

Across the Institutional Passage of Migration: The Hukou System in China¹

*Rumin Luo*²

Introduction

In February 2011, China overtook Japan as the world's second largest economy (following the United States) both nominally and in terms of PPP (Purchasing Power Parity). It is the world's fastest growing major economy, with average growth rates of 10 percent annually over the past 30 years. However, the country's per capita GDP is only \$4,382, ranking 94th in the world in 2010 (IMF 2011), approximately 9.27 percent of that for the United States.

In the meantime, China has experienced more than two decades of rapid urbanization. The level of urbanization³ increased from 21 percent in

1 I would hereby like to express my deepest gratitude to Dr. Axel Hüntelmann and Dr. Annika Wellmann, who invited me to participate in the Journal series »Time and Space.« I must also especially thank Prof. Robert P. Weller, Dr. Des. Anna Zaytseva, and Xiao Hua for their valuable comments on and inspiring suggestions for the initial drafts. Special thanks further go to the participants in the working group led by Prof. Peter van der Veer at the Max Planck Institute for the Study of Religious and Ethnic Diversity in Göttingen, Germany.

2 Max Planck Institute for the Study of Religious and Ethnic Diversity, Hermann-Föge-Weg 11, 37073 Göttingen, Germany.
Email: Luo@mmg.mpg.de.

3 Urbanization is the physical growth of urban areas primarily due to modernization and global change. The term urbanization can refer to the number of urban dwellers relative to the overall population, or it can refer to the rate at which the proportion of the urban population is increasing. Urbanization may indicate a change of employment structure from agriculture and cottage industries to mass production and service industries. See Mayhew 2010.

1982 to 40 percent in 2003 and is expected to exceed 50 percent by 2015 (Duan 2003). Migration from the countryside into cities has been the main driver of urban growth. Rural-urban migration is thus playing an increasingly important role in shaping the economic and demographic landscape of Chinese cities.

The massive population movement to urban areas in China has been an inevitable trend of its market economy and is caused by social transformation. Although it is a normal phenomenon in the modern world, it still represents the largest peacetime population movement in human history. The National Bureau of Statistics of China found that the number of migrants in 2010 had already exceeded 19.51 percent of the country's population of 1.37 billion (NBS 2011a). These 261.39 million internal migrants represent the largest proportion of such in the world as compared to other countries. Even going back to 2008, internal migrants in China amounted to 15 percent of the world's 740 million internal migrants (UNDP 2009). Another calculation and definition of migrant puts the total number of »migrant workers« at 230 million by the end of 2009, which is 29.5 percent of employed population in China (NBS 2010b).

In the Chinese context, »migrants« are also defined by the Hukou (户口 Household Registration) system. According to the Chinese National Bureau of Statistics, individuals who have lived in one location (for example, a city) other than the location of their permanent residence (Hukou) for more than six months each year are called »Non-Hukou migrants« (流动人口 Liudong Renkou). Those who migrated and re-registered at the new location are called »Hukou migrants« (迁移人口 Qianyi Renkou), while »migrant workers« (农民工 Nongmin Gong) are persons who have rural Hukou status⁴ and are employed in secondary and tertiary industries.

The Hukou System in China is a household registration system that functions as a domestic passport system to regulate the migration of people, especially from rural to urban areas, and from small cities to large

4 This term is explained in part 1.2.

cities. Few other institutions have played a more important role than the Hukou system in defining and prescribing the conditions of social life, politics, and economic development in China.

Parts 1 and 2 of this article describe the Hukou system as an institutionalized procedure that divides internal migrants who move from the countryside or small cities to industrialized urban centers, or, to put it differently, move from the periphery to the center—this is its spatial aspect. It is also significant that many migrants remain bound to their (rural or peripheral) origins because of the Hukou system, which is the temporal aspect—the attachment to the past. In short, the simultaneous combination of time and space provides an interesting perspective on the Hukou system: while people are migrating to start a new life and to seek the benefits that the system provides in urban centers, they are still bound to their past—their original registration location.

Most prior research (Wang 2005; Chan & Zhang 1999; Cheng & Selden 1994) treats the Hukou system solely as a mechanism of exclusion and segregation that leads to the construction of a dual society. The main argument in this article, however, is that the Hukou system can also be seen as an internal passage for the status transition of migrants, consisting of three main types: the »Apartment-Hukou Strategy,« the »Green Card Strategy,« and the »Institutional Strategy,« all described in part 3. In certain respects, the Hukou system can be seen as an institutionalized passage for people that migrate and settle in urban centers, one that is strict and that transforms migrants' status from villagers (or small city inhabitants) to that of big city dwellers.

The first person to formally conceptualize the rite of passage as a general theory of socialization was Arnold van Gennep. His book, *The Rites of Passage*, elaborates the rituals marking the transitional phase between childhood and full inclusion into a tribe or social group (Garces-Foley 2006: 230). Rites of passage have three phases: separation (*séparation*), transition (*marge*), and incorporation (*agrégation*). For example, in the first phase, people withdraw from their current status and prepare to move from one place or status to another:

The first phase (of separation) comprises symbolic behavior signifying the detachment of the individual or group...from an earlier fixed point in the social structure. (Turner 1969: 80)

The Hukou system as an institutional passage also affects migrants' transition in status. It is a territorial passage from one social space to another, it involves passing through a transitional area which is visible as a social marker in the Chinese case. For example, migrants are allowed to enter urban areas, but have only minimal protection in the labor market, and substandard access to the educational system, housing, and other social services. The passage from rural to urban, from small cities to big cities, from one »manorial« domain to another is accompanied by various political, legal, and economic formalities (Van Gennep 1972: 15). Legal rights in territories already settled are reserved for the original inhabitants. Accordingly, migrants might never be completely »integrated« in urban areas.

Although it is similar to territorial passage, it is necessary to understand how the Hukou system enables people to move across or prevents them from transition between statuses that are normally thought of as based either at the periphery or at the center. First, however, we must look at how the Hukou system is constructed as an institution.

1. Hukou: China's domestic passport

Few institutions have played a more important role than the Hukou (household registration) system in defining and setting the conditions of social life, politics, and economic development in China; or in influencing internal mobility and the disparity between urban and rural areas. The power of the Hukou system, which was created through state intervention, allows us to clearly understand the institutional setup and how it creates spatial delimitations.

1.1. Construction of the Hukou system

The Hukou system has been a fundamental institutional arrangement in Chinese society for at least twenty-five centuries.

Almost all imperial dynasties since the Qin (third century B.C.) and the Republic of China (ROC) adopted and utilized variations of the Hukou system, with differing degrees of thoroughness and effectiveness. (Wang 2005: 33)

After the establishment of the new People's Republic of China, the present Hukou System was introduced in cities in 1951 and extended to rural areas in 1955. It was institutionalized as a permanent system in 1958 (MPS 1958).

Researchers have three common understandings of the reasons behind the emergence of the Hukou system. Firstly, it was constructed to promote urban development; secondly, it was constructed for resource allocation; and thirdly, it was constructed to facilitate administrative management, to control internal migration for instance.

The newly founded China was under pressure to develop the entire country after wars and unrest lasting nearly a century.⁵ In order to develop capital-intensive heavy industry, the government attempted to distort the price of certain products to decrease the costs of such development. One way of doing so was to force the prices of agricultural products below market prices to ensure a supply of such products to industries and cities, which eventually led to the establishment of the Hukou system (Lin et.al 1999). In time, this institutional arrangement also functioned as a system for managing the rural–urban divide.

5 The Opium Wars in China (1839–1860) were followed by various rebellions and revolutions, including the Taiping Uprising, the Boxer Rebellion, and the Chinese Revolution in 1911. The Post-Revolutionary period, from 1911–21, was followed by the Communist Movement of 1921–49, which has also been called The Chinese Civil War, fought between the Kuomintang (KMT or Chinese Nationalist Party), the governing party of the Republic of China, and the Communist Party of China (CPC), for control of China. This movement eventually led to China's division into two nation states: the Republic of China (now commonly known as Taiwan) and the People's Republic of China (Mainland China).

The Hukou system started mainly as an entitlement device that people used to establish their identities in order to receive benefits. Between 1953 and 1955, the state took control over urban food rations, which was called »unified purchase and marketing of grain« (统购统销 Tong Gou Tong Xiao) and which had established compulsory sales to the state of specified amounts of grain at low state-dictated prices. The dual purpose of this »was to assure ample low-priced food for urban residents and to channel the agricultural surplus from the countryside towards industry and the cities« (Cheng & Selden 1994: 657).

»Unified purchase and marketing« was quickly extended from grain to cotton cloth, oil crops, and even bicycles, and within two to three years to all major foodstuffs and agricultural raw materials. Partially it was because all of these goods were in short supply before 1978 and they were therefore rationed for local residents on a per-capita basis (Han 1999; Cheng & Selden 1994).

Rationing made a sharp distinction between urban and rural residents. While the urban Hukou population was entitled to a state-subsidized but rationed grain supply, rural residents were responsible for feeding themselves except in times of especially severe famine when the state provided emergency relief (Cheng & Selden 1994). Consequently, consumer goods were distributed more in urban areas than in rural areas, a fact that is reflected in China's current social services system, ranging from insurance systems, retirement benefits, health care, education, and subsidized housing. In this, as in many other ways, the state took over responsibility for the livelihood of urban workers, particularly state-sector employees, while enjoining rural people to practice collective self-reliance (Han 1999).

China's urban population distribution and labor mobility and its unique Hukou system are closely intertwined. In the long run, the system functions to keep grain prices as low as possible in order to support rapid industrialization in cities (particularly in heavy industry) by confining the majority of the population to rural areas. But the Hukou system was also set up in order to prevent spontaneous rural-urban migration; people

born in rural areas cannot move to the city and obtain urban Hukou status unless mandated to do so by the state (Xiang & Tan 2005).

Throughout the first three decades of the People's Republic, growing urban-rural inequality of income, subsidies, and welfare benefits co-existed with the Hukou system, which became the institutional guardian of the urban-rural divide. Cheng & Selden (1994) argued that the state was able to prevent rapid urban migration as seen in many industrializing countries in recent decades because of its population registration and control mechanisms and the attendant food rationing, housing, and educational controls. In the end, this may be the reason why the extent of slums in China is not as pronounced as in, for example, India.

Economic reform later relaxed this administrative control. The abolition of the commune system, starting in 1978, freed peasants to seek work in the industrial and service sectors (Liang & White 1997). At the same time, both push and pull factors increased possibilities for migrating from the countryside into the cities. Since the implementation of the »Reform and Opening Up« policy in the 1980s, population movement between the countryside and the city has accelerated. Even though a more flexible Hukou policy has been adopted, Cheng & Selden (1994) argue, the system nevertheless continues to differentiate opportunity structures for the entire population based on a person's position within a clearly defined, if once again partially permeable, spatial hierarchy.

Many academics and policymakers in China believe that economic motivation may play a role in effecting partial reform of the Hukou system. The national economy's heavy dependence on exports over the last 20 years may push policymakers to adjust the country's economic structure and pay more attention to insufficient domestic demand for consumer goods, which could be boosted to foster future economic gains (Chan 2010; Cui 2011). At the »Central Economic Work« meeting in December 2009, which set the economic agenda for the country in 2010, an initiative was suggested to institute reform in small- and medium-sized cities (with populations of less than 500,000) to boost domestic consumption (Tao 2010).

Another concern is the avoidance of the long-term polarization and inequality that comes from China's dual economic and social structure,⁶ caused by the way in which the Hukou system functions. The United Nations Development Program's 2006 report showed only 30 countries out of 177 with greater income inequality than China (Yong 2007). More seriously, the income ratio between the urban and rural populace was reported to be 3.33:1 in 2009, which might be the highest rural–urban disparity in the world if health insurance, education, and unemployment insurance are taken into consideration (CASS 2010). Inequality within urban areas has risen, especially among members of the country's large migrant population. They have been key contributors to economic growth and urbanization, but are vulnerable in part because they do not receive the same social services and social security benefits as official urban residents (UNDP China 2010).

What is considered to be the most significant policy shift regarding migration came in late 2002, when the transition in leadership was »finalized« at the Chinese Communist Party's Sixteenth National Congress (Xiang & Tan 2005). The new President Hu Jintao and Premier Wen Jiabao, as one of several moves distancing themselves from the previous administration, called public attention to disadvantaged groups (弱势群体 Ruoshi Qunti), of whom migrants are a major segment. These concerns appeared in the Report on the Work of the Government for the first time in 2002, and later were also frequently present in public discourse.

6 The concept of a »dual economy« was first proposed by W. Arthur Lewis (winner of the Nobel Memorial Prize in Economics in 1979) and is commonly known as the Lewis model. This developmental economics model explains the growth of a developing economy in terms of a labor transition between two sectors: the capitalist sector and the subsistence sector. Lewis asserted that there is a certain connection between the theories of a dual sector economy and dual social structure because both touch on the relationship between agriculture and industry and on the relocation of the rural labor force. A dual economy exists to varying degrees in many developing countries like China. For more see Mendes 2009.

A similar initiative was proposed in the Communist Party's Central Committee Document Number 1, issued at the end of January 2010:

Rural Migrant Workers should be allowed to settle permanently in small- and medium-sized cities and enjoy the same public facilities and services as those with local urban Hukou. (State Council 2010)

Premier Wen Jiabao again pushed forward the proposal in some widely viewed webcasts in February of the same year (Chan 2010).

Since 1997, and especially since 2000, the public has expected so-called »deep reform« of the Hukou system. Nevertheless, although the political environment in contemporary China is more liberal than in the 1980s, it has remained difficult to actualize reform because the country relies on the system across so many social aspects. Therefore, the system demonstrates remarkable continuity; and its regulation and application remains fundamentally unchanged.

Chen and Buckingham (2008) point out that the cumulative effect of these reforms is not the abolition of the Hukou system, but devolution of responsibility for Hukou policies to local governments, which in many cases actually makes permanent migration of peasants to cities more difficult than before. For city governments, the dilemma is as follows: on the one hand, there is a growing demand for migrants as part of a strong labor force to meet the requirements of rapid economic development; on the other hand, governments are not ready to pay for education, housing, social welfare, and other related benefits for migrants in the cities. As it is, migrants' low level of integration is a cause of great concern as it may lead to crime, unrest, and other social insecurity.

1.2. Ranking of Hukou status and Hukou location

Because of its complexity, the Hukou system in China is divided into two related subsystems: one based on residential location and the other on socioeconomic eligibility. Hukou is prone to be classified and »ranked« based on these two subsystems due to the social welfare products attached to the registration.

The first subsystem of a person's Hukou registration is the »location of Hukou registration« (户口所在地 Hukou Suozaidi) based on the presumed permanent residence since birth. Each citizen is required to register in one and only one place of regular residence under the system, after which the ranking system functions as follows: the most popular Hukou are the Autonomous City Hukou (e.g., Beijing and Shanghai), the second most popular are Capital City Hukou (e.g., Guangzhou), followed by Prefecture Hukou, County Hukou, Township Hukou, and Village Hukou, which is completely undesirable (except in some rapidly developing east coast villages where people receive generous compensation for their land due to urban development: see Figure 1).

The second subsystem is the »status or type of Hukou registration« (户口类别 Hukou Leibie), which essentially refers to »rural« and »urban« Hukou. Before the 1980s, this system determined a person's access to state-subsidized grain and other privileges and was often more important than the location of Hukou registration. Specifically, urban Hukou consist of Permanent urban Hukou and Valid local urban Hukou (»Blue Seal« Hukou⁷ and »Self-supplied Food Grain« Hukou⁸), the former of

7 The Blue Seal Hukou got its name because the official seal validating this type of registration uses blue ink as opposed to the usual red. »It allows the holder to have the same rights and status as local Hukou holders, with the possibility of becoming a permanent local Hukou holder after five years of qualified residency. The criteria to obtain such a transitional Hukou are, largely, wealth and education or skills. Self-sponsored applicants must be wealthy and capable of investing, whereas sponsored applicants must have an advanced education and skills that are in great demand or a record of high achievement. By the 2000s, such de facto national mobility for selected groups of people has become a nationwide practice.« See Wang 2005: 51.

8 In 1984, peasants in market towns were allowed to get a new type of urban Hukou, called »self-supplied food grain« Hukou, as long as they met a number of requirements. The main requirements are that these migrants must either run businesses or be employed in enterprises and have their own accommodations. They must also self-provide their own food grain. The State Council stipulated that the people with this kind of

which grants full rights and access to the urban social welfare system, with the latter giving only partial access (see Figure 1). Rural Hukou status grants more limited rights in every regard.

Chan and Zhang (1999) point out that the two classifications are based on different criteria; urban areas contain both urban Hukou populations as well as rural Hukou populations. Similarly, urban Hukou populations may be present in urban areas or in the countryside. Moreover, and more importantly they argue, the dual classification of Hukou registration is important for the state control of rural–urban migration in the sense that Hukou registration creates two bureaucratic barriers for rural–urban migrants. In addition, as I explain below, I would add that this ranking aspect of the Hukou system is very much related to the transition of migrants' statuses.

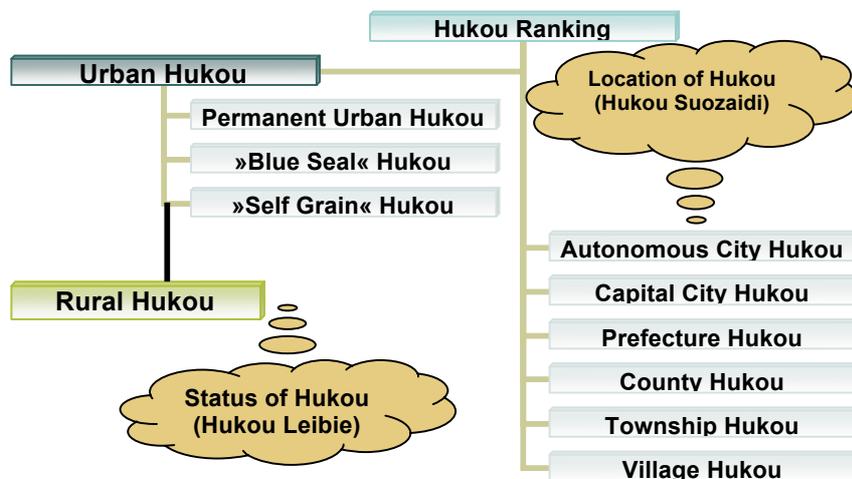


Figure 1: Ranking of Hukou Status and Location

Hukou be counted as part of the urban Hukou population, though that might not be the case in practice. See Chan & Zhang 1999.

1.3. The Hukou System in international comparison

China is not the only country that practices household registration, but as Wang argues it is the only country that defines people by »where you are,« while India categorizes people by »who you are,« and the United States by »what you have« (see Table 1) (Wang 2005: 10).

Type	Type 1	Type 2	Type 3	Type 4
Discrimination and exclusion based on	Who you are	What you have	Where you are	What you do/did
Example	Caste in India	Money in U.S.	Hukou in China	Criminal justice systems

Table 1: Exclusion standards of different countries. Source: Wang 2005.

Wang provides a comparison of Brazil, China, and India as regards economic development, technological sophistication, and sociopolitical features. He argues that the closest case, the Soviet *propiska* system, is now dysfunctional and disgraced, replaced in Russia by a singular institutional exclusion of Type 2 (based on »what one has«). Brazil, China, and India, three large developing nations facing similar Lewis-transition challenges (see footnote 5), have quite different institutional exclusions and varied mechanisms affecting internal migration and population mobility (Wang 2005).

The Hukou system is also very similar to Japan's permanent residency (本籍) and actual residency registrations (住民登録), except that the Japanese system does almost nothing to restrict people's mobility and has little effect on, for example, applications to public schools below university level.

2. The Hukou system: making space between regions

The Hukou system as a whole has acted as a domestic passport system in Chinese society and has served to produce and reproduce social segrega-

tion and social disparity. While economic dualism (rural/urban) is characteristic of most developing countries, including China, the Hukou system has reproduced a much stronger social dualism through both economic and, more importantly, institutional means. The outcome is a rigidly divided dual society both in pre-reform and in contemporary China.

This dual society is segregated by space, which is invisible to some extent as it is not marked by an object or accompanied by any milestones or signs. At the same time, social space is so obvious in every aspect of human life that it is as if it is ceremonially demarcated by a defined group on a delimited piece of soil:

The group takes possession of it in such a way that a stranger who sets foot on it commits a sacrilege analogous to a profane person's entrance into a sacred forest or temple. (Van Gennep 1972: 15–16)

Born and registered in one place by the Hukou system, all of residents' social welfare provisions, including education, occupation, insurance, and even identification cards (or passport) applications are connected to the original registration location. In practice, this means that if you are registered in location A then you do not receive support for primary and high school education in location B, and must pay several times more than local people do if you attend location B schools. Yan, one migrant who moved from Anhui province to Beijing calculates the Hukou price as follows:

Now, my child is going to school in Beijing, and we need to pay 600 Yuan⁹ per semester for primary school and 1,000 Yuan per semester for high school, which means in nine years I will be able to save 13,200 Yuan by being from Beijing. If I am unemployed, my family of four will receive 300 Yuan per month according to the Beijing low-income welfare system. If I am unemployed for two

9 One Yuan (CNY) = 0.151 US Dollar (USD) on December 31, 2010; see currency conversion rate at: <http://www.bankenverband.de/waehrungsrechner/index-xi.asp>.

months every year, I will get a 12,000 Yuan government subsidy in ten years. If I can participate as local Beijing people do in the medical insurance program, then by paying 100 Yuan per year I can get a maximum of 170,000 Yuan in health insurance. But the most favorable aspect is that I can apply for 90 square meters of *affordable basic housing* (经济适用房 *Jingji Shiyong Fang*¹⁰). According to the average price of housing in Beijing, it will cost around 20,000 Yuan per square meter; so if I sell the house, I can get 80 million, which is an extraordinary amount for me! (Interview in Beijing, 2010)

In fact, Yan has overlooked some hidden benefits connected to the Hukou system: In 2009, students from Beijing could get into the top Chinese universities with a much lower entrance score¹¹ than those from Anhui province. Furthermore, the best universities, such as Peking University, Tsinghua University, and other top universities in Beijing, accept hundreds of local students, but only dozens from each of the other provinces (except Shanghai) every year.

Chan and Zhang (1999) argue that the real power of the Hukou system in regulating migration does not come solely from the system itself but lies in its integration with other social and economic control mechanisms. They cite two scenarios: firstly, formal migration operates within a political and economic environment such that economic activities are strictly administered by the plan system, and therefore, few of these are available on the market at affordable prices. As a result, people's daily lives are closely connected to and monitored by various state administra-

10 Economically Affordable Housing is a special offer from the government for local families who have relatively low incomes. See Beijing Government 2007.

11 Chinese universities are classified systematically by the Ministry of Education. According to university enrollment standards, these scores make a huge difference as they may decide if students go to higher- or lower-class universities, or pursue more or less popular disciplines (the popularity of majors is calculated based on the employment rate after graduation).

tive organizations. Secondly, urban employment and labor transfers are controlled by the government; few chances for urban employment exist outside state channels. People's daily lives are thus tightly bound to work units (单位 Danwei) and under surveillance by police and residential organizations.

Moreover, migration control through the Hukou system (executed by the police) mainly serves to check unauthorized or »undocumented« migration. In the 1980s, migrants were required to apply for three permits in order to work and live in cities: (1) temporary residence permits (暂住证 Zanzhuzheng), (2) work permits (务工证 Wugongzheng) or business permits for the self-employed, and (3) proof of marital and pregnancy status for female migrants issued in the place of origin. Migrants also had to pay various fees when applying for these permits (Xiang & Tan 2005). Migrants without proper certificates, thus »undocumented migrants,« ran the risk of being removed from cities whenever the government chose, especially in the 1980s and 1990s. And even today, these certificates are still required in many cities, especially if migrants want to be formal contract employees.

The boundaries and spaces created by the different certificates mentioned above are especially important for migrant workers: as long as they do not have the completed certificates they may not be able to get good jobs. As mentioned earlier, the real power of the Hukou system is that it is intertwined with the other administrative systems, e.g. the Bureau of Public Security and the Bureau of Family Planning. Its delimitation of space is therefore rigorous and powerful. However, these are not the only reasons that migrants are bound to the past. Even if a person is not defined as a migrant worker, if for instance he or she is only interested in getting an education, he or she might still be faced with similar hurdles.

Wu, 28 years old, is a student who migrated from a village to attend university in the capital city of the Yunnan Province. He received national sponsorship in 2009 to continue his PhD studies in Belgium. It took him more than two months to collect all of the documents necessary to exit China. Firstly, before doing anything

else, he went back to his registration place to apply for a passport. Then he flew to Beijing from Yunnan, hoping to sign the contract with the National Scholarship Council. But they told him he needed more documentation of his current Hukou registration and Personal documents (个人档案 *Geren Dang'an*). Accordingly, he flew back to Yunnan, where he was registered, to collect all of the necessary documents. After that, he flew to Beijing again, where he signed the contracts. Finally, he flew to Guangzhou City (the capital of Guangdong province) to apply for a visa. According to administrative regulations, people who possess Yunnan Hukou (and that of some southern Chinese provinces) can only apply for a visa there. Only after all of this did he obtain his visa and successfully continue his studies in Belgium (Notes from an interview in Shanghai, 2011).

If Wu is unlucky and perhaps loses his passport or identification card one day, he will still need to return to his registration location to retrieve all of the necessary documentation. Worse yet, from January 1, 2012, all migrants will be required to be fingerprinted to get a new identification card as just announced by the Twenty-Third Session of the Eleventh National People's Congress on October 29, 2011 (NPC 2011).¹² This regulation may no longer fit a rapidly developing world where people are expected to migrate more frequently as demographic trends dictate. An aging population in developed countries (regions), young, growing

12 The Twenty-Third Session of the Eleventh National People's Congress Meeting voted to pass an act amending the decision concerning identity cards. The revised ID Act will affect all citizens as regards the renewal and replacement of ID cards. For all new cards, fingerprint information shall be collected. According to the regulations, permanent residence identity cards need to be handled at the location of origin; therefore, all migrants must return to their place of registration to complete all the necessary procedures. According to Deputy Department Head Mr. Huang Shuangquan of the Ministry of Public Security: »Although there are no technical problems in collecting fingerprints in cities of residence other than original registration locations, it's still required due to security considerations.«

populations in developing countries (regions), and growing employment opportunities combined with cheaper communication and transport have increased the »demand« for migration.

Institutions are the product of the historical conditions from which they emerged, and they tend to reflect and recreate the social patterns and belief systems that existed at their inception (Berger & Luckmann 1966). The space created by the Hukou system is the product of institutional processes and it has emerged from the structural conditions that make up major social institutions in China. As such, it constrains social life through its taken-for-granted nature.

3. Across the institutional passage: realization of status transition

Once institutions are established they »invisibly structure social life in ways that reinforce and recreate themselves« (Albiston 2010: 1103). Everyday social interactions conform to institutional structures and generate regular patterns of behavior that support the existing social order. This collective compliance gives meaning to social life, and reproduces and reinforces the patterns of behavior that make up social structure.¹³

An institution's socially constructed nature is largely invisible because »the social practices associated with it have become routine, rationalized, and taken for granted« (Albiston 2010: 1103). Institutions may seem real, objective, and autonomous, however they do not exist apart from the social interactions that continually recreate them. The spaces constructed between rural and urban China, between the periphery and the center, are taken for granted as are other institutional features of social life. However, social actors (migrants) are always looking for ways to traverse these spaces even if an institution like the Hukou system has set up visible and invisible barriers.

13 In this view, social structure means »the tendency of patterns of relations to be reproduced, even when actors engaging in the relations are unaware of the patterns or do not desire their reproduction.« See Sewell 1992.

3.1. Purchasing a Hukou by purchasing an apartment?

There are many large billboards located outside of communities in Yanjiao, Sanhe City, Hebei Province that announce: »No good Hukou, no good School; one apartment solves two problems!« Migrants need Hukou to obtain good local education. The website »Focus on Real Estate« conducted a survey that asked, »What is the main reason that you want to get the Blue Seal Hukou?« Eighty-two percent of those surveyed replied their motivation was that their »children can go to a better school.«

The people who purchase apartments in these communities receive the Hukou of Hebei Province rather than that of Beijing. But Hebei is one of the provinces closest to Beijing, so the local Hukou can also provide people some access to its educational resources. That is why people come to Hebei to buy apartments (and thus, obtain Hukou). People in Yanjiao even anticipate that it will later be incorporated into the Beijing district and its Hukou will then become a Beijing Hukou. As Beijing is one of the four autonomous administrative municipalities with a population of more than 19.6 million (NBS 2011b), and a per capita GDP of approximately US\$ 10,298 in 2009 (ranking second among Chinese provinces and autonomous administrative municipalities (NBS 2010a)), people assume that everything related to Beijing is associated with high social welfare benefits.

There are also very similar »Apartment-Hukou« regulations in nearby cities like Tianjin, Dalian, Shijiazhuang, Baoding, Qingdao, and Qinghuangdao. In February 2010, a new regulation in Tianjin (one of the four autonomous administrative municipality cities, also near Beijing) was issued that allowed people to get Tianjin Hukou (Blue Seal Hukou) by purchasing an apartment with a value between 400,000 and 800,000 Yuan (US\$ 62,000 to 124,000). The »Blue Seal Hukou« would be changed into a local Hukou after three years.

The competition near Shanghai is quite similar. Hangzhou is a very attractive city just outside of Shanghai and its regulations require purchasing an apartment valued between 800,000 and 1,000,000 Yuan (US\$

124,000 and 155,000) to obtain a Hangzhou Hukou. The other capital cities, such as Hefei in Anhui Province and Nanning in Guangxi Province, have similar regulations but the requirements are much lower as the economic development levels of these cities are also much lower (Yan 2010).

But the most interesting development in the regulation of »Apartment-Hukou« is that in 2010, Beijing called for a halt to unlimited apartment purchases due to the booming real estate market. The price per square meter increased from 3,000 Yuan in 2000 to 30,000 Yuan in 2010. The »Apartment Purchasing Limitation Act« (限购令 Xian Gou Ling), based on Hukou issued in February 2011, mandates that residents with Beijing Hukou cannot purchase more than two apartments. It further stipulates that residents without Beijing Hukou cannot purchase apartments without having paid taxes for more than five years and may buy no more than one apartment (Beijing Government 2011). Similar acts are being issued in other cities according to a regulation set forth by the National Council.

The above regulation is considered the strictest with regard to purchasing apartments and has provoked huge discussions concerning the institutional barriers migrants face in cities. Regardless, the »Apartment-Hukou strategy« remains the most popular strategy for migrants to change their status from outsiders to insiders because the new economy has fostered the growth of enormous new groups of wealthy people who may have enough financial capital to achieve this status transition.

3.2. Shanghai: the »Green Card« and Point System

Shanghai is one of the four autonomous administrative municipalities. It has a population of more than 23 million (NBS, 2011) and its per capita GDP, approximately US\$ 11,320 in 2009, ranks first among Chinese provinces and autonomous administrative municipalities (NBS 2010a). Since 2002, there is no longer a policy that allows a person to purchase a Shanghai Hukou by purchasing an apartment. But now there is a new regulation for obtaining a Shanghai Hukou, similar to the U.S. point system for obtaining a green card:

Chen, 30 years old, who originally migrated from Zhejiang province, received a Master's degree in the Netherlands and spent five years working in a company's procurement department, obtained a Shanghai Hukou in 2010 via the »Regulation on Hukou Transfer for Overseas Talent Working in Shanghai.« Her husband, Zhang, aged 33 and also originally a migrant from Zhejiang Province, who received a bachelor's degree in computer science and spent ten years working for a Taiwanese computer company, obtained a Shanghai Hukou in 2010 via the »Regulation on Shanghai Residence Card Holder Transfer to Shanghai Hukou Holder.« (Notes from an interview in Shanghai, 2010)

The basic procedure for obtaining a Shanghai Hukou involves two steps. Firstly, one must obtain a »Residence Card,« which utilizes a point calculation based on human resource qualifications, including age, education level, professional level, employment level, whether the applicant is an apartment owner, and so on. Further, the prestige of the employer, especially the economic contributions of the employer, is also taken into consideration. In short, normally only young and well-educated elites would be eligible to enter into the system of »Residence Card« holders. The final decision concerning how long a »Residence Card« is valid—e.g., for 6 months, 1 year, 3 years or 5 years—also depends on the applicant's qualifications. Only individuals who accumulate 100 points are eligible to obtain a 5-year »Residence Card« (Human Resources Bureau, 2002). Secondly, only after seven years of holding a »Residence Card« are individuals allowed to apply for a local »Hukou.« The number of people who have actualized this type of transfer is still unknown as the new regulation was only issued in December 2009 and as yet no government data is available (Shanghai Human Resources Bureau 2009).

The point system represents a new strategy for the status transition of migrants. As long as a person is educated enough or makes enough of a contribution to the development of Shanghai by paying enough taxes, there is a chance of obtaining a formal transfer into urban life. This strategy demonstrates that human capital can, in some way, be transferred into the social welfare system.

3.3. Hukou transfer in Chongqing: an »Institutional« strategy?

Chongqing is one of the four autonomous administrative municipalities with a population of more than 28.8 million (NBS 2011) and a per capita GDP of approximately US\$ 3,000 in 2009, ranking eighteenth among Chinese provinces (NBS 2010a). Chongqing City initiated reforms in 1994 during the Small City and Town Hukou Management Reform Experiments. By 1997, reforms were expanded to include Hukou transfer for all non-agricultural workers with steady employment and a fixed domicile in towns and villages.

These reforms were realized steadily, the small cities and towns in Chongqing City increased their Hukou transfer by 80,000 people per year on average. In 2000, Hukou transfer regulations were relaxed for relatives and skilled laborers, investment and industry (above certain tax payment levels), and students. Then, from September 2003, agricultural and urban Hukou were cancelled and replaced with unified Chongqing City Resident Hukou.

Several cities were approved for the »Hukou system urban and rural reforming experiments« in 2007, and Chongqing again became one of the model cities. The targets for Hukou transfer remain focused on four groups: 1) migrant workers in Chongqing; 2) university students whose Hukou is not from the local city; 3) soldiers who return to their hometowns after completing army service; and 4) farmers with rural Hukou who have not transferred to the city Hukou after losing their former residence because of urban development.¹⁴ Obtaining Chongqing Hukou is voluntary for targets groups 2, 3, and 4, but those in target group 1 are supposed to have stable income and employment before applying for a Chongqing Hukou (Chongqing Government 2010). It is estimated that more than three million residents qualify for the Hukou

14 It is not uncommon that the government (the land management agency or the licensing authority) in some cities requisitions land collectively and dismantles houses in the name of national, social, and public interests, relocating residents with some compensation. See Ministry of National Land Resource 2011.

transfer; the government is planning to transfer three million Hukou from 2010 to 2011 and seven million from 2012 to 2020 (Huang & Liu 2011).

The Chongqing reforms did not address the needs of the temporary population because of the requirement for »stable employment and stable residence.« Purchasing an apartment was a high bar, therefore few of the Hukou transfers during this period involved migrant workers. In short, the institution has not fundamentally changed. Moreover, as Wang and Liu argue, even though Chongqing City appeared to have removed Hukou dualism, the treatment of city residents remained different in areas such as land compensation, veteran care, traffic accident compensation, social security, and others (Wang & Liu 2006). Nevertheless, the case of Chongqing City represents a good step toward a new strategy for status transition when institutional reform exists, even if it is not fundamental reform.

4. Conclusion: the context of time and space

China is achieving amazing GDP growth. At the same time, it is also characterized by an enormous population, accompanied by rapidly growing internal migration. Migrants are experiencing the vast inconsistencies created by the dual economic structure and the Hukou system, which remain potent and powerful and cover every aspect of human life.

The Hukou system, as a special institutional arrangement, is creating spaces between zones, between rural and urban areas, and between small cities and big cities. And it is abundantly clear that »[w]hoever passes from one to the other finds himself physically and magico-religiously in a special situation for a certain length of time: He wavers between two worlds« (Van Gennep 1972: 18). Migrants who travel between the zones »suffer« from the transition of identity and the passage from one social, economic, political, and even psychological position to another. These zones are created within contemporary society and are not precise, but visible in people's social lives. Even when migrants are physically located in urban centers, they are, on some level, still bound to their past; the place where they are formally and formerly registered.

I was interviewing one 40-year-old migrant selling telephone cards in front of the main entrance of one top university. He had already lived in Shanghai for ten years: »Then, what are your plans for the future?« I asked. He turned his head to the sunshine and answered me: »Future? Of course, I would go back to my hometown—after I earn enough money. This city does not belong to me.«

»Going back« is only one of the solutions that exist for migrants. Most remain struggling in the city, trying to protect their own rights by looking for an institutional passage to transfer their status. »Buying a Hukou« or »Achieving a Green Card« are two possible strategies to cross this institutional passage, and eventually, to enable themselves to partake fully in their urban lives. Staying and waiting for the relaxation of institutional arrangements is another strategy, however it is one that is not controlled by migrants but by policymakers. And these policymakers will only change these arrangements once they have recognized that an institution like the Hukou system hinders rather than promotes the economic and social development of the country.

However, the current situation may not be the end of the story. As Wang believes, the PRC Hukou system as a Type 3 institutional exclusion based on location differences (»where one is«) is gradually shifting toward a Type 2 institutional exclusion based on the fault lines between haves and have-nots (»what one has«). »The wealthy, the talented or educated, and the powerful now have essentially nationwide mobility under the Hukou system« (Wang 2005: 26). On the one hand, we can expect the emergence of more strategies by migrants for achieving a transition of status; on the other, institutional reform or adaptation is a more decisive and forward-looking step.

References

- Albiston, Catherine 2010: Institutional Inequality. *Wisconsin Law Review* (2009/5): 1093–1165
- Beijing Government 2007: Regulation on Economically Affordable Housing in Beijing City, (北京市政府: 北京市经济适用住房管理办法 (试行)), 14th May 2012, http://govfile.beijing.gov.cn/Govfile/front/content/12007027_0.html
- Beijing Government 2011: *Regulation on Housing purchase limit* (北京市限购令细则), 14th May 2012, <http://wenku.baidu.com/view/7cf1761b227916888486d72f.html>
- Berger, Peter. L. and Thomas Luckmann 1966: *The Social Construction Of Reality: A Treaty In The Sociology Of Knowledge*. New York: 56–57
- Chan, Kam Wing 2010: The Household Registration System and Migrant Labor in China: Notes on a Debate. *Population and Development Review* (36/2): 357–364
- Chan, Kam Wing and Li Zhang 1999: The Hukou System and Rural-urban Migration: Processes and Changes. *The China Quarterly* (160/1): 818–855
- Chan, Kam Wing and Will Buckingham 2008: Is China Abolishing the Hukou System? *China Quarterly* (195): 582–606
- Cheng, Tiejun and Mark Selden 1994: The Origins and Social Consequences of China's Hukou System. *The China Quarterly* (139/Sep.): 644–668
- Chinese Academy of Social Sciences (CASS) 2010: *The analysis and prospect of future China Rural Economic* (中国农村经济形势分析与预测), Social Sciences Academic Press (社会科学文献出版社)
- Chongqing Government 2010: *On Hukou System Reform* (重庆市人民政府,关于统筹城乡户籍制度改革的意见), 14th May 2012, http://www.cq.xinhuanet.com/zhengwu/2010-08/03/content_20525800.htm
- Cui, Zhiyuan 2011: *Domestic Demand is the key for Rural-Urban reform* (崔之元, 拉动内需是统筹城乡改革最关键的要害), 14th May 2012, <http://news.hexun.com/2011-06-10/130429851.html>

- Duan, Chengrong 2003: On the social adaptability of the floating population. *Journal of Yunnan University. Social Science* (2/3): 54–60 (论流动人口的社会适应: 兼谈北京市流动人口问题. 云南大学学报 (社会科学版))
- Garces-Foley, Kathleen 2006: *Death and religion in a changing world*. Armonk/NY
- Han, Dongping 1999: The Hukou System and China's Rural Development. *The Journal of Developing Areas* (33/3): 355–378
- Huang, Zhiliang and Liu Changyong 2011: *Discussion on the Chongqing model on Hukou System Reform* (黄志亮,刘昌用,户籍制度改革的重庆模式探索, 国家行政学院学报)
- International Monetary Fund (IMF) 2011: *Data refer to the year 2010. World Economic Outlook Database-April 2011*
- Liang, Zai and Michael. J. White 1997: Market Transition, Government Policies, and Interprovincial Migration in China: 1983–1988. *Economic Development and Cultural Change* (45): 321–84
- Lin, Justin Yifu, Fang Cai and Zhou Li 1999: *The China's Miracle: Development Strategy and Economic Reform* (林毅夫、蔡昉、李周. 《中国的奇迹: 发展战略与经济改革》 (修订版), 上海人民出版社, 1999). Shanghai
- Mayhew, Susan 2010: *A Dictionary of Geography*. Oxford
- Mendes, Errol and Sakunthala Srighanthan 2009: *Confronting Discrimination and Inequality in China: Chinese and Canadian Perspectives*. Ottawa
- Ministry of National Land Resource 2011: *Emergent Regulation on the Management of Land Requisition* (国土资源部办公厅, 2011-05-16, 关于切实做好征地拆迁管理工作的紧急通知, 国土资电发〔2011〕72号), 14th May 2012,
http://www.mlr.gov.cn/zwgk/zytz/201105/t20110516_865792.htm
- Ministry of Public Security (MPS) 1958: *Regulations on Household Registration in the People's Republic of China. January 9, 1958. Compilations of PRC public security regulations (1957–1993)*. Beijing
- National Bureau of Statistics (NBS) 2010a: *GDP per Capita ranking of all Chinese provinces (autonomous administrative municipalities) in 2009, calculated based on NBS data*, 14th May 2012,
<http://www.stats.gov.cn/tjsj/ndsj/2010/indexch.htm> .

- National Bureau of Statistics (NBS) 2010b: *Monitoring Report on Migrant Workers, Rural Affair Department, China* (国家统计局农村司, 2009 年农民工监测调查报告, 2010-03-19), 19th March 2010,
http://www.stats.gov.cn/tjfx/fxbg/t20100319_402628281.htm
- National Bureau of Statistics, China 2011a: *Reports for the Sixth National Census of 2010 (No. 1)* (中华人民共和国国家统计局, 2010 年第六次全国人口普查主要数据公报 (第1号)), 14th May 2012,
http://www.stats.gov.cn/tjgb/rkpcgb/qgrkpcgb/t20110428_402722232.htm
- National Bureau of Statistics (NBS), China 2011b: *Reports for the Sixth National Census of 2010 (No. 2)* (2010年第六次全国人口普查主要数据公报 (第2号)), 14th May 2012,
http://www.stats.gov.cn/tjgb/rkpcgb/qgrkpcgb/t20110429_402722510.htm
- Sewell, Jr, William H. 1992: A Theory of Structure: Duality, Agency, and Transformation. *American Journal of Sociology* (98/1): 1–29
- Shanghai Human Resources Bureau 2002: *Regulation on Resident Card Application for national Talents* (上海市人力资源和社会保障局, 国内人才申领《上海市居住证审核试行办法》), 14th May 2012,
<http://www.shanghai.gov.cn/shanghai/node2314/node4656/node4658/userobject34ai20.html>
- Shanghai Human Resources Bureau 2009: *Regulation on Shanghai Residence Card Holder transfer to Shanghai Hukou holder* (上海市人力资源和社会保障局, 《持有〈上海市居住证〉人员申办本市常住户口试行办法》实施细则), 14th May 2012,
<http://www.shanghai.gov.cn/shanghai/node2314/node2319/node12344/userobject26ai18735.html>
- State Council 2010: *Opinions of CPC Central Committee and State Council on efforts to increase urban and rural development and further reinforce the foundation of agriculture and rural development*. Document No. 1 (2010 年中央一号文件: 中共中央国务院关于加大统筹城乡发展力度, 进一步夯实农业农村发展基础的若干意见, 2009 年 12 月 31 日), 14th May 2012,

- http://news.xinhuanet.com/politics/2010-01/31/content_12907829.htm
- Tao, Ran. 2010: Achieving real progress in China's hukou reform. *East Asia Forum* (8 February), 14th May 2012, <http://www.eastasiaforum.org/2010/02/08/achieving-real-progress-in-chinas-hukou-reform/>
- Turner, Victor W. 1969: *The Ritual Process: Structure and Anti-Structure*. London
- Twenty Third Session of the Eleventh National People's Congress Meeting (NPC) 2011: *Pass an Act on Amending the Decision of Identity Cards*, 30.10.2011 (明年起公民换身份证须录指纹 流动人口回原籍办理), 14th May 2012, <http://politics.people.com.cn/GB/1026/16067857.html>
- United Nations Development Program (UNDP) 2010: *China Human Development Report, China and a Sustainable Future: Towards a Low Carbon Economy and Society*. Beijing
- 2009: *Human Development Report, Overcoming barriers: Human mobility and development*
- Van Gennep, Arnold 1908 (1972): *The Rites of Passage*. English trans. 1960 by M. B. Vizedom and G.L. Caffee, London
- Wang, Fei and Liu Wenhai 2006: Research Report on the Conditions of Reform of the Hukou Institution in Selected Areas. *China's Research Report on Migrant Workers/Discussion Group of the Research Department of the State Council*. Beijing, edited by Wei Liqun and Han Changfu (王飞, 刘文海. «部分地方户籍制度改革情况调查报告», 《中国农民工调研报告/国务院研究室课题组》, 魏礼群, 韩长赋.北京中国言实出版社)
- Wang, Fei-Ling 2005: *Organizing Through Division and Exclusion, China's Hukou System*. Stanford
- Xiang, Biao and Tan Shen 2005: Does Migration Research Matter in China? A Review of its Relationship to Policy since the 1980s, *International Journal on Multicultural Societies (IJMS)* (7/1)
- Yan, Gaoyun 2010: 1 Million for a Hangzhou Hukou. *Financial Weekly* (晏高云, 逃离上海: 杭州100万落户,合肥买房就入户,理财周报), 14th May 2012, http://money.msn.com.cn/white/20100422/18491004926_9.shtml

Luo, The Hukou System in China

InterDisciplines 1 (2012)

Yong, Nick 2007: How much Inequality can China Stand? *China Development Brief* (February)