Self-employed Return Migrants and Rural Development in China

Author: Xi Zhao
Supervisor: Prof. Beatrice Knerr
Prof. Dr. Iqrar Ahmad Khan
Date: 20th Oct. 2011
1. Problem Setting

Problems

- Economic Disparity
- Limited Resource
- Surplus Labor
- Unemployment
- Social Unrest

How to improve employment for returnees in rural China?
2. Research Questions

1. How self-employed return migrants act in the rural development?

2. What local policies promote returnees to run their own business?
3. State of research

• Rural development dimension (OECD 2006):
  --demography and migration, access to services and infrastructure, social well-being, economy and human capital (percentage of self-employed persons)

• Return migrants and rural development (Ma 2001, Murphy 2002, Huina Shi 2008)

• Self-employed return migrants and job creation (CNRCD 2007, Yang 2007)
Theory Framework:
Five Capital Categories in the Process of Return Migration

Source from author’s own concept 2011
4. Research Hypotheses

• Self-employed returnees who run their own business play a positive role in China’s rural development by employment creation.

• The local policies support returnees to run their own business.
5. Field Survey

- **Time:**
  04.02.2011– 23.04.2011
- **Site:**
  Hunan province
  5 villages
  --Maojia Village,
  --Heling Village,
  --Jinling Village,
  --Shangpai Village
  --Xiyuan Village
Survey Methods:

-- Expert interview (30—village leaders, researchers, government officers)

-- Group discussion (village officials, return migrants)

-- Questionnaire distribution 450 returnees (snowball sampling)

-- In-depth interview 30 self-employed returnees
### Self-employed return migrants in survey (2011)

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Male</th>
<th>Female</th>
<th>Attributes</th>
<th>Single</th>
<th>Married</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>26</td>
<td>4</td>
<td>Marital status</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>Age</td>
<td>8</td>
<td>15</td>
<td>School Education</td>
<td>24</td>
<td>6</td>
</tr>
<tr>
<td>25—30</td>
<td>15</td>
<td>7</td>
<td>Business sector</td>
<td>Agriculture</td>
<td>10</td>
</tr>
<tr>
<td>31—35</td>
<td>7</td>
<td>2</td>
<td></td>
<td>Industrial</td>
<td>10</td>
</tr>
<tr>
<td>36--40</td>
<td>2</td>
<td>2</td>
<td></td>
<td>Service</td>
<td>10</td>
</tr>
<tr>
<td>Children</td>
<td>28</td>
<td>2</td>
<td>Number of employees</td>
<td>1—10</td>
<td>14</td>
</tr>
<tr>
<td>worked in urban center</td>
<td>3</td>
<td>16</td>
<td></td>
<td>11—20</td>
<td>12</td>
</tr>
<tr>
<td>1--3 years</td>
<td>16</td>
<td>9</td>
<td></td>
<td>21—30</td>
<td>4</td>
</tr>
<tr>
<td>4—6 years</td>
<td>9</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7—9 years</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Data from the field survey by author from February to April 2011.
Case in survey
--Pig farm
Other cases

Watermelon cultivation  clothes factory  construction

restaurant & hotel  Machinery service  supermarket
6. Policy incentives to self-employed return migrants

• Improvement of infrastructure
• Improvement of financial environment
• Free training service
• Establishment of industry associations
• Integration of urban and rural management
• Tax relief and land concessions
7. Concluding remarks

- Self-employed return migrants promote rural development by job creation and economic diversification

- Local policies play a positive role for self-employed return migrants to open their own business and therefore promote rural development
References

Thanks!