Typical economic phenomena of rural urbanization in China

The Villages in Shenzhen

Typical economic phenomena of rural urbanization in China

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PART ONE     INTRODUCTION

- Study objects
- Characteristics of "villages"
- Study intentions

PART TWO     Study Contents

- Persistence & Transformation of Economic Structures in “villages”
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Forming process of “villages” in Shenzhen

Expansion of urban land
Forming process of “villages” in Shenzhen

Village

Expansion of urban land

City
Forming process of "villages" in Shenzhen

Expansion of urban land

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2000 Area of urban land: 452.14 KM²
The area of agricultural land in Shenzhen (1979-2002)

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Characteristics of "villages"
Spatial Shapes of Villages

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Research Questions

Among rural social, **economic** and spatial structures, what had changed and how to interpret the change?

What had persisted, during the process of urbanization?
Study Intentions

Natural villages

“Villages” in city

Reconstruction of “villages”

Persistence & Transformation

⇒ Social Structure
⇒ Economic Structure
⇒ Spatial Structure

⇒ Hard Reconstruction
⇒ Soft Reconstruction
Study Intentions

Natural villages

"Villages" in city

Reconstruction of "villages"

Persistence & Transformation

⇒ Social Structure

⇒ Economic Structure

⇒ Spatial Structure

⇒ Hard Reconstruction

⇒ Soft Reconstruction

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Study Intentions

Natural villages

“Villages” in city

Reconstruction of “villages”

Persistence & Transformation

⇒ Social Structure

⇒ Economic Structure

⇒ Spatial Structure

⇒ Hard Reconstruction

⇒ Soft Reconstruction
PART TWO Study Contents

- Persistence & Transformation of Economic Structures in “villages”

Floor for peasants
Floor for floating population
Commercial shops for rent
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Persistence & Transformation of Economic Structures in Villages

Agriculture economy → Land-rent economy

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Comparison between management systems in the "villages" around 1992

- City Government
- District Government
- Town Government
- Village committee
- Joint-stock company

- City Government
- District Government
- Sub-district offices
- Community committee

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Economic system in the "villages" of Shenzhen
Comparison between income structure in the “villages” around 1992

- Agriculture: 60%
- Fishery: 30%
- Side line production: 10%

- Dividends: 70%
- Small Business: 20%
- House Renting: 10%
The informal economy describes all unreported and unmeasured economic activity falling outside the scope of a nation’s techniques for monitoring the economy (Feige 1977).

**Informal economy includes:**

- The part of tax evasion from renting the private houses by the villagers;
- The part of tax evasion from property renting by the joint-stock company;
- The part of tax evasion from commercial and service industry by the joint-stock company;
- Streets vendors without license of business.
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With the inburst of large number of floating population, the "villages" in Shenzhen became the immigrant settlements. Almost 80% floating population are living in the "villages".
Case Study Using a Soft Way

Reconstructed areas of “villages” in Shenzhen forecasted for the next five years (unit: x105 m2)

<table>
<thead>
<tr>
<th></th>
<th>Luohu District</th>
<th>Futian District</th>
<th>Nanshan District</th>
<th>Yantian District</th>
<th>Bao’an District</th>
<th>Longgang District</th>
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<td>Total plot area</td>
<td>30</td>
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<td>30</td>
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<tr>
<td>Total floor area</td>
<td>80</td>
<td>130</td>
<td>200</td>
<td>40</td>
<td>400</td>
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<td>1150</td>
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<tr>
<td>Total floor area</td>
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<td>365</td>
<td>110</td>
<td>1030</td>
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<tr>
<td>Including Residential floor area</td>
<td>100</td>
<td>125</td>
<td>310</td>
<td>90</td>
<td>920</td>
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<td>2215</td>
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<td>Working floor area</td>
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<td>35</td>
<td>20</td>
<td>5</td>
<td>10</td>
<td>5</td>
<td>90</td>
</tr>
<tr>
<td>Commercial floor area</td>
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<td>30</td>
<td>35</td>
<td>15</td>
<td>100</td>
<td>75</td>
<td>285</td>
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<td>Total floor area for</td>
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<td>540</td>
<td>520</td>
<td>60</td>
<td>860</td>
<td>820</td>
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</tbody>
</table>

-Simplification in transformation methods;
-Increase social inequity;
-Absence of public participation;
-Lack of flexibility in planning design;

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The transformation plan should reflect the specific situation in each because while villages share similarities they each have their differences.

The scale of each transformation mode should be given rational regulations and control to maintain a healthy, coordinated and substantial development of social economy.

Improper transformation scales should be avoided as the resulting pressure on a city’s infrastructure and impacts on city public finances and its city real estate market can be very injurious to its sustainability.
Thank you for your attention!

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