**What's the Impact of China's Rapid Urbanization?**

Xiaomei Tan, World Resources Institute, August 21, 2013

The simultaneous, rapid urbanization of China and India is unprecedented–-in both the scale of the urbanization and the speed at which it is occurring. The sudden shifts of these enormous populations from rural to urban is [causing tectonic shifts](http://insights.wri.org/news/2013/06/4-topics-clean-energy-and-climate-change-obama-and-xi) in demographics, economics, and social justice in these two countries and the rest of the world.

In 1950, both countries were predominately rural nations, with [only 17 percent](http://www.mckinsey.com/insights/urbanization/comparing_urbanization_in_china_and_india) of the Indian population and [13 percent](http://www.mckinsey.com/insights/urbanization/comparing_urbanization_in_china_and_india) of China’s living in cities. Sixty years later, China’s urbanization rate had [more than tripled](http://www.indexmundi.com/india/demographics_profile.html), reaching 48 percent. At expected growth rates, India and China alone will account for more than 40 percent of global urban population growth from 2005 to 2025, with China expected to add 400 million people to its urban population–more than the total population of the United States today. China, a nation which was predominantly rural until 2011, [is expected](http://www.economywatch.com/economy-business-and-finance-news/urbanization-in-china-and-india-a-potential-gold-mine-28-07.html) to be 64 percent urban by 2025.

Urbanization is expensive. It is an investment that will require enormous amounts of natural and capital resources. Seventy years ago, Mahatma Gandhi lamented, “It took Britain half of the resources of this planet to achieve its prosperity. How many planets will India require for development?” Seventy years later, the question we have to answer is:

**How many more planets will China and India together require for their urbanization?**

In March 2013, the People’s Congress of China officially selected the new leadership for the nation, who will drive China’s policy priorities in the coming decade. Unsurprisingly, a central policy theme of the new leadership is urbanization. Urbanization is viewed as a vehicle that will drive China towards three policy goals: maintaining economic growth at 7.5 percent, improving people’s livelihoods, and safeguarding social justice.

**How Can Urbanization Ensure an Economic Growth Rate of 7.5 Percent?**

China’s leadership believes urbanization is an effective trigger for domestic demands. According to [a study by the McKinsey Global Institute](http://www.mckinsey.com/insights/urbanization/preparing_for_urban_billion_in_china), in order to accommodate 400 million new urban residents, China will likely need 5 billion square meters of road, 170 mass-transit systems, and 40 billion square meters of floor space. Of course, it is hoped that a majority of investments will be focused on sustainable public transit, rather than the building of roads. Together, these demands are expected to lead to new investments totaling $1,045 billion each year.

**How Can Urbanization Lead to the Improvement of People’s Livelihoods?**

Historically, the urban-rural divide is the worst inequality issue in Chinese society. Urban residents have access to jobs, healthcare, and better education, while China’s rural population often struggles to make a living off the land. Moving people out of rural poverty and into cities is a very basic way to quickly improve people’s livelihoods.

**Safeguarding Social Justice**

Like improving people’s livelihoods, this third policy goal is aimed at tackling inequality. This time, by improving the lives of those who have already moved to China’s cities, but for whom there are no resources or infrastructure. The unjust aspect of Chinese urbanization can be seen in millions of “urban villages” spread across Chinese cities. In the past decades, the flow of rural migrants into the cities has led to a large amount of under-serviced and low-quality housing, which lack adequate toilets, clinics, kindergartens, schools, and other basic services. Without the proper papers to become official urban residents, the inhabitants of these urban villages are viewed as second-class citizens. Social exclusion creates a new dualism in Chinese cities. China’s leadership, therefore, is hoping to mend the dualism through “humanized” urbanization.

On many occasions, the Chinese leadership has emphasized the importance of urbanizing people instead of urbanizing roads and buildings. [Demographic urbanization](http://www.chinadaily.com.cn/opinion/2013-05/10/content_16489181.htm)–the process by which migrant workers are gradually integrated into cities and enjoy a similar status as their urban peers–has been moved to the forefront of China’s urbanization policy.

**Article Analysis**

Using **point form notes**, organize the information from the article into the following 3 categories: (copy the chart into your notebook first!)

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| **Impacts on Society** | **Impacts on Economy** | **Impacts on Environment** |
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