

The Impact of Urbanization on the Socio-Economic Status of Rural Migrants in China - A Comparison and Analysis for the Pearl River Delta and Yangtze River Delta Regions

Yiping Yin *

School of International Trade and Economics, University of Victoria, PO Box 14428 Melbourne, VIC 8001, Australia, Central University of Finance and Economics, Beijing, 102206, China

* Corresponding author: s4669823@live.vu.edu.au

Abstract. The Pearl River Delta and Yangtze River Delta regions in China are two key areas of rapid economic development, and research has found that a large number of migrants from rural areas have been formed as a result of the rapid development of the urban agglomerations in the region, however, there is still a certain research gap on the comparison of the rural labour force populations of the two regions due to the different attractiveness of the rural transfer population in the two regions as well as the differences in the various local policies. Therefore, this paper reads the literature to compare the impact of the progress of urbanization in the Pearl River Delta and Yangtze River Delta on the economic status of rural migrants in China. The study finds that the Yangtze River Delta mainly attracts high-end technical talents while the Pearl River Delta attracts more migrant workers. Therefore, the governments of the two regions need to implement practical policies to provide migrants with corresponding protection.

Keywords: Population mobility, Urbanisation, Economic development, Economic status.

1. Introduction

In China's urbanization process, the Pearl River Delta and Yangtze River Delta regions are two of the most rapidly developing and urbanized regions. The rapid development of the urban agglomerations and the significant urbanization process in the region have attracted a large number of population movements and gatherings, especially for migrants from rural areas of China. Rapid socio-economic development has led to a continuous transformation and upgrading of population policies, with a clear trend of mobility, which has also changed the local labour force structure, thus affecting the regional development of the economy. Although the Pearl River Delta and the Yangtze River Delta are two of the most urbanized regions, the conditions of employment opportunities and the degree of social integration of the rural migrants in these two regions differ due to the differences in their economic structures. There are also differences in the strategies for attracting and managing talents in the two regions. At the same time, local fiscal policies have also had different impacts on the inflow of migrants, and due to the reforms and transformations in the labour market, it has become increasingly evident that the economic status of the rural population has been enhanced and changed.

2. Analysis of the policy background of the Pearl River Delta and Yangtze River Delta

Since the reform and opening up, China's three major urban agglomerations have become the places of choice for mobile options for rural population transfer and development. This is especially true of the Pearl River Delta and Yangtze River Delta regions. The development and continuous relaxation of population mobility policies have accelerated the rate of labour transfer. This initiative has had an impact on the transfer and development of the rural population as well as on the trend of promoting domestic population mobility. In 2008, the State Council approach, "Guiding Opinions on Further Promoting the Reform, Opening-up and Economic and Social Development of the Yangtze River Delta Region", proposed to further promote the integrated development of the regional

economy of the Yangtze River Delta, to improve the innovation mechanism and capacity, and to develop for the construction of a strong urban agglomeration [1].

The two regions have been rapidly developing and advancing after the reform and opening up, attracting a large number of migrant rural populations eager to rely on the advantages of the two regions for self-development due to their unique economic policies and geographic location advantages. The Pearl River Delta region region, including cities such as Guangzhou and Shenzhen, as one of the earliest and most market-oriented regions in the country, has a high level of urbanization, well-developed manufacturing and export industries, sound infrastructure and rapid development of urban and rural residents. These regional and economic advantages have attracted a large number of rural people seeking employment opportunities. The State Council issued the "Outline of the Plan for the Reform and Development of the Pearl River Delta" in 2008, which explains and analyses the economic development trend of the Pearl River Delta and the ways to promote it, including the transformation and upgrading of the enterprise economy from manufacturing to high-tech and service industries. Secondly, the promotion of innovation-driven development and the strengthening of science and technology. Thirdly, the strengthening of the infrastructure construction interconnection. Finally, the focus on ecological and environmental protection [1].

3. A Comparison of the Impact of Urbanisation on Rural Migration in the Yangtze River Delta and Pearl River Delta Regions

The transfer of rural labour force has produced great research significance and influence in the academic world, and many scholars have conducted a great deal of investigation and research on this issue. Some scholars have examined and analysed the transformation of the quality of employment of the rural transfer population into big cities under the influence of urbanization, which has enhanced the level and quality of employment of the rural population. New urbanization is gradually solving the problem of rural migrants who are employed and living in towns but do not have a hukou and are unable to enjoy basic public services [2].

The impact of population mobility and migration on the distribution and layout of China's urbanization and regional patterns, the accelerated development of urbanization, and the gradual promotion and improvement of the integration process of the Pearl River Delta and Yangtze River Delta regions, have made the employment opportunities for the mobility of foreign populations in the urban agglomerations more flexible and varied [3].

According to the existing literature, scholars believe that the current construction of new urbanization and urbanization in rural areas provides an important role for the quality of employment of the rural population, and enhances the quality of employment and increases employment opportunities for the rural population through the enhancement of their public services and sense of identity. Secondly, other scholars have studied the Guangdong-Hong Kong-Macao Greater Bay Area on this issue, including the impact of distraction policy changes on population mobility on the development of employment and entrepreneurship [4]. By extracting the urban village renovation programme of a single city, Shenzhen, scholars analyse and explain the double impact of the "spillover benefits" of urbanization on residents, such as the improvement of the living environment, while at the same time increasing the cost of home ownership for those who do not own a home. Other scholars have analysed and outlined the long-term impacts and benefits of the process of creating "civilised cities" in cities across the country on the consumption of local residents and on the economy and society, including an increase in the size of the resident population and population density in cities, and a reduction in the per capita level of regional consumption [5]. The study of the local regional impacts of mobile populations on trade and financial expenditures has led to the proposal of sound institutional mechanisms for the coordinated development of regional cities and the strengthening of the concept of integral economic development and regional development mechanisms [6]. The contribution of population policy to the structure of the labour force has contributed more to the accumulation of capital, the general trend of income inequality during

urbanization and the development of industrial structure, with skilled industries emerging to replace unskilled labour [7]. The proposal of "abolishing counties and establishing cities" in regional areas has a significant effect on promoting population urbanization and economic development such as the level of economic agglomeration [8]. China's urbanization is lagging behind, especially industrialization, with a wide gap between urban and rural incomes; large cities are moving too fast in accommodating their populations, with serious population expansion; a large number of rural populations remain un-citizens and are not treated as citizens; and there is a serious imbalance in urbanization [9]. In *Optimal Land Allocation and Fiscal Policies under the Perspective of Population Mobility*, Professor Gong Liutang addresses the field of economics and public policy, exploring the impact of population mobility on land use and local fiscal policies. It is emphasized that in the process of rapid urbanization, how to optimise land resource allocation and adjust fiscal policy to cope with population mobility and regional economic disparities involves the fiscal self-sufficiency of local governments as well as the impact of local governance. Linking population mobility, land market segmentation and local government policymaking, the analysis concludes that both optimal land allocation and fiscal policy in a region vary with the ease of population mobility. It is indicated that the government should shift its focus to residential land, lower residential prices and raise wages to attract labour; set up a reasonable fiscal subsidy programme, upgrade and adjust the industrial structure through active subsidy policies, and appropriately liberalize the control of residential land in large cities [10].

However, the few studies in the literature on the comparative analysis of two specific regions, and the lack of a clear distinction and special case analysis of the main urban development activities of the rural migrant population, such as family reunion, children's schooling, and the government's construction of industrial zones, etc., are not sufficient to discuss the impacts of the above analyses, and based on this, this paper will analyse and compare the impacts of specific urbanization in two regions of the PRD. Based on this, this paper will analyse and explain the different impacts of specific development activities on the status of the rural population in the city by comparing the impacts and changes of the rural migrant population in the two regions of the Yangtze River Delta in terms of their specific urbanization development.

4. Future Development Trends and Recommendations

The Pearl River Delta region and Yangtze River Delta have experienced a large inflow of population in popular cities such as Zhejiang and Jiangsu in the Pearl River Delta region and Shanghai, Guangzhou and Shenzhen in the Yangtze River Delta.

The two regions of the Yangtze River Delta and Pearl River Delta region have different levels of internal development with significant differences. There are significant differences in the trends of rural migration between the Pearl River Delta region and Yangtze River Deltaregions. Rural migration in the Pearl River Delta region region is mainly driven by foreign-funded enterprises and an export-oriented economy, which attracts a large inflow of labour and creates a higher level of economic dynamism. On the other hand, the Yangtze River Delta region has a predominantly domestic demand-driven economic model with a more diversified labour market, and the rural migrants are more likely to flow into the inner-city and peripheral regions, reflecting a stronger trend of regional economic integration. The different economic structures and industrial layouts of these two regions have led to different migration patterns and trends. The attraction of foreign population in the Pearl River Delta region region is mainly influenced by economic attraction, whereas the Yangtze River Delta is dominated by inter-provincial population. The spatial employment structure is more uniform in the Yangtze River Delta, while the Pearl River Delta region is more fragmented and diverse, and the spatiality of economic growth is higher than the former. The Yangtze River Delta also has a larger proportion of inter-provincial migrants than the Pearl River Delta region, with more concentrated sources.

The Pearl River Delta region has a larger proportion of young adults in the labour force in terms of the age of the labour force at source, accounting for the vast majority of the migrant population, but with a lower level of education than the migrant population in the Yangtze River Delta.

The proportion of inter-provincial migrants whose main objective is employment exceeds that of the Yangtze River Delta region in the Pearl River Delta region. At the same time, the degree of marketisation in the Pearl River Delta region is relatively high. However, when observing the migration trend of the inter-provincial migrant population, the Yangtze River Delta region shows a more pronounced tendency towards familyisation, which is more significant compared to the Pearl River Delta region region [11].

The main sources of migration from the Pearl River Delta region region are concentrated in neighboring provinces such as Hunan, Jiangxi and Guangxi. There is a high local demand for labour in the construction industry and it provides a large number of jobs, attracting a large number of workers from labor-intensive industries. The Yangtze River Delta region, on the other hand, is mostly Anhui, Jiangxi, and Henan, which attracts population inflows mainly from the technology industry, attracting, for example, managers and technologists to come for employment.

The two regions have different modes of urban development, resulting in different attractiveness of the two regions. While the Yangtze River Delta region has a more balanced development, the Pearl River Delta region region is mostly concentrated in Guangdong and Shenzhen. The governments of the Yangtze River Delta region provide more comprehensive policies on talent introduction and housing security, especially for high-end technological and innovative talents, while the Pearl River Delta region region focuses on attracting migrant workers, and mainly relies on improving labour protection and social security to retain ordinary workers and labour. The willingness of the incoming population to settle in the two regions is also different. While the majority of migrants in the YRD region aspire to settle in areas with higher quality of life, such as Shanghai and Hangzhou, the Pearl River Delta region region shows a trend of high labour mobility among migrant workers, who are more willing to settle in their hometowns rather than stay in their work areas. The Yangtze River Delta region has a higher cost of living and more high-paying industries than the Pearl River Delta region region, which attracts a lot of high-tech people, but the Pearl River Delta region has a lower cost of living, so it attracts mostly low- and middle-income migrant workers.

Targeted recommendations are that the Pearl River Delta region firstly needs the government to increase investment in the rural migrant population, provide more employment opportunities, and help them adapt to the transformation and upgrading; secondly, it should improve the housing conditions public services, and enhance the sense of belonging; and thirdly, it should organise more residential integration and exchanges with the local people, and reduce the barriers. For the Yangtze River Delta region, firstly, this research advised that should improve the policy of talent introduction, especially for highly skilled talents; secondly, this research suggests that should guarantee social welfare and improve the relevant system; thirdly, this research suggests should strengthen the distribution of education to ensure fair access to education.

5. Conclusion

This study finds that comparing the differences and different impacts of rural population migration in the urbanization process between the two regions, it is found that the Yangtze River Delta region is more likely to attract high-tech workers while the Pearl River Delta region region shows a majority of migrant workers. The different development trends and economic characteristics of the two regions are also different in attracting migrant workers. The Yangtze River Delta region has a high level of urbanization, a developed economy and prosperous industries, which provide a large number of employment opportunities and greatly improve the living standards of the rural migrant population. On the contrary, in the Pearl River Delta region, the local manufacturing industry is well developed, but the labour market is highly competitive, and the wages of the farmers are comparatively low, and they also face difficulties in integrating into the city due to the large cultural and linguistic differences,

and the low degree of social integration; The high property prices in the Pearl River Delta region make it more difficult for rural migrants to live in the region due to the high cost of living and more difficult living conditions. The different development patterns and urbanisation development conditions in the two regions also have different impacts on the size and type of rural migrant population in the two regions. The population of the migrant population in the Pearl River Delta region is less educated than that in the Yangtze River Delta region, and is mostly dominated by labourers; whereas in the Yangtze River Delta region, most of the migrants are high-tech workers with a higher level of education. This can be explained by the fact that the development of the Yangtze River Delta region is relatively advantageous in terms of talent introduction and protection policies, whereas the Pearl River Delta region is less likely to introduce high-tech personnel, and most of them are migrant labourers with higher mobility.

This study first analyses the geographical background and policy background of the two regions, and resolves the differences and distinctions between the two regions. Then, through reading a large amount of related literature, it analyzes and researches the impact of the process of urbanization development on labour migration in different regions, especially for the two specific regions of the Pearl River Delta and Yangtze River Delta, in order to carry out detailed and in-depth discussions and research.

References

- [1] State Council, Guiding opinions of the State Council on further promoting the reform, opening-up and economic and social development of the Yangtze River Delta Region. 2008, https://www.gov.cn/gongbao/content/2008/content_1102760.htm.
- [2] Zhou Gang, Zheng Xugang, Xu Wenli. New urbanisation construction in counties and employment quality of agricultural transfer population. *World Economy*, 2024, (04): 212 - 240.
- [3] Mao Xinya. Population migration and regional pattern of urbanisation in China - An empirical analysis based on the three major urban agglomerations of Yangtze River Delta, Pearl River Delta and Beijing-Tianjin-Hebei. *Economic Research Reference*, 2014, (57): 45 - 54.
- [4] Wang Yingying. A study on the impact of policy changes on population mobility in the Guangdong-Hong Kong-Macao Greater Bay Area. *Decision and Information*, 2024, (04): 65 - 78.
- [5] Yuan Xuhong, Liu Si, Ma Chaoqun, et al. Research on the influence mechanism of creating civilised cities on local residents' consumption. *Financial Theory and Practice*, 2024, 45 (02): 145 - 153.
- [6] Zhou Huijun, Fu Chunyang, Gong Liutang. Population mobility, trade and regional allocation of fiscal expenditure policy. *China Industrial Economy*, 2022, (02): 42 - 60.
- [7] Guo Kaiming, Yu Jingwen, Gong Liutang. Population policy, labour force structure and economic growth. *World Economy*, 2013, 36 (11): 72 - 92.
- [8] Tang Wei. Economic decentralisation and the development of small and medium-sized cities-Analysis of policy effects based on withdrawing counties and establishing cities. *Economics (Quarterly)*, 2019, 18 (01): 123 - 150.
- [9] Ma Wenwu. Research on the non-equilibrium of rural labour transfer and urbanization process in China. Southwest University of Finance and Economics, 2013.
- [10] Fu Chunyang, Zhou Huijun, Gong Liutang. Optimal land allocation and fiscal policy under the perspective of population mobility. *Finance and Trade Economics*, 2023, 44 (09): 40 - 56.
- [11] Wang Guixin. Migration and development: A comparison between the Yangtze River Delta and Pearl River Delta regions. *Xue Hai*, 2015, (02): 47 - 58.