 48(16): 3583–3598.
- Loyalka, M. D. (2012). *Eating Bitterness: Stories from the Front Lines of China’s Great Urban Migration*. Berkeley: University of California Press.
- Mahadevia, D., Liu, Z. and X. Yuan (2012). Housing of Urban Migrants in India and China. *Environment and Urbanization ASIA*, 3(1): 143–163.

- National Bureau of Statistics of China (NBSC, 2011). Communique on Major Figures of the Sixth National Population Census in 2010, No.1 (in Chinese). <http://www.chinanews.com/gn/2011/04-28/3004638.shtml>
- Pieters, D. and P. Schoukens (2012). Social Security in the BRIC Countries: Brazil, Russia, India and China. *Compensation & Benefits Review*, 2012 44: 154–164.
- So, Alvin Y. (2010). Globalization and China: From Neo-Liberal Capitalism to State Developmentalism, In Berch Berberoglu (ed.), *Globalization in the Twenty-First Century: Labor, Capital, and the State on a World Scale*. New York: Palgrave Macmillan.
- Solinger, Dorothy J. (2006). The Creation of a New Underclass in China and its Implications, *Environment and Urbanization* 18(1): 177–193.
- Su, Fubing and R. Tao (2012). Visible Hand or Crippled Hand: Stimulation and Stabilization in China's Real Estate Market, Dali L. Yang (Ed.) *The Global Recession and China's Political Economy*. New York: Palgrave Macmillan.
- Tang, Bo-Sin, Wong, S. W. and S. C. Liu (2011). Institutions, Property Taxation and Local Government Finance in China, *Urban Studies*, 48(5) 847–875.
- The Economist* (2012). Ant Tribes and Mortgage Slaves: The Subdivisions of Urban China. 12. January, 2012. <http://www.economist.com/node/21543590>
- Xu, Chenggang (2011). The Fundamental Institutions of China's Reforms and Development. *Journal of Economic Literature*, 49: 4, 1076–1151.
- Xu, Jiang and Anthony Yeh (2009). Decoding Urban Land Governance: State Reconstruction in Contemporary Chinese Cities. *Urban Studies*, 2009 46(3): 559–581.
- Whyte, Martin K. (Ed., 2010). *One Country, Two Societies: Rural-Urban Inequality in Contemporary China*. Cambridge, MA: Harvard University Press.
- Wu, F., Zhang, F. and C. Webster (2012). Informality and the Development and Demolition of Urban Villages in the Chinese Peri-urban Area. *Urban Studies*, OnlineFirst Version: 26. Nov. 2012: DOI: 10.1177/0042098012466600.
- Yang, Dali L. (Ed., 2012). *The Global Recession and China's Political Economy*. New York: Palgrave Macmillan.
- Yang, Jie (2013). Song wennuan, 'Sending Warmth': Unemployment, New Urban Poverty, and the Affective State in China. *Ethnography*, 14(1):104–125.
- Yuan, Y., Wu, F. and X. Xu (2011). Multiple Deprivations in Transitional Chinese Cities: A Case Study of Guangzhou. *Urban Affairs Review*. 47(5): 721–736.
- Yue, Zhongshan, Li, Shuzhuo, Jin, Xiaoyi and M.W. Feldman (2013). The Role of Social Networks in Integration of Chinese Rural-Urban Migrants: A Migrant-Resident Tie Perspective. *Urban Studies*, 1–20. DOI: 10.1177/0042098012470394.
- Zhang, Li (2010) *In Search of Paradise: Middle-Class Living in a Chinese Metropolis*. Ithaca, NY: Cornell University Press.

“conflict-free” socio-economic systems. This page intentionally left blank. “conflict-free” socio-economic systems: perspectives and contradictions. Edited by. Elena g. popkova. Institute of Scientific Communications, Russia. United Kingdom  
North America India Malaysia China. Chapter 13 Contradiction of Influence of Crises on Growth and Development of Socio-economic Systems Lilia V. Ermolina, Marine M. Manukyan and Ekaterina S. Podbornova. Chapter 14 Comparison of Social and Economic Effects that Accompany Crises of Economic Systems Elena A. Gureeva, Elena V. Kletskova, Tatiana I. Chinaeva, Tatiana N. Morgun and Elena N. Kolomoets. China’s path of socialist development shows unmistakably Chinese characteristics. First of all, its political system, including its electoral system, is different from that of Western countries. Taking into account its history, China doesn’t adopt the checks and balance model that divides government into legislative, executive, and judiciary branches. Socialism with Chinese characteristics is the choice China makes in light of its own conditions. After decades of practice and improvements, it has developed unique advantages in coordinating the roles of government and market. Third, China has sufficient economic resources to maintain stability. Having first noted the underlying contradictions in China’s economic growth years ago, when most viewed China as the miracle Japan wasn’t, and having been scorned for not understanding the shift in global power underway, it is gratifying to now have a lot of company. Over the past couple of years, the ranks of the China doubters had grown. China could very well face an extended period of intense inwardness and low economic performance. The past 30 years is a tough act to follow. Lu Yaohua, Executive Vice Chairman, China Federation of Industrial Economics, at the 2012 Global Socialist economics comprises the economic theories, practices and norms of hypothetical and existing socialist economic systems. A socialist economic system is characterized by social ownership and operation of the means of production that may take the form of autonomous cooperatives or direct public ownership wherein production is carried out directly for use rather than for profit. Socialist systems that utilize markets for allocating capital goods and factors of production among economic units are “Conflict-free” Socio-Economic Systems: Perspectives and Contradictions analyses crisis as a component of the growth and development process of economic systems, and its role within the economic cycle. The scientific treatment of the role of crisis in the development of economic systems has traditionally been divided into two conceptual approaches. The first conceptual approach views crisis as a possibility to reconsider the trajectory of economic development of both the national systems and the global economic system overall. Socio-Economic Aspects of Formation and Development of Territorial Clusters in the Context of Global and Russian Institutional Problems. Chapter 30. Signs of “Conflict-Free” Socio-Economic System.