

The "Brought-Aside" Children: Would Migrant Parents Carry Along Their Kids After 2014 Hukou Reform

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1 Backgound

1.1 2014 Hukou Reform

On July 30, 2014, the Chinese central government proposed "Opinions of the State Council on Further Promoting the Reform of the Household Registration System". One main goal of this reform was to promote new urbanization, household registration system and implement the relaxation of the hukou relocation policy.

Why need the relaxation of hukou restrictions? Actually, there was a huge gap between urban and rural economic development and lots of rural residents moved to urban areas to search for better jobs at that time. However at the same time, big cities had limited urban infrastructure and public services. Therefore, migrants were treated differently based on their hukou status. That is, if they could acquire the local hukou, they could enjoy almost the same welfare as urban local residents. In other words, the hukou is tied to a series of treatments.

To mitigate this situation and increase migrant workers' welfare, the policy asked for the local governments to adjust their hukou registration system based on their city size. The size of a city was defined by the size of its population. The details are shown in Table 1. For example, cities with populations ranging from 1 to 5 million were defined as medium-sized cities and they should properly liberalize their hukou registration system for migrants people who had stable work and somewhere to live.

Table 1: Three Types of Cities of 2014 Hukou Reform

Population Level	Type	Restrictions	Reform
< 1 million	small	no restrictions	full liberalization
1-5 million	medium	stable work, somewhere to live	properly liberalize
> 5 million	big	stringent restrictions	develop

The policy indicated that except for extremely large cities, all small and medium-sized cities should liberate their hukou restrictions. Based on Zipf's curve (shown in Fig 1) from 2014, we could see there were many medium-sized cities.

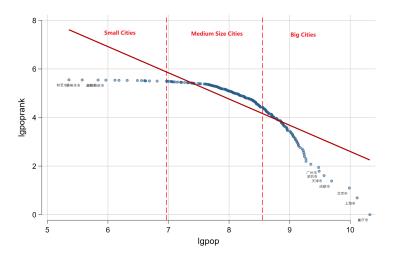


Figure 1: Zipf's Curve in 2014¹

Furthermore, the policy suggested some approaches to better protect the lawful rights and interests of rural migrants and other permanent residents like expanding access to public services. Specifically, it suggested local governments comprehensively provide government-subsidized vocational skills training services for rural migrants, increase support for entrepreneurship, promote employment of rural migrant labor and so on. For migrant children's education, the policy also stipulated ensuring their equal right to education as local urban students like the gradual implementation of the migrant children to take local high school entrance examination and college entrance examination.

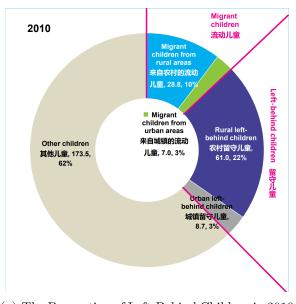
In summary, the 2014 hukou reform was a further adjustment of the initial hukou migration policy and tried to steadily promote the welfare of all permanent population in urban areas.

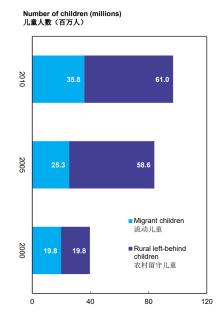
1.2 The Left-Behind Children

The left-behind children are children whose parents have migrated and who remain in their place of origin and cannot live with their parents. Rural left-behind children refer to left-behind children whose household registration is in rural areas while urban left-behind children refer to those with urban hukou. My concentration is rural left-behind children here because they lack urban hukou and are without accompanied by parents, which means they

¹The data source is from the CEIC database. Some cities didn't have population data, especially for some small cities.

not only couldn't enjoy urban social security and are left behind. The sad fact was that in 2010, before the hukou reform, there were 22% of rural left-behind children, constituting nearly a quarter of the total population of children. From Fig 2, we could see there were nearly 61 million children left behind in rural areas, 2010.





(a) The Proportion of Left-Behind Children in $2010\,$

(b) The Total Population of Left-Behind Children in 2000, 2005, 2010

Figure 2: Proportion and Total Population of Left-Behind Children²

Moreover, half of the left-behind children in rural areas are concentrated in the six major labor-exporting provinces of Sichuan, Henan, Anhui, Guangdong, Hunan and Guangxi, which are denoted in the darkest blue color in Figure 3.

Left-behind children in rural areas were very common before the hukou reform. And it is worth people's attention.

2 Literature Review: Hukou Matters

From the above social situation, we know hukou status is tied to a series of treatments, including the basic coverage of urban public services. Also, a bunch of literature finds hukou status indeed matters.

²Source: Child Demographics in China 2013

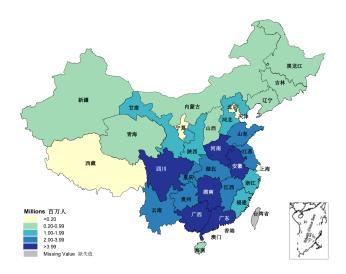


Figure 3: Rural Left-Behind Children for Each Province in 2010²

He and Luo, 2020 found the increase in hukou restrictions will increase the wage of urban low-skill work since the restrictions mostly work on low-skilled workers, while cities always welcome high-skilled workers, thus generating the supply and demand mismatch of low-skilled work and lifting the wages. As for the more evident migration phenomenon, Jin and Zhang, 2023 also found out that the increasing hukou access substantially and persistently increases migration, especially for young and low- and medium-skilled workers. There are also lots of research exploring the impacts of hukou status on labor mobility, employment, decision to buy houses and etc (Bosker et al., 2012; Y. Chen et al., 2019; Feng et al., 2023). There are also research trying to evaluate the effect of hukou reform, they found out hukou reform could increase migration, labor mobility, labor market flexibility and reshape the unfairness perceptions (Jin and Zhang, 2023; Bosker et al., 2012; Wang et al., 2021; Lin et al., 2024).

As hukou status plays an important role in migrant workers' behavior, decision making and welfare, it also affects their children's education. Y. Chen and Feng, 2013 found the migrant kids couldn't enjoy the same education as urban children for the lack of local hukou. Local hukou indeed means a lot to migrant people.

3 Theoretical Analysis: "Bring Along" or "Leave Behind"

3.1 Migrant Parents' Decision about Bringing Kids Along

Recall my research question, I want to analyze will migrant parents change their decision from leaving their children behind to bringing them along after the 2014 hukou reform. For the theoretical analysis part, I will start with the push and pull forces that contribute to this decision-making.

3.1.1 The Push Force: The Unwilling Departure

Firstly, most migrant parents indeed want to carry their kids to the big city but have no way. They want to accompany their kids side by side and let them enjoy higher-quality education as well as other social benefits in big cities. However, due to the high cost of living in cities, those without local hukou struggle to afford their own expenses, let alone with their children.

Since it's apparent that most parents don't want to separate from their kids, I'd like to emphasize more on the role of education. As we are turning into a more skilled-oriented economy and gradually realizing the importance of education, parents value the quality of children more than quantity nowadays. Bau, 2021 proposed that parents see their children as financial support in old age, which is based on to study of whether policy changes culture by analyzing the outcome of pension plans in two countries. Recent studies also found a striking fact that children's education matters for parents' health and cognition(Ma, 2019). Also, we are very familiar with the phenomenon of high housing prices in school districts and some buzzwords like Gaokao migration (Black, 1999; Li and Zhang, 2023). In a word, parents all care about their children's education, no matter whether they are from rural or urban.

However at the same time, the migrants are facing the reality of high living costs and intensive work in big cities. The first thought of working in big cities is to find better

job opportunities for most migrants. But due to their low skills and limited education, they largely enter some low-value-adding or streamlined work, like construction, delivering, which is low-paid while high-intensity. The low pay means they could hardly afford a whole family's expenses while intensive work means limited free time with children. The reality is that a large number of migrants live in some informal housing in bad environments to limit housing expenses (Niu et al., 2021). They are very thrifty and hardworking, trying to save more in the expensive cities.

In summary, migrant parents desire to bring their children along with them to provide them with better opportunities for education, social welfare, and most importantly, to be with them from the bottom of their hearts. However, the reality incurs many constraints. In other words, they will bring their kids immediately as long as there is an opportunity to change the situation, which serves as a pull force in their decision-making right after the hukou reform.

3.1.2 The Pull Force: Hukou Reform

The hukou reform really provided the migrant parents with this opportunity. The 2014 hukou reform proposed steadily promoting the coverage of basic urban public services.

On the one hand, migrants could enjoy some social benefits, which lowers their living costs. The social benefits covered a range of services, including employment services, basic old-age care, and basic medical and health care. The policy also suggested developing the urban housing security system, which should ensure the basic housing needs of migrants.

On the other hand, the reform stipulates ensuring equal access to education for these brought-aside children like access to compulsory education, high school entrance exam as well as the college entrance exam. Y. Chen and Feng, 2013 actually found a significant proportion of migrant children in China are not able to attend public schools for lack of local hukou. The policy's direct provision could somehow mitigate this situation and reduce parents' concerns about the unequal treatment.

Therefore, the 2014 hukou reform indeed serves as a pull force, together with the push force of parents' initial strong incentives to bring their kids along, changing many migrant

parents' decision from leaving their kids behind to bringing them along.

3.1.3 Evidence from Literature and Data

There is a bunch of research and data to prove my above analysis that migrant parents brought their kids along after the 2014 hukou reform.

Hsu and Ma, 2021 found a striking contrast in migration patterns between 2005 and 2015 that rural people tended to move more to large cities in 2005 but more to small- and medium-sized cities in 2015. Recall the different treatments to these 3 types of cities shown in 1, small- and medium-sized cities are actually cities with more liberated hukou registration restrictions. Also recalling the reform took place in 2014, this pattern shows the change of migrating location choosing.

Also, looking at Fig 4 vertically, we could see the difference between the green line (left-behind children share in 2010) and the blue line(left-behind children share in 2015) is much larger compared to the difference between the blue line (left-behind children share in 2015) and yellow line(left-behind children share in 2015). This big gap indicates there are indeed fewer left-behind children after the 2014 hukou reform, and also this change took place right after this reform, further proving the strong incentive of migrant parents.

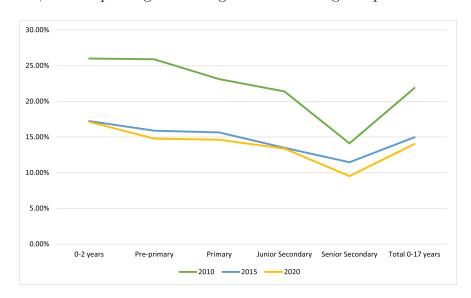


Figure 4: The composition of China's left-behind child population in 2010, 2015, 2020³

What's more, compared to the share and total population of rural left-behind children in

³Data Source: What Census Data Can Tell Us About Children in China: Facts and Figures

2010, which is 22% and 48.27 million, the values turn to 15% and 20.51 million in 2015 from Fig 5. Here, we could also see the urban left-behind children's share and total population increasing. The reason partly comes from urbanization, which changes the area attribute from rural to urban. But from this decreasing trend, we could still conclude that more children are moving with their parents.

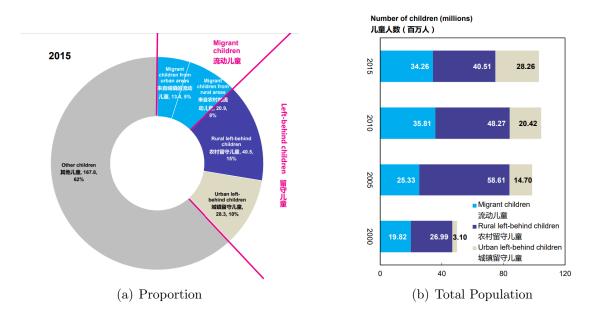


Figure 5: Proportion and Total Population of Left-Behind Children⁴

3.2 Why Still Exist Left-Behind Children

Though the proportion and total number of rural left-behind children are decreasing, there still exist left-behind children. Why some migrant parents don't change their decision? The reason is from their initial goal of migration.

Migrants move in search of opportunities, seeking higher incomes. Therefore their first orientation is the big city, which is usually thought with high income and high living costs. Many migrants work very hard and live a thrift work, trying to earn more and cost less (Lee et al., 2021). Take delivering work in Linyi⁵ as an example, there was an article caused a lot of discussions⁶. In this article, Professor Xing told about his experience of one month delivering work and found it very hard. He worked more than 10 hours every day on average

⁴Source: Child Demographics in China 2015

⁵Linyi is one of the big cities in Shandong Province, with 11.018 million changzhu people in 2020

⁶Ref: In the winter of 2022, I delivered food in Linyi City

and earned about 7 thousand by delivering more than 2 thousand orders. We may feel astonished by this low payoff, but the harsh reality is that in small- or medium-sized cities, the payoff is even lower due to limited demand for ordering food. That shows the huge income gap between big cities and relatively smaller cities, even for these low-skilled jobs. It also means that though big cities were not liberating their hukou registration restrictions for most low-skilled migrants, many migrants still chose to move there to seek higher incomes.

This phenomenon also correlates with migrants' age (Jin and Zhang, 2023). We have heard a lot about young migrants working very hard in big cities for several years and then "early retire" to smaller cities. Singapore and Malaysia could also be a good example to explain this phenomenon, where Singapore offers much higher wages with high living costs while Malaysia is with much lower living costs but lower wages. Back to my analysis, those choosing to bring along their kids after hukou reform are largely middle-aged workers, who may have earned some money in big cities and had some savings to support their living in smaller cities though there will be less income.

Therefore, as migrant parents, they are facing this hard-to-decide trade-off. Whether to bring their kids along to smaller cities, facing relatively lower living costs but also a lower payoff or still leave behind their children trying to earn more in big cities, it depends on not only the jobs migrants are doing in big cities, but also their different attributes like age, gender.

3.3 Current Situation

Actually, the analysis is based on the 10-year-ago policy. During this decade from 2014 to 2023, we are encountering many different situations. The all-aspect poverty alleviation, decreasing cross-regional income gap and the general increase in human capital (Messinis, 2013) somehow show the increasing welfare for the poor people. I specifically want to analyze the different patterns brought by the higher payoff of migrants from the perspectives of Lewis Turning Point and the decreasing cross-regional income gap.

3.3.1 From Lewies Turing Point

Recent literature is trying to show the existence of Lewis Turning Point in China and connect it to the inequality issue (Ravallion and Chen, 2021; Kanbur et al., 2021). From the theoretical analysis of Lewis Turning Point, it means the supply of low-skilled labor is no longer perfectly elastic, pushing up the relative wages. Since a large number of migrants are in these low-skilled type jobs, they will be offered higher wages, thus a higher ability to afford the costs in big cities.

3.3.2 From Decreasing Cross-Regional Income Gap

The National Bureau of Statistics in China published that the income gap between regions was decreasing year by year. From 2011 to 2020, the relative gap between the per capita disposable income of the provinces with the highest income and the lowest income decreased year by year, from 4.62 in 2011 (the ratio of the income of residents in Shanghai to Tibet) to 3.55 (the ratio of the income of residents in Shanghai and Gansu) in 2020, which is the lowest level since the beginning of the new century⁷. It potentially means the wages in smaller cities for migrant workers to earn are increasing, therefore generating more attraction to rural migrants.

In brief summary, people become generally better off during the last decade, which also means more choices for migrants. For big-city choices, they are generally provided with higher wages, helping them live a better life in big cities. Simultaneously, some initially lagged behind small cities are also taking off, offering workers higher wages. Besides the better economic conditions, migrants all also equipped with higher skills, which helps them better match jobs and enjoy higher payoffs.

4 Conclusion

In this paper, I analyze the migrant parents' child-carrying choice from two aspects. The strong incentives to bring children along serve as the push force while the hukou reform's

⁷Ref: Answering questions from reporters at the press conference of the white paper "China's All-round Moderately Prosperous"

widespread benefits serve as the pull force, altogether contributing to the change of migrant parents' decision-making. Specifically, the strong incentives come from parents' desire to accompany kids, the more important role of education and concerns about kids' mental health. Simultaneously, the hukou reform stipulated small- and medium-sized cities to liberate their hukou registration restrictions and cover basic social security for migrants.

Besides theoretical analysis based on a bunch of literature, research and data also show evidence of the decreasing proportion and total population of rural left-behind children from 2010 to 2015. But we are also considering why there still exist left-behind children. The reason sources from people's initial goal of migration, which is to seek higher incomes. The harsh reality is that the wage gap between different cities is of big difference. Facing this income and kids-accompanying trade-off, migrants at older ages tend to carry along their kids because of relatively sufficient savings from hard work in big cities.

However, during the past decade, we have encountered different situations. Generally speaking, people are better off. For migrants, they are mostly paid higher wages, thus having more budget to reconsider this kids-carrying decision. I dug into two prevalent phenomena, the Lewis Turning point and the decreasing cross-regional wage gap, concluding that both big cities and small or medium-sized cities are offering higher wages to workers.



Figure 6: The barrier that segregates the campus into two parts⁸

For further exploration, we should also pay attention to the migrant children and urban left-behind children issues. From Fig 2 and 5, the proportions of these two types of children are becoming larger. On the one hand, when migrant parents carry their left-behind children to cities, kids become migrant children. And even after the suggestions of equal education access to migrant children from the hukou reform policy, they still face some unequal treat-

⁸Source: Elite Primary School Segregates Campus to Keep Migrant and Local Children Separated

ment⁸. To better assure the equality of education, the government should propose more effective policies to help tackle this problem. Moreover, we are surprised about the surging urban left-behind children, which partly comes from urbanization and the fact that migrants also come from small cities. In 2020, the number of urban left-behind children has increased from unknown in the early days to 25.16 million, accounting for 37.6% of all left-behind children⁹. As almost all of China's institutional designs for left-behind children are concentrated in rural areas, the government should also start to design systems for left-behind children in urban areas.

⁹Ref: Child Demographics in China 2020

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