



# INSTITUTE OF CHINESE STUDIES

## **The Challenge of Sustainable Cities: the Nature of Rural-Urban Transitions and Implications for Inclusion in China and India**

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**Speaker:** Dr. Shailaja Fennell

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The phenomenon of huge amounts of young people flocking to urban areas in search of economic opportunities and jobs all over the world has given rise to concerns of unremitting inequality in cities. Shailaji Fennell gave us a comparative view of the challenges of sustainability and inclusion in rural-urban transitions in China and India, and the method/path that these two countries could learn from each other.

UNICEF has predicted that urban share of world population will exceed 75% in both India and China by 2050. The rural youth seeking for new opportunities that provide us a catalyst to inclusive development that also meets their aspirations. The current position is that while job enrolment rates are rising in low income countries, there is a low labour market participation rate across the world among the young generation who are three times more likely than their parents to be out of work, and there are far more women than men who don't enter the labour market. Besides, the youth are dissatisfied with the education that is being provided by educational institutions.

Cities are attractive to the poor people and as a result they may have a bigger concentration of poor people than rural areas. While productivity is the very driver of a city's growth are responsible for the increasing gap between the poor and the wealthy.

Evidence from the 1990s to 2000s shows that in China the income quintile ratio (a measure for income inequality) increased from 5.1 to 9.6, while in India it rose from 4.8 to 5.7, showing arising income inequality which only a few policymakers in Asia consider it to be a high level of concern. The implications of the "hukou system" in China is that migrant children until recently could not attend public school, which resulted in the continuance of educational inequality despite an expansion in educational infrastructure in the past decades. While in India, it's the caste system that has created similar educational predicaments.

From the point of view of Fennel, differences contribute to diversity in society while inequality affects social and human well-being. Every human being is unique and morally equal, thus entitled to equal concern, dignity and respect. Distinguishing between individual differences and inequalities in societies, the speaker argued that while the former creates societies that are more diverse and innovative, inequality among members of a community negatively affects an individuals' social standing, and their economic, political and social opportunities and rights.

In developing countries like China and India, cities are crucial for achieving inclusive economic development and advancing well-being, also served as repositories of a unique heritage of successes, failures and innovation potential. Chinese governance permits designing and implementing policies and practices that make a difference especially to the poor and the vulnerable people, so that cities become more inclusive and sustainable. Through this process policymakers could understand the type of methods that are effective so as to further promote successful policies and programs. Tolerance towards mistakes in policy experiments help governments to properly design and implement their national strategies in an orderly manner.

A major focus of policy-making nowadays is to equip the youth with skills in order to get them out of poverty. The opportunities in agriculture are shrinking and the alternative strategies of seeking jobs is proving to be more challenging for those rural youth. The concept of *Smart Cities* based on smart grids and devices is proposed as a mechanism to generate economic growth, create wealth and a sizeable demand for rural agricultural and non-agricultural products, thereby enabling a shift from subsistence to commercial agriculture. However, in the rural areas this shift to commercial activity requires higher agricultural productivity to bring about diversification of non-agricultural, income-generating activities. For a sustainable transition of the entire economy there needs to be a linkage of networks, both human and technical, between rural and urban areas to sustain growth and to promote the convergence of living standards for all citizens. Economic integration of rural and urban areas is essential to sustain growth and to promote the convergence of living standards for all citizens.

There are no historical examples suitable for India and China to think about their rural-urban transition and neither are there any empiricist or theorist who could give a replicable model to policy-makers on the issues pointed out above. What Fennel did in her talk was to urge the listeners to rethink about public policy in local governments and the central role they should play, but also what organizations could do in urban poverty reduction, thus we may find a sustainable result for those poor educated youth struggling for their better living.

*Report prepared by Ye Jiawen, Research Intern, ICS.*

## **About the Speaker**

**Shailaja Fennell** is Director of Research at Cambridge Central Asia Forum and a University Lecturer in Development Studies, and a Fellow of Jesus College at the University of Cambridge. Shailaja was appointed Visiting Professor at the Kazakh National University in Almaty in 2008 and conferred an Honorary Professorship by the A. Yasawi Kazakh-Turkic University in November 2009. She was awarded her degrees of BA, MA and M.Phil in Economics from the University of Delhi, and then went on to read for her M.Phil and PhD at the Faculty of Economics and Politics, University of Cambridge. Her doctoral research was on long-term agricultural trends in India and China. Shailaja has been researching the linkages between rural development, environmental and educational strategies in India, China and Central Asia since 2004. She has specialised in the sub-fields of institutional reform, rural development, gender and household dynamics, kinship and ethnicity, and educational provision. Her recent publications include *Rules, Rubrics and Riches: The Relationship between Legal Reform, Institutional Change and International Development* (Routledge 2010), *Gender Education and Development: Conceptual Frameworks, Engagements and Agendas* (Routledge 2008) edited with M. Arnot. She is currently completing a book titled *Grains and Gains: the Political Economy of Agriculture in China and India* (Sage 2012) and working on a manuscript currently titled *Development in Transition: lessons from Central Asia*.

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