

Urbanization, Accountability and Social Inclusion in a Comparative Perspective: Brazil vs. China

Luis Eduardo Diaz Toledo Martins,
International Executive MBA Specialist,
Fundação Instituto de Administração, Brasil

Nildes Raimunda Pitombo Leite,
Doctor in Management, Universidade de São Paulo (USP), Brazil

ABSTRACT

This paper aims to analyze the context in which occurred the intense urbanization in China over the past 30 years, by comparing the different strategies applied by Brazil and China with respect to the urban development aimed at improving the Quality of Life, Urban Planning, Social Inclusion, Public Participation and Environmental Protection in the cities. In this process, we analyzed the legal basis and strategies for urban expansion considering their proposals to support the productive activity and the structure of economic development. The selection of the two countries was motivated by FIA's course extension to China, which allowed us to observe intense contrasts of the housing policies for the inclusion of migrants due to the industrialization process of the two developing nations. The comparative analysis was proven to be valid because, despite being strikingly different in several aspects, these two countries have similar challenges, since both of them deal with the enormous challenge of including historically marginalized populations within the social context. Thus, this paper proposes to discuss the question of why Brazil, with an income per capita many times larger than China, has not been able to overtake this country with respect to the inclusion of its most poor population within the realm of dignified housing, and therefore, include this group within the market practices.

Keywords: Urbanization, China, Urban Development, Accountability, Cities, Immigration, Urban Reform.

Urbanização, Accountability e Inclusão Social em Perspectiva Comparada: Brasil x China

RESUMO

Este trabalho tem como objetivo analisar o contexto no qual ocorreu a intensa urbanização na China nos últimos 30 anos, ao estabelecer bases de comparação das estratégias do Brasil e da China no que se refere ao desenvolvimento urbano visando a melhoria da Qualidade de Vida, Planejamento, Inclusão Social, Participação Pública e a Proteção do Meio Ambiente nas cidades. Neste processo, foram abordadas as bases legais e as estratégias de expansão urbana no tocante às suas propostas de suporte à atividade produtiva e à estruturação do desenvolvimento econômico. A seleção dos dois países foi motivada pela experiência de extensão do curso da FIA para a China, quando foi possível verificar contrastes intensos em relação à inclusão habitacional da massa de migrantes decorrente dos processos industrializantes nos dois países em desenvolvimento. Verificou-se válida a análise comparativa, pois embora se tratem de realidades com inúmeras diferenças, apresentam desafios similares, uma vez que ambas as nações lidam com o enorme desafio de incluir socialmente populações historicamente marginalizadas. Este trabalho assim propõe abordar um debate sobre quais as razões pelas quais o Brasil, mesmo contando com uma renda diversas vezes maior, não conseguiu superar a China no que tange ao provimento do direito à moradia para sua população mais carente, incluindo assim este grupo dentro das práticas de mercado.

Palavras-Chave: Urbanização, China, Desenvolvimento Urbano, Accountability, Cidades, Imigração, Reforma Urbana.

1. INTRODUCTION

The Brazilian cities are required by the City Statute, Law No. 10257, to draw up, in a democratic and participatory manner, their Master Plan in order to outline the projects that will determine their growth over the next years.

The preparation of these Master Plans includes the possibility of urban planning, leveraging the growth and the utilization of the territory to meet the individual and collective needs of its inhabitants, such as housing quality, proper public places, efficient mobility and social inclusion. Considering the enormous responsibility of the governors in the elaboration of the plan along with the concerned population, it is crucial to investigate whether these instruments have served their purpose.

Therefore, the approach to the Brazilian issue begins after an analysis of the context involving the urban development strategies applied in China, so that it is possible to, based on an external reference, establish new perspectives to the housing problems in Brazil.

2. SUBJECT BACKGROUND

Brazil has a housing deficit of approximately 5 to 8 million houses (Maricato, 2010a). A major unprecedented project in Brazil intends to meet a historical demand for housing focused on the low-income population that, due to the real estate financing profile in Brazil, has never had access to it (Royer, 2009). This project will involve companies, will create hundreds of thousands of new jobs, will significantly expand the housing territory of thousands of cities and will inevitably affect the infrastructure of the Brazilian cities. The Participatory Master Plan is a legal instrument for the establishment of the cities, that is, it is the instrument that determines the areas of expansion and gives support for a proper planning of the infrastructure expansion. Therefore, it is essential that it takes into account the several environmental and human factors involved in the decision making, and considers what is the involvement of the several stakeholders in the elaboration of the document, and also, in the establishment

of an urban expansion policy. Often, this policy does not manage to consider all market, institutional and population variables during the planning phase.

A poorly designed Master Plan often characterizes an equally poor planning, leading to uncontrollable health, traffic and safety problems. Most notably, in major Brazilian cities, there are also illegal occupations and

3. THE PERENNIAL CHALLENGE OF PLANNING

According to Royer (2009), the Brazilian model of urban expansion, in general, follows the criteria dictated by the speculative capital, that is, the capital that is subject to a particular risk only, very limited or nonexistent, inherent in capitalism. The government is assigned the responsibility of generating stable conditions for the growth of the cities, relying on an ever-growing demand, based on the increased purchasing power of the needy population. The master plans are, in the latest definition, a recent tool for the planning of the cities and many of them still have their master plans incomplete.

Still, the federal government managed to start a very aggressive program to address the issue, which has lasted for decades, without relevant government initiatives. If, according to Campos Filho (lecture at Fecomércio, May 2010), the Master Plans in Brazil are either superficial or too obvious, then there is a lack of real investment in the Planning of the Cities.

These are currently two countries within the bloc of nations undergoing a major development process, with very distinct economic and social profiles, but similar in a few aspects, such as the massive migration towards the cities. In this regard, despite the massive flow of workers into the major industrial centers, China has managed to reasonably control the occupation of these centers without indicating problems, such as emergency housing or sub-housing caused by the failures of the administration, and the lack of appropriate urban inclusion policies. The controversial classification of the Chinese citizens in "peasants" or "urban" through the *Hukou* system contributes to that, that is, it is an identity

that provides the citizens rights in the City, or not, in other words, the citizen is only allowed to benefit from the State services with a specific identity.

4. URBANIZING CHINA

Urbanization in China began almost 4,000 years ago, although Neolithic villages had begun sprouting in river valleys as early as 5000 BC (Ebrey, 1996). Ho Ping-Ti (Gavinelli and Gibelli, 1976) mentions that large urban centers that have arose in Shang times (1700-1100 BC), and the high walls of packed earth that surrounded many settlements, including most notably near the cities near Cheng-chou and An-yang in Hunan (Gavinelli and Gibelli, 1976). The number of cities proliferated during the Zhou dynasty (1122-221 BC). Created primarily to fulfill military and administrative roles, these cities also took on other functions (Zhao, 1994).

In the era of the Southern Song Dynasty (12th century), 10-13 percent of the Chinese population lived in cities, with Kaifeng, the capital of the Song, having a population of almost one million people. At that time, the urban population in China was equal to the rest of the world. It is possible to say that the urban life in China was perhaps the most developed in the world. Marco Polo, during his visit in Hangzhou, was impressed ("the most splendid city in the world ... with 13,000 bridges mostly of stone"). The cities were known for their wealth and comfort, elegance and cultural life.

By the late 19th century, however, the urban share of China's population had fallen to 6.0-7.5 percent, although the absolute number of urban dwellers had increased considerably. At that time, the industrializing countries of Europe had pulled ahead, with urbanization rates of 61 percent in Britain and 29 percent in Europe as a whole. This difference had widened further by 1949, when the communist regime took hold of the government (Fenby, 2009). Initially, the new government allowed cities to grow. Since the 1960's, however, China has sought to tightly manage the course of urbanization (Kwok, 1981; Fang, 1990). The intersectoral movement and the fertility rates were restricted with considerable

success through the combined efforts of the Communist Party and the government bureaucracy (Fenby, 2009).

The main important instrument of this policy is the hukou system, which assigns every person in China a residence in a specific locality. This system distinguishes urban from rural residents, with urban households enjoying far more benefits and privileges than rural ones (Friedman, 2005). This system was enforced in 1958, when the National People's Congress approved the "Regulation of the People's Republic of China on Household Registration." In these rules, every Chinese citizen is registered in a location (*hukou suozaidi*) and a territorial classification (*hukou leibie*) (Fan apud Yu, 2002, Fei-Ling Wang 2005). Most often, this classification is inherited from parents. The agricultural *hukou* provides access to farmland, whereas the non-agricultural *hukou* provides access to jobs, housing, food and state-sponsored benefits. The territorial classification of *hukou* specifies where one is entitled to the above rights. In essence, it specifies where one belongs. Until the mid-1980's, it was extremely difficult for rural Chinese people to survive in the cities, because without an urban *hukou*, they did not have access to the necessities of life such as food and housing, much of which was centrally allocated. The *hukou* system, therefore, suppressed the migration to a minimum (Cai, 2000; Cao, 2001; Fan, 2008).

In 1980, there was a wave of local governments charging migrants high fees – ranging from several thousands to tens of thousands of yuan - in exchange of hukou in small towns and cities. The city governments justified this practice by saying that they should be compensated for extending urban benefits to migrants. In the early 90's, large cities such as Shanghai and Shenzhen began to offer "blue stamped *hukou*" to the migrants who would meet certain professional requirements, and were able to make large investments (Fan apud Wong and Huen, 1998). Like a US green card. This *hukou* could be converted into a permanent *hukou* after a certain period. These practices commoditized *hukou* and channeled resources from a very small elite of eligible migrants to the coffers of urban governments (Fan apud Cai 2001; Cao 2001).

From that time, the cities retained relative autonomy to regulate their growth. Thus, most large cities have opted for a gradual easing of the *hukou* restrictions. This change in policy stimulated the multiplication of industries in small towns and villages in rural areas, which by 1990 employed 93 million workers and accounted for 17 percent of China's exports of manufactures. By 1996, these township and village enterprises (TVEs) employed 135 million people and accounted for 46 percent of Chinese exports. These local productive clusters, which often came from communities initially formed in the Great Leap Forward of 1959-1962, took great momentum after 1980, with the decentralization of the State at that time. The rural industrialization drew on an unforeseen reservoir of entrepreneurship and the fiscal decentralization encouraged the local authorities to take initiatives in various economic activities.

The differences between rural and urban areas in China have persistently been the main cause of income disparity in China. In part, this huge gap is explained by institutional legacies of the Chinese socialism. From the 1950's, the leaders of the Communist Party clearly separated rural and urban residents through the *hukou* system, as previously seen, establishing the industrial and urban development as the main objective of the economic planning. On the one hand, urban workers, with lifetime employment, as well as free health care, housing and various labor benefits. On the other hand, rural residents were organized into communes, where the access to basic health and education improved considerably. However, in order to accelerate the industrialization of the country, the planning system set prices and managed investments in a way that caused a discriminatory behavior in relation to agriculture and rural areas, leading to huge differences in the living standards between rural and urban residents.

The incredible expansion of the Chinese urban population of 191 million in 1980 to 562 million in 2005 and to 622 million in 2010 required a massive investment in housing and infrastructure. Unlike what happened in third world countries, with much smaller population, China has managed to absorb more than 400 million people in its cities without the proliferation of slums, although

the urban infrastructure has been compromised in several locations, accounting for almost one-third without basic sanitation and waste collection. Today, out of the 20 most polluted cities in the world, 16 are Chinese.

There are three major factors that ensured and still ensure the relative smoothness of the urbanization process in China: the availability of investment funds intermediated by the banking system, the strong initiative of the real estate industry and the regulatory capacity of the large cities. The role of capital generated through domestic savings is crucial in this set.

According to Beijing University Professor, Fan Gang, China's government encourages rural workers to move to the cities to find better jobs. Therefore, for the past 30 years, more than 40 percent of the workforce in China, approximately 300 million people, has moved from the agricultural sector to the industrial or service sector, now increasingly concentrated in the cities. As a result, on average, the migrant workers with rural *hukou* now outnumber urban *hukou* workers. Although the *hukou* system was a major influence in the migration control, Professor Gang says that it was not what has prevented the growth of slums in China. A thesis is that the most important institution in the prevention of extreme urban poverty is a unique system of land in the rural areas of China. The whole process of China's reform began with the adoption of the so-called "rural household contract system", which leases productive lands to rural families. This means that the collective production was gradually dissolved from the beginning of the reform process, with the private farming prevailing. Although the "collective" farms have remained as the owners of the rural land, the families can get all the "surplus" of the production, which creates the necessary incentive for them to productively use the land. They can even transfer the lease to other rural families, if their members find better jobs in the cities.

Families can keep the contract during the lease term (currently 30 years), but they do not have the right to land ownership. If rural workers face financial difficulties, which in other countries often lead to the land sale, they can

either make an effort to find another job or seek government assistance. The land, however, can never be sold or mortgaged and its use can not be changed from agriculture to any other commercial purpose without permission from the government.

This peculiar arrangement has generated an important result: if migrant workers lose their urban jobs, they retain some income from their land lease and can return to their village and reclaim the back (normally within one year). The small portion of land allocated under the rural household contract system may not make farmers rich, but it serves as a social safety net of last resort. This goes a long way toward explaining why China's urbanization has lagged: the system of land tenure – which seems to be impossible to replicate in other developing countries – ensures that the reservoir of labor for industrialization and urbanization remains located in the country villages rather than in city slums.

Although this arrangement provides a smoother path to urbanization, it is transitional rather than permanent. Migrant workers still feel unable to truly integrate into the cities because their social safety net remains anchored to their rural origins. Indeed, the segregation caused by the land system has expanded, rather than narrowed the social disparities. Given these circumstances and the high degree of mobility of the Chinese people, the urbanization of the country is far from being stable. To achieve a “permanent urbanization,” China must develop a new safety net. Announcing the abolition of the *hukou* system might be easy, but it would mean little without institutions that can mitigate the risks faced by rural migrant workers in Chinese cities.

China's new five-year plan for economic and social development, to be introduced in early 2011, may address the issue in a meaningful way, by aiming for the establishment of a universal social security system. The plan may also require local governments to increase the provision of public goods – including education, health care and a minimum level of income protection – to non-*hukou* regular residents.

Urban development is a complex and multifaceted process. The key to success is a long-term vision and an entrepreneurial management. The incredible speed with which Chinese cities expand represents an ongoing challenge to the administrative capacity of the local authorities. No other country has faced such a challenge so successfully. Large cities, therefore, has been most successful in this endeavor than small ones. So far, as we have seen, China has managed to avoid slums and crime (Yusuf and Nabeshima, 2009). Chinese cities are cleaner than the average, compared to cities of the same income level in other countries of similar income per capita, and the combined efforts of the authorities in charge for the streets and municipal offices have certified that the policies are competently enforced.

At the same time, the retention policy, or rather the improvement of income in rural areas has proved to be efficient. Workers that supply the needs of industries in the cities do not get deprived of education or minimum allowances for their living, since they have the support of their relatives and personal savings. A policy that takes advantage of migration for the cities to increase income in the rural area manages to develop, thus improving the conditions of the services provided in the rural area, such as infrastructure and health, for example. The government recently eliminated the agricultural tax in the explicit sense to equally improve the income of rural areas. Some policies to improve income in rural areas are emergencies in China, although some of them are related to the equation that adds positive effects of migration and remittances. These policies include efforts to strengthen the agricultural productivity through diversification, technological advances that improve productivity and preserve the land, water and other inputs; investment in rural infrastructure in areas where the payback period of the investment is higher, the provision of contracts for land use that allow more safety and long-term rights to farmers; provision of better social services for rural residents; more effective rural credit facilities and transfer of resources by pricing mechanisms or appropriate tax channels.

The size of the cities has also been a determining factor. Economies of scale and rapid growth rates in the country follow the frantic growth pace of large cities. The urban agglomeration contributes by deepening the labor market, introducing economies based on technological advances and encouraging a wide range of activities. In a globalized economy, the diversification provided by the agglomeration of services and resources, whether human or structural is a safe resource that allows the industry to expand in new directions and maintain a considerable portfolio of products and a potential to add new activities when the existing ones are exhausted.

As from the Constitutional Amendment of 1988, a reform of major significance in the regulatory framework of the land was introduced. Two basic principles were established: the first is that the absolute ownership of the land is not transferable, but the rights of use are, under certain conditions. The transfer of land use can be conducted in accordance with the regulations of the State, and subject to the public interest demands. According to these regulations, two types of land transactions are allowed: one is the sale of the rights of use, and the other is the transfer of these rights. In the first type, it was established a type of primary market, in which the State or its authorized agencies guaranteed the right of use for a specific period of time in exchange for a payment through auction, lease or similar negotiation. The periods of time would vary according to the purpose of the development proposed. These periods were of approximately 70 years for residential use, 50 years for industrial, educational, scientific, technological, cultural, athletic or multiple use, and 40 years for business, tourism and recreational use. The transfer of the land use established a secondary market, in which the parties are allowed to transfer, lease or mortgage the property rights already guaranteed. The primary market was thus monopolized by the State, while the secondary market was intended for transactions of private character. The State did not use to take part in the secondary market, except in transactions related to land registration, legal protection or establishment of various taxes (Qi *apud* Li, 1999).

Still, the process of transferring the rights of land use ended up being a potential source of corruption in the lack of an appropriate regulation. The lack of transparency to ensure the right of land use led to backdoor deals between local authorities and urban speculators with the State bearing the loss of tax revenues. The active role of the political influences in the real estate sector encouraged real estate developers to establish extensive networks of contacts with local administrators to support them in their local negotiations (Qin, 2010). This informal institution of *guangzi*, or personal connection allowed urban speculators with political connections to benefit, obtaining illegal benefits from the local government leaders. These practices were supported by the particular nature of the negotiation process of the land and still continue to play an important role in the process of land allocation.

New laws have further clarified the State role. In July 2002, a regulation established that the transfer of land use rights for commercial purposes, such as private business, trade, tourism, recreational use or development of housing projects would have to go through a process of invitations for bids, auctions or announcement for making proposals, and prohibited private agreements. Although most of the transfers still occur through private agreements, the legal regulation has been increasingly reducing the relevance of transfers by instruments that do not belong to the market (Qin, 2010; Zhu, 2002).

Thus, China seeks to get a balance of power between the different players in the real estate market development. The State acts as regulator so that the market acts with greater competitiveness and efficiency, while preserving the natural mechanisms and enforcing the law when there is no other tool for their goals to be achieved. This Law places the State as owner and manager of the final land use rights. Municipal governments have huge incentives to foster sales, and require profits more than ever to finance new projects. In 70 major Chinese cities, revenues from sales of land use rights have increased 140 percent in 2009, reaching 158 billion US dollars. Sales of land use rights represent up to 60 percent of the revenues of local governments.

In the search for efficiency and redesign of the cities, larger cities in China are indeed way better managed than small ones (Yusuf and Nabeshima, 2008). New alternatives have emerged in its recent urban development scenario. An interesting example is the city of Hangzhou, which used its peculiar characteristics of topography and spatial distribution to apply the polycentric development concept. The polycentric spatial development (which acts as a preventive factor against the traffic congestion caused by the excessive focus on the city center, with the aid of appropriate calculations of the buildable area by the coefficient of utilization), and a well designed transportation system are the keys to make cities more livable.

After all, a serious problem in China is precisely the “spread” along the highways. As a consequence of the frequent lack of funding for infrastructure, the urban development takes place along the existing highways or secondary roads, without much planning.

The urban spread has its problems and may occur as a result of two processes: low urban density resulting from plots with large areas; lack of continuity of the urban area, known as leapfrogging or urban sprawl. In these cases, while the cost of land tends to be low, the economic development pattern is insufficient, making it undesirable and the object of frequent studies in recent decades. However, the findings of the surveys are divided between more compact cities with strong centers and good public transportation conditions and multinucleated cities often polycentric arrangement, theoretically capable of serving both the public and the private transportation. (Mascaró, Juan José, 2001)

The polycentric development of the city of Hangzhou was only possible through the participatory design and the efforts of the city government working in along with market forces. The city presented the guidelines for a polynuclear development through the design and review of the master plans, annexing surrounding districts and establishing development zones. Therefore, the active participation of various forces played an increasingly important role in the development of the real estate market, the absorption of migrant workers and the reallocation of industries (Wenz Yue, 2009)

4.1 PARTICIPATORY CONSTRUCTION OF THE URBANIZATION IN CHINA

The Public Participation, as a universal value in the efficient planning is mentioned in several documents and websites, and we can list some of the key values for its practice:

1 People should have their opinion taken into account in decisions about actions that affect their lives and their homes, as well as the right to be informed in advance and be proactively involved in a significant way;

2 Participants must have access to all information they need to participate in an integrated manner and increase the interest and motivation to do so, including the commitment that the opinion of people should somehow influence the final decision;

3 The participation process of the population should respect the historical, cultural, environmental, social and political conditions of the communities affected by the proposal, including under-represented groups, such as indigenous communities, women, children, elderly and poor people;

4 The participation of the population involves participants to define how they will participate and promote equality between the current and future generations in a sustainable perspective.

With respect to the governance principles identified previously, the public participation should be: started early in the life cycle of the planning of an intervention, and sustained in a permanent manner, well planned and structured. All players must know the goals, rules, organization, procedures and expected outcomes of the participatory process in progress; concise and optimized. Every public participation program should take place in the most efficient level of decision making, policy, plan, program or project; led by a formally neutral or traditional authority and follow the rules known and accepted by all parties. The public participation should follow certain ethical rules, professional conduct and

moral obligations; focused on negotiable items relevant to the decision process. As the consensus is not always possible, the public participation needs to hear about the values and interests of the participants and focus on negotiable items.

The participation of the population in the planning process of the Chinese cities is not seen today as a practical tool for solving the problems from the perspective of local technocracy. Still, it is possible to see that on specific projects, such as the city of Chengdu, the participation of the population in urban planning had a strategic character when significant changes in the infrastructure of the city required the involvement of all stakeholders in the process. In 1993, the city of Chengdu initiated a Comprehensive Plan for the revitalization of the Fu and Nan rivers. This plan, which followed the principles of participatory planning with collaborative arrangements between public entities and private agents, managed to raise awareness in the general public and encouraged a large number of investors to invest funds in a more sustainable future for the city and its inhabitants. More than 30,000 families, who once lived in the sub-housing neighborhoods situated on the banks of both rivers, received appropriate houses in an accessible way. Several side projects have addressed the problems of sanitation, industrial waste, infrastructure, transportation and communications, as well as parks and gardens. Currently, Chengdu is a modern city, clean and green, which has not forgotten its cultural or environmental heritage. Large part of the original bed of the river was restored and the lessons learned on the participatory planning and the arrangements for public-private collaboration are applied in various populations and neighboring districts.

According to the United Nations Development Programme (UNDP, 1997) good governance is the process of decision making and the process by which decisions are made. Good governance, therefore, has eight major characteristics: it is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, balanced and inclusive, and follows the strictness of the Law. This law ensures the reduction of corruption and that the views of the minorities are respected in the decision making process. Moreover, it is

responsive to the current and future needs of the society (UNESCAP, 2005, UNDP, 1997).

The development strategy through the participation, however, is seen in a controlled manner by the authorities, and used for specific purposes. Notably, it appears that many large-scale projects with high environmental impact at some point include consultative processes to reduce the side effects along with the public opinion. However, many of the popular protests that China has seen throughout its recent history do not translate into concerns for an increased participation in decision-making processes.

Some drastic side effects have been observed in this process of radical changes. The China Daily reported out that in Beijing alone, 4.43 million square meters of old courtyards (hutongs) had been demolished since 1990, which corresponds to 40 percent of the downtown area. In 2007, the vice-minister of construction launched a similar attack on the "senseless actions" of officials who knocked down precious sites and cultural relics to produce standardized cities. His criticism, however, had no effect to redirect the way China develops its urban area. In the absolute transience of the recent urban scenario, according to the China Daily, the Chinese building lasts 30 years on average, compared to 74 years for those in the US and 132 years for British construction.

A typical case is the redevelopment of Beijing, Andrew Jacobs wrote in The New York Times: "The destruction of this 800-year-old city usually proceeds as follows: the Chinese character for 'demolish' *chai* (拆) mysteriously appears on the front of an old building, the residents wage a fruitless battle to save their homes, and quicker than you can say 'Celebrate the New Beijing', a wrecking crew arrives, often accompanied by the police, to pulverize the brick-and-timber structure "(Andrew Jacobs, New York Times, 2009). Historical cities, such as Kashgar, have been devastated in the name of a forced redevelopment, and this has been an issue ever more present in the Chinese and foreign media.

4.2 FUNDING THE GROWTH INFRASTRUCTURE

The central government introduced a new process of revenues decentralization on 1980. For tax purposes, each city is analyzed as a separate entity, and that allowed each city to dictate its own policy to collect taxes. After a decade of experimentation, in 1994, a broad tax reform was consolidated, restructuring the finances of most Chinese cities. For the first time, the cities were able to establish local taxes that play an important role in finances and, therefore, taxes for land use, construction, real estate development and urban maintenance were made possible. The component "land use" is unprecedented in developing countries and is an increasingly significant revenue in the global set of urban taxes, representing approximately 30 percent of the total revenue. In a way, it is possible to verify that the amounts collected float along the market variations and, together with other revenues, they make the investments in the infrastructure of small and medium-sized cities to be considerably lower, *per capita*, than in the big cities. In some provinces of the central and western regions, this process is harmful, which means that decentralization has meant that many cities in these regions are steadily losing income (Wu, 2009).

The effects of the investment in infrastructure on the economic performance have several ways to be analyzed. Its contribution is proven by the elevated levels of labor and capital productivity, as well as the improvement in the quality of life of its inhabitants. Firstly, the investment in infrastructure meets the unmet demands and needs, which often represent obstacles to the economic performance and future growth. The access to infrastructure also contributes for the individuals to connect more easily to the economic activities, for example, by providing road works so that the costs associated with traffic congestion are significantly reduced.

The city of Shanghai is a good example of this issue. With only 10 percent of the downtown area intended for transportation, it has inherited an antiquated network planned in the early 20th century, for pedestrians and bicycles. After a major investment in public transportation and transportation

infrastructure, with the aid of international agencies, the downtown area of the city managed to avoid traffic jams common to other Chinese cities. A report of the Academy of Social Sciences Guangzhou (China Academy of Social Sciences, quoted in website Want China Times, 2010) points that to quote an example, the traffic in Guangzhou represents an expense of 12 billion RMB per year, or approximately 7 percent of the local GDP. In addition, investments in infrastructure can be used to anticipate future development and encourage investments in other economic sectors. When the infrastructure is available, it is easier for entrepreneurs to adopt new technologies and, consequently, generate technical progress and economic growth.

4.3 CHALLENGES OF URBAN GROWTH IN BRAZIL

The intense urbanization process in Brazil had a final landmark as from the crisis of 1929 (Fernandes, 2010; Bassul, 2010), with the international crisis that shook the Brazilian exports, anchored in coffee production. This process has dramatically accelerated since the industrial leaps experienced by the country in the 1950s and 1970s, and the Brazilian population started living massively in large cities, which have acquired a metropolitan profile (Fernandes, 2010).

The cities were forced to deal with the effects of this urbanization, without being prepared to do so. The lack of financial resources, arising from the lack of a proper tax structure and specific legal instruments (Fernandes, 2010) was allied to meet the priority agenda of real estate developers and adopted "standards and guidelines framed by the real estate capital movements" (Bassul, 2010, p. 71). The low wages of most of these immigrants explain the exclusion of consumption and essential urban services goods, and a management characterized, on the one hand, "by the private appropriation of the public investments and, on the other hand, by the segregation of large masses of population in slums, tenements and peripheral settlements" (Bassul, 2010, p. 71). The regulatory planning at the time, instead of reversing the exclusion, increased these effects (Fernandes, 2010).

In 1963, the first seminar on Housing and Urban Reform held in Petrópolis, organized by experts, scholars and politicians, resulted in a document marked by an attempt for urban planning and support ideas that decades later would be incorporated into the legal order. Several issues included in the agenda of this seminar are still very present, but that agenda was practically frozen due to the turbulent period of the early years of military dictatorship.

Still in the military period, an attempt to create a legislation to regulate urban growth was drafted as part of CNPU, where, in 1976, a draft law for urban development was elaborated, based on the finding that “local governments did not have an instrument to cope with real estate speculation and promote the distribution of urban public services” (Bassul *apud* Grazia, 2003, p. 57). The news that such a law was being drafted leaked to the press, which “prompted alarmist headlines in some newspapers and magazines of the time, one of which alerted readers to the fact that the military government intended to ‘socialize’ the urban area” (Bassul *apud* Ribeiro e Cardoso, 2003, p.12). The government drew back (Bassul, 2010). The following year, however, the military government presented a new project, motivated by the risk of the cause for urban reform serve as a flag from the opposition (Bassul *apud* Ribeiro and Cardoso, *op.cit*, p. 13). The bill, called Urban Development Law, No. 775/83, aimed at “improving the quality of life in the cities” (Bassul, 2010). Prepared by CNDU, it contained a number of guidelines and relevant instruments, such as:

1. the recovery of investment by the government resulting in real estate valuation;
2. the possibility for the government to conduct expropriations of urban property in order to tackle urban renewal or fight the storage of idle land;
3. the taxation of real estate income resulting from factors related to the location of the property;
4. the conditioning of the right to property (progressive taxation and compulsory building);
5. the regularization of areas occupied by the low-income population;

6. the legal recognition of the representation exercised by residents' associations;

7. the incentive to the participation of individuals and communities;

8. the right to community participation in the development of plans, programs and projects for urban development;

9. the legitimacy of the Public Prosecutor Office to propose actions in defense of urban planning.

The project suffered a fierce opposition by conservative entrepreneurs, the basis of the government support, which suffered the accusation of wanting to end the right of property in Brazil. Thus, the Bill No. 775/83 was never put to a vote in the National Congress (Bassul, 2010).

Growing social demands resulted in the popular organization that, as from the 80's gathered for the National Urban Reform Movement, with the massive presence of architects, engineers, geographers and social workers, and the strong presence of urban social movements, with the purpose to "fight for the democratization of the access to decent conditions of life in the Brazilian cities" (Bassul, 2010, p.72). This movement had a decisive influence in the incorporation of several "popular amendments" into the Constitution of 1988. The City Statute, set of laws that regulate the management of urban development in Brazil, is the result of the legal framework made possible by the constitution (Fernandes, 2010).

The City Statute, therefore, is the Brazilian federal law that regulates articles 182 and 183 of the Federal Constitution of 1988. Article 182 provides that urban policy is the responsibility of the municipality and must ensure the social functions of the city and the development of the citizens. It also establishes that the Master Plan of the City is the basic instrument for urban land use, and should define the use and characteristics of occupation of each portion of the municipal territory, so that all properties comply with their social function (Barros Carvalho, Montandon, 2010).

The author of the bill was Senator Pompeu de Souza, who presented to the Senate in June of 1989, obtaining a favorable opinion from the house. A year later, he was sent to the House of Representatives, where he remained for 11 years. After being significantly reformulated, the City Statute was widely discussed and approved in 2001, when it was sanctioned by President Fernando Henrique Cardoso. In the justification of his project, Pompeu de Sousa stated that he intended to contain the "improper and artificial real estate valuation, which hinders the access of the less well-off to lands for housing and burdens the government twice, forced to intervene in areas where the valuation comes, most of the time, from public investments, financed by all to the benefit of the few" (Bassul, 2010).

The City Statute generates intense debate to date. Even after a great international recognition as an advanced legislation, resulting in approximately 1,500 master plans approved by the municipalities as a result of this legislation, the urban realities in Brazil have not significantly changed. To its supporters, its effects may come with the time, since the huge housing deficit and the accumulated volume of social and environmental problems in the cities should be considered, which is explained by the absence of an urban policy prior to its approval (Bassul, 2010). The creation of the Ministry of the Cities in 2003 was intended to organize and turn into reality the principles explicit in the City Statute, giving conditions to the Union, states and municipalities to materialize their projects in line with their goals.

The approval of the City Statute "consolidated the constitutional order in Brazil regarding the control of the urban development processes, aiming to redirect the actions of the state, the real estate markets and the society as a whole, in accordance with the new economic, social and environmental criteria. Its effective materialization into policies and programs will depend on the reform of the local legal-urban orders" (Fernandes, 2010, p.68). Thus, the municipalities, through the autonomy provided by Law, should determine the regulations to control the use and urban development, through appropriate master plans and "local urban management processes" (Bassul, 2010).

In the current Brazilian scenario of urban development, much is said and seen, and, in fact, currently located within a certain comfort mediatic zone in relation to the urban social inclusion, since it has been announced that, within the comprehensive government project *Minha Casa Minha Vida* (housing program), millions of new homes are under construction and thus most of the problems caused by the lack of housing to a huge portion of the Brazilian population will be resolved.

It is worth it to point out that the question of the social function of the land is defined by the Constitution in Article 182 as follows:

“Article 182. The urban development policy, enforced by the municipal government, according to the general guidelines established by law, intends to organize the full development of the social functions of the city and ensure the welfare of its inhabitants.

Within that same scope of discussion:

Paragraph 2 – The urban property performs its social function when it meets the fundamental requirements for the city’s organization set forth in the master plan.”

Thus, an explicit task of the Master Plans, as management, organization and planning mechanisms of the cities, is to clarify that these prerogatives may be only enforced when this concept is consolidated by the various agents involved in the management of the growth of the city. Thus, the government challenge, in general, continues to be huge, given the difficulties of implementation and the lack of resources of a public housing policy that would serve the population that needs them the most.

According to Professor Raquel Rolnik, in interview for Globonews channel, January 16th, 2011, this space is self-constructed, that is, the public officials are not the ones responsible for the planning of cities, but prior to that, this plan meets the speculators in order to overcome the shortcomings. Ermínia Maricato, in a document that analyzes the City Statute (2010, pg.10), also reminds that the lack of an urban law seems to provide a profitable gap for the general absence of laws, courts, tribunals and lawyers to resolve the conflicts and to

guarantee social, civil and human rights. The lack of public management and the lack of any social contract, remit homogeneously poor neighborhoods to the situation of “no man’s land” where only “the strongest survives.” It is understandable increase in homicides and organized crime in major cities around the world not developed in the last 30 years.

When discussing the financial logic of the real estate production in Brazil, it is important to remember that after the military coup of 1964, a financing structure to provide better housing conditions was created for the development of the real estate market in Brazil. Therefore, according to Luciana Royer (2009), “from the institutional standpoint, there is a clear success of the policy undertaken based on this initiative.” Regarding the results, the literature shows that there was a mismatch between the development of a market of housing unit, geared mainly to the middle class, and the guarantee of housing as a universal right.

The Housing Financial System was the first financial mechanism used to establish itself as the basis for real estate credit towards the needs of the Brazilian market. It was supported by a public funding and the set of actions was complemented by the Brazilian System of Savings and Loans (SBPE) and the Unemployment Compensation Fund (FGTS), channeling significant part of the resources from voluntary and compulsory savings to the development of a housing funding (Royer, 2009). This policy, however, was focused on the concentration of income, with the allocation of subsidized units to middle and upper segments of the population and the appropriation of part of the resources by private developers and by the speculative capital (Royer, 2009).

On the other hand, the SFI sought to use innovative mechanisms such as the Certificate of Real Estate Receivables (CRI), the Real Estate Letter of Credit (LCI) and the Real Estate Credit Certificate (ICC), seeking to introduce, to a lesser extent, a market similar to the North American model (Royer, 2009), providing the necessary conditions for the development of a secondary mortgage

market, which main function would be to transform these receivables into safe currency, provided with liquidity and safety.

The fragility of the system became evident with the presentation of the macroeconomic difficulties of the country, and especially, with the high interest rates policy sustained by the Central Bank. The mortgage market competes directly with high-yield bonds, such as the national treasury bonds, that is, this market has no way to thrive in the face of the monetary policy of the federal government. Therefore, it becomes clear the "inefficiency of the SFI as a funding model, able to structure universalizing housing policies and its vocation to raise housing credit in favor of groups with greater purchasing power" (Royer, 2009).

On the other hand, the federal housing program *Minha Casa Minha Vida* faces enormous difficulties in serving the families with income of up to three minimum wages, a range in which 90 percent of the Brazilian housing deficit is concentrated. Data from Caixa Econômica Federal (CEF) indicate that, up to July 31, 2010, only 3,588 houses were delivered to families with this profile. Out of the 604,000 units contracted to date, 275,000 are for the lowest income range. As for those families with income between three and ten wages, 149,000 units were delivered (Revista Exame, August 2010).

5. BRAZIL AND CHINA

With regard to the urban challenge, urbanization can be seen as a means to improve the living conditions of the populations. In this context, the achievements over the past decades in China have no parallel in the history of human civilization. As a result of the radical economic reforms, 400 million Chinese people managed to overcome extreme poverty from 1980 to 2001, that is, approximately three quarters of the world population. However, although the housing conditions have improved considerably on the one hand, on the other hand, there is a serious challenge. The current processes of rapid and extensive urbanization in China will increase the consumption of natural resources, such as

soil, water, forest and minerals, which endanger the environment and the very sustainability of this process.

With respect to the issue of social function, in Brazil, according to the National Secretary for Urban Programs of the Ministry of the Cities, Celso Carvalho, interview for Agência Brasil, 2010, it should “be defined by a national criterion.” Since, however, this assignment was transferred to the municipalities, then the state should help the municipalities to implement the concept, so as to support the municipalities to properly manage the growth of cities.

“The City Statute transfers to the municipality the task of making the intervention in the private market for lands. Therefore, the federal government and the states need to support the municipalities and the popular organization so that, in the struggle for the master plan, these instruments can be implemented.”

Thus, it possible to notice a difference with the Chinese model, in which the debate on the social function of the urban territory is virtually placed in the background, since the State owns not only territory but also manages the contradictions of the market, establish aggressive goals and actively administrates these goals, getting the real estate players involved for the urban development. The contradiction found here is that in none of the two models the inclusion of those affected is full, because in China there is neither democracy nor the rule of law fully qualified, and in Brazil the legislation is either ignored or insufficient to efficiently support the state in the development of an urban policy.

With regard to the migratory movement issue, as a rule, it occurs through a spatial modification in the economic center of the countries, that is, countries under increasing industrialization processes have urban concentration equally decisive. In particular, migratory movements within China have been intense, with entire cities changing their landscape, densifying and even emerging. Such migration, however, does not occur in a way that generates the accumulation of sub-housing on the outskirts of the cities, as in the case of Brazil.

The first issues related to the challenges of planning for the twenty-first century migration processes are naturally related to infrastructure and pollution, both resulting from urbanization. If, in Brazil, the great migratory movement that took place in the 1970s largely defined the current infrastructure and the "personality" of the cities, in China this movement has occurred in a slight continuous manner as from the early 1980's. In China, it is important to note that for Mao Tsé Tung, the cities were nothing more than "industrial centers", in contrast with the "consumer poles," and that for over 30 years the urban population ratio had a very small variation. One theory is that the current ethos prevailing in the structure of control and power of the Chinese Communist Party, any sign that points to some kind of social instability is widely opposed and, therefore, subhousings that represent potential sources of political dissension or, as best described, social disharmony, are not accepted, in view of the long history of successive social upheavals that brought down several empires over thousands of years in the Chinese history..

Nevertheless, in Brazil, such institutional void spaces are fairly accepted, even within the logic of dominance of a political class that does not invest in long-term planning. A clear example is the hundreds of deaths in the state of Rio de Janeiro, caused by the rainfalls of January 2011, mostly in areas where the rules of use are non-existent, and the land management is performed on a speculative manner and subject to the fragilities of the rules of occupation on the hillsides. Entire neighborhoods built in risky areas, sometimes even approved by local governments, are a tragic example of the irregular ruling.

The massive migration that occurred in China as from the 1980's is unprecedented in the world's history. In 1980, China had an urbanization rate of 19.6 percent, that is, a rate lower than that of Indonesia (22.1 percent, India (23.1 percent) and/or Pakistan (28.1 percent). In 2005, 42.9 percent of China's population was already living in urban areas, a number somewhat lower than the world average of 50 percent but very close to the Asian average of 41 percent and well above the Indian rate of 28.7 percent. This movement represented a flow of 268 million people into the cities, that is, a number that is greater than

the increase of the population of the entire Eastern Asia. By 2020, it is expected that this number exceeds 60 percent, with over 200 million Chinese people joining the existing urban population. The forecast that sustains this growth is that the urban economy will generate sufficient jobs to absorb the additions to the urban labor force at a constant pace.

With regard to social organizations, China and Brazil have more differences than similarities. The great difference is basically given by the considerably more advanced degree of institutional consolidation of Brazil, which means that in terms of transparency and accountability, Brazil has evolved considerably over the past few years. In parallel with the consolidation of the rule of law system, thousands of entities focused on support and social development, in addition to those working directly for the preservation of the environmental heritage, have both influenced corporate actions and often dictated the *ethos* of these organizations, influencing their practices and the roles of the companies in relation to their target audience and the society, in addition to monitoring and even coordinating the application of government policies.

In a comparative perspective with the Chinese experience, it is possible to notice that the mechanisms that the Brazilian government has for the implementation of this inclusion process are still very poor, since the city planning mechanisms are not yet mature enough to promote the permanent inclusion of marginalized populations. A clear example is the City Statute, which since 2001, despite being internationally recognized as an “advanced” law, still has failed to provide real improvements for the Brazilian cities.

The recent rainfalls of 2009, 2010 and 2011 showed that there are still major problems with the land management, which in Brazil is made in a speculative and poorly planned manner by the government. The issue of the “social function of the urban property,” introduced by the City Statute as a priority for the development of a public policy, both for social housing purposes and to establish public policies for urban development, has no clear definition in the master plans of the cities.

At this moment, China has announced that it will invest US\$ 200 billion in the construction or renewal of 10 million popular houses, in order to offset the price increase in the real estate market of the country. In Beijing, apartments can cost US\$ 3,000 per square meter. The idea is to stabilize prices, forcing the market to work with a considerable supply of properties. "We want the current limited supply of properties to be targeted to those who need housing the most. This is the basic reason why we have imposed regulatory measures in the market," says the vice-minister of housing of the Chinese government, Qi Ji. In this regard, the Chinese government has responded to this phenomenon with measures to contain speculation and discourage the purchase and sale of secondary real estate properties.

Thus, it appears that the Chinese government has the tools to radically dictate the supply and prices applied in the market, and uses them to promote the full social inclusion in the housing market. The tools used are often marked by arbitrariness and authoritarianism, but the presence of a national project for urban development is inevitably visible.

5. METHODOLOGY

Based on Malik & Theophilo (2009, p. 37), method "[...] is the path to achieve a certain end or purpose. [...] The methodology about how this can be achieved ". The methodology has its origin in the theory of knowledge and its function is to convey logical and epistemological procedures of knowledge. As for the "methodological research is that focused on quest about the paths or modes of doing science and discussion on the theoretical and practical approaches".

The methodological approach, based here based on Chizzotti (2008, p. 52) involves "the concepts of objectivity, validity and reliability, seeking to define the formalization and the rigorous analysis of qualitative studies".

In this research, therefore, the methodological approach used was the qualitative methodology, based on literature research and other secondary data. We accessed websites and other Chinese universities, as well as the material collected from magazines and books on the subject.

6. FINAL CONSIDERATIONS

The fundamental differences regarding the urbanization of the two countries lead to the reflection that the issue of differences finds, in these different realities, contradictions that lead to another immediate reflection: how did China manage to reasonably include such population in its cities without scattering and lack of control, typical of third world countries, even with a per capita income five times lower than Brazil's?

The answer is divided into a few assumptions, introduced here in order to deepen in these reflections:

1. China, through a comprehensive reform in the property system, as many first world countries, ensured access to land through an extensive agrarian reform, which works today as a type of social insurance for millions of families who can thus support a gradual transition in the transfer of their members to the cities.

2. The Chinese State has mechanisms to manage the urban property, which ensure the priority in the land management, but on the other hand, it has an authoritarian character and centralizes the decision making.

3. Brazil is still in the beginning of the application of advanced laws that have been established but not yet instituted in its essence. Thus, the issue of housing inclusion is subject to the rules of a housing market that is not focused on addressing the population in need of housing, but on those who can fit into it.

4. The funding mechanisms in Brazil are still aimed at the middle-class population, focused on the return of the capital invested and are not necessarily intended to the large portion of the population that still lacks access to funds or housing credit.

5. The urban planning in China is conducted in integration with its various agents, including real estate developers, public authorities, the affected population, and mainly intermediated by a prepared technical team.

6. In Brazil, there is no such integration between the parties.

REFERENCES

- Barros, A. M. F. B; Carvalho, C.S; Montandon, D.T. (2010). O Estatuto da Cidade comentado. Recuperado em 26 de junho, 2013, de <http://www.conselhos.mg.gov.br/uploads/24/06.pdf>.
- Bassul, J. R. (2010). Estatuto da Cidade, a construção de uma Lei. In C. S. Carvalho & A. Rossbach (Orgs.), *O Estatuto da Cidade comentado*. São Paulo: Ministério das Cidades.
- Cai, F. Zhongguo renkou wenti (China's floating population) (2000). Zenghou: Henan Renmin Chubanshe (Henan People's Publishing House).
- Cao, J. Guanyu lanyin hukou wenti di sikao (Some thoughts on the blue stamp hukou) (2001). *Population and Economics*, 66(6), 15-21.
- Chizzotti, A. (2008). Pesquisa qualitativa em ciências humanas e sociais. Petrópolis: Vozes.
- Revista Exame, (Agosto de 2010). Recuperado em 26 de junho, 2013, de <http://exame.abril.com.br/revista-exame/edicoes/2010.shtml>
- Fan, C. (2008). *Migration hukou and the city*. Paper in China Urbanizes. The World Bank.
- Fang, S. (1990) "*Urbanization in Mainland China.*" *Issues & Studies* 26 (2): 118-33.
- Fenby, J. (2009). *History of modern China - the fall and rise of a great power, 1850-2009*. London: Penguin Books.

- Fernandes, E. (2010). O Estatuto da Cidade e a ordem jurídico-urbanística. In C. S. Carvalho & A. Rossbach (Orgs.), *O Estatuto da Cidade comentado*. São Paulo: Ministério das Cidades.
- Friedman, J. (2005). *China's Urban Transition*. Minneapolis: University of Minnesota Press.
- Gavinelli, C.; Gibelli, M.C. (1976). *Ciudad y Territorio em China*. Madrid: H. Blume, 1976.
- Grazia, G. (2003). "Reforma urbana e Estatuto da Cidade". In: RIBEIRO, Luiz Cesar de Queiroz e CARDOSO, Adauto Lucio (orgs.). Reforma urbana e gestão democrática: promessas e desafios do Estatuto da Cidade. Rio de Janeiro: Revan, 2003.
- Kwok, Yin-Wang (1981). "Trends of Urban Planning and development in China". In *Urban Development in Modern China*, ed. Laurence J.C. Ma and Edward W. Hanten. Boulder, CO:Westview Press.
- Li, Shi. (1999). "Effects of Labor Out-Migration on Income Growth and Inequality in Rural China." *Development and Society* 28 (1): 93–114.
- Maricato, E. (2010a, maio). Especulação da terra inviabiliza moradia popular (Entrevista a Bárbara Mengardo, Gabriela Moncau, Hamilton Octavio de Souza, Júio Delmanto, Lúia Rodrigues, Otávio Nagoya, Tatiana Merlino). *Caros Amigos*.
- Maricato, E. (2010b). O estatuto da cidade periférica. In C. S. Carvalho & A. Rossbach (Orgs.), *O Estatuto da Cidade comentado*. São Paulo: Ministério das Cidades.
- Mascaró, J. J. & Mascaró, L. (2001). Densidade, ambiência e infra-estrutura urbana. In: *Arquitextos*, 017.08, ano 2. Recuperado em 26 de junho, 2013, de <http://www.vitruvius.com.br/revistas/read/arquitextos/02.017/842>.
- Martins, G. A. & Theóphilo, C. R. (2009). *Metodologia da investigação científica para ciências sociais aplicadas*. São Paulo: Atlas.
- Qin, X. (2010). The impact of political forces on urban land ownership reform in transitional China. *International Journal of Law in the Built Environment*, 2(3), 206-217.
- Ribeiro, L. C. Q. & Cardoso, A. L. (orgs.) (2003). Reforma urbana e gestão democrática: promessas e desafios do Estatuto da Cidade. Rio de Janeiro: Revan.
- Royer, L. O. (2009). *Financeirização da política habitacional, limites e perspectivas*. Tese de Doutorado, Faculdade de Arquitetura e Urbanismo da Universidade de São Paulo: SP.

- UNDP (1997). United Nations Development Programme. Recuperado em 26 de junho, 2013, de <http://www.undp.org/content/undp/en/home.html>
- Unescap (2005). Economic and Social Commission for Asia and the Pacific. Recuperado em 26 de junho, 2013, de <http://www.unescap.org/>
- Wang, Fei-Ling (2005). *Organizing through division and exclusion: China's Hukou System*. Stanford, CA: Stanford University Press.
- Wenze, Y. (2009). *Improvement of urban impervious surface estimation in shanghai using landsat7 ETM+ data*. Chinese Geographical Science, 19(3): 283–290
- Wong, L. & Wai-Po, H. (1998). "Reforming the Household Registration System: A Preliminary Glimpse of the Blue Chop Household Registration System in Shanghai and Shenzhen." *International Migration Review* 32 (4): 974–94.
- Wu, W. (2010). Urban infrastructure financing and economic performance in China. Paper. Richmond, Virginia Commonwealth University: Bellwether Publishing.
- Yu, D. (2002). *Chengxiang Shehui: Cong Geli Zouxiang Kaifang: Zhongguo Huji Zhidu Yu Hujifa Yanjiu (City and Countryside Societies: from Segregation to Opening: Research on China's Household Registration System and Laws)*. Jinan: Shandong Renmin Chubanshe (Shandong People's Press).
- Yusuf, S. & Nabeshima, K. (2008). Optimizing urban development. Paper in China Urbanizes. Washington, DC: The World Bank.
- Zhao, G. (1994). "Looking at China's Urban History from a Macroscopic Perspective." *Social Sciences in China* 15 (3): 171–79.
- Zhu, J. (2002), "Urban development under ambiguous property rights: a case of China's transition economy", *International Journal of Urban and Regional Research*, Vol. 26 No. 1, pp. 41-55.