## THE HUMAN SIDE OF DEVELOPMENT: A STUDY OF MIGRATION, HOUSING AND COMMUNITY SATISFACTION IN PUDONG NEW AREA, PEOPLE'S REPUBLIC OF CHINA

by

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#### **ABSTRACT**

Since announcing its 'open door policy' in the late 1970s and shifting towards a 'socialist market economy' in recent years, the People's Republic of China has been experiencing vast economic, social and demographic changes. China's high economic growth rate is spurring migration to the cities as people search for higher standards of living and increased income. This is compounded by relaxed household registration laws enabling people to move to urban centers in greater numbers, resulting in profound effects upon the rate and level of urbanization. This in turn is adding pressure on China's existing housing shortage, increasing the state's heavy financial burden and the furthering the need for housing reform.

Pudong New Area, or East Shanghai, is a district that has been slated for vast economic and industrial development, and its growth is being affected by the changes outlined above. Pudong is now the site of booming construction of many types, including basic infrastructure, housing and factories, and has quickly become home to over one million people. This study thus seeks to understand the processes by which people have come to Pudong, the ways and means by which they have been provided with basic housing and their satisfaction levels with their current housing situations and communities. The links between these three aspects of Pudong's development are also examined, shedding light on the relationship between the government and people in terms of the growth of Pudong New Area. Two Sino-Foreign Joint Ventures were used to gather data for this study: both surveys and interviews were conducted with employees. It was found that Pudong's future success rests on three things: population control, return on housing investment and the satisfaction levels of the residents of Pudong.

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#### **Chapter One**

#### Introduction

Since announcing its 'open door policy' in the late 1970s and shifting towards a 'socialist market economy' in recent years, the People's Republic of China has been experiencing vast economic, social, and demographic changes. China's economic growth rate, at above 10% per year, is spurring migration to the cities as people search for higher standards of living and higher income. This is compounded by relaxed household registration laws enabling people to move to urban centers in greater numbers, resulting in profound effects upon the rate and level of urbanization. This in turn is adding pressure on China's existing housing shortage, increasing the state's heavy financial burden and the furthering the need for housing reform. These effects are worthy of study, especially as China is home to one fifth of the world's population.

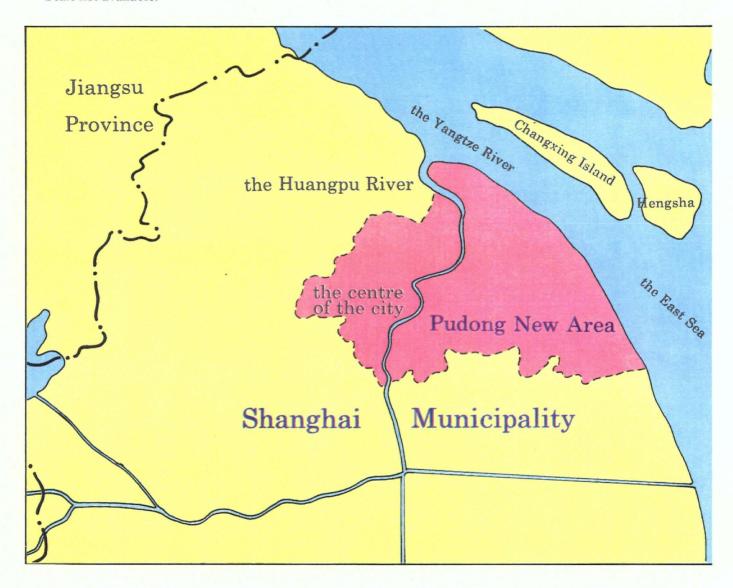
Pudong New Area, or East Shanghai, is a district on the east side the Huang Pu River, across from the downtown core of Shanghai, or Puxi, on the west side. It has been slated for vast economic and industrial development, and is now the site of booming construction of many types, including basic infrastructure, housing, factories and chemical plants. Pudong is very much a new community. Until just a few years ago, Pudong was home to mostly farmers and

<sup>&</sup>lt;sup>1</sup> In Mandarin, dong = east and xi = west.

Map 1. The Location of Pudong New Area.

Source: Pudong New Area Administration.

Scale not available.



fishermen, with relatively little industry. The rapid pace of development today is destroying the old villages; homes are being replaced by office and television towers, and entire villages are being torn down to make way for expanding chemical plants and factories.

Such rapid development, both physical and economic, is profoundly affecting the lifestyle that the local populations have experienced over the last four decades of Communist rule. Pudong represents a new phase in the economic and social development of the People's Republic of China. Many of the once strictly enforced rules on migration, employment and social planning are changing, giving way to the 'development goals' of Pudong New Area. This study seeks to understand the processes by which people have come to Pudong, the ways and means by which they have been provided with basic housing and their satisfaction levels with their current housing situations and communities. The question of how people are being affected by these fundamental changes in the local political, economic and social structure is worthy of study.

#### Objectives of the Study

The objectives of this study are essentially threefold. The first objective is to examine the process of migration to Pudong New Area. How is migration to Pudong being managed? Pudong officials have set specific population targets: how are these targets being reached and maintained? Certain types of people are being sought for Pudong's growing population: how is the government recruiting these people? How are they finding work? Where are they coming from? Are these targets in themselves being met? Why is the government setting such guidelines and what will be the results of these guidelines? The question of who is attracted to Pudong must be examined in order to determine if the government's guidelines are being met. What is their gender, age, educational background and marital status?

The second objective of this study is to examine how the authorities are making provision

for housing for people moving to Pudong. To understand the roles of the work unit and the government in this process is crucial. With the changing economic structure in China today, the cradle-to-grave care that employers and the government once had to provide to all citizens no longer holds the importance that it once did. Who is now paying for housing? As joint ventures are growing in number in Pudong, are their responsibilities to their Chinese employees growing as well? What percentage of workers are receiving housing from their companies? How does this fit in with government housing reforms? What percentage of people are buying private homes?

The third objective of this study is to examine the sense of community among the new residents of Pudong. What community services are available to the residents that help foster a sense of community? How do the residents perceive social changes? What are their impressions of Pudong? Are they satisfied with their current housing and communities? How are the economic changes affecting them individually?

Throughout these discussion it will become evident that there is a strong relationship between migration and housing in Pudong New Area. At the national level, rural-urban migration has been increasing since reforms began in the late 1970s, and migrants are in need of places to live. China has been experiencing housing shortages for decades, and with increasing flows to the cities, these problems will only grow worse with increasing urban populations. Pudong represents a unique case study in this regard: it is a new community, one that is growing rapidly. It represents the migration flows, changing hukou regulations and housing reforms all at once. How the growing community is changing and evolving, and how political, economic and social changes are perceived by that community may provide insights into what is to come for China as a nation.

Two Sino-Foreign joint ventures have been used as case studies to gather much of the

information for this study.<sup>2</sup> The employees of these joint ventures have also provided a useful reference point, providing a clearer understanding of the development and changes in Pudong. Many of the joint venture employees, although they work in Pudong, call Puxi home. Comparisons between these two groups of residents will shed some light on how Pudong is differing from Puxi, and whether the goals of Pudong's development officials are indeed being met.<sup>3</sup> One would expect to find, based on Pudong's current stage of development, that there are significant differences between the two groups of residents.

#### Methodology

First, an examination of the current literature, both of local Chinese and foreign sources was necessary to place Pudong New Area in the context of changes taking place throughout China. Current literature regarding migration in China is reviewed, along with literature regarding housing and social development. Academic literature dealing with the development of Pudong is quite limited as Pudong is a new community. There is, however, an abundance of data and information from business sources, most of it coming from the Western community in China. It must be recognized that development in Pudong is very much business driven: the number of foreign funded enterprises in Pudong is growing rapidly. It is due to such investment that the development of Pudong is both viable and necessary. The Chinese government requires money for its huge infrastructure projects that are now underway, and it is due to both domestic and foreign business investment that such projects are feasible.

Second, extensive interviews with planning officials took place to gain an understanding of

<sup>&</sup>lt;sup>2</sup> The Joint Ventures used for this study will be identified as JV1 and JV2, or the abbreviation JV alone will be used to describe both of them.

<sup>&</sup>lt;sup>3</sup> In tables used throughout this study, results have been divided into two groups, those of Puxi residents and those of Pudong residents. The column representing Puxi results will be titled Puxi, and the column representing Pudong residents will be titled Pudong.

the goals of Pudong's development. Informants in both the industrial and social sectors were also contacted to understand their role in the development of Pudong, their concerns, and their relationship with the emerging community. Here it is important to point out that although China is moving away from its strict communist ideology in terms of economics and social development, a foreigner doing research in China still faces many obstacles. Interviews with certain officials, including the local police authorities were not permitted, and answers to questions regarding social issues were often limited. Despite these limitations, a comprehensive picture of today's situation has been attempted, but many questions remain unanswered.

The bulk of information for this study was gathered through surveys and interviews of employees in two Sino-Foreign joint ventures in Pudong. Surveys were distributed to approximately two hundred employees of the same joint ventures, with 163 surveys returned. The surveys were designed to collect data on current housing conditions: size, cost, and household structure, among others. Also gathered from these surveys was an idea of the amenities and material goods which the residents were purchasing, along with their satisfaction levels of their current living arrangements. Migration information formed an important part of these surveys as well, although the response was somewhat limited. In-depth interviews with twenty joint venture employees were conducted to understand their housing and community concerns, their housing goals, and their aspirations and impressions of urban life. Again the research methods used and the results obtained must be considered in light of the fact that employees for interviews were at times selected by joint venture personnel staff. An analysis of the data was carried out to determine the differences between Puxi and Pudong residents in the above mentioned indicators. The surveys themselves were declared illegal by the Pudong planning office and had to be modified slightly to be approved. The utmost respect of the Chinese regulations was used to gather this information, and an attempt has been made to present a most

accurate description as possible of Pudong New Area's development.

#### Shanghai Pudong New Area: The Dragon's Head

In order to understand Pudong's development, a brief outline of Pudong today, its administration and its planning goals is necessary. In April of 1990, the Chinese central government announced that Pudong New Area was to be developed and opened up to act as the 'dragon's head of development' for the Yangtze River, thus transforming Shanghai into one of the leading economic, business and cultural centers of Asia, and eventually, the world. Pudong New Area itself encompasses 522 square kilometers and at present has a population of approximately 1.38 million people. The major industries of Pudong include petrochemicals, ship building, and iron and steel manufacturing. Factories for light industry and textiles are also growing in number. Pudong New Area is divided into four key sub areas: Lujiazui Finance and Trade Zone, Jinqiao Export Processing Zone, Waigaoqiao Free Trade Zone, and Zhangjiang Hi-Tech Park.

Lujiazui Finance and Trade Zone. The Lujiazui area is to become the centre of Shanghai and Pudong's banking and trade business, as well as the municipal administration centre. The zone is 6.8 square kilometers in size. Along the waterfront of Lujiazui is the 450 meter high oriental Pearl TV Tower, the highest tower in Asia. Plans have been developed for a large park, an opera house, and Asia's largest shopping center. The core buildings in the Lujiazui zone will reach over 90 stories in height.

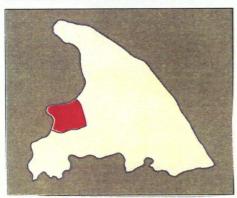
Jinqiao Export Processing Zone. Jinqiao is located at the centre of Pudong New Area with a total area of 9.5 square kilometers. Its focus will be on hi-tech products and tertiary industry, along with some trade activity.

Waigaoqiao Free Trade Zone. Waigaoqiao is the first comprehensive free trade zone in

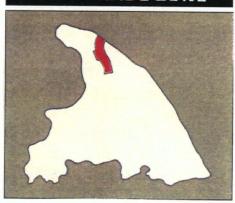
Map 2. Pudong New Area's Key Sub Areas

Source: Pudong New Area Administration Scale not available.

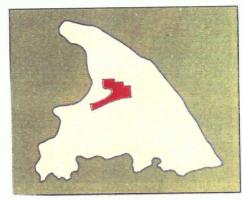
## LUJIAZUI FINANCE & TRADE ZONE



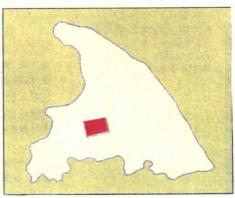
WAIGAOQIAO FREE TRADE ZONE



## JINQIAO EXPORT PROCESSING ZONE



ZHANGJIANG HI —TECH PARK



the People's Republic of China. The 10 square kilometer area consists of a bonded storage area, a trade management centre and an export processing area.

Zhangjiang Hi-Tech Park. Zhangjiang Hi-Tech Park is known 'China's future silicon valley.' The area is 17 square kilometers in size and will house technological and scientific research institutions. The focus will be on electronic and information science, engineering and environmental technology.

In terms of the planning of Pudong, a strategy has been outlined to guide the development of Pudong New Area entitled "Facing the World, Facing the 21st Century and Facing Modernization." This strategy has outlined the steps to build a "modern socialist city." The

development of Pudong, according to this strategy, will rejuvenate Shanghai and bring it to the international arena as a globally powerful economic and cultural city. The modernization of Pudong, according to the plans, will lead the nation in the following six areas (Shanghai Pudong New Area Handbook 1993: 8-10):

- 1) Infrastructure. Pudong has planned for the highest quality infrastructure possible, including a comprehensive transportation and communication network and gas and water systems, all to be built according to international standards. Two bridges spanning the Huang Pu River have been completed, as has the connecting ring road through Puxi and Pudong. Subway lines and more tunnels under the Huang Pu are planned for the future.
- 2) Business. The Lujiazui zone will be home to about 150 sky scrapers including trade buildings, shopping centers and conference centers, making it China's largest business centre. In terms of trade, Pudong plans to take full advantage of the open door policy and expects its trade volume to exceed 7.8 billion RMB by the year 2000, with an average annual growth rate of 41%. Finance and insurance will be Pudong's major industries of the 21st century. It is anticipated that the GNP will reach RMB 5.8 billion with annual increases of 40%. With regards to information and consultancy, the goal is to make Pudong into an important information centre for both China and the entire Asia-Pacific region. Tourism and recreation resources are also planned including a facility similar to Disney Land.
- 3) Hi-tech industry and export processing. The high tech park in Zhangjiang will represent China's most advanced technological area through four major functions: information, development, transportation, and industrialization. This will play the key role of the 'dragon's head' of industrial development along the Yangtze River Basin.
- 4) Free trade. The Waigaoqiao sub zone is planned to be a comprehensive free trade zone with the most flexible free trade policy in China. Waigaoqiao will focus on entrepot trade,

bonded warehousing, export processing and the absorption of foreign investment. It will become China's largest regional international trading center.

- 5) Advanced rural industry. Rural and urban agriculture in Pudong will be integrated through advanced technology and management, making Pudong the leader in China in rural industries. The goals include agricultural products for export, tourism agriculture and modernized rural agriculture.
- 6) Residential Areas. Pudong's goal is to build a high quality residential area with the best service conditions in the nation. The goal is to provide each family in Pudong with 100 square meters of living and community space and 20 square meters of public green space. The average will be one person per room, 10 square metres of space per capita, with telephone lines and gas usage the norm for each household. Old areas of housing are being torn down and rebuilt, and new areas are under construction. In terms of education, elementary, middle and international schools will be built to serve the new residential areas of Pudong. Universities and colleges will also be established. Future cultural needs will also be met through the TV tower, opera house, cinemas, and libraries which are, or will soon be, under construction. With regards to health care, six new hospitals will be built, along with a special medical facility for foreigners. Sports centers and golf courses are also being built to serve both local people and expatriates.

In 1993, the Pudong New Area Administration Office (PNAA) was established, led by Shanghai's Vice Mayor Zhao Qizheng. It is responsible for overseeing all development projects, foreign and domestic investment and social infrastructure. In his speech delivered on the inauguration of the Pudong New Area Administration, Vice Mayor Zhao outlined the goals of the Administration:

...We will throw ourselves into the great trans-century project with new attitude and new style. We will set up a simplified and efficient working organization which will pool wisdom and efforts of everyone and accept suggestions from every aspect. ...We will take the socialist market economy with Chinese characteristics as a guideline and take the lead,

in the Pudong New Area, in setting up socialist market and the norms of fair competition, integrating with world market, forming a operational mechanism of positive economic circle and establishing a new pattern of administration system as streamlined government with various services to achieve the goal of new solutions to new problems in the new area. The reason of our conviction for success is that we have correct policy of central government, correct leadership of Shanghai municipal government and sincere support from the people of the whole country and the city (Shanghai Pudong New Area-Investment Environment and Development Prospect, undated: i).

To achieve these goals, the Pudong New Area Administration outlined three stages of development (Shanghai Pudong New Area Handbook 1993: 5). The Starting Stage (1991-1995) focuses on planning, improving the environment and completing river crossings and road systems. Initial construction is being started on the sub zones to attract domestic and foreign investment. The Developing Stage (1996-2000) will focus on urban infrastructure projects such as more roads and public utilities. More emphasis will be on the sub zones to promote development and attract further investment. The Full Scale Stage (2000-2030+) will involve full scale construction, transforming Pudong into an export oriented center and an international city.

Main targets have been established for the economic and social development of Pudong

New Area in the 1990s (Shanghai Pudong New Area Handbook 1993: 7). To meet the Target of

Development and Construction, by the year 2000, the urbanized area of Pudong will be 100 km2.

The subzones will be built up, and the major infrastructure projects, such as transportation and

utilities will be finished. This will provide a "solid foundation for further development (ibid.). The

Target of Economic Development states that the gross regional product of Pudong in the year

2000 will be sixteen times as much as that of 1990, due to the development of science and

technology and the improvement of economic efficiency. The proportion of Pudong's GNP in

Shanghai's total will reach 25% in 2000, up from 8% in 1990, according to the economic target.

For the Target of Social Development, the goal is to improve the people's living standards

through science, education, culture and public health. City officials have planned that by 2000,

the population will be 2 million with 1.35 million living in urban areas. Their living standards and consumption patterns will be better than those of people living in Puxi. The Target of Reform of the Economic System also looks to the year 2000. The aim is for Pudong to be the first city in China where the socialist market economic system is working, incorporating the domestic market with the international market. The Target of the Construction of Spiritual Civilization focuses on advocating and promoting patriotism and the belief in socialism and collectivism. There will be efforts made to promote the national spirit and improve the general mood of society and professional ethics and morality.

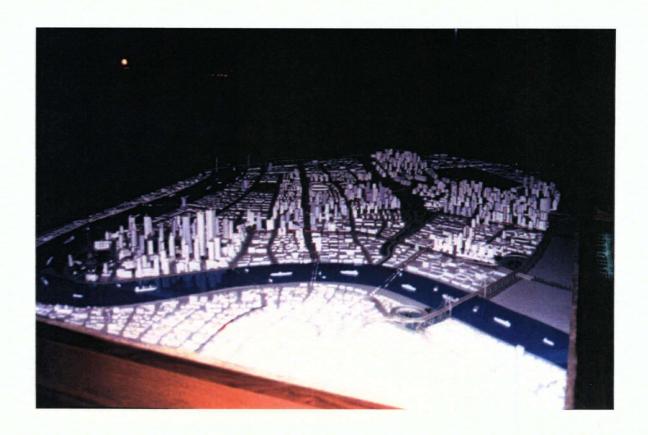
#### Significance of the Study

As has been the case in China since the founding of the People's Republic in 1949, planning has been very much a 'top-down' government exercise. With the fundamental structural, economic and social change taking place in China today, understanding the dynamics of urban planing is crucial to understanding the future that may lay in wait for the people of China. To examine how the people are being involved in the processes and how they are in turn reacting to a new city such as Pudong may be relevant to an understanding of the new and emerging economic freedoms of the people of China in their new socialist market economy. One may ask, are things really changing? Or are they more of the same? Are the people really satisfied with what is taking place in Pudong today? Will Pudong be the new vanguard of China in an economic, social, and physical way? Is Pudong representative of the new China?

The plans for Pudong have been laid out in a grand fashion for the world to see.

However, the question of where the people fit into the picture must be asked. It is crucial to understand where the people and their living conditions come into play. The relationship between the living standards of the people of Pudong New Area and their dynamic, growing, more

international surroundings is indeed complex, but one that must be closely examined. The target of the construction of spiritual civilization explained above emphasizes socialism and collectivism. Will such a target be reached while "the best" of infrastructure, industry, culture and housing is promoted for Pudong? Can socialism and collectivism be promoted while the goal of a market economy is being vigorously pursued? These questions, while they may seem more sociological in nature, are directly tied to the planning of Pudong and housing issues. Sociological and planning issues are very much intertwined with the opening up of China and the development of Pudong, as will be demonstrated throughout this study of the human side of development.



Picture 1. Model of Lujiazui Zone development.



Picture 2. Lujiazui Zone under construction 1994.



Picture 3. View of Oriental TV Tower in Pudong New Area from the Huang Pu River.



Picture 4. View of Puxi from the Huang Pu River

#### **Chapter Two**

#### **Migration - Patterns and Trends**

To understand the context of Pudong's development, Pudong New Area must be seen in light of the changes and reforms taking place in China as a whole. The current economic reforms and opening up are affecting all parts of Chinese society, and urban development, including migration, housing and community development issues are all part of these changes. There are essentially two types of migration in China, official and unofficial. Official migration involves change of residence status, from rural to urban for example, which is usually employment based. Unofficial migration is a growing trend in China. Migrant workers are leaving their rural homes and moving to the cities in search of work without official registration status. There is a wealth of literature on the urbanization of China and the growth of the nation's cities based on migration, albeit with very few references to Pudong. A discussion of Pudong's context, building on the research of China's internal migration, is the goal of this section.

From the outset, it must be recognized that the People's Republic of China does not correspond to typical migration patterns. Usual reasons for migration are 'push' and 'pull' oriented (Laquian and Hsing 1993), push being negative factors pushing people away from their place of origin, and pull being positive factors attracting people from the place of destination.

Such push and pull movements are normally influenced by sex, age, education, employability and

the individual's stage in the life cycle. In the West, migration involves personal choice; in China it has, in the past, depended on the state. Migration to China's cities has always been strictly controlled through the hukou, or household registration system. Essentially, the hukou is a book of either assigned urban or rural registration, that contains all the important details of a household, including the births, deaths, marriages and occupations of the people of the household, with a copy kept by the Public Security Bureau. When the hukou was more strictly controlled, if a person wanted to leave his or her place of residence for an extended period of time, a permit would be obtained from the local police. Migrants, at their destination, would then report to the police to become officially registered. Temporary migrants would register if they were to be in a place for more than 3 days, and the registration would be renewed every 3 months. This was essentially to provide the migrants with food and supply rations issued form the government. One had to have registration to obtain these goods.

There are six official reasons for migration given by the authorities (Laquian and Hsing 1993): job assignment or transfer, marriage, education, military transfer, retirement from the Party or government, and temporary movement. Such controls were placed on the population for essentially two reasons (Christiansen 1990): to control population mobility and the distribution of goods. The population was divided into two groups, urban and rural. Those with urban hukou were entitled to government subsidized food and staple goods, along with access to jobs, housing and education, all provided through the household's danwei or work unit (Laquian and Hsing 1993). Those with agricultural hukou had no subsidized food or grain and were thus unable to move to urban areas where their hukou book was needed to obtain rations.

Migration during the Mao years was highly regulated, as it was deemed necessary to keep population movement compatible with economic development (Cheng 1991). Thus official migration was limited to the jobs that were available, for example when workers were needed for

industrial development such as the building of highways, a specific number of workers were allowed to move. Another reason for this control was that China had observed the urban problems of other third world countries and wanted to avoid the overcrowding, unemployment and social problems that came with unregulated migration. Balanced development was a policy of the Mao years (Ebanks and Cheng 1989), where rural and urban areas were to develop at similar rates without one becoming more developed than the other. This also related to the 'three contradictions' that policies were designed to eradicate: differences between workers and peasants, city and countryside, and manual and mental labour.

Since 1949 there have been attempts to redistribute the population to enhance balanced development and eradicate the contradictions, all based on ideological campaigns. The Great Leap Forward of the 1950s pushed for rapid industrialization, and resulted in heavy migration to the cities. The subsequent rustication campaigns moved people back to the countryside, along with the intellectuals and professionals that Mao sent for re-education in the peasant villages during the Cultural Revolution.

Many authors have argued that Mao's policies to strictly control the size of urban areas were based on his ideological dislike of cities. In this view, cities represented a Western lifestyle and were seen as corrupt and places of suffering. Chan has argued the reverse, that Mao's migration restrictions were in fact of a pro-urban bias, encouraging industrialization and economic growth by limiting the expansion of cities and keeping down the costs of urbanization (Chan 1994). Chan outlines that urban costs are much higher that rural costs: the costs of urban services, infrastructure, grain and food rations were all borne by the state. Rural areas had little state investment thus costs were low for the government. Any increase in urban populations would increase the state's costs, and thus policies were developed to restrict urban growth.

Hence China has remained largely a rural nation when compared to the other developing

countries of the world. With the economic changes taking place today, however, there has been a marked change in the levels of migration to the cities, as well as to the policies dictating these levels. Christansen states that the hukou system does not reflect the reality of China any more, especially with the rapid economic changes taking place (Christiansen 1990). The hukou system has lost its power, especially as there is less control over food supplies in the cities: most goods are obtainable in urban markets without producing proof of household registration to purchase necessities.

Surplus labour in the countryside is a driving force behind increased flows to the cities in China. Chiang puts the figure at 100 million surplus labourers in rural areas in 1989, along with 20 million surplus workers in the cities (Chiang 1989). Bannister and Taylor state that a full one quarter of China's rural work force is redundant, and they identify a variety of reasons for this huge surplus (Bannister and Taylor 1989). During the Mao era, services were neglected and some declared illegal, throwing many workers, both urban and rural, out of work. Rapid population growth and controlled urban migration resulted in many people remaining in rural areas. When these factors were combined with decreasing amounts of arable land, the number of unneeded farm labourers soared. With the market changes since 1979 and the ready availability of goods, migrants no longer need to produce proof of an urban hukou, hence many of these redundant workers have been heading towards the cities in search of work and improved living standards.

Chan has outlined the various ways and means that peasants come to the cities in search of work (Chan 1994). Many come through the growing free markets in urban areas where peasants and vendors sell their agricultural goods and handicrafts. Most of these are just daily commutes, and they then return to their homes in the surrounding villages. This generates other business in the cities such as restaurants and guest houses to serve the vendors. The non state sector is also

attracting surplus rural labour to the cities. These include collective and private enterprises that are run by neighbourhoods and local authorities, needing mainly low skilled labour for jobs in restaurants and in retail. Nanny positions are also attracting young women to the cities. Due to the fact that in many urban couples both spouses work, someone is needed to look after the child, and this attracts the low skilled rural women.

Contract and temporary jobs are also sources of employment for the rural surplus workers (Chan 1994). These low skilled and low wage jobs, such as construction work, are not desired by the more educated urban residents and are attractive to the migrants. In 1988, rural construction teams accounted for 13 million labourers, with 4.8 million of them working in urban areas. In 1988, however, capital construction was cut back, which lead to Beijing banning out of town construction teams, resulting in the laying off of 5 million peasants.

These new opportunities in the cities have led to large flows of people migrating to urban centres. From the beginning of the reforms in the late 1970s until 1989, 50 million people were on the move in China, equal to one tenth of China's total employed population (Bannister and Taylor 1989). From 1982 to 1987, 76.4% of all migrants went to city areas, with a net migration to the cities of 13.5 million people within those five years (Laquian and Hsing 1994). This movement has led to large floating populations: in 1988, from the 23 cities in China having a population of one million or more, the total floating population equalled 10 million people (Chiang 1989). In Shanghai alone, the 1988 floating population reached above 2 million (Chan 1994). Chan also found that construction workers formed the highest proportion of the floating population at 14.6%, with those on business the next largest group at 11.7%. Chan quotes a 1991 survey that found that 60% of the floating population was from the country side, and two thirds of the total floating population were classified as short term visitors, for example tourists and business people.

Laquian and Hsing describe a typical migrant as being between the ages of 20 and 24, and usually male. Women migrants tend to be younger on the whole and move more towards smaller towns rather than large cities. In terms of education, most migrants have at least a primary school education, with almost half having reached an intermediate level. Female migrants tend to be less educated than males, and younger migrants usually have more education than the older migrants. Migrants are mostly single and marry once they have reached their urban destinations. Laquian and Hsing go on to say that most urban migrants improve their employment status after leaving the agricultural sectors, and correspondingly, their income rises as well. Most migrants consider their lives to be better after leaving the rural areas (Laquian and Hsing 1993).

Such massive movement towards cities has the potential of causing great urban stress, including overpopulation and crime. It is hard to track the fertility behaviour of the floating populations (Laquian and Hsing 1993) as they do not usually have access to family planning because they have left their original work units. Migrants sometimes have children in both their places of origin and destination, thereby avoiding the one child policy and increasing population growth. Chiang points out that large floating populations have contributed to a crime wave, lessened the quality of life in the cities and put more pressure on urban housing and transportation systems (Chiang 1989). Chan cites statistics showing that from 33% - 77% of crime is caused by the floating populations (Chan 1994).

As much as 40% of total migrants between 1985 and 1990 moved through informal or non state channels, that is, they did not officially change or apply to change their household registration (Chan 1994). The central government has set up two measures to regulate this informal migration (ibid.). The first is the creation of a new household registration category: migrants can officially settle in towns if they meet certain employment and housing requirements. They must either be employed or self employed and have accommodation: they are referred to as

'household with self supplied grains.' Five million migrants were given this status between 1984 and 1988. The second measure is the issuing of temporary residence permits. When migrant workers arrive in their destination, they register for temporary cards: such migrants are usually vendors or construction workers. This way the government has some sort of control on the urban flows. Permits can also be obtained on the black market at a high price. Chan points out that these measures show that government policy has shifted more towards maintaining public order rather than actually controlling the migratory flows. Yet residency through official urban hukou is still hard to come by, as Chan writes, "urban residency continues to be treated as a privilege not a right, only granted to families who have skills or money to contribute to the country's modernization." (Chan 1994: 136).

To prevent large scale migration to the cities and its adverse effects, the central government has introduced some controls and is making some changes to keep people employed in more rural settings. The current government policy is to 'control the development of the large cities, rationally develop the medium sized cities and vigorously promote the development of small cities and towns.' This is being pursued through agricultural diversification, rural industrialization, and the development of services such as trade and banking in rural areas (Bannister and Taylor 1989). By providing more rural services and diversifying the agricultural economy, it is hoped that more people will remain in more rural or small town areas to pursue opportunities rather than migrating en masse to urban areas. Chan cites that more than 55 million jobs were created between 1978 and 1990 in township and village enterprises (Chan 1994). The government policy of diversifying rural industry is keeping some workers away from the cities. Employment in township and village non agricultural enterprises doubled in the 1980s, from 35 million in 1980 to 87 million in 1990. Through developing increased employment opportunities in the rural areas, the risk of rising urban unemployment is decreased somewhat.

Yet even so, unemployment in the cities remains, as does underemployment. Bannister and Taylor found that in 1988, 20 million people in state and urban jobs had no actual work to do (Bannister and Taylor 1989). Some employees were actually paid to stay at home.

Despite this research into the floating populations, urban growth and employment changes in China, the numbers can easily be inaccurate. As many members of the floating populations are not officially registered, their actual numbers are estimates. Bannister and Taylor point out that migration is hard to track in China as people may be coming to the cities on temporary passes but they are registered as rural, again hiding migration figures (Banister and Taylor 1989). They also point to the fact that in the 1982 Chinese census, and to some extent the 1987 sample census, there were no migration questions asked of the population, thus making it hard to judge how the cities are growing with migrants. Police and neighbourhood officials are also less concerned with residence control as they once were: increased mobility has made society 'less transparent' (Chan 1994: 133) and thereby more difficult to monitor (Chan 1994).

Bannister and Taylor point out, however, that cities may be able to absorb the increase in workers for three reasons: first, there is a huge labour demand in urban centres for household services and low skill labour that migrants can satisfy; second, urban residents want higher class jobs and are unwilling to work at low skill work; and third, declining urban birth rates mean that the cities actually have fewer workers and migrants fill this void. Migration may also help to offset the ageing of the urban population and expand the support base (Bannister and Taylor 1989).

With the context of recent urban population movement in China now explained, the case of Pudong can be examined more closely. Pudong New Area does seem to conform to the general patterns that are emerging throughout China, as discussed above. Unique to Pudong, however, is the fact that it is an instant community, one which is almost starting from scratch.

The infrastructure is new, as is most of the housing supply. The high population density that characterizes most large Chinese cities has not been a factor thus far in Pudong's development. The urban population has been created from migrants, both from Puxi and outside the Shanghai area. How Pudong will deal with its growing urban population in terms of migration regulations and developments can now be studied.

#### **Chapter Three**

#### Pudong New Area - Migration Patterns and Characteristics

The Pudong New Area Administration has set specific migration and population goals to support the development of Pudong New Area. There are various levels of official migration and urban status allowed, and a target has been set for a floating population. As was discussed above, the construction industry has been a strong factor in the movement of people within China, and Pudong is no exception. Regulations regarding official migration, however, remain strict so that population growth targets can be met. Pudong New Area is thus attracting specific types of people to meet its economic and social development goals. Though it may be too early to tell with any certainty if the goals can be achieved, an understanding of Pudong's migration and population development has been sought through surveys and interviews with joint venture employees, along with interviews of local planning officials.

#### Population of Pudong New Area

The population of Pudong has been steadily increasing since the central government announced the development plans for the area. The population in 1990 stood at 1,339,400 and in 1993 had risen to 1,437,300. The Pudong New Area Administration has determined 5 types of migration officially allowed into Pudong: those who have a job in Pudong and move to be closer to it, and those moving officially to Pudong from another district, from another province, from

rural to urban areas and from overseas. For the first two categories, those employed in Pudong and district migration, most people will be moving from Puxi to Pudong. They will be, according to the PNAA, hi-tech educated workers in the tertiary and industrial sectors. Pudong has planned for 600,000 people to move from Puxi to the New Area. Not only will this help populate Pudong, it will also help relieve overcrowding in Puxi and make way for commercial building development.

Migration from other provinces will be made up mostly of construction workers and office workers, many on a temporary basis. Migrants from abroad will be hi-tech workers, foreign investors and managers. Pudong does not expect many people in this category, but the numbers are expected to grow over time.

Rural to urban migration encompasses farming households becoming part of Pudong's urban areas. This will be the second largest type of 'migration' to Pudong. It is migration in the sense that the 'migrants' were once of rural hukou: as the urban area of Pudong expands, the government takes the rural land and provides the residents with skills training, employment and urban hukou. Of the Pudong population in 1994, 59.8% was counted as urban with the other 40.2% making up the agricultural population. This has changed since 1993 when the urban population stood at 57.3% of the total population and the rural population accounted for 42.7%. The drop in rural households and rise in urban households is expected to continue according to the development plans of Pudong New Area. As the urban land use areas and industrial areas expand, agricultural land will be encroached upon and will become urban or industrial. Corresponding employment figures have also shown a dramatic change since 1990. The 1993 figures for agricultural workers in Pudong was 32%, down from 1990's level of 39.0%. The non-agricultural sector accounted for 61.0% of Pudong's population in 1990, and in 1993 had risen to 68.0%. The rural population thus becomes part of the urban population as the growth of the

urban area of Pudong continues.

Information regarding the situations and numbers of unofficial migrant workers working in Pudong New Area was difficult to gather, but the numbers are be high. Pudong New Area is a sea of construction, most of it being done by migrant workers in out-of-town and -province construction crews. An informant at the Comprehensive Land Planning Bureau was the main source of information regarding unofficial migrant workers, as well as the procedures for official migration to Pudong. I attempted to meet with the Public Security Bureau to obtain further information about unofficial migration but this request was denied.

The PNAA informant indicated that Pudong must consider two things with regards to its population and migration: the quality and the quantity. He stated that many trained and skilled personnel are needed in Pudong, not all of them available from the Shanghai area. Attracting such personnel from around the country is seen as the primary means of improving the quality of the population. By quantity, the actual size of the population is considered. The current population is roughly 1.5 million, and by 2000 it should reach 2 million, with most of the additional 500,000 people coming from Puxi. The informant admitted that official hukou migration is still very tightly controlled in Pudong.

There are specific regulations or conditions for those moving officially to Pudong and receiving an urban hukou. For example, if a person has a medium or high academic rank such as a lecturer or professor, he or she can move to Pudong with his or her immediate family quite easily as such qualifications are in demand. Such favourable policies are in existence to attract highly qualified people from around the country as a high quality population is one the goals of Pudong New Area's development.

For a migrant that comes to Pudong unofficially, if that person finds a job, he or she may stay, according to the informant. If they stay for an extended period of time, they are to register

for a blue card, which is a temporary registration card. If that migrant stays indefinitely and has found employment and housing, then an official change of hukou is possible, but restrictions are still very much in effect. The informant admits that the quotas for official population growth are more liberal in Pudong than in Shanghai on the whole: yet if an unofficial migrant arrives, finds work and becomes self sufficient, he or she does not necessarily have to register with the authorities. In terms of housing the unofficial migrants, most stay with peasants and farmers in the more rural areas of Pudong. The construction workers often build their own housing on the site where they are working. As Joint Venture 2 was still under construction while this research was being conducted, I observed first hand many of the migrant workers that were being attracted to Pudong New Area. The construction teams were from outside of the Shanghai area and were housed on the construction site itself. Families were living in self constructed housing amongst the plant machinery, and did all of their cooking, cleaning, and indeed living on the construction site. Children were often seen running around while construction was underway.

One's hukou status is still an important factor in urban living. In the past, as was explained above, one's food and goods rations were closely regulated by one's hukou status. As goods are now freely available in the city markets, a migrant's lack of urban hukou is not detrimental to his or her existence. However, to obtain household gas, a telephone, and schooling for children, proof of urban hukou is needed. The PNAA informant was quick to point out though that one can get around these restrictions at a price. If money is available, it seems that the lack of urban hukou has little significance. For example in schooling, residents must usually send their child to the school in the district of which they are registered. Yet if they pay certain sums of money to the officials involved, they can send their child to the school of their choice.

As for employment, for the enterprises employing more skilled labour, urban hukou is desired by the company as usually the companies provide some form of housing for their

employees. Yet if their skills and training are in demand, such as those with university qualifications, the migrants can usually find work without too much difficulty. The official movement of the labour force is still conducted by the government, and a demand must be demonstrated before the workers can officially migrate. An agency or unit can ask for a specific number of workers and then that movement is arranged by the units involved, along with housing and living necessities.

According to the Pudong New Area Administration, more people are coming to Pudong than are leaving, as the chart below indicates. Five times as many people are moving to Pudong than are leaving, with 12.4% of Pudong's population coming from other provinces, according to an Administration informant.

Table 1. Pudong New Area - Natural Change

NATURAL CHANGE	1990	1991	1992	1993
number of births	13,459	10,571	10,416	9,785
number of deaths	8,711	8,746	9,391	9,899
natural growth	4,748	1,825	1,025	-114
natural growth rate	3.6%	1.4%	0.7%	-0.08%

source: Statistical Yearbook of Shanghai Pudong New Area 1994.

Table 2. Pudong New Area - Migration Change

MIGRATION CHANGE	1990	1991	1992	1993
moved in total	18,077	19,261	24,730	59,214
moved in from outside Shanghai area	8,102	7,052	8,591	10,469
moved out total	15,821	14,764	17,047	32,457
moved out to outside Shanghai area	5,843	3,501	3,816	3,356
growth from migration	2,256	4,497	7,683	26,757
net migration rate	-	3.32%	5.53%	18.82%

source: Statistical Yearbook of Shanghai Pudong New Area 1994.

From Tables 1 and 2, it is clear that Pudong fits the general trend in Chinese cities outlined in the literature review, and that natural growth rates in the urban areas are dropping. In order for Pudong to meet its population targets and goals, migration must be the major growth factor. The large net growth rate is made up of official migrants to Pudong New Area, most of which are residents of Puxi that have been relocated to Pudong.

The Pudong New Area Administration is planning for a large floating population, mostly consisting of business people, labourers and office workers that are only in Pudong during the work day. The floating population in 1995 was estimated as between 400,000 and 600,000, and is expected to rise to 900,000 by the year 2000. By 2000, there will be 2 million people officially registered as residents of Pudong. By 2030, the registered population is planned to reach 3 million, according to the Administration.

The local government is planning to prevent problems arising from so many people moving to Pudong so quickly. They have identified population goals to control the movement: people will not be allowed to officially move in at will as this may lead to traffic congestion, over population and housing shortages. Control will be especially exerted over those between the ages of 20 and 30 as these are the child bearing years. A lack of control over this age group may lead to pressure being placed on the school system and employment market.

The PNAA is also conscious of the quality of the people that it wishes to attract. They assert that 'only the best will do,' and thus Pudong is aiming to control the 'low culture' people, or those with low education or skill levels, moving in. The PNAA is targeting better educated people as this is the type of people that Pudong New Area will be needing. They are especially encouraging college graduates, and making a 12 year education mandatory for all residents. The Pudong New Area Administration acknowledges that there are differences between the current population of Pudong and the type of residents that they wish to have in the future. With regards

to the present population, the government is planning to create village enterprises to educate the current rural population and improve their education levels.

This is a striking change in China's social makeup. It was only 20 years ago when those with a higher education were considered enemies of society during the Cultural Revolution. Equality has always been a mainstay of communism: now, those of 'lower quality' are being identified and in effect are being told that they must be educated and skilled to be citizens of the new China. This is a remarkable change, one that must be followed closely as China continues to 'open up.'

#### Joint Venture Survey Data

The data obtained from the Joint Ventures seems to support these goals of Pudong New Area. As is shown in the above migration data from the Pudong New Area Administration, inmigration to Pudong New Area has increased dramatically since Pudong was opened for development in 1990. When the migration data obtained from the Joint Ventures is examined, this is very much evident. The response rate for the migration questions in the surveys was very low, but that can be explained by the fact that most respondents were themselves born in Shanghai or Pudong and continue to live there. Only twenty respondents indicated that they were born outside of the Shanghai area. All of the respondents are official residents of the Shanghai area.

The total responses giving the place of residence of the employees surveyed is given below, with the majority of respondents living in Puxi. The areas of residence can be explained through the nature of the Joint Ventures themselves. Joint Venture 1 (JV1) is made up of a foreign company and a Chinese partner that was originally operating in Pudong prior to the establishment of a joint venture with a foreign partner. Hence the majority of JV1 employees are

already residents of Pudong and are not recent migrants. The Joint Venture has also been in operation for the last six years and has thus done little recent recruiting for staff as the staff base was already existing.

Table 3. Area of Residence of Joint Venture Employees, 1994.

Area	Responses
Pudong	35%
Puxi	62%
Other	1%
No response	2%

Results are different, however, for the second Joint Venture (JV2). JV2 was just formed in 1993 and is still the start up stages: recruitment has just finished and production will begin in 1996. The majority of JV2 employees surveyed are residents of Puxi: this can be explained by the fact that the Chinese partner was originally located in Puxi. When a joint venture was established with a foreign partner, a factory site was selected in Pudong and production was moved to this new site. Hence the majority of employees at the time of surveying were residents of Puxi. With the additional questions that the Joint Venture Personnel Office added to the JV2 surveys, preferences can be noted as to where the joint venture employees would like to live. indicating that many would like to move from Puxi to Pudong, mostly to save on commuting times. Many commute long distances to work and a move to Pudong would cut back this time significantly. Table 4 demonstrates the average distances and time JV employees spent commuting to work. Those living in Puxi spend much more time commuting than do their counterparts in Pudong. Traffic congestion in Puxi is at extremely high levels, and moving more people out of the downtown area of Puxi could relieve the traffic conditions somewhat. Shorter commuting times could also positively affect worker productivity. Moving to Pudong would certainly be beneficial

Table 4. Distance and Time to Work, Joint Venture Employees, 1994.

	Paxi	Pudong
Average distance from work	23.7 km	16.4 km
No response	38%	17%
Average time to get to work	102 minutes	62 minutes
No response	4%	3%

for many of the joint venture employees.

When the totals for all the surveys are looked at in Table 5, it is clear that the majority of respondents are from Puxi and Pudong: only 20 respondents in total are originally from outside of Table 5. Reason for Moving to Pudong or Puxi, Joint Venture Employees, 1994.

Reason for Move	Responses
Assigned job	12
Job transferred	7
Found job	2
Spouse assigned job	3
Unsatisfied with previous town/job	3
Wanted better living standard	19
Other	8
No response	119

the Shanghai area. For those who indicated that they had moved to Pudong or Puxi from another area, 24 gave a reason for moving as related to their own employment or that of their spouse. While 19 respondents indicated that they had moved to Pudong or Puxi to improve their living standards, only 7 gave that answer as the sole reason for moving. The remaining 12 responded 'wanted a better living standard' in conjunction with employment related reasons. The 'other' responses given included reasons such as family moves (parent's work relocated) or just the word other. It is clear that migration to the Shanghai area for these respondents is based on

employment as has been the case in general over the four decades in China. One would be unlikely to find personal reasons the sole motivation for responses among the joint venture employees. The employees all belong to the danwei, or work unit, of the Chinese parent company: if they were not originally from the Shanghai area, they would have had to be moved officially through hukou channels to obtain danwei membership and employment. Personal reasons have little impact in the official migration regulations, as was outlined in the literature review. Spontaneous migrants, or those who move through the unofficial channels are more likely to be construction workers, domestic help or lower skill labourers such as restaurant workers. This is indeed evident in the chart below, with only 1% and 2% of Puxi and Pudong residents respectively having 'found a job' in their new place of residence.

Nonetheless, it is interesting to compare the differences between those living in Puxi and Pudong and their reasons for moving to those areas should these not be their original homes. The majority of respondents are originally from the Shanghai and Pudong areas, as is indicated in Table 6. The results in Table 7 show that people have moved to both Pudong and Puxi for very similar reasons, mostly employment related. The only notable difference is that of job transfer. This could possibly be explained by the fact that it is only recently that Pudong has opened up and become a centre of employment. Shanghai/Puxi has always been China's business centre and hence job transfers were more likely to take place there than to Pudong. Again, these things may change as Pudong's speed of development and its strength as a business centre grows.

Table 6. Birthplace Comparison, Joint Venture Employees, 1994.

Birthplace	Puxi	Pudong
Shanghai Area	77%	70%
Pudong	0%	12%
Elsewhere	15%	11%
No response	8%	7%

Table 7. Comparison of Reasons for Moving, Joint Venture Employees, 1994.

some gave two responses	Puxi	Pudong
Assigned job	9%	7%
Job transferred	6%	2%
Found job	1%	2%
Spouse assigned job	1%	3%
Unsatisfied with previous town/job	2%	3%
Wanted better living standard	13%	12%
Other	0%	9%
No response	76%	65%

The education levels of the surveyed Pudong and Puxi residents can be observed in Table 8. Based on these results, it seems that in terms of post secondary education, the Puxi

Table 8. Education Comparison, Joint Venture Employees, 1994.

	Puxi	Pudong	Puxi	Pudong
Education:	Atti	ended	Grad	luated
Middle	15%	10%	3%	9%
Senior	18%	16%	20%	28%
University	4%	7%	33%	25%
Masters	0%	0%	0%	2%
Doctorate	0%	0%	0%	0%
No response	7%	3%	***	

residents are better educated than the Pudong residents, with an 8% higher university graduation rate. The graduation rate from senior school (high school) is, however, higher in Pudong. This could perhaps be explained by the fact that as of 1993, Pudong had only one university compared to a vast number in Puxi, numbering above 20 institutions. Secondary schools are now growing at a high rate in Pudong, increasing in number from 14,667 students in 1992 to 18,061 students in 1993, according to the Pudong Statistical Yearbook. Pudong New Area is concentrating heavily

on the development of educational institutions, but it may take several years for the results of this to come through in the education levels of its future workers.

Another group of people to be controlled is those over 50 years of age. This will be done to prevent the ageing of the population of Pudong occurring too quickly. The ratio of the population under 30 should be higher than those over thirty, according to the Pudong New Area Administration. When the results of the surveys are looked at in Tables 9 and 10, there is a marked age difference between the residents of Pudong and the residents of Puxi.

Table 9. Gender Comparison, Joint Venture Employees, 1994.

	Puxi	Pudong
Number of males	55%	75%
Number of females	43%	21%
No response	2%	4%

Table 10. Age Comparison, Joint Venture Employees, 1994.

	Puxi	Pudong
Average age	37	32
Average age male	37	34
Average age female	35	29
No response	8%	7%

The average age of Puxi residents is 37 years compared to Pudong's age 32 average. It is also interesting to note that the breakdown of average ages between men and women living in Puxi and Pudong, with Pudong having lower ages by 6 years as Table 10 indicates. While this definitely supports the migration and population goals of the Pudong New Area Administration, the results must be viewed with some hesitancy as Pudong has only been in the development stages for the last few years, and as discussed above, it may be too early to tell with any certainty if this is due to migration regulations or just happens to be the makeup of the joint ventures

themselves.

The age differences are also reflected in the marital status breakdown between the residents of Pudong and Puxi as shown in Table 11. The percentage of employees living in Pudong who are single is much higher than that of residents of Puxi. Correspondingly, the percentage of married employees in Puxi is significantly higher than that of Pudong, by 12%.

There is a larger number of single male employees living in Pudong than in Puxi, while the single

Table 11. Marital Status Comparison, Joint Venture Employees, 1994.

	Puxi	Pudong
Total single	17%	28%
Total married	82%	70%
Single male	11%	23%
Single female	7%	5%
Married male	47%	51%
Married female	34%	16%
No response	1%	5%

Table 12. Children Comparison, Joint Venture Employees, 1994.

	Puxi	Pudong
No children	4%	10%
1 child	90%	83%
More than 1 child	5%	5%
No response	1%	2%

female numbers are quite similar in both Puxi and Pudong. Again, this could be explained by the fact that Pudong's goal is to attract younger people. Both areas have a similar response rate when it comes to the number of children that the couples have, as shown in Table 12. It may be too early to determine these reasons however, and it will take a number of years to determine if Pudong's goals are being reached. It must also be considered that these joint ventures have been

in operation for some years now, especially JV1 where most of the Pudong residents work.

Summary

It is perhaps thus too early in Pudong's development to say with any authority about migration patterns. It can be noted, however, that official migration to Pudong, based on the results of the joint venture surveys, is not economically or socially driven by the migrants themselves. The Pudong New Area Administration has outlined the population goals and migration goals for Pudong. They have identified the type of migrant they want to come to Pudong and have the authority to grant residency cards to those who have been relocated to Pudong. Thus personal motivation to move to Pudong has little relevance in terms of the official population. However, there is a large floating population in Pudong, mostly made up of construction workers from other provinces. This group does not have official resident status and are thus not entitled to many of the benefits to which the registered population is entitled.

It became evident in interviews with joint venture employees that there is a great deal of resentment towards this class of migrant among the official population of Pudong. Many cite the migrant construction workers as the cause of increasing crime levels in Pudong. The majority of respondents indicated that they had noticed a rise in crime and they blamed it on the influx of migrant labour from the Shanghai country-side and other provinces. "They cause social problems...Robbers are mostly migrants. The people hate them" was a typical response. People noted frequent thefts: one interviewee had been robbed twice and thought that there were many thieves in his neighbourhood. One respondent made an observation that may be indicative of future community development in China: "if it is a new apartment, people rarely care for each other. There are frequent thefts." The notion of caring for each other will be examined in the community development section, but it is important to note the changes that are associated with the increased informal migration taking place. Only four respondents felt that crime was not

increasing and felt that security was not a problem.

The additional questions posed by JV2 reveal some interesting results, and may shed some light on the future of Pudong's residential areas. The question regarding the preferred place of residence in Pudong is interesting to note. The majority of respondents chose the Lujiazui zone (see Map 2), which has planned for a population 200,000. It is being developed as the central business district of Shanghai, as well as the shopping and cultural centre of Pudong, and will thus offer many facilities to its residents. It is also just a short ferry ride to Puxi, or a bus ride across the bridge or through the tunnel and thus offers all of the shopping and facilities of Puxi close by. It is thus not surprising that the majority of respondents would prefer to live in the Lujiazui area. This may become problematic for the Pudong New Area Administration, however, if the survey results reflect a trend in the general population. With the government encouraging people to buy their own homes, the people will want to buy in an area that is suitable for them and be where they want to live. Pudong may find its zone population targets over stretched, and not just by official residents. With the large amounts of out-of-province construction workers coming into Pudong, they are in need of residences, and they will gather where there are services to meet their needs. This is also contributing to increased resentment towards the migrants by the registered population, as was observed above.

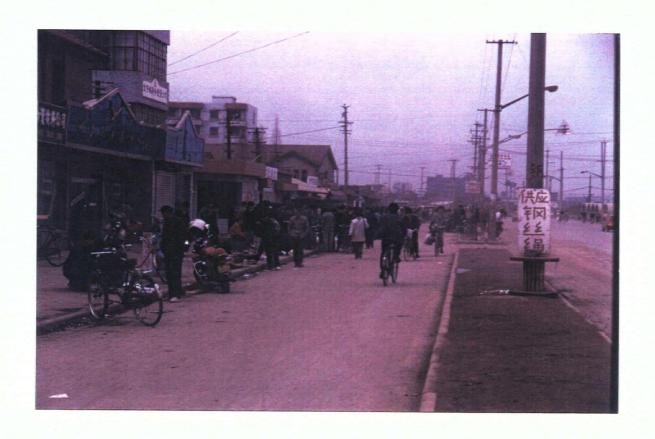
The provision of housing is the next step in this discussion, for it must be asked where all of the migrants, both official and unofficial, will live. Many urban areas throughout China have experienced housing shortages, and the Shanghai area is no exception. There is a great deal of construction currently taking place in Pudong New Area to meet the needs of the new residents of Pudong, but this is mostly for the official migrants and those relocated from Puxi. Migration and its relationship to housing form an important part of Pudong and indeed China's present development.



Picture 5. Migrant workers on construction site preparing a meal.



Picture 6. Migrant worker housing on construction site.



Picture 7. Vendors from rural areas selling their wares on Pudong street.

# **Chapter Four**

## **Housing - Patterns and Trends**

To understand today's housing situation in China, it is necessary first to review briefly some historical background and identify the reasons for China's current housing reforms.

Emphasis in Mao's China was on production rather than consumption, evident in the government slogan 'putting production first, standard of living second.' Non-productive expenditures that had to do the population's standard of living were curtailed and as a result urban infrastructure suffered greatly, especially in the realm of housing construction and stock maintenance. The task facing the post Mao government in terms of housing construction and reform was, and still is, daunting. This task is not only facing the state, however: private enterprises and joint ventures, such as those used for this study, are facing rising housing costs and growing concerns of their own.

The urban per capita floor area had dropped dramatically throughout Mao's leadership (Chan 1994). In 1950 it stood at 4.5 square metres per capita, falling to 3.6 square metres in 1978. Due to the lack of maintenance over those three decades, more than one half of all urban residences were "in urgent need of repair" and 30 million square metres of buildings were "in danger of collapse" (Chan 1994: 73-74). With urban populations growing and poor quality housing the norm throughout China's cities, housing reform was initiated as soon as Deng

Xiaoping took power following Mao's death. Ideological changes came with the economic reforms: a debate was launched on the subject of China's socialist society and the sole purpose of production was subsequently dropped. Mao's philosophy of production first, living standard second, was firmly rejected (Kirkby 1990).

In 1978, housing investment amounted to 7.8% of total capital investment. This rose to 14.8% in 1979 and throughout the first half of the 1980s reached four times that of the Maoist years (Chan 1994). In 1982, one quarter of all capital investment went to housing, compared to only 4% during the early years of the Cultural Revolution: 37.5 million square metres of housing were constructed in 1978, rising to 90 million square metres in 1982 (Kirkby 1990). The per capita floor space also increased, rising from 3.6 m² in 1978, to 4.8 m² in 1984 and to 6.1 m² in 1986 (Kim 1990). The urban average in 1994 rose to 7.5 m² per capita (Business Weekly Nov. 6-12 1994). More emphasis has been placed on personal consumption and living standards as it has been recognized that living standards are linked to the well being of the national economy (Chan 1994). Thus cities have become not only centers of production but also centres of living.

During the 1980s, despite these dramatic changes in housing investment and construction, many urban residents remained without adequate housing. High urban growth and large scale migration to the cities stretched the existing housing supply, and thus reduced the effects of increased investment and construction. Budget deficits were at high levels, and the cost that residents paid for their housing was so low that the state ended up carrying a huge financial responsibility (Kirkby 1990), a responsibility that continues to grow today. In 1985, the average cost of housing to urban residents was 1.4% of their monthly income (Kim 1990). Housing had been and continued to be part of the Chinese social welfare system, and any rents that residents paid were 'token rents' (Kirkby 1990). Reform was thus desperately needed in terms of rents, payment and ownership to help ease the state's burden.

Deng Xiaoping outlined his goals for housing reform when he came to power. He supported the commercialization of the housing system: he wanted housing to be built for sale and for the existing stock to be privatized, or least for the stock to make some form of revenue. This would entail a change in the meaning of housing: it had been part of the welfare system and most housing was government or danwei owned. In 1980, 31% of the existing stock was owned and managed by municipal housing bureaux, 44% was owned by danweis and urban enterprises, with the remaining 25% privately owned (Kirkby 1990). Reforms were initiated to try and change this large percentage of state ownership. The National Housing and Construction Development Corporation (CHCDC) was established in 1981 to promote reforms. The CHCDC supported outright purchasing of homes by private individuals to ease the burden of the state. The purchase was to be a three way partnership: the individual purchaser would pay 30% of the price, and the remaining 70% would be paid jointly by the state and the individual's danwei. The purchaser could opt to pay his amount over five to twenty years at rates of up to 5%. For an outright purchase, a 20-30% discount was offered on the selling price. By 1984, such CHCDC projects were in operation in over 100 major cities (Kirkby 1990). In the mid 1980s, however, the CHCDC visibility declined, mainly due to the fact that the two thirds of payment responsibility was still too much for the state and danweis to handle.

In 1985, the Seventh Five Year Plan, for 1986 to 1990, was announced, establishing the commercialization of housing as one of its basic principles. In the same year, a housing survey was conducted to determine the scope of the housing problems. Based on the results, a new housing scheme was put together and tried in the city of Yantai. The focus was on the commercialization of rents rather than outright home ownership. In this plan, the government was to continue its housing subsidy, paid directly to the tenants and also raise rents. The subsidy would be through vouchers issued with the individual's salary, and was worth 23.5% of the

worker's wages. It was hoped that housing would then be viewed more as a commodity and people would thus be encouraged to buy their homes. Low wages and the lack of financial institutions, however, prevented people from subsequently buying their homes: (Kim 1990). For most residents, buying a house was not a great concern: most would rather just have a better place to live. As rents continued to be low and the maintenance not part of the occupant's responsibility, there was little incentive to buy (Kim 1990).

In 1988 the State Council's 'Leading Group on the Reform of the State Housing System' laid out a 10 year reform plan based on the model in Yantai. It was hoped that the raising of rents could help ease the state's annual 30 billion RMB housing subsidy payments (Kirkby 1990). The government and enterprises together have been paying 28-29 billion RMB each year in the upkeep and taxation of their properties. Besides these staggering figures, in 1992 the government subsidies for rents amounted to 67 billion RMB, and is growing at a rate of 8 billion RMB each year (Business Weekly Nov. 6-12 1994). This situation is compounded by the fact that enterprises are selling off homes to their employees with large discounts. Thirty million square metres of housing was sold to private individuals with a return of only 4 billion RMB, which works out to 130 RMB per square metre, one eighth of its construction cost.

To offset such huge losses, the government has decided to increase rents to 15% of income by the year 2000 in the hope that the revenue generated will cover the upkeep and taxes on public housing. It is hoped that this will make buying a home more attractive, and the actual prices of the homes charged will vary according to the buyer's income. Purchases can now be made in a lump sum or by instalments. If the instalment method is chosen, 30% must be paid up front with the rest paid over a maximum of 10 years. Interest rates for one and two year loans are set at 10.98%, rising 0.72% per year for the rest of the term. To secure a mortgage, the buyer must deposit 30% of the amount of the loan in a mortgage bank 6 months before applying for the

mortgage itself.

A major problem facing the government is convincing people to buy homes instead of renting them (China Daily Aug. 22 1994). The state can not afford to build the new housing required, and the growing subsidies are contributing to the financial drain on the central government. Urban residents still only pay a very small amount of their wages towards their housing, and in real terms the percentage has declined: on average, only 0.86% of a worker's salary on average was paid towards housing in 1992 (China Daily Aug. 22 1994). Although rents are increasing, they cover neither the maintenance nor construction of the housing. Nor are they on par with inflation and thus the state and enterprises providing their own housing are losing financially. The state faces a serious dilemma: the high prices of buying a house are out of reach for most Chinese, yet if houses are sold too cheaply, there will be a shortage of revenue for future housing construction. However, due to the low rents, people prefer to rent and not buy and the dependence on the state continues.

The central government predicts that by the year 2000, urban residents will be 'better off' in all aspects, except for housing (China Daily Dec. 14 1994). This latter development is due in part to housing companies that are building luxurious homes for high profit that most Chinese can not afford. To help improve this situation, the Ministry of Construction has started the 'Comfortable Housing Project' to help attain the national goal of 8 m<sup>2</sup> of space per capita in urban areas. A housing bank will also be established and will use government subsidies to provide low interest loans for construction of more economical housing that more people can afford to buy. The bank will also provide special protection such as deposit guarantees for individual savings that have been put aside for the purpose of housing purchase.

Joint ventures and domestic enterprises alike are having difficulty in providing their workers with housing due to high land prices, high construction costs and lack of financing

alternatives. Some joint ventures have built housing on site as part of the investment, but this is not always possible depending on the nature of the investment and the Chinese partner. Joint ventures are, however increasingly having to provide housing as part of their employment packages in order to attract and keep qualified staff. This is a common problem for joint ventures as good staff are in short supply. Higher land prices in urban centers across the country make individual home ownership almost impossible for Chinese workers without some sort of financial help. The central government has deemed housing reform as one of its priorities, aiming at moving all responsibility for housing away from joint ventures and Chinese firms, but this is a long term prospect. The focus is now on raising rents and selling off apartments.

Joint ventures are being given more and more responsibility in housing their workers.

Older Chinese staff see housing as a right, as part of their pay package under the welfare state.

This has arisen from the Communist ideal of birth to death coverage of all basic needs, from daily necessities to housing. With small joint ventures and their limited resources, housing workers is not within their fiscal capacity, and often workers view JV attempts as small and insignificant.

Corruption is also adding to the problems: housing committees on the Chinese partner side may give housing to company favourites for political reasons (Business China, April 5 1993: 1). All this results in more pressure on the joint ventures to take action.

Employees in joint ventures are demanding housing as part of their benefits and threatening to leave if they are not housed. This puts the joint venture in a difficult position - housing is too expensive but the qualified staff are badly needed. Adding to this problem is the constant arrival of new firms and joint ventures all wanting to lure capable staff. The constant growth of business and industry is also pushing up land prices even more.

Housing for Chinese staff is one of the major problems facing joint ventures today. At its root is the fundamental problem that housing is in short supply for everyone, that more housing

needs to be built. Economic change is leading to rising land costs and construction costs, and this is leaving new home buying out of reach for not only Chinese but enterprises as well. Yet the housing issue is crucial for foreign firms wanting to attract qualified Chinese staff.

Another dimension of the housing crisis is the fact that property rights are still poorly defined in Chinese law. An issue that is increasingly facing joint ventures is repossessing a company property once an employee has been terminated or has left the company. Under current law, the housing becomes the property of the resident after 5 years of occupancy, which acts as an obstacle in the incentive for JVs to buy homes for their employees. And secondly, China has no eviction procedure. Once an individual is in occupancy of an apartment, he is there for good.

Wages are also low in China, this is due to the fact that the work unit, the danwei, has taken care of everything - all needs have been cared for or subsidized to a great extent. But now the economic situation is changing. "Government and state enterprises have realized that you can't be profitable and act as cradle to grave operations any longer" (Business China December 13, 1993: 12). Enterprises are thus trying to move away from the idea that housing is a right that comes with employment.

The government is looking at ways to ease these burdens on foreign joint ventures (Business China, October 17, 1994: 12). Some of the propositions include setting up housing companies to deal with the issues rather than leaving it up to the joint ventures; no longer considering housing as a welfare benefit; and developing financial services for home buyers. Another solution is to raise rents to more realistic levels as only minimal amounts are paid for housing. This however, also entails increasing wages, which may be a problem for enterprises already short of cash.

Joint ventures are coming up with unique solutions to the employee housing problem.

Some have tried getting loans from the People's Bank of China and the People's Construction

Bank, but as of 1991, there was no precedent for loans to build employee housing. Many JVs have had to consider more costly solutions. Some help their employees rent rooms; others provide part time accommodation near the work site and then the employees go home for their days off. Some JVs also provide buses to pick up their employees at designated spots throughout the city.

A joint venture in Beijing has started to charge rent on staff housing and offset it with subsidies that are determined by the length of the employment and the level of employment. The most difficult part of this is to get workers out of their company housing if they stop working for the joint venture (Business China, September 6, 1993: 4). Other joint ventures are starting to sign contracts with their employees saying that if they leave, they give up the company apartment. It remains to be seen if this strategy will be successful. At another JV, newer employees who are not already housed by the Chinese side of the venture will receive a monthly allowance that is equal to the cost of housing for those who are already housed. The funds collected will be held by the company until the end of five years when they can collect it with interest and inflation factored in.

The Foreign Enterprise Service Corporation (FESCO - a Chinese employment agency for foreign enterprises), has adopted the strategy of buying housing units using one third FESCO funds, one third employee funds, and one third foreign company funds. Ownership then rests with FESCO, but the foreign company has the right to use the unit for as long as they require. If the employee leaves the company or is terminated, he or she must pay the company its one third share.

Another solution is for firms to buy their own apartments for their employees. However, the cost of this is high, and often 100% of the price must be paid before occupancy. Following this, though, JVs may not have the right to remove employees from this housing should the

employee be fired or leave the company as housing for life is still the norm. Redirecting pension funds into housing funds is also a possibility. At present, joint ventures must pay 30% of the employees basic wages into a municipally administered pension fund. This is more long term, though, and short term solutions are needed. An additional possibility is hiring older employees who already have housing. For foreign firms however, those that hire workers with their own homes are being subsidized by the work units that build and maintain these homes, and those who do build are subsidizing China's social welfare system, making them less competitive against those who do not build. (Business China, October 17, 1993: 12) "It is one of the many ironies of doing business in China that at a time when the government is wondering how state owned enterprises can be relieved of their welfare burden, many foreign forms are embarking on ambitious schemes to look after their staff" (ibid.). Again for the joint venture, it comes down to keeping their badly needed qualified staff.

In February 1991, the Shanghai Municipal Government drew up the "Program for Carrying Out Reform of the Housing System in Shanghai" which took effect in 1991. This program indicated that all enterprises, including foreign firms and joint ventures, had to contribute to a housing reserve fund and participate in housing subsidy programs. Employers must establish a housing reserve fund for employees with the People's Construction Bank of China, and pay 10% of the employee's monthly salary into this account. Of this 10%, 5% is directly form the employee's pay, and the other 5% from the employer. Joint Ventures are entitled to reduction in this amount if the salaries that they paid were higher than salaries paid by state run enterprises. The fund earns interest, and it is the responsibility of the employer to administer the fund and do the paperwork. Employees are entitled to get back their contributions if they retire, leave the city or buy a home. If they transfer to a new work unit then the fund follows them there. In terms of subsidies, employers have to pay employees living in public housing - but only public housing.

Those in private homes or in company provided homes were not eligible for subsidies.

The Shanghai Municipality has outlined the principles of its local housing reform. Its basic principle is to promote housing as a commodity and to facilitate market development. All housing starts from a basic price of 902 RMB per square metre to a maximum of 1240 RMB per square metre, depending on the location, orientation, and storey of the home. The buyer gets a discount off the price of 1.2% per year worked, along with a special discount in 1994 of 5%. If the renter buys the home that he or she is currently living in, then there is a further reduction of 5%. To be eligible to buy a home, the purchaser must have local hukou and be at least 18 years of age. If the house is rented out to another party, then the "owner" can not purchase it. If the family lives outside of China or did not return to China on time, then they can not buy the home. If the function of the home has changed, for instance it has been turned into a shop, it can not be bought.

The floor area standards are controlled by the state and danweis. If the apartment is larger than the standards set, then the additional space will be charged according to market prices, without the additional discounts described above. Payment can be made in a lump sum or through a mortgage. If it is through a mortgage, then a down payment of 30% is needed and the rate is calculated at 30% of the buyers monthly income multiplied by the number of months of the mortgage. The function of the property can not be changed for five years, nor can it be sold or transferred for five years, even if the full price has been paid. If the purchaser decides that he does not want the house within five years of the purchase, then the home can be returned to the original owner who then returns the money, with depreciation factored in. All interior repairs are the responsibility of the buyer, and surrounding public spaces are the joint responsibility of all the residents. The owner pays into a maintenance fund, his amount depending on the size of his apartment.

The list of regulations for purchasing a home is lengthy. But the crux of the problem is as outlined above: purchasing housing is costly - if housing is sold cheaply, the state loses much needed revenue, as do danweis and enterprises that are selling accommodation. Yet rents are so low that many Chinese question the need to purchase a home. Joint ventures also find themselves in a dilemma. Qualified staff are needed: to attract the staff, the pay package must be sweetened, often with housing as a benefit. The cost of this is high for joint ventures, but perhaps a necessary expenditure.

## **Chapter Five**

## **Pudong New Area - Housing**

Due to the large amount of migration taking place in Pudong New Area, the question arises of where all the migrants, both official and unofficial, will be housed. As Pudong is an instant community, much of the infrastructure needed to support a city was not present just a few years ago. Today there is a construction boom in Pudong: housing, both high rise and 6 storey buildings, is under construction throughout the subzones, as are transportation, communication and power systems. As described in the introduction, Pudong New Area has specific goals in terms of residential construction. More space per capita and modern facilities are planned for in Pudong, and the new standards are being approached. This is evident in the results of the employee surveys when the housing conditions of Puxi and Pudong are compared. The surveys provided a great deal of information on the current housing status of Joint Venture employees, as did the interviews on attitudes and ideas for housing in the future.

As was outlined in the introduction to this study, Pudong intends to provide its residents with the highest standards of residential living possible. Much of the older existing stock is being torn down to make room for new modern housing. The amount of housing construction taking place in Pudong is staggering. As of October 1994, 94 apartment buildings, 79 of them high rises, were under construction (Shanghai Star October 21, 1994). In the first 9 months of 1994, 4

million square metres of housing was under construction in Pudong. Pudong must build 1.25 million square metres of housing per year for the next six years to meet the goal of 10 square metres per capita, as well as to satisfy future demand and population growth (ibid.).

The specific situation of the Joint Ventures was obtained through interviews with managers of both the Chinese and foreign partners. Informants explained that there is a welfare fund to help pay for employee housing. The welfare fund amounts to 2% of clear profit that the Joint Ventures brings in, after taxes. The workers themselves do not contribute directly to this fund, and in turn the welfare fund is not given back directly to the workers. Instead, the JV uses it to purchase homes and then the houses are distributed to the workers. Those who are in need get the most funding, rather than those with the best work performance. Housing distribution is based on the number of people in the household, their current living area and living conditions. In obtaining this information, one informant admitted that he did not think that this system was completely fair as not all workers were using the funds. However, based on the additional questions asked to the JV2 employees, a slim majority of workers feel that this is fair. Most replied that JV housing allocation should be based more on need than on work performance.

Table 13. Housing Assignment, JV2 employees, 1994.

What should the company base housing assignment on?				
work performance	49			
poor housing conditions	53			
age/younger people	8			
marital status/bachelor	9			
no response	6			

Since some respondent gave two answers to this question, though, both need and work performance can be seen as important factors behind the assignment and provision of housing.

When selecting the actual homes to purchase, transportation, distance from work and the current finances of the individual joint venture are taken into consideration: usually moderately priced homes not too far from the plant are selected. In 1993, homes of  $50m^2$  were purchased by one of the JVs: the JV would buy homes in the 70 square metre range if the funds were available. The homes were all brand new, costing 100,000 RMB per apartment, all located in Pudong New Area. The JV, however, has only purchased the use rights of the apartments. It is the Housing Administration Bureau that ultimately owns the houses and the workers pay the rent to the Bureau. Rent is 10 RMB per month, with the costs of electricity and water being borne by the occupant.

A Chinese informant agreed with the current policy of the government encouraging people to buy their own homes. It should be done soon, he said, as the price of housing will only escalate in the future. One JV is currently providing loans to employees, up to but no more than 40% of the cost of the home. The advantage of this is that it removes the worker from the housing system and he or she will therefore not need a company house in the future. The informant stressed that all workers could afford such an investment, usually not more than 10,000 RMB.

The foreign sides of the Joint Ventures think along many of the same lines. Giving interest free loans to the employees so that they can purchase their own housing is one way to encourage workers to buy. This is then followed up by a contract with the employee that he or she must stay with the joint venture for the next five years and pay back the loan during that time. If the employee leaves before the five years are up, then he or she must pay back the loan in a lump sum with 17% interest. The last loan given by one of the joint ventures was for 20,000 RMB. Even so, the house is not then owned by the employee: it is still the government who owns the home as it is just the use right that has been purchased. The joint ventures are also

considering building their own employee housing near the plant. However, costs are high for such a project and the legal aspects of the project are uncertain.

Priority for loans is given to those employees who have been with the JV for several years and have proven their loyalty. Employees must have been working for the JV for at least one year to be eligible for benefits. Housing is a critical issue facing joint ventures today as it can prevent qualified people from working for JVs. An informant stated that he prefers to hire new employees who already have their housing needs solved. For those applicants with the same qualifications, preference would be given to those who already have housing. One foreign informant pointed out the necessity of partners forming task groups to pool ideas on how to overcome these housing problems.

The greatest challenge faced by the JVs in housing employees, according to one informant, is that some employees are not completely truthful or realistic in their expectations. Some employees claim that they have five people in their household with only 15 m<sup>2</sup> of space. Thus they seem in great need, but really there are only 3 people living there. Others get housing from the company and then rent out the rooms. Others are honest, he says, and then they may not get what they really need.

There are clear differences between employees who live in Puxi and those who live in Pudong in terms of their housing situations. Houses are much larger and younger in age on average in Pudong as is demonstrated in Table 14. While the number of people per household is almost exactly the same in Puxi and Pudong, the amount of space per capita and density differs greatly. From Table 14 it can be seen that average per capita space in Pudong was recorded at 10.24 square metres, in line with Pudong's residential goals. Per capita space in Puxi was significantly lower, at 5.56 square metres per capita: thus density in Puxi was much higher than in Pudong. The average number of rooms in Pudong is also higher at 2.29, compared with Puxi's

Table 14. Comparison of Housing Situations, JV employees, 1994

	Puxi	Pudong
Average no. of people in household:	3.78	3.73
No response	11%	14%
Average length in residence:	12.1 years	7.5 years
No response	3%	9%
Average living area:	21 m <sup>2</sup>	38.2m <sup>2</sup>
No response	8%	5%
Average no. of rooms:	1.43	2.29
No response	12%	12%
Average building age:	24.1 years	12.8 years
No response	12%	17%
Average no. of floors:	6.8	7
No response	42%	17%
Average no. of people in building:	165.6	139.2

average of 1.43. This leads to a difference in the average number of people per apartment building: Pudong had a lower density of 139.2 people, whereas Puxi stood at 165.6 people. The residential buildings also differ in age, with Pudong's average being half the age of Puxi's buildings. Pudong has a higher percentage of people living in apartment buildings, 47% compared with 24% in Puxi. There are a variety of older housing types in Puxi that account for this, whereas Pudong's residential buildings are more modern apartment buildings.

As was outlined in previously, rents are being raised to generate increased revenue from the housing stock. This is the case among the joint venture employees surveyed: there have been some changes from 1993 to 1994 in terms of costs, as the Table 15 demonstrates. Rents and wages have increased during the 1993 - 1994 period in both Puxi and Pudong as the results demonstrate, but the percentage of wages paid towards housing remains extremely low. It must be noted, however, that a large number of employees did not answer these questions. Some

Table 15. Housing Cost and Wage Comparison, Joint Venture Employees, 1994

	19	193	15	994	No re	esponse
	Paxi	Pudong	Puxi	Pudong	Puxi	Pudong
Average Monthly Housing Cost	17.23	27.88	23.87	30.67	33%	35%
Average Monthly Wage	762	911	1080	1209	33%	49%

gave their wages for 1993, but not for 1994, so a percentage increase could not be calculated, while others responded that their wages were secret information. Despite the high no response rate for this question, sufficient data was gathered to demonstrate the growing wages and rents.

Table 16. Rent and Wage Increase Comparison, Joint Venture Employees 1994

1993-1994	Puxi	Pudong
Rent Increase	39%	10%
Wage Increase	42%	33%

Table 17. Comparison of Wages Spent on Housing, Joint Venture Employees 1994

Percentage of wages spent on housing	1993	1994
Puxi	5.8%	2.2%
Pudong	3.1%	2.5%

It is interesting to note the difference in rent increases between Puxi and Pudong as shown in Table 16. One explanation for the smaller increase in Pudong rents from 1993 to 1994 is that the rents in Pudong were higher to begin with. The homes in Pudong are newer and higher quality than the residences in Puxi, as will be seen below, and thus rents may have been set at a higher level to reflect this. Despite this reasoning, however, the rents in both Puxi and Pudong are significantly lower than the cost price of the apartments: that is, the rents charged do not reflect the actual cost of building the apartment. In addition, despite the government plans to

increase rents, the rents of both Puxi and Pudong as a percentage of income have declined over 1993-1994 as shown in Table 17.

An explanation for the differences in wage level increases between the two areas can be based on the fact that most employees of JV2 are new joint venture employees, many of them living in Puxi as explained earlier. In 1993, many of these employees were not yet joint venture employees, and when they became JV workers, their wages rose from those offered by the State run Chinese partner as is the norm in China.

In terms of home ownership, the majority of homes are owned by the employees' parents and the work unit (see Table 18). The large difference between 'my parents' and 'my spouse's parents' in Pudong can be explained by the fact that the majority of Pudong respondents are male, 75%, compared to Puxi's 55%. The norm in China is for the son to remain with his parents, and as the majority of Pudong area employees are male, this accounts for the large difference. When those indicating that their home

Table 18. Comparison of Housing Ownership, Joint Venture Employees 1994

	Puxi	Pudong
my work unit	19%	16%
my spouse's work unit	12%	5%
my parents	26%	44%
my spouse's parents	22%	9%
owa myself	2%	10%
other	10%	2%
no response	9%	14%

was owned by their spouse's parents were looked at, 71% of those respondents were female, supporting this explanation. The same reasoning can be used to explain why only 5% of Pudong residents responded that their spouse's work unit held ownership of their home, again because the

majority of the Pudong residents are male.

The large difference among Pudong residents between the responses of 'my work unit' and 'my parents' can be explained through looking at ages. For those Pudong residents who answered that their work unit owned their home, the average age was 37, compared to the average age of 30 for those whose home belonged to their parents. Thus it seems that the older one becomes, the more likely that person is to take on housing provided by the work unit. When the same numbers for Puxi are compared, the average age for having work unit housing is 40, with 34 being the average age for parent owned housing. Pudong's average ages are a few years younger than Puxi, and this could be attributed to the fact that Pudong has a greater supply of housing than does Puxi. Yet the age factor of the employees themselves could also contribute: employees living in Pudong, mostly workers from JV1, are younger in age than their counterparts at JV2, most of whom reside in Puxi.

Although only a small percentage of respondents currently own their own housing, many expressed a desire for home ownership one day in the future. The total for the question regarding home ownership is given below, along with a breakdown for the results of Puxi and Pudong. It is clear that the majority of respondents want to own their own homes in the future. This depends on many factors, however, such as income, price and perhaps most importantly, the incentive to own. As rents stand today, they are very small percentages of monthly wages. Buying a home entails a lengthy financial commitment, one that is expensive and would increase the current amount paid for housing. Here the paradox emerges again: homes need to be sold off at a realistic cost, which may be out of financial reach or appear unattractive compared to current housing expenditures, but without selling the homes, the state faces further financial setbacks and escalating costs. Modern Chinese history goes against home ownership - private ownership of property was prohibited during the Maoist years and the younger generations have grown up

Table 19. Future Home Ownership, Joint Venture Employees 1994

	Puxi	Pudong
Yes	60%	52%
No	27%	30%
Own already	2%	9%
Other	1%	2%
No response	11%	7%

without any concept of ownership and investment that was not that of the state. Although consumer goods are widely available, housing has always been provided by the state: now the state is trying to shift that responsibility to individuals and is meeting some resistance. This was evident in casual and formal interviews with JV employees. Although people in general want to own homes, the incentive is low due to the current low rents.

Although the government's plan is for people to buy their own housing, there are very few workers in the joint ventures who actually hold private ownership of their homes. Only eight employees of the 163 surveyed, or 5%, indicated that they own their own homes (Table 18). Seven of those eight are residents of Pudong. One may think that the higher percentage of home owners in Pudong could possibly be explained by the fact that housing in Pudong is much newer and of higher standards, with more living space than in Puxi, thereby prompting people to buy.

To examine this reasoning a bit more closely, the living conditions of those owning their own homes were looked at. Table 20 demonstrates the averages of housing indictors of those owning homes compared to the averages of all respondents. For those owning their homes, the age of the home is on average 4 years younger than those renting, and the living area almost twice the size and double the number of rooms. This is a small sample when compared to the total number of surveys, however it may be indicative of the type of home that the employees are

willing to buy.

Table 20. Comparison of Owners and Renters, Joint Venture Employees 1994

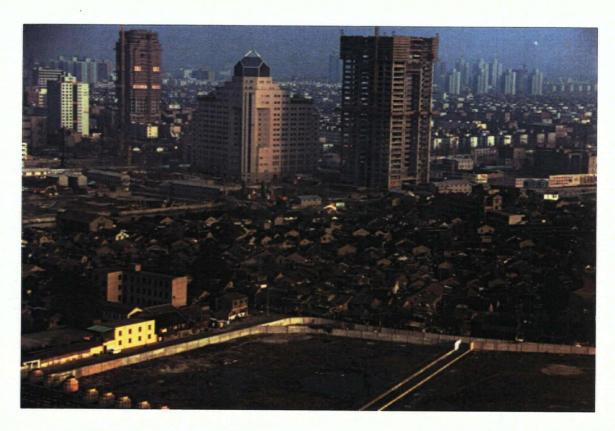
	# in bousehold	length in home	age of home	living area (m2)	# of rooms	# of floors
owners average	3.5	8.9	16	57	3.4	6.2
total average	3.96	10.45	20.8	27.38	1.74	6.8

At the root of any decision to buy a home, however, is the amount of money that the employee has at his or her disposal and the involvement of the employer in providing loans. It is clear that many employees would like to own their homes privately, however it appears that Puxi residents are more interested in buying their own homes at some point than are Pudong residents. The percentage from Pudong is 8% lower than that of Puxi and thus may conflict with the explanation for a higher percentage of ownership in Pudong due to the larger apartments and newer facilities. While employees may respond that they one day would like to own their own homes, there are perhaps hidden factors that must be explored. These include what the employees consider important in their living environments and their satisfaction levels with their current living arrangements. The following chapter will deal with these topics.

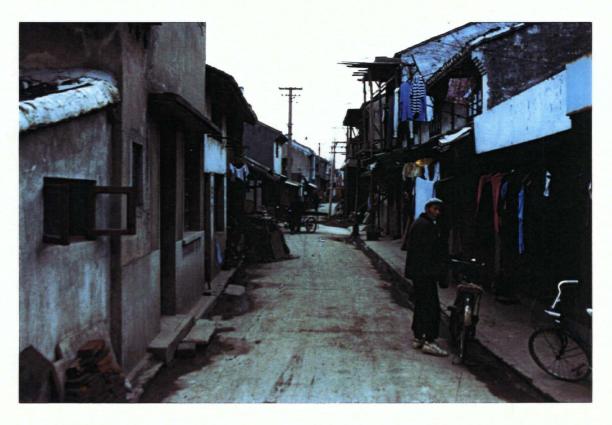
When asked if they would like to own their own homes during the interviews, the joint venture employees had some interesting responses, which may be reflective of the problems China is facing in its housing reform measures. Three of those asked already own their own homes privately. Seven workers replied without hesitation that they would like to own their homes if they could. Others replied that it depends on the government policy and their future financial situation. They were quite hesitant to commit to buying a home. "I haven't had a notice from the government telling me to buy. I'm not sure of the policy. I don't know what will happen in the future." Most cited money as the number one drawback to owning a home: "I would like to own

privately but I must face reality: it is too expensive." Two employees responded that if the joint venture was to give them a loan to purchase housing, they would do so.

Such attitudes reflect an important part of the Chinese culture. The Chinese have been controlled by the government so strictly for the last 45 years that private property ownership as something that the ordinary citizen can find hard to comprehend. They have also been accustomed to the cradle to grave support by the government as something that is owed to them and part of life. Making an investment in a home, in something that will appreciate in value in the future is an alien concept to many Chinese. In conversations with other joint venture employees, the attitude seemed to be "why would I buy a home when the government has already given me one? I want to spend my money on a TV and travelling instead." This incentive to buy, or lack thereof, will be a crucial aspect of the housing reform taking place in China today.



Picture 8. Lujiazui Zone 1994. The housing in the foreground is being torn down to make way for new development. Note the new residential high-rises in the far background.



Picture 9. Old housing in the Lujiazui Zone. This will be torn down.



Picture 10. Housing in the Lujiazui Zone in the process of being torn down.

Note that people are still living in the adjacent building.



Picture 11. New housing in Pudong.



Picture 12. Current housing in Pudong.



Picture 13. New high rise apartment buildings and shops in Pudong.



Picture 14. New housing in Pudong. Note the migrant vendors selling their goods.



Picture 15. Rural housing in Pudong New Area. Much of this housing will be torn down to make room for industrial development.

# **Chapter Six**

# **Pudong New Area - Community**

The third objective of this study, and perhaps the most important, is to examine the sense of community among the new residents of Pudong. The effect of economic reforms on community relationships is crucial in the social development of the area under study. Important aspects of this are the satisfaction levels of the residents towards their housing situation: how satisfied are they with the size of their housing, its location and condition, the neighbourhood and its facilities? Is there a relationship between satisfaction levels and the desire to own housing? Also important are the residents' perceptions of Pudong and Puxi and how their social and economic lives are changing with the opening up and development of Pudong New Area. Both employee surveys and interviews were used to gather information for this section.

The satisfaction questions posed on the surveys point to a high degree of dissatisfaction and overwhelming indifference towards many aspects of daily life. The results of the satisfaction level questions for all surveys are given below. The responses from residents in both Puxi and Pudong have been added together to present an overall picture of Shanghai before the areas themselves are analyzed. The majority of the responses demonstrated a very large amount of indifference towards various aspects of the respondents' housing situations and urban life.

Although the majority of respondents were more dissatisfied with the size and condition of their

**Chart 1. Housing Satisfaction for All Respondents** 

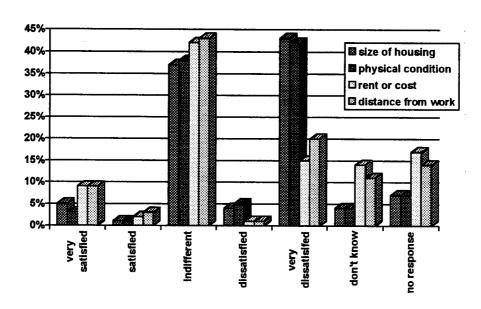
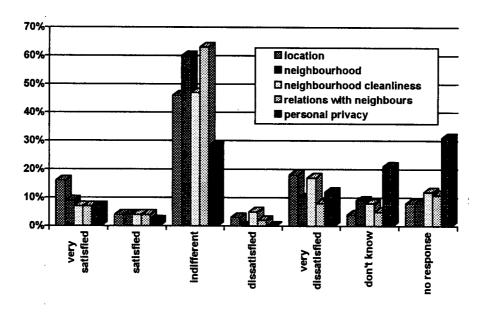
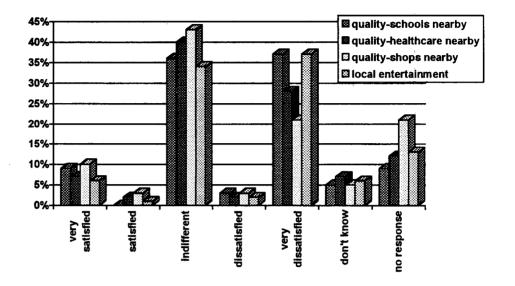


Chart 2. Neighbourhood Satisfaction for All Respondents







housing, the number of respondents indicating that they were indifferent was quite large, as is shown on Chart 1. The response to the location question was similar. With all of the developments taking place in Pudong and with all of the existing urban facilities in Puxi, the amount of respondents which indicated indifference was quite surprising. Indifference to neighbourhood cleanliness is close to 50%, while indifference to relations with neighbours is almost two thirds of all responses at 63% (see Chart 2).

The same is true of the rent and/or cost of the respondents housing. While the employees' overall average housing cost was equal to only 2.7% of their monthly wages, down from 2.9% in 1993, many are not satisfied with their housing costs. Forty two percent were indifferent with only 9% actually being satisfied with their housing costs. This could be reflective of the 'cradle to grave' policies of the past as outlined earlier: the government has always taken care of basic housing needs and costs, thus the respondents may have had little need to care about the cost of their housing.

Distance from work is another item that exhibited a high degree of indifference. This is surprising considering that the average time to get to work for the joint venture employees was 1 hour and 28 minutes, with the average distance travelled to work being 20.7 kilometers. The average commute took almost three hours per day of the employee's time. Only 20% were very dissatisfied with the distance their home was from work, a very low number considering the time spent in travel to and from work.

When neighbourhood facilities are looked at, there was still quite a high degree of indifference, but dissatisfaction ranks higher (Chart 3). The indifference responses equal the very dissatisfied responses in terms of nearby school quality. This could point to an increased awareness of education in China's development. There is growing importance placed on education as China will need more professionals in the coming years of development, and thus perhaps parents are becoming more aware of local school quality. Respondents were indifferent in terms of local shop quality, but were more dissatisfied than indifferent when it came to local entertainment.

The results of the personal privacy question are not surprising. Chinese families have for decades lived in very cramped dwellings, and privacy, as is thought of in the West, is almost non existent in China. Thus the people have a relatively small perception of what it is to have privacy, and the split between the answers indifferent, do not know, and no answer may come as no surprise. It will be interesting to note how this changes in the coming years of development, whether a growing Western influence on the home affects the perceptions of personal privacy and personal space.

It is when the responses of satisfactions are broken down into groups of Puxi and Pudong residents that one can see the differences emerging in terms of where the respondents live. Thus one can more clearly identify the recent changes in Pudong as compared with life in Puxi, and

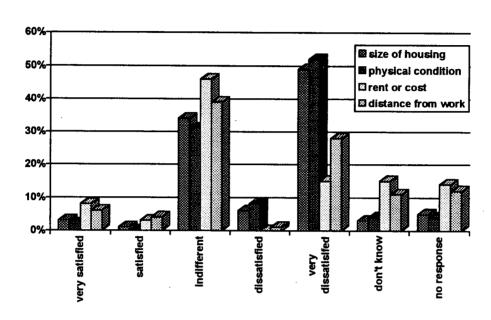
how the development of Pudong is progressing. The responses are broken down by residents in Puxi and Pudong areas below (Charts 4 and 5).

In terms of the size of housing, despite the significant size difference between Puxi and Pudong homes, few Pudong residents area very satisfied with the size of their homes: only nine percent compared to 3% in Puxi. Despite the average size difference between Puxi and Pudong homes (the Puxi average is 21 square metres), Pudong is 38.2 square metres, many respondents remain indifferent about the size of their housing. Half of all Puxi residents are very dissatisfied with the size of their housing, while only 35% in Pudong are very dissatisfied (Charts 4 and 5). The same is true for the physical condition of the housing. The conditions of much of the housing supply in Puxi is very poor, and hence the high degree of dissatisfaction among Puxi residents, at more than half. More surprising though is the high degree of indifference among Pudong residents, despite the larger and newer homes. Respondents are equally indifferent about the location of their homes.

For both Pudong and Puxi residents, 60% and above are indifferent about their neighbourhoods, both in general and in terms of their relations with their neighbours. Very few are either satisfied or dissatisfied with their neighbourhoods. The only difference is in terms of the cleanliness of the neighbourhoods. While indifference in both Puxi and Pudong stands at 47%, 21% of Puxi residents are very dissatisfied with the level of cleanliness in their neighbourhoods, compared to Pudong's 12% (see Chart 6 and 7).

When the two areas are broken down in terms of rent, many residents are more indifferent to their housing costs than are satisfied or dissatisfied combined. When the averages are taken, Puxi residents spend 2.2% of their monthly wages on housing, compared to Pudong's 2.5% average, yet few are very satisfied with their housing costs. More are dissatisfied than satisfied in both Puxi and Pudong. With housing costs for years being kept to a minimum, their now rising

Chart 4. Housing Satisfaction: Puxi



**Chart 5. Housing Satisfaction: Pudong** 

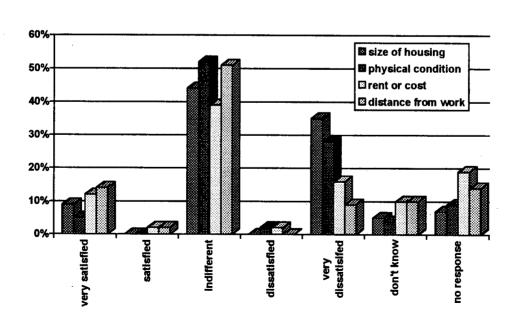


Chart 6. Neighbourhood Satisfaction: Puxi

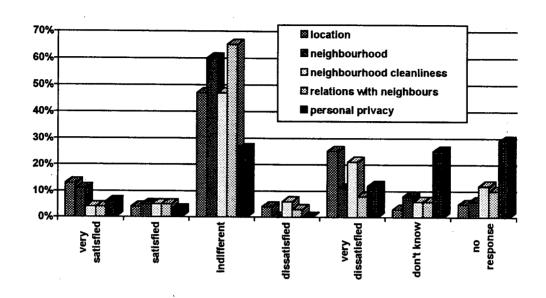


Chart 7. Neighbourhood Satisfaction: Pudong

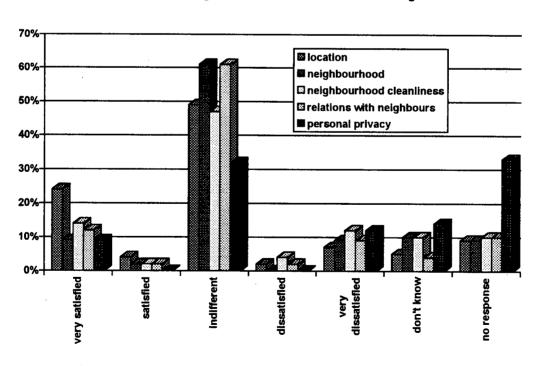
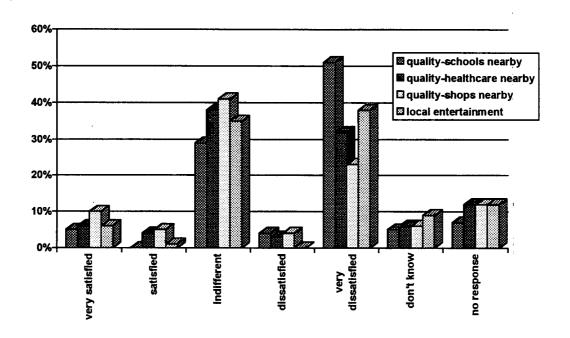
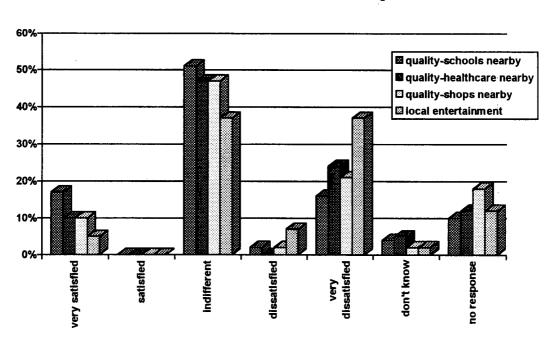


Chart 8. Facilities Satisfaction: Puxi



**Chart 9. Facilities Satisfaction: Pudong** 



levels may be behind this dissatisfaction.

When the satisfaction levels with distance from work are looked at, the differences can be explained. More Pudong residents are satisfied than dissatisfied with their distance from work, while almost five times as many Puxi residents are very dissatisfied than are very satisfied. The average time Pudong residents spend in getting to work is just over an hour, while Puxi residents spend over one hour and forty minutes. But even with this large amount of time, for both parties there is still a high amount of indifference, 39% for Pudong residents and 51% for Puxi residents.

In terms of local facilities, the amount of indifference continues. There is a marked contrast though, between the two areas when the quality of nearby schools is examined. Pudong residents are more satisfied with their local schools at 17% for very satisfied compared with Puxi's rate of only 5%. The indifference rates for Pudong are above 50%, while in Puxi there is marked discontent at a rate of 51% for very dissatisfied. Only 30% of Puxi residents are indifferent about the local schools. For the quality of local shops, the indifference levels for both areas are high at 41% for Puxi and 47% for Pudong. This is surprising as in the interviews, access to and convenience of shopping were important to those living in Puxi Dissatisfaction levels for both areas are double the satisfaction levels. In terms of local entertainment, the very dissatisfied and indifferent rates are roughly the same, with only a minority being satisfied with local entertainment facilities. This is also surprising: entertainment facilities in Pudong are in the process of being developed. They are plentiful in Puxi, yet the indifference and dissatisfaction rates are similar for both areas (see Charts 8 and 9).

There is a difference between the residents of Puxi and Pudong regarding their perceptions of health care. While few are very satisfied with their local health care in either area, Puxi residents are more very dissatisfied than are Pudong residents, at 32% and 24% respectively.

Almost half of Pudong residents are indifferent about their health care, while 38% of Puxi

residents are indifferent.

### Satisfaction Levels: New Versus Older Housing

Thus far, only Pudong in general has been examined. Satisfaction levels can be broken down further to perhaps indicate differences between groups of respondents, such as those living in newer residences and those in older, and between home owners and renters. It may be possible to determine trends from these breakdowns and generate ideas as to what impact development is having.

For these people living in the newer residences in Pudong, the question can be asked of their housing satisfaction levels compared with those living in older units. Does living in newer housing affect the satisfaction level of the occupant? For this to be examined, those Pudong residents living in homes under five years of age are looked at in terms of their satisfaction levels. The results of the fifteen are outlined in the following graphs.

A slim majority of respondents are very dissatisfied with the size of their housing. The average housing space of these fifteen surveys is 36 square metres, significantly higher than the Puxi average and 2 meters shy of the overall Pudong average. Yet there remains a high rate of both indifference and dissatisfaction, which is also present among the general population of Pudong, at 44% and 35% respectively. The majority of the fifteen are indifferent and dissatisfied about the condition of their housing as well, with only one respondent being very satisfied. With regard to neighbourhood conditions, the rate of indifference continues to be high, especially with relations with neighbours. When the neighbourhood amenities of schools, health care, shops and entertainment are considered, the results vary somewhat. There is a higher degree of satisfaction for the quality of nearby schools, and results are split between indifferent and very dissatisfied with local shops and health care, along with a high no response rate. There is high degree of

Chart 10. Pudong New Housing - Housing Satisfaction

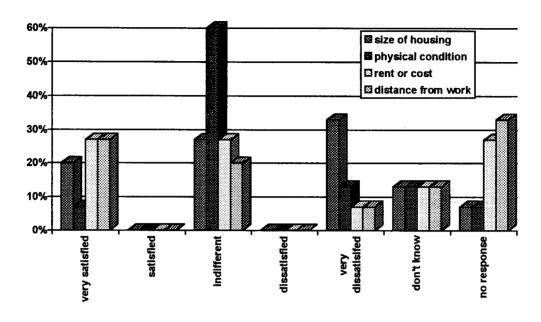
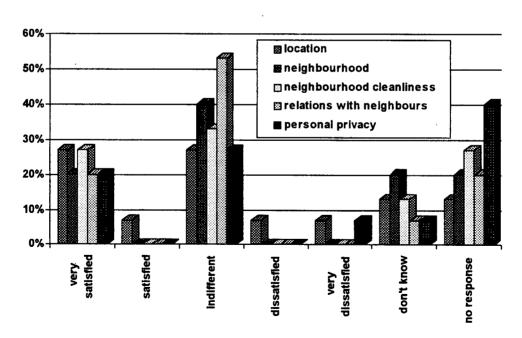
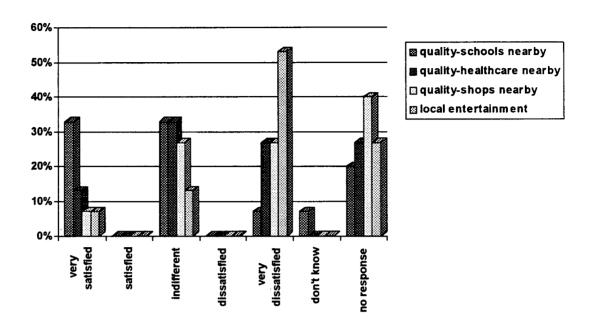


Chart 11. Pudong New Housing - Neighbourhood Satisfaction







dissatisfaction with the local entertainment among these respondents. When all of the above factors are considered in total, the overwhelming attitude among the 15 respondents is indifference, which is consistent with the results of Pudong on the whole.

Although only a small amount of respondents own their homes, perhaps differing satisfaction levels may be found between owners and renters. This may give some additional clues as to why people are purchasing or not purchasing their homes. The charts on the following three pages examine the satisfaction levels of owners and renters in Pudong New Area (see Charts 13-18).

Although the number of owners in Pudong only represents 10% of the total Pudong population, several observations can be made based on the above information. For the general population of Pudong, excluding the owners, in every category except personal privacy, indifference is indicated by the majority. The same is true of the owners: indifference is noted by the majority in most categories, with an equal level of dissatisfaction in the quality of shops and

Chart 13. Pudong Owners - Housing Satisfaction

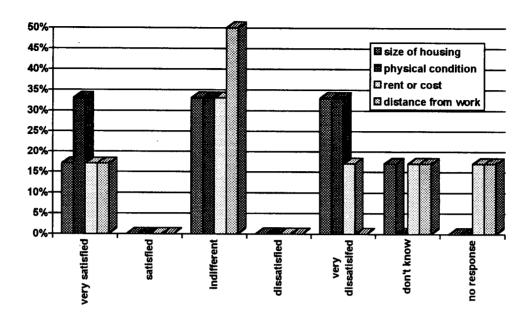


Chart 14. Pudong Renters - Housing Satisfaction

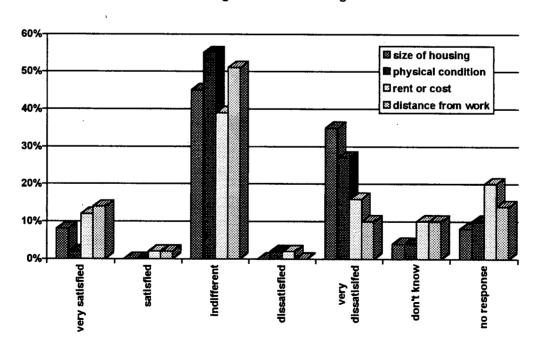


Chart 15. Pudong Owners - Neighbourhood Satisfaction

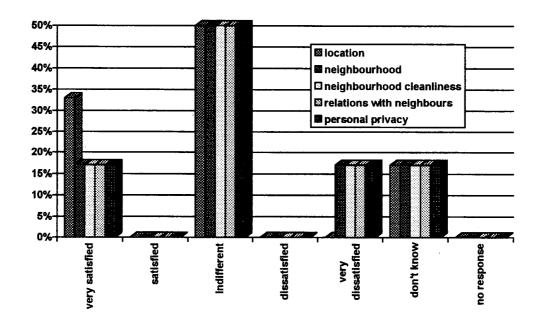


Chart 16. Pudong Renters - Neighbourhood Satisfaction

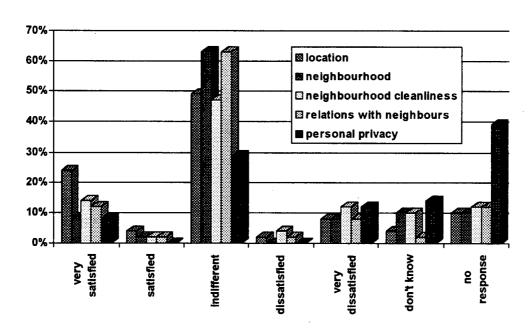


Chart 17. Pudong Owners - Facilities Satisfaction

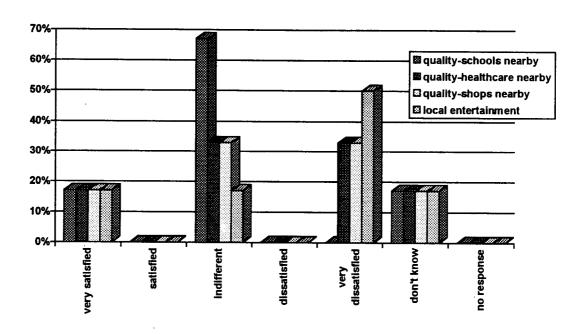
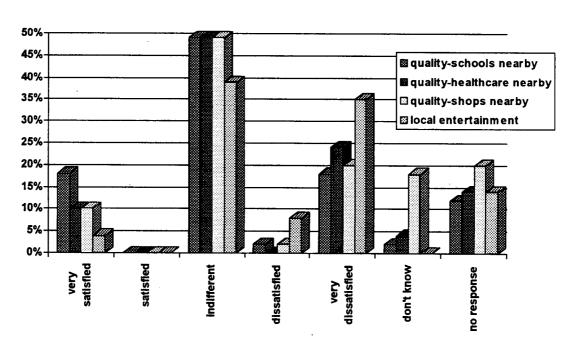


Chart 18. Pudong Renters - Facilities Satisfaction



health care, and size of housing. The only exception to this is that of local entertainment with 50% indicating very dissatisfied. In terms of the physical condition, there was a three way split between very satisfied, indifferent and very dissatisfied, each with one third of all respondents. It must be noted, however, that despite the majority of indifferent responses among both the renters and the owners, the owners rate higher in satisfaction than the renters in every category except quality of schools where the results are almost equal. This may indicate that owners are more satisfied with their housing situation, however the high level of indifference mutes this result somewhat as the percentage of those satisfied remains low, mostly at 17% and below.

## Joint Venture Employee Interviews - Community Satisfaction

To gain an increased awareness of change and development, interviews were conducted with 20 joint venture employees regarding their impressions of urban life and the elements that they considered to be most important in their homes. Interviewing workers at the two joint ventures was at times a rather challenging task. I was not able to select workers myself for interviews: rather the personnel manager or my translator would select them for me. This may have led to a bias in the respondents as perhaps only model workers were chosen. In JV2, when arrangements for interviewing workers were made, the personnel manager inquired as to how many employees I would like to interview. I responded that a minimum of ten would be fine.

Within minutes, the conference room where I was conducting the interviews was filled with ten workers. Each respondent heard the other interviewees and their responses, so they had time to prepare and may have copied others answers. I had little control over such situations and had to make do with what opportunities I had.

My goal in conducting these interviews was to present the informants with open ended questions that would encourage them to talk about their impressions of urban life and the changes

in Pudong, and how their community operated and what they deemed important. Some workers were more willing to talk than others. It must be recognized that secrecy is still very much present in China. For a foreigner to interview Chinese workers was unusual and some were naturally guarded, for fear of saying the wrong thing.

Although interviewing conditions were less than ideal, trends were quite evident among the responses given. In terms of the respondents themselves, twenty workers were interviewed in total, 10 from each joint venture. Interviews lasted about twenty minutes each: some I would have preferred to extend but the work schedules of the employees made that somewhat difficult. Of those selected for interviews, 3 were female and 17 were male. The average age was 36, with one respondent not giving his age. Nine lived in Pudong while the remaining eleven were residents of Puxi. Twelve lived in apartments, 4 in houses, 3 in private houses and 1 lived in a dormitory.

When asked about important qualities that homes and neighbourhoods should possess, the workers responded with very similar answers. A bedroom, toilet and kitchen were the most important things that homes should have, according to the workers. A living room was also seen as something important by some, especially for receiving guests. There was a focus among some respondents on material goods, such as decorations for their home and television sets. Those who answered on these lines tended to be younger, in their early thirties. This is perhaps symbolic of the new consumerism emerging in China. Before China opened its doors to the world a decade ago, material goods were impossible to obtain. Now with television sets, stereos, and microwave ovens gracing shop windows, these items are becoming available, affordable, and desired. As one informant points out, "What others have, I should have, that is important...I don't want to share."

All responded that harmonious relations with neighbours were extremely important.

Caring for each other was a response that most people gave although one respondent spoke of a

new trend emerging in big cities, a trend associated with development: "having nothing to do with your neighbours...living is faster [with] early and late days." This trend was very much evident when employees were asked what they liked and disliked about the neighbourhood in which they were currently living. Most responded that they are happy with their neighbourhoods in that people care for each other and look after each other. "For example, if I am out in the day and my clothes are outside and it rains, they take care of my clothes and vice versa." A few pointed out that there lives are busy so they don't have much time to see their neighbours. One remarked that "in new apartments there is not much chance to see each other." Two people responded that they had little connection with their neighbours. One of these two said "I have nothing to do with them - maybe this is a development trend." This indeed seems to be a trend. People were concerned about their neighbours and emphasized the importance of caring for and helping their neighbours. But increasingly people are more concerned with their work schedules and making money rather than their communities.

This can also be seen in relation to what the respondents saw as being important in their homes. Many wanted a kitchen and toilet, and this is the norm in the new apartments. But at the same time it is also changing a fundamental quality of life in urban environments: shared use of resources. In the past, families would share cooking and toilet facilities: this is now changing with newer more modern apartment buildings, thus reducing the contact people have with their neighbours. The goal in Pudong, as set out by the Pudong New Area Administration, is separate bedrooms for all family members and private living accommodation. In the past, daily life was very much a communal affair. It will be interesting to see what happens in the future in terms of social interaction as more and more urban residents have access to private living accommodation and facilities. Of course China has a long way to go before most Chinese have access to such things: many Shanghainese remain in very cramped and poor conditions. However, Pudong is

seen as the new China, as the example of what China will be in the future. The question then arises of what impact this will have on future family and neighbourhood interaction. An example of this is the changing role of the neighbourhood committee.

When one thinks of the neighbourhood committee before the door to China was opened, images of political meetings and tight control come to mind. Now the role of the neighbourhood committee seems to have changed. When asked about activities sponsored by the neighbourhood committee, respondents indicated that there are few activities in their neighbourhoods. "People are too tired, it is too late," said one. One informant summed it up rather well; "The neighbourhood used to have good relations, but not now. In the past neighbours shared the toilet and kitchen, but not now as it is all private - we want more contact." Of the twenty interviewed, nine said there were no activities at all. Some indicated that there were activities for the young people and the retired members of the community, along with dance halls and karaoke bars. There are summer activities such as dance parties and sports, but few had regular activities. Some neighbourhoods were only involved in dispute resolution and the distribution of government information. One employee indicated "In the past, there were many activities - now not many. It is hard for the committee, their work is hard." Two people indicated that their neighbourhood committee was involved in environmental programs. Even if there were programs and activities in their neighbourhoods, very few people were actually involved in them. They either chose not to be involved or did not have the time to be involved. "I spend too much time at work", "I don't have time," were common responses. Only four people indicated that they took part in any neighbourhood activities, and one said his child was involved.

When asked about what they disliked in their communities, eight of the twenty respondents indicated that they were unhappy with their neighbours and the arguing that occurred. "People fuss over trivial things" was a common response, as was "they quarrel and

argue and complain." Two workers remarked on green areas and the environment, stating that they were not very clean. One of these two attributed that to the influx of out of province construction people, saying "they destroy the green areas." It is true that Shanghai has a problem with garbage and pollution disposal: one only has to walk in the streets to experience this. However, the government has launched campaigns to persuade citizens to take more care of the environment. Outside of the Pudong Development Office are posters displaying a green earth: Pudong itself, in its master plans, has laid out a plan for vast amounts of green space in its development. Shanghai has very little green space, and the green land around the city is quickly being gobbled up by urban development: green space creation and maintenance will be a challenging aspect of the development of Pudong.

Although eleven out of the twenty interviewed lived in Puxi, those who lived in Pudong were extremely positive about their life in East Shanghai. Development was seen as very positive: living conditions were seen as being much higher in Pudong than in Puxi. This is based on factors mentioned such as space and convenience. When asked what they disliked about living in Pudong, traffic seemed to be the major concern: "buses are few and the wait is long." Travelling to Puxi was seen as inconvenient due to the short hours of ferry operation across the Huang Pu River. People also cited noise and construction as sources of discontent. However, responses to these questions seemed to be very much individual: some found the traffic situation in Pudong tolerable, others were not satisfied. On the whole, however, response about living in Pudong was very positive.

The market reforms that China has undertaken, combined with the development program of Pudong has resulted in significant changes to the living standards of Shanghai residents. Each of the twenty workers interviewed said that their living standards had improved. Many indicated that their salaries have gone up, and due to the influx of material goods, they are able to purchase

more commodities, both for themselves and their homes. Three respondents indicated that although their incomes were going up, they also noticed that prices of goods were going up as well - but none indicated that they were cutting back on their spending. Only two employees indicated that they were saving their money for the future.

From the surveys it seems that there are some consumer goods which are quite common. For those surveyed, the respondents were asked to mark the amenities and consumer goods that they owned. With the opening up of China, many goods that were not available just a few years ago now grace many shop windows. Modern day appliances such as microwaves, televisions and CD players are becoming common place in shop windows. Below in Table 21 are the responses to the amenities question not covered in the previous housing section for all of the surveys.

Table 21. Amenities for All Respondents, Joint Venture Employees 1994

Amenities:	Have	Do not have/No response		
tape/record player/radio	76%	24%		
CD player	21%	79%		
television	85%	15%		
refrigerator	85%	15%		
air conditioning	37%	63%		
electric heater	49%	51%		
washing machine	78%	22%		
private car	4%	96%		
motorcycle/scooter	47%	53%		

It appears that there are some basic consumer goods that most Chinese families posses, based on the results of this survey. Tape or record players, refrigerators, televisions and washing machines are owned by a fairly large percentage of all of the respondents. Six respondents answered that they owned their own private cars. This answer is somewhat doubtful as the price of a car is out of reach of most Chinese. Nevertheless the answers have been included with the

results, but done so with some hesitation. In fact, some the surveys came back with all of the amenities checked, which in itself may be doubtful based on the matching reported salaries.

The breakdown of amenities between Puxi and Pudong is given in the Table 22 below.

Table 22. Comparison of Amenities, Joint Venture Employees 1994

Amenities:	Have		Do not have/No response	
	Puxi	Pudong	Puxi	Pudong
tape/record player/radio	76%	74%	24%	26%
CD player	18%	26%	82%	74%
refrigerator	86%	82%	14%	18%
motorcycle/scouter	49%	46%	51%	54%
private car	2%	5%	98%	95%
air conditioning	35%	38%	65%	62%
television	85%	89%	15%	11%
washing machine	83%	70%	17%	30%
electric beater	47%	49%	53%	51%

There are few differences between Puxi and Pudong in terms of the consumer goods that can be purchased. Many of the consumer goods are existing in both Puxi and Pudong homes, such as record players and tape recorders, heaters and televisions. With the demonstrated increase in wages and the availability of consumer goods, it is not surprising that such items are found in the respondents' homes. What is interesting, however, is this trend in relation to housing and savings. Few interviewees said that they were saving for the future. Many mentioned that housing was too expensive and one unhesitatingly pointed out that she would rather spend her money on shopping and travelling as the government has already given her a house. This will be key to China's housing reform and related migration policies.

Pudong is seen as a good place to live, and according to the interviewees, will be even more so in the future. More than half of those interviewed indicated that they are optimistic

about the development of Pudong, saying that the air will be cleaner than in Puxi, that living standards will improve and that facilities such as traffic, shopping and education will improve. Several people were concerned that as Pudong improves, more people will want to move to East Shanghai, making it more crowded, busier, and thus a less desirable place to live. Some are worried about increased pollution from a growing number of factories, making Pudong more of an industrial city rather than a residential center. Two workers replied that the future of Pudong was up to the planning bureau: "I can't tell [what Pudong will be like in the future], it is up to the Planning Bureau." One respondent in particular summed up the positive sentiments regarding Pudong's future: "Pudong will be a big city in the world." At least two workers remarked that Pudong's international connections are growing in a positive way.

It seems that although the interviewees were positive about their lives and indicated the qualities of life that were important to them, the surveys reveal different findings. The overwhelming response to housing, neighbourhoods and facilities is one of indifference, no matter what one's housing situation actually is. The concluding chapter provides an analysis of these observations.

# **Chapter Seven**

### **Conclusions**

From the discussions with informants and from reviewing the survey results, it appears that official migration to Pudong remains strictly controlled. Although unofficial migration to Pudong is at high levels, as it is across the country, it is difficult to ascertain the actual numbers of migrants flowing into the city. It is clear, however, that official migration accompanied by official hukou change is based solely on employment, rather than the wider range of push and pull factors that drive migration in other countries. Official migration is still very much employment based in Pudong, as was evident from the surveys. Most of the official migration, as outlined by the PNAA has been to do with job transfers or else relocation from Puxi due to redevelopment of the city. Unofficial migration, though, is perhaps based more on push and pull factors: lack of employment pushing people from rural areas and potential employment accompanied by higher living standards in cities pulling people toward areas like Pudong. At present, migrant workers are housed on site or with rural farmers. The question arises of what will happen to such people as farmland in Pudong is taken over by the city. The housing of temporary migrants is an issue that must be faced in Pudong New Area.

Pudong has set out standards of the population that it hopes to achieve, both in terms of its numbers and where in Pudong those numbers will be located. This may be easy enough to

control in terms of the official population, but again the question of the migrant workers arises.

Registration and urban hukou is not now needed to obtain the necessities of living, and the migrants will go where they find work. This may lead to the surpassing of population quotas.

As the hukou system is lessening in its control over the masses, its future must be carefully considered. The Pudong New Area Administration has set out its goals for population growth and the floating population based on the hukou and migration of today. What lies in store for Pudong should the hukou weaken further? Also related to this is the fertility behaviour of the unofficial migrants. Enforcement of the one child policy is difficult as the migrants will not be officially registered.

A fundamental ideological shift is taking place by the administration in Pudong New Area with the official emphasis on having a 'quality' population. Equality, the mainstay of communism in theory, is being left behind in the search for this quality population, and a class divide is being felt between the urban and rural dwellers. This was very evident in the interviews with joint venture employees. Migrant workers were seen as uneducated and thieving by many interviewees, and if Pudong develops into the world class city that is planned, this divide can only grow larger as more 'quality' people become part of Pudong's population.

It may be too early to tell with any certainty what Pudong faces in its future in terms of migration. The official migration will most likely continue to be strictly controlled as it is now. Those with official status will have access to the better urban services such as health care and schooling and housing. The unofficial migrants will live where they can find space and make do with what services they can find. This may lead to a two tiered existence in the cities, and indeed, this may already be occurring. The urban residents do not think highly of their rural counterparts. How this develops in the future will be most important in terms of social makeup and how the changing social welfare state in China will take care of its unofficial migrant workers.

It appears that the central government is shifting its housing responsibilities more to the shoulders of companies such as the joint ventures used in this survey. For a joint venture to attract and keep the qualified staff that it needs, it must offer a better pay package than that of its competitors for the qualified staff. The joint ventures surveyed must now contribute to a housing welfare fund to help offset the cost of housing. The central government is in desperate need of such funds, as the subsidy it provides to urban dwellers is growing rapidly each year at amounts which the government can not maintain. With the amount of housing construction taking place in Pudong, some housing revenue is needed by the government. With the very small numbers of people buying homes, the government must somehow provide more incentives to encourage people to buy. This can be done through the increasing of rents, and perhaps some sort of public education on the merits of ownership. As rents stand today, they constitute such a small proportion of the workers' monthly wages that an investment in ownership is not seen as something that is worthwhile. Unless this changes, enterprises and the central government will not be able to maintain their current housing obligations. Clarifying issues such as property rights is also another task that the central government must face. For example, when the joint ventures purchased housing as outlined earlier, they only purchased the use right rather than the actual property. This may in effect act as a disincentive to the joint ventures to purchase housing. It is clear that major reforms are needed to encourage ownership on the part of individuals to ease the burden on enterprises and the government, a burden which can only grow worse.

From observations made by the joint venture partners, the practice of hiring employees based on their housing situation may influence the quality of employees hired. The joint ventures are in need of quality employees, yet they may not be able to afford them if housing must be provided. If housing is not provided then that may not get access to the best employees. It is a double bind for the enterprises. Providing loans based on loyalty and work performance is one

method of overcoming this obstacle, but the incentive must be there for the employee to invest in this financial commitment, one that will exceed his or her current housing costs.

Rents and wages were found to have increased in both in Puxi and Pudong. Despite the jump in rents in both areas, however, rents still constituted a very small percentage of monthly wages, only 2.2% in Puxi and 2.5% in Pudong. This makes the amount paid in rents well below what is needed to meet the cost price of the housing. Subsidies are still paid out to the population and this is placing a huge burden on enterprises and the central government. Unless rents increase significantly in the near future, the government faces a severe shortage of funds to build the new housing that is so desperately needed, and the increased costs will be borne by employers. Rents must increase to a level on par with the cost of owning a home. It is only with such an increase that an incentive can be given to purchasing homes, thereby relieving the government and enterprises of their high costs incurred in housing.

The small number of owners found in the survey may not have been adequate in identifying the reasons for home ownership in Pudong, but those homes belonging to individuals were found to be larger and newer. One must ask, why make a large investment in a home that has only a minimal amount of space, no toilet facilities and shared cooking areas? Thus the government may find itself in a multi-sided situation in terms of housing reform. The government needs the revenue from the sale of housing, yet the cost may seem too expensive for the Chinese when compared to their current housing costs. However, even for those who want to buy, they may not choose to as housing with improved amenities and larger space may not be readily available. Yet if funds are not raised through the sale of housing, such larger and more modern homes can not and will not be built.

Pudong New Area represents an opportunity for the central government to escape from this. Pudong is like a clean slate upon which the new China can be built. The massive amounts of

investment that are coming to the area, both from domestic and overseas sources, are providing the government with a base from which housing can be built. More spacious and modern apartment buildings are being constructed, and may provide an incentive for people to buy, as was indeed found in the results of the employee surveys. The key, however, is encouraging people to buy through raising rents, cutting subsidies, and clarifying property rights. Rent is the most important aspect of this, after all, as one informant asked "Why would I spend money on a house when the government has already given me one? I want to spend money on a TV and travelling instead." The incomes of the Chinese are increasing, and with the new access to consumer goods that were unavailable just a few years ago, the attraction to buying goods may be strong, especially as so little money is needed for housing costs.

Pudong's goals of increased space per capita, and higher quality and more modern residential areas are indeed being reached: the per capita space in Pudong is much higher than that in Puxi. However, these improvements do not seem to be encouraging people to buy homes. Pudong's buildings have more amenities than do those in Puxi, but not as many as were expected. That may be due to the fact, however, that the average age of Pudong's buildings in the surveys was 12.8 years, built well before the opening and development of Pudong was announced. Another year or two may be needed before the improved living conditions can be noted, as many of the apartment buildings are still under construction. The fact that many Pudong residents of the joint ventures have been living in Pudong for a number of years may have also affected the results, as only fifteen residents were living in homes of five years of age or less. Yet the changes were obvious when those fifteen in newer homes were compared to those living in older Pudong residences.

The community section of this report is perhaps the most important part of this study, as it shows how the housing and migration reforms are impacting on the people of Pudong: it reveals

the human side of development, rather than just the numbers of growth and change. With China's population representing one fifth of humanity, and with the Shanghai's development into one of the most important economic areas in Asia, the wider study of community interaction and the satisfaction with surrounding communities is most definitely warranted. Satisfaction may also point to future trends in house ownership and migration patterns.

For both Puxi and Pudong residents, it was found that there is a high degree of both dissatisfaction and indifference towards many aspects of life in Shanghai. Even with the growth and development of Pudong, combined with its more modern residential areas, there is a consistently high degree of indifference along with low satisfaction rates. The question must be asked as to why people are dissatisfied with improved living conditions in Pudong, especially in terms of housing space, condition and cost. High levels of dissatisfaction can be explained in Puxi, with the low per capita living space and much older housing with few amenities. Yet, even with the poorer conditions in Puxi, indifference remains high, on the whole higher than dissatisfaction except in terms of housing size and condition, local schools and entertainment. For the rent or cost of housing, both Puxi and Pudong respondents indicated a high degree of indifference, even though the monthly cost is extremely low.

There is high indifference towards most housing and community factors among those living in new apartments as well. There is also high indifference among the owners of homes, similar to those who rent. Satisfaction rates are higher among owners than renters, but not by significant margins as the indifference in both groups is high. It is most interesting to note, however, that the results of the interviews with the workers differ considerably from the results of the employee surveys. In the interviews, people indicated that their communities and relationships with their neighbours were extremely important: yet the surveys revealed a high amount of indifference, at 60% and above for both Puxi and Pudong. Interviewees indicated that certain

aspects of their housing, such as size and condition, were important. Yet again, the surveys reveal high indifference towards these factors.

Interviewees also indicated that they were in fact too busy to become involved in their neighbourhood activities and had little contact with their neighbours. The style of the new apartment buildings in Pudong may be a contributing factor in this regard. Pudong has planned for each apartment to be self contained, each having its own kitchen and toilet facilities. Living in Pudong, then, will not be a communal affair as it continues to be in Puxi and other urban areas throughout China where toilet and kitchen facilities are shared among several families. The changing nature of the neighbourhood committee, now more of a business operation than the political education and observation committee it was in the past, is also reflective of the changing neighbourhood relations. Interviewees indicated that their nieghbourhoods were important to them, as were their neighbours. How these relations change over time with the more separate living conditions is definitely worthy of a complete study in itself. Yet despite this importance in the interviews, so many of the survey respondents indicated indifference.

How can this indifference be explained? To answer this, it is crucial to understand the history of the People's Republic of China. Under Mao Zedong, private ownership did not exist. Mao put production ahead of the standard of living, and the people had no choice in their lifestyle and their living standards. The government told them where to live, when to move, and where to buy their goods. All daily necessities, basic as they were under Mao, were provided by the state. Today, this continues in the realm of housing. The government has told the people where to live and has provided them with housing at minimal cost as part of the welfare state. Making a choice in terms of housing has not been possible. However, this choice will soon become mandatory. The government can not continue its huge investment in housing. The costs are too high, and the state is in need of revenue. Thus rents are going up, but they are not going up high

enough. The concept of ownership must be made attractive through equal rents and ownership costs. The observation of an informant repeated throughout this report, "Why should I buy a house when the government has already given me one?" may be reflective of the general attitude of the population and explain the indifference. In other words, why should I care when the government is going to tell me what to do or give me what I need to live anyway? If this is indeed the case, then a major social change is needed to understand that the welfare state of China can no longer exist as it does today.

The three aspects of Pudong's development explored here, migration, housing, and community are very much intertwined. Due to the availability of consumer goods, people no longer need their hukou to purchase necessities. This, combined with increased urban development and rural surplus labour, is prompting millions of people to migrate to the cities. The increasing urban population is putting pressure on China's housing supply, pressure which will only grow as little revenue is being collected from the existing stock to invest in future housing. Improved housing conditions in Pudong do not seem to be resulting in increased housing and community satisfaction levels. Nor do improved housing conditions seem to be prompting people to invest in the ownership of housing. The amount of indifference towards housing and community seems to be based on the cradle to grave care that the government has provided for so long. The decreasing community interaction outlined in the interviews seems to be based on the changing housing construction and the focus on self contained apartments.

The key to Pudong's success as a high quality residential area seems to rest on three things: population control, return on housing investment, and the satisfaction levels of the population along with their relationship to housing investment. Pudong has planned its areas based on certain population levels. With increased migration taking place and many migrants arriving in Pudong and the Shanghai area every day, these population goals may be exceeded,

placing added stress on Pudong's infrastructure and creating unemployment problems. With the millions of square metres of housing being built in Pudong, the investment in residential areas is high. Pudong needs to make a return on this investment if the goals of increasing living standards and more housing are to be met. This entails raising rents significantly and encouraging people to buy through providing financial mechanisms for this to take place. In order for this to happen, the 'cradle to grave' system must be left behind in the minds of the people. As Kirkby writes of social welfare and housing, "They are the fruits of the revolution not to be passed up in exchange for vague promises of the urban good life" (Kirkby 1990: 311). The 'urban good life' has been promised in Pudong, and for it to occur there must be a partnership between people and government, both paying for its development. If the people move away from indifference with their living standards, then perhaps a move will be made towards investing in them. This will only take place, however, with the both the people and the government making a fundamental shift away from the relying on the government to provide basic housing, and the people investing in it themselves.

As was outlined in the introduction, therefore, an examination of the development of Pudong New Area is as much a planning exercise as it is a sociological exercise. Any study of Pudong, and indeed of China today, needs a multidisciplinary approach. All aspects of Chinese society are changing with its economic reforms and there is no single theory to explain this transition. China's huge economy and its relationship to its people is very complex. In general, people seem to be extremely positive towards China's development, and especially towards Pudong. It does indeed represent a new China: vast development financed by both domestic and foreign sources is helping to improve the people's standards of living and helping the Chinese economy diversify and become more international in scope. However, the goals of Pudong in terms of socialism and collectivism may be compromised through this development. The 'quality'

population of Pudong, the change from communal living to separate units, and the 'cradle to grave' care that is no longer possible, are all drastically altering the living experiences of Chinese urban dwellers. To return to Pudong New Area in the year 2000, when many of the plans are slated to be realized, and conduct a similar study would be most revealing and worthwhile, and perhaps indicate if a partnership between the people and the government has been achieved.

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# **APPENDIX**

## Joint Venture Employee Survey - November 1994

Please circle, check or write the response that best describes your situation.

**I. Personal and Family Information** 

1. Sex: male fe	emale	2. Age:	years
3. Are you single	married divorced	widowed	
4. What is the highest le	evel of education ha	ve you attended?	
	Attend	ded Graduated	
1. Primary	(	) ( )	
2. Middle	Ì	) ( ) ) ( ) ) ( )	
3. Senior	(	) ( )	
4. College or Un	iversity (	) ( )	
5. Master's Degr	ree (	) ( )	
6. Doctorate	Ì	) ( ' )	
5. What is your current	-		
_			In Administration
Technician 1	Engineer	Senior Engineer	Staff Position
Worker states other	Supervisor	Manager	Director
6. How satisfied are you	with your job?		
very satisf	ied sa	atisfied	indifferent
dissatisfied	iedsa 1ve	ery dissatisfied	_
7. If you are married: a	) How long have yo	ou been married?	years
b) Do you have a	any children? 0	1 2 3	
c) What is your s	spouse's occupation	?	
student o	ffice worker	factory worker	engineer
governme	ent worker	teacher	manager
superviso other		shop keeper	no job
	ouse work in Pudon		
Does your spo	ouse work in the san	ne organization?	yes no
II. Housing Cost and F	<u>'ay</u>		
1. How much do you no			

2. a) What was your total pa	ay in September 199	04?	yuan per month
2. a)What was your total pa What was your total pa	ay in September 199	93 ?	yuan per month
b) If you are married:			
How much does your	spouse earn per moni	th?	vuan ner month
How much did your sp	ouse earn in 1993 ne	er month?	yuun per month
110 w much did your sp	ouse carn in 1995 pe		yuan per month
3. Who owns your home?			
my work unit	· •	my spouse'	
it belongs to	my parents	it belongs to	o my spouse's parents
I/my spouse p			
other (please	specify)		
4. Do you think that one d	• • •	ur own home?	
yes no own	aiready		
			•
III. Housing Situation			
1. Where do you currently	live?Pudong	Puxi	elsewhere
O 1171 - 1	1.40		
2. Who shares your accom		.1	
my parents	on my own	othe	ers in a dormitory
	my spouse		
	d his /her parents	frier	nds
other family			
How many people a	are in your household	l in total?	
3. a) How long have you li	ived in vour ourrant t	.ama?	*******
, <u> </u>	-		years
How old is the building	ig you live in?	years o	10
b) What type of home d	o vou live in?		
·	an apartment	a dormite	ory other
		_	
4. What is the approximate			
How many rooms does	your home have?		_ rooms
5. If you live in an apartmen	nt how many floors	does vour huild	ing have?
Approximately how man	y people live in the h	uilding?	шg паче:
£1	7 1 - F		
6. How far away is your pl	ace of work from yo	ur home?	kilometers
7 Hamilana dayah 1944		1	• ,
<ol><li>How long does it take y</li></ol>	ou to get to work?	nours	minutes

8. How do you get to work?							
by public bus	by compa	ny bus		by r	orivate o	car	
by company car	walk	-		by t	oicycle		
9. I am interested in the kinds	of goods and amer	ities in y	our ho	usehold	. Please	Э	
tick the items that you posse	ess.						
• •							
tape/ record playe	er/ radio			_CD p	layer		
refrigerator				moto	rcycle/so	cooter	
private car					nditione		
television				teleph			
washing machine					ic heate	r	
private toilet					e bath a		
hot running water	r						
10. To what extent are you sat	isfied with these a	spects of	`vour h	ous <del>in</del> e?	)		
Very satisfied is 1, indiffere		_	-	_			
voly sutisfied is 1, multiple	nt is 5, very dissut	151104 15 .	, <b>uo</b> n	ot Knov	15 0.		
1. size of housing		1	2	3	4	5	0
2. physical condition of	housing	1	2	3	4	5	0
3. location	nousing	1	2	3		5	0
4. neighbourhood		1	2	3	4	5	0
5. cleanliness of neighbors.	nurh and	1	2	3		5	
					4		0
6. relations with neighb	ours/community	1	2	3	4	5	0
7. rent or cost		1	2	3	4	5	0
8. distance from work	•	1	2	3	4	5	0
9. quality of schools nea	•	1	2	3	4	5	0
10. quality of health car	<del>-</del>	1	2	3	4	5	0
11. quality of shops nea	rby	1	2	3	4	5	0
12. personal privacy		1	2	3	4	5	0
13. local entertainment		1	2	3	4	5	0
IV. Migration Situation							
Where were you born? City an	d Province.						
•							
If you are not originally from P	udong or Shangha	i but are	living t	here no	w. plea	se answ	er the
following questions.	c c		υ		, 1		
<b>3</b> 1							
1. Why did you move to Pude	ong/Shanghai?						
• •	signed a job in Pud	long/Sha	nohai				
	se was assigned to	_	ngnar				
	vas transferred to I	_					
• • • • • • • • • • • • • • • • • • • •	use found a job in	_				-	
· · · · · · · · · · · · · · · · · · ·		_					
	a better living star						
	satisfied with my p			-			
	satisfied with my p	revious	Job	<del></del>		_	
other (	please specify)						

2. Was it easy to find housing when	you arrived in Pudong/Shang	ghai? yes no
3. How long did it take before you year(s)	-	month(s) for permanent housing
4. Where did you live when you firwith friendsin a guest houseother (please specify)	est arrived in Pudong/Shangha in a dormitory I moved into my home	with family
Thank you for your time.		

# Joint Venture Employee Interviews November 1994

## Profiles:

Number	Sex	Age	Marital Status	Home	Area
JV1-1	Female	35	married, 1 child	apartment	Puxi
JV1-2	Female	39	married, 1 child	house, selfbuilt	Pudong
JV1-3	Male	40	married, 1 child	apartment	Pudong
JV1-4	Male	not given	single	dormitory	Pudong
JV1-5	Male	26	married	apartment	Pudong
JV1-6	Male	35	married, 1 child	apartment	Pudong
JV1-7	Male	31	married, 1 child	apartment	Pudong
JV1-8	Male	23	single	house	Pudong
JV1-9	Male	42	married, 1 child	apartment	Pudong
JV1-10	Male	32	single	apartment	Pudong

Number	Sex	Age	# in Household	Home	Area
JV2-1	Male	43	7	house, private	Puxi
JV2-2	Female	33	3	house	Puxi
JV2-3	Male	37	3	house	Puxi
JV2-4	Male	32	5	apartment	Puxi
JV2-5	Male	45	3	apartment	Puxi
JV2-6	Male	36	5	apartment	Puxi
JV2-7	Male	30	6	house	Puxi
JV2-8	Male	34	3	house, private	Puxi
JV2-9	Male	44	3	apartment	Puxi
JV2-10	Male	45	5	apartment	Puxi

# Joint Venture Employee Interview Responses

What are the	most important qualities that a home and neighbourhood should have?
JV1-1	<ul> <li>helpful, hospitable neighbours</li> <li>children playing in neighbourhood</li> <li>home should have bathroom, toilet, living room, kitchen, separate bedrooms for children</li> </ul>
JV1-2	<ul> <li>space is most important</li> <li>my house has 2 stories, 160m2, we built it last year</li> <li>we saved money for a long time and we own the land and the house</li> </ul>
JV1-3	- helpful neighbours, caring for each other
JV1-4	<ul> <li>privacy, I want to live by myself - space is not important</li> <li>cleanliness is important</li> <li>I don't like too much furniture - a desk, chair and bed is enough</li> <li>I don't like decoration - it becomes out of date and it takes time to maintain</li> </ul>
JV1-5	<ul> <li>good relations with neighbours</li> <li>but be near my parents to visit them</li> <li>size, kitchen, etc. is not so important</li> </ul>
JV1-6	<ul><li>neighbours helping each other</li><li>environment and green space is most important</li></ul>
JV1-7	<ul> <li>neighbours dealing with each other honestly</li> <li>a bedroom</li> <li>a living room to receive guests</li> </ul>
JV1-8	- neighbours caring for each other - toilet is important
JV1-9	<ul> <li>kitchen - needs refrigerator, gas, cupboards - need space</li> <li>toilet</li> <li>good relationship with neighbours, saying hello for example</li> </ul>
JV1-10	<ul> <li>neighbours should take care of each other</li> <li>I need 'good good' decorated room and music - I differ with my neighbours</li> <li>my mother thinks a kitchen should be convenient</li> <li>neighbours should volunteer to help each other</li> </ul>
JV2-1	<ul> <li>kitchen</li> <li>bedroom - must rest to get energy to work</li> <li>neighbourhood must be harmonious, talking and solving problems, helping each other</li> </ul>

JV2-2	<ul> <li>- what others have, I should have, that is important</li> <li>- kitchen, bathroom, everything - I don't want to share</li> <li>- neighbours should understand each other, be harmonious</li> </ul>
JV2-3	<ul> <li>hygiene and sanitation are most important -gas</li> <li>I live in an old fashioned house - we all share one toilet and kitchen</li> <li>everyone knows what the other is doing, there is no privacy with the 15 households</li> </ul>
JV2-4	<ul> <li>necessities are TV sets, sofa, bed, desk, kitchen and toilet</li> <li>there is a new concept of having nothing to do with your neighbours</li> <li>this is a trend in big cities, a trend of development</li> <li>living is faster, early and late days, spending time with the family</li> </ul>
JV2-5	<ul> <li>- "eating is our most important concern"</li> <li>- harmonious relations among neighbours</li> <li>- talk often with each other, help each other</li> </ul>
JV2-6	- harmonious relations - caring for each other
JV2-7	<ul><li>everything is necessary</li><li>hygiene, sanitation</li><li>living harmoniously, caring for each other</li></ul>
JV2-8	<ul> <li>most important is to use gas - we cook by coal stove</li> <li>our house has no bathroom, no kitchen</li> </ul>
JV2-9	<ul><li>large living room</li><li>a toilet and kitchen</li><li>a new apartment</li></ul>
JV2-10	- kitchen, toilet - harmonious neighbours

If you had the opportunity to move to a new home, what would be some of the things that you would want that new home to have?

JV1-1 - all the things I said before, with a shower and a microwave - lots of space and privacy

JV1-3 - 2 bedrooms, 1 living room - toilet and kitchen

JV1-4

- neighbourhood should have people the same age and of the same experiences so we can exchange ideas - this is a priority

- I can learn from middle aged men

- no children

- it should be quiet to take a nap!

JV1-6

- bathroom, toilet

- living room and kitchen

- telephone, communication, TV

What do yo	u like best about the neighbourhood/house where you are living now?
JV1-1	<ul> <li>there is not much connection with my neighbours</li> <li>hope that neighbours will work in the daytime to have more communication with them</li> </ul>
JV1-2	- space - but I don't have enough money to decorate it - but we can store food and farming tools inside
JV1-3	<ul><li>we both work - the same with our neighbours</li><li>I like that my neighbours help me - with the phone and letters</li></ul>
JV1-4	- freedom - I can do what I like anytime - read, sing, dance - it is good now because my 2 roommates are not there - I want privacy
JV1-5	<ul> <li>relations with neighbours - we care for each other</li> <li>for example, if I am out in the day and my clothes are outside and it rains, they take care of my clothes and vice versa</li> <li>there is a saying 'good neighbours are better than brothers and sisters who live far away'</li> </ul>
JV1-6	- have not noticed - it is OK, good environment
JV1-7	- neighbours care for each other
JV1-8	- we communicate in our free time
JV1-9	<ul> <li>we have a good neighbourhood</li> <li>they leave a paper saying that I have paid your bills and you can pay us back</li> <li>neighbourhood helps save time</li> </ul>
JV1-10	- some are kind - neighbours take care of each other
JV2-1	- people are kind and hospitable

JV2-2	<ul> <li>-I don't have many connections with my neighbourhood</li> <li>- I go out early and come back late</li> <li>- I want neighbours to care for each other</li> </ul>
JV2-3	- the connections with my neighbours - we care for and understand each other, it is harmonious
JV2-4	<ul> <li>people keep an eye on the house and on the children</li> <li>we care for each other</li> <li>there are frequent thefts so we must look after each other - but we need time</li> <li>the thefts take place in the day time - the construction people, the out of province people</li> <li>there are bikes stolen</li> </ul>
JV2-5	<ul><li>there is a common understanding</li><li>open door - we greet each other - it helps solve problems</li></ul>
JV2-6	- we care for each other
JV2-7	- we solve problems and help each other
JV2-8	- my neighbours keep an eye on my house when I am at work
JV2-9	<ul> <li>people should communicate often</li> <li>in new apartments, there is not much chance to see each other</li> </ul>
JV2-10	<ul><li>people are honest</li><li>people are fair and helpful to each other</li></ul>

What do you like the	least about the neighbourhood/hous	e where you are living now?

JV1-1	<ul> <li>the environment is not clean</li> <li>no one cleans it - my house is clean</li> <li>when I do not work, I clean my room and some of the environment</li> </ul>	
JV1-2	-/	
JV1-3	<ul><li>people argue about public place usage</li><li>people need to understand each other more</li></ul>	
JV1-4	<ul> <li>eating - there is a poor dining hall</li> <li>few people have supper there, the food is poor</li> <li>we eat at restaurants - clean reasonable prices</li> <li>my dormitory has 5 stories with three floors accommodation for 500 people</li> </ul>	-
JV1-5	- neighbours with bad attitudes	1

	- we should have a good attitude against neighbours with bad attitudes
JV1-6	-/
JV1-7	- there are no problems - there are four families on one floor - we have a very intimate relationship
JV1-8 JV1-9	<ul> <li>- there are no problems</li> <li>- neighbours are good - no problems</li> <li>- the civilization building by the neighbourhood committee keeps the paths very clean</li> </ul>
JV1-10	- some are not kind - I don't know them as well on other floors
JV2-1	- selfishness
JV2-2	- no problems
JV2-3	<ul><li>I want to change</li><li>I can't share everything</li><li>there is no privacy</li></ul>
JV2-4	<ul> <li>there are foreign construction people</li> <li>they destroy the green areas</li> <li>where I live, it is famous for green areas</li> <li>I hope the police will enforce more laws to protect the neighbourhood and green areas</li> </ul>
JV2-5	<ul> <li>people complain behind each others backs</li> <li>I would rather deal with things up front</li> <li>this is new</li> </ul>
JV2-6	<ul><li>people fuss over trivial things</li><li>people should understand each other</li></ul>
JV2-7	- people fuss - they should understand each other more
JV2-8	- people quarrel and argue
<b>J</b> V2-9	- people complain against each other
JV2-10	- people make a fuss over trivial things

What do ye	ou like the best about living in Pudong?
JV1-1	<ul> <li>I would like to live here (lives in Puxi)</li> <li>there are no traffic jams in Pudong</li> <li>buildings in Pudong are more beautiful than in Puxi</li> </ul>
JV1-2	<ul> <li>it is good here</li> <li>it is developing - near by my home will soon be developed - this is good</li> <li>Puxi/Pudong - differences are less</li> <li>I want more developers</li> </ul>
JV1-3	<ul><li>it is convenient</li><li>it is near to my company - the shuttle bus helps, otherwise I have a long wait</li></ul>
JV1-4	<ul> <li>it is quiet and interesting</li> <li>I look at and experience development and train myself</li> <li>I came to Pudong to hope one day to own my own home</li> <li>this may be an innocent dream</li> </ul>
JV1-5	<ul> <li>the traffic conditions are not good now but I am looking forward to them improving</li> <li>now there are less buses and taxis</li> </ul>
JV1-6	- it is more spacious than the city centre
JV1-7	- living near my work
JV1-8	<ul> <li>it is more spacious than Puxi</li> <li>no noise like Puxi</li> <li>better conditions here</li> <li>the apartments have larger rooms, kitchens, toilets - all better than Puxi</li> <li>better living conditions</li> </ul>
JV1-9	<ul> <li>I used to stay in Puxi - in 1978 I moved to Pudong</li> <li>my father's organization gave him 2 houses</li> <li>Pudong is better so we accepted that accommodation</li> <li>the consumption level can be satisfied in Pudong</li> <li>it is not too expensive, we can get what we want here</li> <li>it is developing very fast</li> </ul>
JV1-10	<ul> <li>used to live in Puxi till 1991</li> <li>now it is easier to get to work</li> <li>it is convenient to stay in Pudong</li> <li>it is easy to get to Puxi</li> </ul>

### What do you like the least about living in Pudong? - / JV1-1 JV1-2 - traffic is not good - the roads are bad - from my home to Puxi there are no highways, only small trails - it is inconvenient - takes a long time to get there JV1-3 - the traffic is not good - roads are not good - buses are few and the wait is long - I have lived here since 1958, for 36 years - it is difficult to buy good modern commodities - I have to go to Puxi JV1-4 - communication and traffic are difficult - hard to get to Puxi - ferries are from 6 am to 10:30 pm - not long enough - must leave friends in Puxi before 9pm - the roads are not good enough JV1-5 - I do not know JV1-6 - the construction makes a lot of dirt and dust JV1-7 - I now live in Gao Qiao - the surrounding areas are all under construction - there is lots of dust and many construction workers so it is very crowded - I have little living space JV1-8 - no problems - the noise, but I am accustomed to it JV1-9 - Shanghai is one big construction site JV1-10 - my wife and I work on a daily basis - I like to stay at home - my mother lives in Puxi and we go there 3 times a month - when we first moved here there was no development, the gov. only talked about it - I was offered a house here so we took it

#### What do you like best about living in Puxi?

- JV2-1 the shopping and traffic are convenient
- JV2-2 the location and the city center

JV2-3	- the city center
	- it is easy to move everywhere
JV2-4	- convenient shopping, traffic, hospitals
JV2-5	- traffic is convenient
	- it is more secure and life facilities/necessities are available
JV2-6	- traffic and shopping is easy
	- it is near the joint venture
JV2-7	- shopping and traffic are easy
JV2-8	- traffic is convenient
JV2-9	- traffic and shopping are convenient
JV2-10	- shopping is convenient

What do you	like the least about living in Puxi?
JV2-1	- the noise and pollution - health and sanitation are not good
JV2-2	- nothing, but I have very little living area
JV2-3	<ul><li>the noise and traffic jams</li><li>it is crowded, there are lots of markets and it is very noisy</li></ul>
JV2-4	<ul> <li>it is dirty and polluted due to traffic</li> <li>I don't want to go to Pudong</li> <li>security problems there are even more serious</li> </ul>
JV2-5	- noise and pollution
JV2-6	- noise and pollution
JV2-7	<ul><li>it is crowded</li><li>small space</li></ul>
JV2-8	- traffic jams
JV2-9	- it is crowded, there are too many people
JV2-10	- the noise

What do you think helps to develop good community relations and community spirit? Are these things important to you?

JV1-1	<ul> <li>helping each other when neighbours are in difficulty</li> <li>don't make a fuss over trifle things</li> <li>should be more understanding</li> <li>clean public spaces</li> </ul>
JV1-2	<ul><li>helping each other</li><li>help is more critical in the countryside, like looking after children</li></ul>
JV1-3	<ul> <li>helping each other</li> <li>greeting each other</li> <li>helping old people with gas tanks</li> <li>helping those with difficulties</li> </ul>
JV1-4	<ul> <li>through communications, talking</li> <li>play poker, talk, TV</li> <li>when you are grown up things are different - need more time with the family</li> </ul>
JV1-5	-/
JV1-6	- understanding
JV1-7	-/
JV1-8	-/
JV1-9	-/
JV1-10	-/
JV2-1	<ul> <li>helping those in trouble</li> <li>difference between houses and apartments</li> <li>houses care less for each other</li> <li>apartments care more for each other</li> </ul>
JV2-2	<ul> <li>I have few connections</li> <li>just be good to neighbours</li> <li>I have nothing to do with them - maybe this is a development trend</li> </ul>
JV2-3	- caring for each other's children
JV2-4	-relations - gov has family planning - children playing lead to good relations with neighbours - this is very important

JV2-5	- people should greet each other
JV2-6	- people should help others
JV2-7	- people should take the initiative to help others in trouble
JV2-8	- people should be generous and open minded and helpful
JV2-9 JV2-10	<ul> <li>people should care for each other and keep an eye on the homes</li> <li>I go to work early and come home late</li> <li>I do not have much connection with my neighbours</li> <li>but we greet each other</li> </ul>

Does your	neighbourhood sponsor activities that help develop community spirit?
JV1-1	- nothing - we only farm
JV1-2	<ul><li>very few activities</li><li>people are too tired, it is too late</li></ul>
JV1-3	<ul> <li>no activities</li> <li>neighbourhood used to have good relations, but not now</li> <li>in the past, families shared toilet and kitchen</li> <li>now not so much as it is all private - we want more contact</li> </ul>
JV1-4	- none in dormitory - maybe, but I'm not sure - I think there should be
JV1-5	- no activities
JV1-6	- in the summer time there are evening parties and amusements, dances and sports
JV1-7	<ul><li>no, I have never experienced this</li><li>the HOPE project was the only one</li></ul>
JV1-8	- no activities
JV1-9	- yes but I don't join in
JV1-10	<ul> <li>there is a cultural station with karaoke, dancing</li> <li>an entertainment center for the old and young, electronic games</li> <li>the aged play chess, have tea, play cards</li> </ul>

- in the evenings people are organized to patrol the neighbourhood

JV2-1

- 'respect old and love young' activities
- help to solve disagreements
- JV2-2 none
- JV2-3 no we both work I don't know
- JV2-4 for old retired people
  - regular meetings to distribute government information and collect payment for

services

- evening exercises

- JV2-5 -published notices of meetings
  - help solve problems
- JV2-6 yes propaganda theft prevention, environment protection
- JV2-7 for the elderly, mentally, so they have a good life
  - a club for the elderly
- JV2-8 none
- JV2-9 yes evening parties, singing, meetings on security
- JV2-10 in the past, many activities now not many
  - hard for the committee, there work is hard
  - there is a liaison office for finding employment for young people and for a clean environment

#### Are you involved in any activities in your neighbourhood?

- JV1-1 we watch TV in our own homes
- JV1-2 no
- JV1-3 no activities
- JV1-4 no, I spend too much time at work
- JV1-5 no activities
- JV1-6 yes I am frequently
- JV1-7 no activities or entertainment
- JV1-8 yes entertainment karaoke and dance

JV1-9	- I don't join in
JV1-10	<ul> <li>I don't have time - I go out in the morning and come back in the evening</li> <li>Sunday's I go to the market and cook</li> <li>I am always busy</li> </ul>
JV2-1	- yes I take part in meetings
JV2-2	- no activities
JV2-3	- no I'm too busy
JV2-4	- my child is involved - I am if I have time
JV2-5	- yes
JV2-6	- no I have nothing to do with them
JV2-7	- no I have no time
JV2-8	- no activities
JV2-9	<ul><li>sometimes I go to meetings</li><li>I am the head of the household</li></ul>
JV2-10	- not involved

Would you say that your living standard has changed in the last year? How?	
JV1-1	<ul> <li>yes it has improved - it is much higher</li> <li>because of Pudong's development, there are more market goods available</li> <li>if you have money, you can buy them</li> </ul>
JV1-2	<ul><li>yes my salary has gone up</li><li>so have my expenses</li></ul>
JV1-3	<ul><li>- yes I have more income</li><li>- I can buy more modern appliances</li></ul>
JV1-4	<ul><li>yes, I have my own salary now, I don't depend on my family</li><li>I have savings, a little, for the future</li></ul>
JV1-5	- yes - before I was at university - now I have a salary

,	- my living standard has increased, I have money
JV1-6	<ul><li>yes, a lot, on a big scale</li><li>I have more income in my pocket to buy goods</li><li>there are more varieties of goods in the market</li></ul>
JV1-7	- a little - now I can buy, more things are available
JV1-8	<ul><li>- yes - my living conditions</li><li>- better clothing, accommodation, traffic, food</li></ul>
JV1-9	<ul> <li>it has improved</li> <li>things are becoming more expensive but I can still afford to buy</li> <li>I can't compare to millionaires</li> </ul>
JV1-10	<ul><li>improved - a great rise</li><li>expenses are still going up so I have little savings</li></ul>
JV2-1	<ul> <li>yes there are more and more things available</li> <li>things were not available in the past</li> <li>better goods are available due to the reforms</li> </ul>
JV2-2	<ul><li>yes, my income has gone up</li><li>I am getting well off</li></ul>
JV2-3	<ul> <li>yes - since I have been working in the joint venture, I have more income</li> <li>but I am still just supporting my family</li> <li>only enough for a basic living</li> </ul>
JV2-4	<ul> <li>depends - yes but for our parents, no improvement</li> <li>not a major improvement</li> <li>my parents have one half of their previous income when they worked</li> <li>my income has improved but parents has come down</li> </ul>
JV2-5	- yes - I have more income - now can afford more goods although they are becoming more expensive
JV2-6	- yes my income has gone up
JV2-7	<ul><li>yes my income has gone up</li><li>we are not engaged in business</li><li>standard has improved</li></ul>
JV2-8	- yes my income has gone up and I can buy more things
JV2-9	- yes I can buy more things - my income has gone up - I don't hesitate

## JV2-10

- yes, living conditions are improving
- more money, more furniture and appliances

# Do you have any direct connections with your neighbourhood committee?

Do you have	outly under confections with your heighbourhood committee.
JV1-7	<ul> <li>when I just moved in , I had a lot of communication</li> <li>but now seldom</li> <li>for every family there is a family situation report that the committee keeps</li> <li>the name, address, employment of the family</li> </ul>
JV1-8	- some
JV1-9	- not regular
JV1-10	<ul> <li>I'm on the 5th floor - the group leader is on the 4th floor</li> <li>I don't directly contact them</li> <li>only for certain things, procedures</li> </ul>
JV2-1	- I speak to the leader about problems - people elect the leader - should be retired
JV2-2	- not connected
JV2-3	- no
JV2-4	<ul><li>not much personally</li><li>my mother and father do</li></ul>
JV2-5	<ul> <li>the committee has a special box</li> <li>if you have problems or comments, you can write them down and put it into the</li> </ul>
box	- the leader should be in the community for a long time
JV2-6	- I'm living temporarily with my sister, so I have no connections
JV2-7	<ul><li>yes, weekly</li><li>they go to my house to distribute papers, TV information</li></ul>
JV2-8	- only when neighbours have disagreements - they ask for help
JV2-9	<ul> <li>police have a card for the community</li> <li>the police help to solve threats</li> <li>the committee fills in the card</li> </ul>
JV2-10	- I can ask the leader if there are any problems - the leader is elected and appointed by the community

What is your	What is your neighbourhood committee responsible for?		
JV1-7	- security of the neighbourhood and hygiene, only these two things		
JV1-8	- hygiene conditions - delivering milk, meals, papers		
JV1-9	<ul> <li>local grassroots government, that's what I think</li> <li>they provide services - gas fees, electric fees on behalf of the bank</li> <li>they pay them - it is much easier</li> </ul>		
JV1-10	- they provide services in the area		
JV2-1	- they help settle problems between people and people and factories		
JV2-2	<ul> <li>the collection of payments for TV sets, nothing else</li> <li>hygiene, garbage collection</li> </ul>		
JV2-3	- resident's newspapers - getting rid of rats and mice - they charge us		
JV2-4	<ul> <li>it changed recently</li> <li>usually made of retired people who served the whole community</li> <li>now they do business, for example contracting, run some small shops</li> <li>they need money to support themselves</li> </ul>		
JV2-5	<ul> <li>publicising and getting information for and from neighbourhood</li> <li>conveying and communicating with the community</li> <li>getting people to clean up the environment during festivals</li> <li>organize people for outside</li> </ul>		
JV2-6	<b>-</b> /		
JV2-7	<ul><li>they help set good relations with people</li><li>they help settle disagreements</li></ul>		
JV2-8	<ul><li>settling disputes</li><li>hygiene</li></ul>		
JV2-9	- security and the environment		
JV2-10	<ul> <li>the living problems of the community</li> <li>a lot of problems they can solve as they have limited authority</li> </ul>		

Have you so	een any changes in your neighbourhood committee in the last year or so?
JV1-7	<ul><li>no major changes - I have no contact with them</li><li>I only talk to them once about my family report</li></ul>
JV1-8	- not evident changes
JV1-9	- there should be changes
JV1-10	<ul> <li>I see changes along with reform</li> <li>contracts and dealings are changing with reforms</li> <li>there is less contact - people are busier</li> </ul>
JV2-1	- no
JV2-2	- young people don't see the changes
JV2-3	<ul><li>no</li><li>they do some business - buildings, renting houses, contracting</li></ul>
JV2-4	<ul> <li>in the past, in the Cultural Revolution, it was political</li> <li>no longer</li> <li>now it is a collection of payments and social activities and business</li> </ul>
JV2-5	- no major changes
JV2-6	- no
JV2-7	- no
JV2-8	- no change
JV2-9	- yes, they are getting more involved in getting people to protect the environment
JV2-10	- no

Who takes care of the maintenance of your home? Who pays for it?	
JV1-7	- I'm responsible, but there is very little maintenance
	- the housing administration bureau will paint the outside every few years
JV1-8	- the housing administration bureau
	- I pay for the services and materials
JV1-9	the housing administration human
J V 1-9	- the housing administration bureau

- I pay for the materials JV1-10 - if something is broken, I write a report to the housing administration bureau - I pay for the materials and service JV2-1 - myself - I pay for all materials JV2-2 - I pay for materials - housing administration bureau pays for the rest JV2-3 - housing administration bureau JV2-4 - housing administration bureau JV2-5 - housing administration bureau - I pay the rent, but nothing for maintenance - the external maintenance is free, but if you want to redecorate, you must pay JV2-6 - housing administration bureau JV2-7 - housing administration bureau - must make an application to have it fixed JV2-8 - me as I had a private house JV2-9 - housing administration bureau JV2-10 - housing administration bureau - when something is broken, I must fill in an application form and then they send people to fix it

What about your electricity and water? Do you receive bills for that or any help from your work unit to pay for these and other services?

- they will fix a whole building in one day

- people come quickly

- for gas, I go to the gas station to change the bottle
- it is a lot of work - I live on the 6th floor and there is no elevator - it is very
heavy
- there are 2 meters for water and power for each family
- water bureaux - quotes all the building and then gives the bill to the building and residents decide themselves
- power bureau - will issue bill for one floor and the floor will divide the bill

JV1-8 -/

JV1-9	-/
JV1-10	-/
JV2-1	<ul><li>meters and bills for the water and power</li><li>for gas we change bottles</li></ul>
JV2-2	- at the end of the month, meters are checked and then we get the bill
JV2-3	- bills
JV2-4	- bills
JV2-5	<ul> <li>the power supply bureau read the general meter</li> <li>each household reads their own meter and pays accordingly</li> <li>for gas, all have gas meters and we pay on our own</li> </ul>
JV2-6	- bills on our own
JV2-7	- bills each month
JV2-8	- bills each month - I don't have gas
JV2-9	- end of each month the meters are read and we pay the bill
JV2-10	- companies read the meters once a month or every 2 months - they mail the bill and then I pay the bills

# What impresses you most about the development of Pudong?

JVI-1	- there are more buildings
JV1-2	<ul><li>more and more buildings</li><li>more shops, more goods</li><li>now there are buses</li></ul>
JV1-3	<ul> <li>more construction</li> <li>bridges</li> <li>see more development as I have lived here</li> <li>old Pudong was between city and country</li> <li>now nearer to a city</li> </ul>
JV1-4	- I am optimistic

	<ul> <li>I heard that Pudong was changing quickly, so I wanted to come here to see with my own eyes</li> <li>I am still waiting to see it unfold</li> </ul>
JV1-5	<ul><li>I went to school in Pudong</li><li>Pudong will have a high future, high speed of development</li></ul>
JV1-6	- construction is developing quickly
JV1-7	- the Lujiazui zone, Wao Gao Qiao, Jingqiao and the bridges
JV1-8	- traffic is more convenient - underground tunnels
JV1-9	- it was total farm land when I arrived here - now it is a town, developing quickly
JV1-10	<ul> <li>quick development</li> <li>1991 - mostly farm land</li> <li>more buildings now on farmland</li> <li>bridges</li> </ul>
JV2-1	- city construction - more and more joint ventures
JV2-2	- I am new here, I can't say much
JV2-3	- buildings
JV2-4	- development - opportunity to work in a joint venture - improving Shanghai
JV2-5	<ul> <li>good changes</li> <li>traffic, more buildings, bridges</li> <li>international connections are improving</li> </ul>
JV2-6	- buildings, traffic
JV2-7	- more beautiful, and busier
JV2-8	- it is becoming cleaner - it was dirty in the past
JV2-9	- more plants and factories - I see from the joint venture mostly, I don't know first hand

- I believe what I see

What do you think Pudong will be like in the future as a place to live?	
JV1-1	- quite good - the air will be cleaner than in Puxi - good for living
JV1-2	<ul> <li>there will be great changes in the next 10 years especially in this area including the chemical plant</li> <li>more and more developers</li> </ul>
JV1-3	<ul> <li>traffic and living facilities will improve</li> <li>will surpass Puxi, especially construction</li> </ul>
JV1-4	<ul> <li>there will be more buildings, an airport</li> <li>if Pudong is better, more and more people will come here - I don't want that</li> <li>I don't want more and more people here</li> <li>I hope communication and roads will improve</li> <li>it will be busier and busier</li> </ul>
JV1-5	- Pudong will be a big city in the world
JV1-6	<ul> <li>education, medical, commercial system can get full development</li> <li>Pudong will be a good place to live if these are developed</li> </ul>
JV1-7	- Pudong can never surpass Hong Kong
JV1-8	<ul> <li>busier and busier</li> <li>more auxiliary facilities and shopping centers, commercial streets</li> <li>it will be good</li> </ul>
JV1-9	<ul> <li>older area here</li> <li>don't see good potential for development</li> <li>other areas will develop more quickly because there are more areas waiting to be developed</li> </ul>
JV1-10	<ul> <li>more and more people move here from Puxi - more people!</li> <li>traffic will be a headache, a problem</li> <li>everything will change faster in the next five years</li> </ul>
JV2-1	<ul><li>land is more expensive</li><li>must develop upwards, more buildings</li></ul>
JV2-2	<ul><li>it will be better and better</li><li>housing will be better</li></ul>

- I will get more and more money - pollution will be too much JV2-3 - factories will be too many - I am optimistic about my life in the future - people will expect more and more JV2-4 - can't tell - planning is the bureau's business - not suitable as a living place in the future - traffic and environment not good and convenient - too many chemical works - my life is connected to the JV - if the JV is good, our life is good - depends on the future of the JV JV2-5 - more and more tall buildings will come up - land will be fully used - traffic will be better, income will go up - more goods will be available, international connections will be better - I hope the roads will be better, like Beijing, few collisions - more people will come here if the roads are good - more crashes if roads not good JV2-6 - can't tell - it is decided by the planning bureau - I will be better off in the next five years JV2-7 - more industrial than living - don't know where residence areas are - I will be better off in the future JV2-8 - will be a better living place than Puxi - my living standard will go up in the future and I will be better off than now JV2-9 - optimistic about living area - will be better than Puxi - my living standards and income will be better in the future JV2-10 - original houses will be destroyed
  - my future is connected with the JV

I am optimistic for my future
orientation for society is good
for me it depends on the JV

- more will go up

JV1-9	<ul> <li>migrant workers cause problems</li> <li>they help us change the gas bottle, that is good</li> <li>the cause social problems, not secure</li> <li>lots of criminals from migrants</li> <li>robbers are mostly migrants - people hate them</li> </ul>
JV1-10	- all workers move here - migrant workers are the problems
JV2-1	- good security - few problems
JV2-2	-/
JV2-3	<ul> <li>better in our area</li> <li>so many households</li> <li>thieves have less chance to find expensive things as in old fashioned homes</li> </ul>
JV2-4	<ul> <li>recently it is more serious</li> <li>large amount of workers have come in the last three years</li> <li>there are more opportunities</li> </ul>
JV2-5	<ul> <li>very rare</li> <li>since 1989 - only 1 theft in my neighbourhood</li> <li>burglars are from other provinces</li> </ul>
JV2-6	- I have only heard about crime - I have never experienced it
JV2-7	- frequent thefts - they still clothing - they break in and steal
JV2-8	<ul> <li>yes- frequent</li> <li>our house is poorly structured</li> <li>there are many thieves in our neighbourhood</li> <li>I have been robbed twice</li> </ul>
JV2-9	- frequent - if it is a new apartment - people rarely care for each other - frequent thefts
JV2-10	<ul><li>no - it is very rare</li><li>we have good security where I live</li></ul>

Are there any problems, such as crime arising, that you have noticed?

Would you li	ke to own your home privately?
JV1-1	- yes but I can not afford it
JV1-2	- I own already
JV1-3	- yes - it takes a long time to save but cost is always high and going up
JV1-4	<ul> <li>it is hard and expensive - I have no relatives to help</li> <li>I depend on myself</li> <li>I'm from Anhui - came to Shanghai for masters degree and my hukou is now Gao Qiao</li> </ul>
JV1-5	- I would like to own privately but I must face reality - it is too expensive
JV1-6	- I don't have that plan
JV1-7	<ul> <li>I wish I could - if gov policy says a I can own</li> <li>when I have enough money</li> <li>my house now is too small</li> </ul>
JV1-8	- my parents own the house - it is hard to say
JV1-9	- I can't afford it - maybe can afford it later
JV1-10	<ul> <li>very difficult - depends on gov policy on housing</li> <li>houses are small - I don't want to buy as my family will grow</li> </ul>
JV2-1	- we have owned for 35 years
JV2-2	- if the company gave me a loan, yes, if I can afford it
JV2-3	<ul> <li>of course I want to buy</li> <li>it is too expensive</li> <li>depends on General Manager</li> </ul>
JV2-4	<ul> <li>gov encourages me to buy a house - I can buy but I can't sell it to anyone else</li> <li>housing reform now - can buy but not resell</li> <li>don't really own - only have rights to live in it - not really your belonging</li> <li>here I can buy but I don't pay what it is worth</li> <li>I'm hesitating</li> <li>must work for 1 or 2 years to buy a house</li> <li>don't know regulations in the future so most of us don't want to buy</li> </ul>
JV2-5	- everyone wants to buy a house but it depends on money
JV2-6	- yes if I have the money

- JV2-7 yes if I have the money
- JV2-8 I own already
- JV2-9 if the JV gives me a loan, I can not pay it back
  - money is a problem
- JV2-10 it depends on money
  - I haven't had a notice from the government telling me to buy
  - I'm not sure of the policy
  - I don't know what will happen in the future

#### Other comments

- JV1-2 my house is on the same land as my family, parents in same community
  - it has no toilet we plan to build it
  - the farmers around us all have their own homes, built recently
  - "sorry I can't tell you more I have no education"
- JV1-5 I was born in Pudong
  - Pudong Da Dao could only hold 2 cars now can hold 4 some can hold 6
  - Shanghai saying "Having a bed in Puxi is better than having a house in Pudong"
  - people don't say this any more
  - many people want to move to Pudong
  - it has a good environment, housing, a lot of factories and companies that can provide high salaries
  - lots of people from Puxi want to move here
  - my apartment has 2 rooms with three people
  - my child lives with my wife's parents
  - I have a 10 minute walk to work
- JV1-7 this is my second year in Pudong
  - I lived in a dorm before
  - I have 14.7m2 allocated by the company I paid 5000RMB for the house
  - I must work for 5 years or else I have to give it back
  - after 5 years I can live there, but the house still belongs to the company, but I have no need to pay
  - the company uses the 5000RMB to compensate those who don't have housing by the company