

Research on the Return of Chinese Migrant Workers Amid Economic Downturn

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Abstract. This research paper investigates the compelling trend of migrant workers in China returning to their hometowns for employment opportunities. Over recent years, this phenomenon has gained prominence due to various factors, including economic shifts, government policies, and evolving social dynamics. This paper analyzes the multifaceted factors driving this trend and highlights its socio-economic implications. The study employs data analysis to examine the number of migrant workers in different regions of China in 2019 and 2021, revealing the trend of workers returning to their home provinces for employment. It delves into the economic pressures pushing individuals towards their hometowns and the government policies aimed at enhancing rural welfare. Additionally, it explores the changing dynamics of urbanized cities, where the rising cost of living has prompted workers to seek opportunities closer to their roots. In conclusion, this research underscores the complexity of the phenomenon and emphasizes the need for collaborative efforts among policymakers, employers, and local communities. To create a more equitable and sustainable system, strategies must be devised, including the establishment of an equitable employment system, improvements in rural living standards, and the strengthening of organizational support for migrant workers. Understanding and addressing this trend is crucial for China's socio-economic development and the well-being of its workforce.

Keywords: Internal Migration; Temporary Population; Regional Development; China.

1. Introduction

1.1. Background

There has been a noticeable upsurge in the phenomenon of outbound labor migration in economically disadvantaged regions of China. These areas grapple with an array of challenges, including a scarcity of viable employment options, wages that are scarcely sufficient for basic sustenance, and limited access to essential services crucial for maintaining a reasonable quality of life. Consequently, individuals residing in these localities are compelled to embark on journeys to more economically prosperous regions, driven by the aspiration for better opportunities. The wide-ranging consequences of this migration trend extend their influence across various dimensions, affecting families, communities, and the broader trajectory of regional development.

Acknowledging the pressing nature and intricacies of this matter, this research aims to uncover the underlying factors that fuel outbound labor migration. By delving into the motivations and decision-making processes of those who choose the path of returning to their hometown for work, the study strives to unravel the complex interplay of push and pull factors that shape their choices. Beyond comprehension, the research aims to transcend analysis by offering practical strategies that can address and resolve this escalating concern. This exploration also seeks to shed light on the ripple effects of migration, uncovering the social, economic, and familial consequences that radiate through families, communities, and regions. Armed with these insights, the research would advocate for strategies aimed at revitalizing local economies, broadening employment opportunities, and cultivating an environment conducive to sustainable growth.

1.2. Related Research

Using data from a 2005 Shanghai survey, Lu et al. investigate the influence of social capital on income inequality between rural migrants and urban dwellers. Results highlight substantial income

benefits with strong ties to social capital. Disparities in social capital ownership exist between rural migrants and urban residents. Although strong ties seem more impactful for migrants, local and high-status ties don't benefit them. This social capital imbalance contributes to income inequality. The study uncovers how China's informal labor market, shaped by social relations, interacts with institutional exclusion, reinforcing economic disparity between migrants and urbanites, and enhancing our understanding of social capital's role [1]. Ren's paper from 2022 offers a nuanced exploration of the intricate relationship between urbanization, migration, and family experiences in two major Asian countries. The research underscores the need for policy interventions that address the evolving needs of families in urbanizing societies, recognizing the diverse ways in which families navigate the challenges and opportunities presented by the urban landscape [2]. Davin examines the demographic and social consequences of internal migration within China in 2014. The research analyzes how migration affects population dynamics, urbanization, and social structures. It investigates the challenges and opportunities faced by migrants, including issues related to education, healthcare, and social integration. The findings highlight the need for policies that address the evolving needs of migrants and promote sustainable urban development in the context of China's internal migration phenomenon [3].

Ye et al. researched internal migration and left-behind populations in China, highlighting the extensive migration scale since the 1980s, resulting in numerous rural migrant workers and families left behind. It explores migration's drivers, impacts on education, health, and gender roles, and the implemented social care initiatives for left-behind populations. The document calls for a deeper analysis of migration's biopolitics and social care politics to unravel underlying power dynamics and structural issues [4]. As early as 1996, Li explores China's surplus of rural laborers and internal migration, stemming from historical concerns about arable land and labor. It notes the rise in rural laborers moving to cities due to rapid urban economic growth. Differing views on implications arise a threat to stability and growth or potential for reconstruction and integration. The Chinese government faces policy dilemmas, with some advocating control over migrant workers. Assessing these factors is vital for understanding the situation's nature, magnitude, and causes, crucial for China's future trajectory [5]. Chan examines China's role as a manufacturing hub, driven by affordable rural migrant labor. Urbanization has surged due to internal migration, mainly from rural to urban. However, studying Chinese migration faces data inconsistencies, complicating accurate analysis. This study navigates these challenges, drawing from various sources. It explores migration trends, geographical patterns, and policy implications, shedding light on the dynamics behind migration and regional disparities, as well as hukou system reforms. This examination aims to unravel the complexities of migration while addressing claims of contradictory migration patterns and rising disparities [6].

Du, Park, and Wang explore migration's link to rural poverty in China using two household datasets. A reversed-U-shaped correlation emerges between household assets and migration likelihood, with increased migration among the poor. Having migrants boosts per capita income by 8.5% to 13.1%, yet its overall poverty-reducing impact remains limited due to low migration rates among the poor. Despite migrants sending significant remittances, many barriers hinder the poorest from migrating. Labor mobility is crucial for rural poverty reduction, underscoring both its potential and challenges for impoverished individuals [7]. Kochan explains how the evolving perceptions of home within China's internal migration context impact migrants' sense of belonging and identity in urban settings. By analyzing migrants' notions of ancestral, city, and material homes, it challenges conventional views that tie migrants' homes to their vulnerable urban status. Using a trans-local approach, the research unveils migrants' innovative home-making practices, emphasizing adaptability and mobility. This reshapes the connection between place, home, and identity, offering insights into migrants' urban integration and suggesting practical implications for future urban development policies [8].

Deshingkar argues internal migration possesses more potential for poverty reduction and development achievement in developing nations compared to international migration. This potential

is based on factors such as wider distribution of internal remittances, projected faster growth of internal migration, involvement of impoverished individuals from disadvantaged regions, and its contribution to various sectors' growth. However, the benefits are hindered by inadequate understanding of migration patterns, policy barriers, urban attitudes, social exclusion, and poor enforcement of protective legislation. Examining China, India, Indonesia, and Vietnam, this article emphasizes the need for policy changes in labor movement, social security, infrastructure, and data improvement [9]. Zhang and Chai's study in 2020 explores links between work-related elements, job contentment, and depression in Chinese migrants. Using data from the Management and Services of Migrants Study (MSMS), excluding 1068 self-employed participants, the study employs multivariate linear regression. Findings reveal that those in sales/services and clerical/technical/managerial roles display more depressive symptoms than manufacturing/transportation workers. Working over 55 hours weekly and compulsory overtime is associated with increased depressive symptoms. Negative links exist between job satisfaction and depressive symptoms. These insights can guide vocational rehabilitation and further workplace depression research [10].

1.3. Objective

This research aims to investigate the rising trend of Chinese migrant workers returning to their hometowns for employment. It will analyze the multifaceted factors behind this phenomenon, including economic shifts, government policies, and social dynamics. The study will explore its socio-economic implications and employment dynamics by examining data from National Bureau of Statistics of China on migrant worker populations in different Chinese regions in 2019 and 2021. The objective is to propose effective policy interventions to establish a fairer employment system, elevate rural living standards, and bolster support networks for migrant workers. Ultimately, this research seeks to provide insights and recommendations for policymakers, employers, and communities dealing with this trend.

2. The Current Situation and Reasons for Migrant Workers Going Abroad in the Context of Economic Slowdown

The latest data from the National Bureau of Statistics reveals that in 2021, China had a total of 171.72 million migrant workers. With 17.172 million individuals in the workforce, there was a notable decrease of 2.53 million compared to the migrant worker population in 2019. Such fact suggests that there has been a reduction in the number of people who are willing to leave their hometowns and seek employment in distant regions. Moreover, within the broader context of reduced migration, it's interesting to note that in 2021, there was an increase of 1.25 million individuals moving within their provinces compared to 2019. In contrast, the number of migrant workers who ventured across provincial borders decreased by 3.78 million during the same period.

Table 1. Regional distribution and composition of migrant workers in 2021

Unit: Per ten thousand people, percentage(%)

According to the area of output	Size			Composition		
	Amount of			Amount of		
	Migrant Workers	Inter-provincial Mobility	Intra-Provincial Mobility	Migrant Workers	Inter-provincial Mobility	Intra-Provincial Mobility
Total	17172	7130	10042	100.0	41.5	58.5
Eastern Region	4636	700	3936	100.0	15.1	84.9
Central Region	6320	3578	2742	100.0	56.6	43.4
Western Region	5582	2669	2913	100.0	47.8	52.2
Northeastern Region	634	183	451	100.0	28.9	71.1

Source: National Bureau of Statistics of China

Table 2. Regional distribution and composition of migrant workers in 2019

Unit: Per ten thousand people、percentage(%)

According to the area of output	Size			Composition		
	Amount of			Amount of		
	Migrant Workers	Inter-provincial Mobility	Intra-Provincial Mobility	Migrant Workers	Inter-provincial Mobility	Intra-Provincial Mobility
Total	17425	7508	9917	100.0	43.1	56.9
Eastern Region	4792	821	3971	100.0	17.1	82.9
Central Region	6427	3802	2625	100.0	59.2	40.8
Western Region	5555	2691	2864	100.0	48.4	51.6
Northeastern Region	651	194	457	100.0	29.8	70.2

Source: National Bureau of Statistics of China

This dynamic between a decrease in inter-provincial migration and an increase in intra-provincial movement reflects a changing pattern among migrant workers. In a climate where the willingness to migrate has diminished, many workers now prefer to seek opportunities closer to their home provinces, rather than making the move to go out working in other regions.

Table 3. Number of Migrant Workers in Different Regions of China

Regions:	Amount of Migrant	Workers	Ten Thousand People
	Year 2021	Year 2019	Variation
Eastern Region	4636	4792	-156
Central Region	6320	6427	-107
Western Region	5582	5555	27
Northeastern Region	634	651	-17

Source: National Bureau of Statistics of China

Table 4. Number of Migrant Workers in Three Key Areas of Input

Unit: Ten Thousand People

Regions	Year 2021	Year 2019	Variation
Beijing-tianjin-hebei	2125	2208	-83
Yangtze River Delta	5339	5391	-52
Pearl River Delata	4219	4418	-199

Source: National Bureau of Statistics of China

In addition, there are shifts in the number of migrant workers across various regions when comparing 2021 to 2019. In the eastern region, there was a reduction of 1.56 million migrant workers, while the central region saw a decline of 1.07 million, and the northeastern region experienced a decrease of 170,000. The western region was the only one to witness an increase in its migrant worker population. More specifically, in the Beijing-Tianjin-Hebei region, the number of migrant workers employed in 2021 decreased by 830,000 compared to 2019. Similarly, the Yangtze River Delta (comprising Jiangsu, Zhejiang, and Shanghai) saw a decrease of 520,000 migrant workers, and the Pearl River Delta had a more substantial decline of 1.99 million. In the current Chinese context, even in the three major economic areas, the overall count of migrant workers actively engaged in employment has been on a downward trend.

The factors contributing to this shift are multifaceted. The ongoing effects of the pandemic, changes in economic opportunities, and evolving government policies all play a role in shaping the decisions of China's migrant workforce.

Table 5. Top 10 companies with the most amount of layoffs (Unit: People)

1. China Tianying(44898)	5. Languang Development (17064)	9. China National Petroleum (14830)
2. HNA Technology (36926)	6. Foreign Service Holding (16275)	10. Yango Group(11471)
3. Zhengbang Technology(30234)	7. Postal Saving Bank (16275)	
4. China Railway Construction Corporation(18482)	8. New Hope Group(15825)	

Source: East Money Information

Firstly, the primary reason is employment pressure. The pandemic has played a role, but it's not the root cause. The fundamental issue lies in the employment pressure resulting from the combined impact of the current global economic environment. Amidst the pandemic, ongoing conflicts, and the resurgence of conservative forces in the United States and Europe, the global trade landscape is undergoing significant turbulence. On one hand, global supply chains have been disrupted, and on the other hand, there has been an increase in the prices of bulk commodities. Furthermore, external demand has also been weakening. With these factors working together, current physical businesses are facing substantial challenges. Profits are declining, exports are hindered, and many enterprises are compelled to resort to layoffs as a means to navigate through the crisis. In the fiercely competitive job market characterized by overwork and intense competition, it becomes challenging for migrant workers to secure suitable positions.

Secondly, the cost of living plays a significant role. As layoffs intensify and job competition becomes fiercer, many migrant workers are forced to return to their hometowns. Moreover, the high cost of living in major cities is a crucial factor contributing to the decrease in the number of migrant workers. The high ratio of housing prices to income and rent to income remains a challenge. Despite ongoing real estate market regulations for five to six years, the fundamental issue of soaring property prices in major cities has not been effectively addressed. Furthermore, the impact of the pandemic has affected the income and employment of many individuals. With the persistent high cost of living

and increased income uncertainty, for many, the dilemma isn't just about staying or leaving; it's a matter of survival. Faced with these realities, many migrant workers find themselves bowing to the pressure of the present circumstances, returning to the place where they came from.

Thirdly, the government implemented the Rural Revitalization Strategy. In 2022, the government issued "Opinions on Promoting Urbanization Construction with County Towns as Important Carriers." [11] Its main purpose is to prevent excessive real estate development in county towns and promote industrial and economic development in these areas to address issues such as continuous outmigration and high debt levels. As early as 2017, the government introduced the Rural Revitalization Strategy. This strategy serves multiple purposes. Firstly, it aims to preserve rural areas and protect the diverse cultural characteristics of China. Secondly, it seeks to make rural revitalization a driving force for China's economic growth. Thirdly, it aims to mobilize rural areas to bear and resolve temporary cost crises, achieving an economic "soft landing." In the five years since the Rural Revitalization Strategy was introduced, there have been notable developments in rural areas, particularly in the fields of distinctive tourism, special agricultural products, and e-commerce. In this context, individuals who are considering returning to their hometowns for better prospects amid urban pressures find a foundation for doing so. Although the income from returning to rural areas may not match what they had in urban settings, the sense of security and stability compensates for it.

3. Suggestions and insights for development

The reasonable mobility of migrant workers is inherently necessary for optimizing the allocation of social resources, adjusting the social structure, and promoting the modernization process in China. Whether we can properly resolve the issues faced by the social bottom, including migrant workers, is one of the important indicators to assess social harmony. Basing on the suggestions from Rural Revitalization Strategy and the interpretation of data from Section 2, the way to solve the issue of migrant workers is to create an employment environment characterized by equality and fair treatment, guide and support the transfer of surplus rural labor force, effectively strengthen employment services for migrant workers, protect their rights and interests, and gradually establish a unified and fair employment system between urban and rural areas, ultimately achieving the goal of equal employment between urban and rural areas. Currently, the following three aspects should be the key areas of focus:

3.1. Establish a system of equal employment

The mobility of rural migrant workers is both an economic and social issue. It is essential to understand and evaluate the cyclical characteristics of rural migrant worker mobility within the overall framework of economic and social development. This understanding should be integrated into the national economic and social development plan. Policies aimed at promoting employment should encompass rural areas, and the employment of rural residents, especially rural migrant workers, should not be pitted against urban employment.

Currently, it is crucial to focus on implementing equal employment projects for rural laborers. This includes further efforts to review and eliminate discriminatory regulations and unreasonable restrictions targeted at rural migrant workers. Administrative permits and non-administrative approval procedures related to rural migrant workers' cross-regional employment and rural-to-urban labor migration should be canceled. Additional efforts should be made to review and eliminate administrative and quasi-administrative charges imposed on rural migrant workers. The goal is to ensure that rural migrant workers enjoy equal treatment with urban residents in terms of labor compensation, children's education, public health, and housing rental or purchase, among other aspects.

In the long term, reforms and practices should be conducted in various areas, including market access, government investment, labor protection, social security, operational mechanisms, and management systems related to rural migrant worker employment mobility. These efforts are aimed

at dismantling the institutional barriers associated with rural migrant worker employment mobility, establishing a unified urban-rural human resources market, and facilitating orderly labor mobility and the coordinated development of urban and rural economies and societies.

3.2. Improve rural residents' living standard

The improvement of rural residents' living quality is an important component of raising the overall quality of the Chinese population and a necessary condition for achieving the rapid transfer and full employment of the rural labor force. The government should continue to increase policy-driven financial investments and raise the subsidy standards for the employment transfer of the rural labor force. For labor-intensive and high-skill-demanding jobs, the training duration should be appropriately extended to improve the quality of training. It is also important to explore various training methods, such as training vouchers and direct cash subsidies, to increase support for training rural residents. It is essential to fully leverage the roles of rural residents, the government, training institutions, and employers to create a collaborative training effort and explore an economic mechanism where multiple parties share the responsibility and benefits of training. To address the structural contradictions in the mobility of the rural labor force, we need to focus on both improving labor quality and changing labor attitudes, promoting a continuous trend toward a balanced labor market supply and demand relationship.

3.3. Strengthen the degree of organization among migrant workers

To address the issue of unregulated rural migrant worker mobility from a systemic perspective, specialized agencies for managing rural migrant worker mobility can be established in rural areas. This adaptation is essential to meet the urgent demands of the new situation and to fundamentally change the fragmented and decentralized management of rural migrant worker mobility. The aim is to quickly integrate rural migrant worker mobility into a unified, standardized, and efficient management system. In urban areas, the shift from preventive management to service-oriented management should be pursued, promoting equal rights and unified systems. This shift aims to fundamentally resolve the issues of rural migrant workers facing economic acceptance but social exclusion.

4. Conclusion

In conclusion, the trend of migrant workers in China returning to their hometowns for employment has gained notable progress in recent times. This study has explored the underlying factors propelling this phenomenon. These factors encompass economic changes intensifying employment challenges, government policies incentivizing the development of rural regions and shifting social dynamics driven by the escalating cost of living in urban centers. A multitude of forces is driving individuals to seek work opportunities in their places of origin.

In order to establish a fairer and more sustainable system, policymakers, employers, and local communities must work together in formulating comprehensive approaches. These approaches should include the establishment of an equitable employment system, enhancements in the quality of life for rural residents, and the reinforcement of organization among migrant workers.

Ultimately, the research on migrant workers returning to their hometowns for work offers valuable insights into the evolving landscape of labor migration in China. It highlights the need for adaptable and inclusive policies that can accommodate this shifting dynamic while striving for a fair and balanced employment system. As this trend continues to develop, ongoing research and proactive measures will be vital in ensuring that both individuals and communities can reap the benefits of this changing labor landscape.

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