

# **China's Household Registration (*Hukou*) System: Discrimination and Reform**

**Friday, September 2, from 2:00 - 3:30 PM**

**Room 2168 of the Rayburn House Office Building**

**Statement of**

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I would like to take the example of migrant children's access to education as an illustration of the institutional exclusion created by the *hukou* system as described by Professor Wang in his book.<sup>1</sup> My presentation will mainly draw on the fieldwork I have been carrying out for four years in Chengdu, capital of Sichuan province.

I will first recall the impact of the *hukou* system on migrant children's access to education as it appeared at the beginning of the 2000s and is still prevalent now. But as education is a determining factor in a country's development and involves individuals' rights as much as state's interests, there has been room for many recent improvements. I will thus give an overview of these developments as well as the forces at stake in the evolution process by citing concrete examples, and I will finally endeavor to weigh the impact of the reforms.

## **The impact of the *hukou* system on migrant children's access to education**

Despite the fact that China recognized in its Constitution (1982) the right to every citizen to receive an education and in 1986 introduced in its legislation a system of compulsory education lasting nine years for every child from the age of six or seven, the administrative system of the *hukou* still prevails over the legislation and prevents migrant workers' children from receiving a proper education.<sup>2</sup> According to this system, belonging to society is still a function of one's place of registration. Local governments guarantee the education of children, like all other social rights, only for their own constituents, resources being allocated according to the number of permanent residents. Migrants' children were completely excluded from urban education system until 1998, when they gained the right to enroll temporarily in urban schools on the conditions of being registered with a host of administrative organs and paying "Temporary Enrollment Taxes" that could reach several thousands yuan a year. As the vast majority of the migrants are illegal immigrants who cannot afford such high schooling fees, private schools, sometimes set up by migrants themselves, started to spring up in response to the needs of these children in the major urban centers in the mid-1990. In return of very low enrolment fees (300 yuan a semester for the first year of primary school in the mid-1990, 600 yuan now), pupils had to put up with deplorable sanitary, security and teaching conditions. Moreover, as most of these substandard schools have no legal status, they cannot award certificates for courses completed, which is a considerable problem when the students wish to re-enter a state school or have the level of their studies recognized for the purpose of finding a job. Established out of the control of the state, these schools are routinely banned and demolished without the authorities worrying about placing the children in other schools.

## **Public outcry**

Education is not only an ethical question that recently crystallized the debate over citizenship in China; it also involves economic development and social stability, which are of great concern to the Chinese state. This is the reason why Chinese authorities were particularly receptive to the public outcry over this issue. Following the rising number of migrant children in the cities (two to three million in 1996, seven million

now), solving their education problem became increasingly urgent. Over the past few years, this problem triggered a public outcry supported by scholars, journalists and also some political figures and organizations that warned against the economic, social and possibly political price the country might pay in a near future if this social injustice was not addressed. Preeminent scholars, some of whom belong to government think tanks, have over the past few years, published detailed reports submitted directly to the government.<sup>3</sup> Scholars' concerns have been echoed by some political figures. In 2002 and 2003, Chinese People's Political Conference members and National People's Congress representatives, especially the Communist Youth League, warned that if migrant children remained on the fringe of society and were not equally treated it would generate resistance to society. At that time indeed, many reports showing increasing criminality and delinquency among migrant workers were released. I also noticed through my fieldwork inquiries that migrant workers whose children faced unfair treatment tended to question *hukou's* legitimacy, saying that they were "Chinese citizens" or "Sichuanese citizens" just as urban dwellers and should be treated equally. At that time, the press started to support this point of view by publishing papers mentioning the need of equal treatment among citizens, especially as far as education was concerned.

### **Evolution of the central policy**

As previously mentioned, the central state first acknowledged the necessity for migrant children to receive an education in 1998. In May 2001, the State Council published a *Decision on the Reform and the Development of Basic Education*, that mentioned the need to take account of the education of migrant children by making their acceptance in public schools a priority. But this document did not address the problem of temporary enrollment fees. In August 2002, the Chinese Ministry of Education convened a working session mainly devoted to the problem of private schools and called upon local governments' responsibility in better controlling and supporting these schools. However, these were more symbolic acknowledgments of the problem without any precise or compulsory directives and had little impact.

A major step forward was made in January 2003 with the issuing by the State Council of the *Ruling on Successfully Managing the Employment of Rural Farm Workers in the Cities and their Access to Public Services*. This document carried a clause stipulating that "the right to compulsory education for children of migrant workers must be guaranteed". Local governments are required to take steps so that these children can enjoy the same teaching conditions in state schools as city residents do and support any "substandard schools" by bringing them into the development plans for education and helping them to improve their material and pedagogical conditions instead of eliminating them. Finally, urban governments are required to devote a part of their budget to the education of these children. In September 2003, the State Council issued a more detailed document<sup>4</sup> providing that governments of destination cities will be responsible for the nine-year compulsory education of the children of migrant workers. The education of these children should be included in the general social development plan of the cities and local governments should channel more funds to run public schools where migrant children should be mainly enrolled. Private schools should benefit from preferential conditions to obtain permits and enjoy special support and monitoring from local authorities.

Migrant children's access to education was made a main topic of the annual session of the NPC in March 2004 by Prime Minister Wen Jiabao. In February, in the wake of the session, all the media were told to report on the issue. This actually saved many private schools that were bound to be banned, such as Doushi School in Chengdu. This school, located in Jingniu district, opened its doors after the Chinese Festival holidays and immediately received a notice of closing issued by the district government. The parents of the 200 children already enrolled in the school spontaneously contacted the local press that published an article entitled: "Closure of Illegal School Leaves Migrants' Children Wanting To Be Treated as Citizens"<sup>5</sup> and stressed local authorities' responsibility in providing education to migrant children. China Central Television read the article and went to Chengdu to shoot a report on the school, followed by local television stations. The ban was immediately revoked and the school was promised to obtain a license very soon. The 2004 annual session of the NPC made two important decisions to improve migrant children's access to education: first it proposed to inscribe in the Constitution migrant children's right to receive an education and second it

announced the suppression of the Temporary Enrollment Fees in September 2004.

### **Enforcement of central policy at the local level: the case of Chengdu**

Chengdu municipality followed quite well the central guidelines and did a lot recently to improve migrant children's access to education. These improvements are due to favorable political conditions in the Sichuan capital. First, as more than 90% of migrant workers in Chengdu are coming from Sichuan province, the municipal government's administrative responsibility towards Sichuanese migrants is much stronger than the responsibility of big cities towards migrants from all over China. At least, the provincial government can put pressure on the municipality and compel it to better protect migrant workers' rights. For this reason, conditions for migrants have been traditionally better in Chengdu than in big coastal cities. Second, Chengdu First Party Secretary Li Chuncheng made the "unification of urban and rural areas" the new motto of Chengdu municipality. During a public appearance on September 1st, 2004 he said this "unification" not only means that peasants are to become urban citizens but also that equal rights should be granted to them as far as social and medical insurance, schooling and employment opportunities are concerned. Finally, Chengdu scholars have been very much involved in promoting migrant workers "citizenship rights". Namely researchers from the Institute of sociology of the Sichuan Academy of Social Sciences set up a "Network for Social Support to Chengdu Migrant Workers" in 2002 in collaboration with the provincial Women's Federation and UNESCO. Their commitment in lobbying the authorities and in rising public awareness on this issue undoubtedly had a significant impact. Scholars managed to rally the support of the local medias by convening regular meetings with journalists to explain to them the situation of migrant children. In 2004, they even launched a book collecting campaign and organized social activities for these children in collaboration with local newspapers and renowned companies. The result is that press reports now systematically support the interests of migrant children and almost always side with migrant schools whereas they use to voice local authorities' views in the past.

However, there are always discrepancies between the general and ideal principles devised by the central state and their local implementation. As we will see, new public policies in Chengdu do not aim to accommodate all the children equally: as the fault line between urban and migrant children is still maintained, a new tiered management between different kinds of migrant children also appeared. Let's consider how Chengdu municipality implemented the three central guidelines of enrolling migrant children in public schools, suppressing the Temporarily Enrollment Fees and enhancing the management of private schools.

- *Migrant children's enrollment in state schools.* In December 2003, Chengdu government announced that a public school for migrant children will be opened in each of the five urban districts within two years and that the municipality will invest 20 million yuan to support the financing of these schools by the district governments. In fact, only two new schools were opened, the rest are urban schools that were enlarged to receive children of non-Chengdu *hukou* holders who can not be considered as migrant workers (often white collar workers from other cities). Honghuayan School in Chenghua district was the first to open its doors in September 2003 and can be held as a model. Its early opening was driven by the high concentration of migrant children in this district and the necessity for the local authorities to compete with the growing number of illegal private schools. It provides schooling for the whole compulsory education period from the first year of primary school to the third year of middle school. In October 2004, the school had 1464 students and 54 teachers. The district government invested 3 million yuan in the school and pays the teachers, who are transferred from urban schools. Thanks to these public investments, schooling fees are very low: 302 yuan a semester for primary school and 491 yuan for middle school. Although the material conditions are of lower standard than the ones of the schools for urban children (buildings are prefabricated, the school's acreage is too small for the number of its students, lack of computers etc...), teaching and security conditions meet the urban standards. The school can of course confer state certificates, but many pupils do not have the required level to pass the exams.

School enrollment is subject to the condition of having the "three certificates": *hukou* booklet, temporary

residential permit and the work contract of one of the parents. A tax bill is also sometimes required.

Wuhou district opened Jinghuazheng School in September 2004. The school only provides primary education and has three kindergarten classes. It received urban pupils<sup>6</sup> months after its opening, likely because it was not financially sustainable. Thus, among its 1331 primary students, only 467 were migrant children in November 2004. Among its 51 teachers, some come from urban schools, others are trainees or do not have the credentials to enter better urban schools. The district government invested 4 million, which enables this school to have slightly better material conditions than Honghuayan, but the schooling fees are higher: 551 yuan a semester for primary school. Migrant pupils who do not have the three certificates (which means most of them) have to pay 223 yuans more each semester. The ones who have the three certificates do not need to pay these “Temporary Enrollment Fees” since their education budget is transferred by the administration of their village of origin to the urban district administration and can cover part of the education costs in the city. Computer lessons are charged separately, although the fees are very low (30 yuan a semester). This school is thus more expensive than the previous one, does not cover the whole compulsory education period and have potentially slightly less qualified teachers but has the advantage of mixing urban and migrant children.

From these two examples, we can see that lack of public funding and teachers still remains the main obstacle to migrant children’s equal access to education. Very few pupils can enroll in the public schools created for them. Conditions at these schools are lower than the urban ones and also vary from a district to another according to local government budget.

- *Suppression of Temporary Enrollment Fees.* Starting from September 2004, Chengdu municipality exempted some children from paying Temporary Enrollment Fees. The most recent conditions<sup>7</sup> to meet in order to benefit from this policy were to apply for a “Certificate of Entitlement to Compulsory Education for Children of Migrant Workers” with the street committee to which one belongs. To obtain this certificate, one has to provide the following documents: temporary residential permit smart card of one of the parents and of the child, original of the *hukou* booklet of one of the parents and of the child, recent labor contract, employment certificate and salary slip, proof of registration with the Labor and Social Security Bureau at the municipal and district level, tax bill, schooling certificate of the previous year and school transfer certificate. These conditions are of course too high for migrant workers, most of them working in the informal economic sector, not having work contracts or high enough salaries to pay taxes and being usually not registered with any administration. Even urban people cannot, most of the time, meet these conditions. This policy in fact benefited white-collar workers from other cities or the wealthier and more stable among the migrants’ elite, who thus had an incentive to legalize their situation. However, official statistics show that quite a significant number of “foreign” children benefited from this policy. According to an official in charge of education in the Chenghua district, in October 2004, 17,000 children were exempted of Temporary Enrollment Fees in this district. According to a press report,<sup>8</sup> Jingniu district government allocated 2.5 million yuan for compulsory education subsidies to exempt 13,867 migrant children from paying Temporary Enrollment Fees, 89.64% of them were enrolled in public schools.<sup>9</sup> For those who cannot produce these certificates, Temporary Enrollment Fees still amount between 800 and 1,600 yuan a year in primary school and 2,000 to 3,600 yuan in middle school according to the standing of the school and the class attended.

- *Migrant children’s private schools management.* Because public education still remains beyond the reach of migrant children, the vast majority of them are enrolled in private schools that are around 70 now, up from ten two years ago. In September 2004, Chengdu government acknowledged that the financial efforts it could bare to enroll these children in public schools were insufficient<sup>10</sup> and announced that it would closely monitor twenty private schools without permit to help them to improve their conditions. The ones that would meet the standards after the trial period would receive a license. But very few schools were legalized. At the beginning of 2004, only five schools had a permit, they are now less than ten. In fact, the local authorities’ position towards these schools did not change. They are reluctant to channel more funds and appoint more staff to monitor these schools, they are apprehensive being held responsible in case of accident or if school

directors turn out to be common. Above all, they are very hostile to schools that look dreadful and are perceived as an element of depreciation in the urban landscape. A good indicator of the lack of public commitment towards these schools is that Chengdu municipality has still not issued directives to which private schools for migrant children should abide to obtain a permit. Once the spotlights of the NPC Congress were turned off, Doushi School was never granted a permit and was even demolished last May after a developer bought its plot.<sup>11</sup> Many other private schools, and even Honghuayan public School, are bound to face the same problem in a near future: for local authorities, economic development prevails over migrant children's education.

### **Assessment of the impact of the reforms and their limits**

Public policies in favor of migrant children's access to education do not eradicate the impact of the *hukou* system but enable a more flexible management of this system. These policies first benefit to the children of the wealthier, most stable and legally registered "outsiders" who are held to contribute the most to the economic development of the city, but many of whom cannot be considered as migrant workers *stricto sensu*. Chinese rural migrants are thus treated in their own country in a very similar way to foreign immigrants in the United States, who can be granted with a green card according to their merits and the tax amount they pay. Public policies in favor of migrant children schooling –just like many other recent policies targeting migrant workers- thus function as a tool to filter this population and control urbanization by deliberately excluding the poorest and the transients. Whereas this reform does not erase completely the difference of treatment between urban and migrant children, it has a noteworthy consequence: it creates a tiered management of the migrant population and thus generates new social stratifications within this social category. We now can distinguish five categories of children with different access to education:

1. Those who are integrated in urban public schools because their parents can afford paying the Temporary Enrollment Fees. These children need a temporary residential permit but no other documents.
2. Those who are integrated in urban public schools because they were exempted from paying the Temporary Enrollment Fees. In this case, economic discrimination has been apparently replaced by more stringent administrative discrimination (see *supra* the list of documents that have to be provided), but in fact the conditions to meet in order to enjoy fees exemption favor the wealthier migrants. Children belonging to these first two categories receive the same education as urban pupils but are still discriminated against, whether economically or administratively, not mentioning popular discrimination.
3. Those who are enrolled in substandard public schools. These are the children of legally registered and quite wealthy migrants since a work contract and sometimes also a tax bill are required to register in these schools. But the list of documents to be provided is not as long as the one required to enter a public school for urban children.
4. Those who are enrolled in licensed private schools. These children do not need to be legally registered but tuition fees are higher than in public schools for migrant children. Children belonging to these last two categories do not enjoy as good conditions for education as urban pupils from whom they are generally segregated. However, pedagogy in these schools often better match the needs of these children. At least, their education has official recognition and they can receive course certificates.
5. The vast majority of those who are enrolled in illegal substandard private schools. These are children of poor and illegal migrants. They pay more than the children of categories 2 and 3 enrolled in public schools and are not receiving a proper education.

This typology clearly illustrates one of the key points made by Professor Wang: institutionalized discrimination anchored in the *hukou* system remains while being now coupled with discrimination between the haves and the have-nots. The children who receive State's support are the wealthier and better integrated while the needy children are still denied proper schooling and will likely go back to the countryside to

continue their education. The reforms hence nurture social stratifications and rural-urban socio-economic imbalances.

I should also mention that the children who are enrolled in public schools thanks to state subsidies are only temporarily integrated until the end of the compulsory education period. Entering high school is subject to very high tuition fees and Temporarily Enrollment Fees, and very few migrant children can afford it. Even those who can complete high school in urban areas will have to go back to their villages to take the university entrance exam, which is much more difficult than in the cities, as Professor Wang demonstrates in his book.

Reforms thus do not acknowledge education as a universal right and do not fundamentally call the *hukou* system into question. The proposition made by NPC representatives in March 2004 to inscribe in the Constitution and in the law migrant children's access to education as a personal right to be granted wherever they are living was not followed up with any effects. Both central and municipal governments are opposed to this idea. The central government disagrees because it would have to greatly increase its education expenditures. Indeed, the cost of migrant children's education in the cities could not be simply covered by the transfer of education budgets from the villages, these budgets being much lower than the urban ones. Municipal governments do not favor this proposal because they do not want cities to be flooded with migrant workers who will increase their expenditures and generate the economic blockages analyzed by Professor Wang.

## **Recommendations**

A lot of progress has been made in only two years as more children who are not urban residents can now receive an education. However, the issue is still exposed to institutional blockages and will not be thoroughly solved without bold political and administrative reforms, namely the abolition of the *hukou* system followed by corresponding taxation and redistribution reforms.

However, in accordance with its international and domestic commitments to fully realize the right to education, China should stop using restricted access to education as a way to control urbanization. Given its actual administrative system and limited financial resources, China must take the following practical steps to address the discriminatory treatment faced by migrant children:

1) To allow the existence of private schools for migrant children and subject them to state monitoring. It is the duty of the state to regulate the adequacy of administration, teaching and content of education offered by these schools and to prevent them from mercantilism. Furthermore, providing monitoring and support to private schools is financially less demanding than to accommodate all the migrant children in state schools or setting up new public schools for them. Central and local governments should expeditiously draft clear and consistent regulations under which migrant schools that can meet certain basic criteria can quickly, cheaply and easily obtain legal status. Governments should provide support to these schools to help them meet the same standards of those available in the state schools.

2) To reverse the education's decentralization policies that took place in China during the 1980s and the 1990s, and thus recentralize education expenditure in addition to substantially increase resources for education.<sup>12</sup> One of the reasons why only wealthy and stable migrant families can have access to education is that allocation of resources is still decided locally depending on the number of people legally registered. Recentralization of education expenditure should follow the acknowledgment of increased mobility among Chinese people and enable them to choose the location of the schools their children will attend. Recentralized and increased expenditure for education is the only means to insure that education is granted as a personal right, and should not depend on the status of the parents, such as whether they have any "out-of-plan" children or possess the required permits.



3) Special warning: One of the reasons cited by the authorities for putting migrant children into special classes or “simplified schools”, which are generally of lower quality, is that the children have not achieved the same academic standards as their urban counterparts. Such a reason –a function of the low level of funding provided to rural schools- should not be used as a means to discriminate against migrant children. These special schools or classes sometimes are a way to adapt teaching to the needs of the students. However, they also continue segregation against them and encourage further popular discrimination.

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**Notes:**

1. Fei-Ling Wang , *Organizing Through Division and Exclusion*, China's Hukou System, (Stanford: Stanford University Press, 2005).
2. China also ratified the United Nations Charter on the Rights of the Child and signed –but not yet ratified- the International Covenant on Civil and Political Rights, both of which mention the right to an education.
3. For example , Han Jialing of the Institute of Sociology of the Beijing Academy of Social Science published in 2001 an outstanding report called « Research report on the situation of migrant children of compulsory school age in the municipality of Peking » that had a great impact on Chinese authorities, but Wang Chunguang from the Chinese Academy of Social Sciences, as well as Cui Chuanyi and Zhao Shukai of the State Council’s Research Center for Development also did a great amount of research and lobbying work.
4. *Propositions for Improving the Work on Compulsory Education of Children of Migrant Workers in the Cities*
5. *Tianfu Zaobao (Tianfu Morning Paper)*, February 10, 2004
6. These pupils are in fact children of former peasants leaving in Chengdu suburbs who recently obtained an urban *hukou (nongzhuanfei)*, that is why mixing these urban children with migrants is less problematic.
7. Published in May 2005
8. *Tianfu Morning Paper*, December 10, 2004
9. However, we should keep in mind that official statistics are often not reliable. For example, according to the municipal authorities, there are 1.5 millions outsiders in Chengdu, 80% of whom are migrant workers. Among their 70,000 children, 50,000 are enrolled in public schools and 20,000 in private schools. The first figure is certainly exaggerated and should encompass children of outsiders who cannot be considered as migrant workers. Besides, according to my interviews, one of the most famous principals in Chengdu (Mr Zhou Yongan) set up eleven private schools that have already enrolled 20,000 children and a few other private schools enroll several thousands children each (Caiying School has around 6,000 pupils). I estimate the number of children enrolled in private migrants’ schools at 40,000.
10. According to official figures released by Chengdu authorities, the municipality spends annually 2,000 yuan on each pupil of compulsory school age. Based on 70,000 migrant children to be enrolled in public schools, the municipality has to increase its education budget by 140 million yuan in a year. Chengdu also lacks teachers, who are only 3,000 according to the number of children permanently registered.
11. Land in China still mainly belongs to the state but authorities now start to sell it to developers. Hence, owning real estate is not a guarantee against expropriation.
12. The Chinese state currently allocates only 2.5% of the GDP to education, which represents one of the lowest rates in the world.