The Loss of Rural Labor Force during the Urbanization Process

Changgeng He\textsuperscript{1,a,†}, Hao Xue\textsuperscript{2,b,†}, Hanbo Yu\textsuperscript{3,c,*,†} and Daixi Zhu\textsuperscript{4,d,†}

\textsuperscript{1}Beijing No.2 Middle School, Beijing, 100078, China
\textsuperscript{2}School of Social and Politics, Sociology, Anhui University, Hefei, 230000, China
\textsuperscript{3}School of Media, Film and Journalism, Monash University, Melbourne, 3800, Australia
\textsuperscript{4}Beijing No. 80 Middle School, Beijing, 100102, China

\texttt{a. h18501386988@163.com, b. 412253625@qq.com, c. hyuu0047@student.monash.edu, d. coradaisy@126.com}

\textsuperscript{*}corresponding author
\textsuperscript{†}These authors contributed equally

Abstract: With the continuous deepening of national reform, the continuous emergence of enterprises, and the transfer of rural people to cities and places where enterprises accumulate, resulting in a serious shortage of surplus rural labor, forming the rural characteristics of aging. Solving the problem of losing labor becomes urgent as the shortage of labor influences the development of agriculture. The paper collects and searches information and statistics from several national websites. It shows that social resources are mainly distributed in urban areas, resulting in more people tending to move to cities to obtain better social resources such as education and health care. In addition, China's urbanization has accelerated in recent years, and the gap between urban and rural development inevitably needs to be narrowed. However, the paper has found some solutions to solve the main social contradictions and vigorously implement the rural revitalization strategy by promoting the development of high-quality agriculture and the income growth of agricultural employees. Also, producing characteristic agricultural products and enhancing investment in agriculture is essential. Finally, financial aid from the government is necessary.

Keywords: Urbanization, labor force, economy

1. Introduction

China’s urbanization rate rose from 17.9 percent to 60.6 percent from 1978 to 2019 [1]. The main reason why a large number of young and middle-aged workers leave the countryside is that the household income in rural areas is lower than that in urban areas. Urbanization should be a gradual integration, first from first-tier cities, and provincial capitals to towns. Reality shows that the influx of migrant workers into large and medium-sized cities and eastern cities has led to the emergence of the characteristics of China's population mobility, namely "peacock flying southeast", where they can obtain relatively stable employment and higher income, but due to the high housing prices and household registration threshold in developed areas, they are mainly engaged in labor-intensive industries and service industries, with strong substitutability, which makes them unable to take root in cities...
smoothly. Rural revitalization must be "people-oriented" and emphasize the leading position of farmers. As a result, the government plans scientifically and strengthens industrial support and talent support while conforming to the trend of population mobility, to facilitate the development of rural areas and bridge the gap between urban and rural development. This paper would be helpful in alleviating the problem of losing labor in urban areas, which can improve economic development furthermore.

2. Reasons

In the past few decades, Chinese development and its economy have depended on globalization. Through the continuous introduction of foreign capital, the increase in infrastructure investment, and urbanization, this has not only led to high economic growth but also brought into full play the advantages of labor resources and trained a large number of industrial workers. In China, the deepening cooperation between enterprises and local governments has promoted the development of a series of enterprises, making more enterprises need a large number of laborers to maintain their development, thus making migrant workers from rural areas the best choice. Usually, in rural areas, these farmers do not have access to good development and income, but with the emergence of more and more enterprises and cities, farmers enter cities as cheap labor [2]. This is because, before the reform and opening up, China's social structure was still an agricultural society, but after that, with the establishment of a socialist market economy, more and more farmers choose to work for a living. Another important reason for the migration of migrant workers to cities is the urbanization process of China's quota, which means an increase in the number and size of cities. For this reason, the government has invested more in cities to attract labor to participate in urban construction, in which migrant workers play an important role, while the increase in the number of cities and the expansion of urban space have led to the concentration of population in urban areas [3]. This is influenced by strong government support and changes in environmental factors. During the 1997 Asian financial crisis, the Chinese government responded to the financial crisis by building infrastructure to increase employment and reduce unemployment, while building infrastructure for subsequent urbanization [4]. To some extent, this has promoted regional urbanization, with the emergence of urban agglomerations in the Chinese economic regions, while surrounding towns and villages have suffered from labor loss due to the employment opportunities provided by urbanization.

2.1. Theoretical Foundation

In the 1960s, E. S. Lee, an American scholar, claimed that a systematic theory of population migration, namely the "push-pull theory", which divided the factors affecting population migration into "push" and "pull". He believed that the former were negative factors because these factors prompted immigrants to leave their original residence, while the latter were positive factors. Because these factors attract migrants to live in urban areas. According to the characteristics of China's urbanization development, the "thrust" affecting the transfer of rural labor force to cities is mainly the low efficiency of agricultural production caused by the decentralized and extensive management of agriculture, the imperfect infrastructure supporting in rural areas, and the low ability of agriculture to absorb employment, while the "pull" affecting the transfer of labor force is mainly the secondary and tertiary industries in the urban area, which is creating many employments, as well as better development prospects and perfect infrastructure support.

3. Case Study

According to the case study of Cui Huimin and Wang Zhihao on province S, the key point of rural revitalization policy is cultural revitalization and education revitalization, and province S shows obvious urban-rural differences in the allocation process of education resources [5]. At the beginning
of the reform, the towns in S Province were the center of social and economic development, and the financial investment in education in the towns was significantly higher than the investment in the villages, and the villages had to pay part of the expenses themselves. The first is in the financial investment field. Obviously, it’s very difficult for rural areas to catch up with the quality of urban education with insufficient financial investment while cities and towns can build high-quality teacher teams and high-quality education facilities with more financial investment. This has caused the gap between urban and rural education levels to be widened. Secondly, in terms of social resources input, the level of economic development in province S directly affects the level of per capita annual income of residents, which has an important reference role for teachers’ salaries and has a great impact on the level of per capita funding for urban and rural students, and areas with high levels of economic development can afford higher levels of teachers' salaries and student input, which widens the gap between urban and rural education. Third, there is an imbalance in the structure of teacher resource input; young, highly educated teachers are rarely willing to teach in rural areas due to the inconvenience of living and salary implications, which leads to the age structure, knowledge structure, and teaching methods of rural teachers becoming aging. Traditionally, China has always valued education, and as more parents migrate to the cities to work, they want better quality education for their children, so more and more parents are considering taking their children out of the countryside due to the "push" of low education standards in rural areas and the "pull" of quality education resources in the cities.

3.1. The Beginning of Urbanization

Looking at the context of China's urbanization development, the thing that could be found that China's urbanization process shows different characteristics in different periods. In the planned economy period, because China's industrialization needs the support of agriculture, and urbanization needs a large number of the rural labor force and other factors of production to concentrate in the city, the driving force of urbanization in this period is mainly driven by administrative means, such as the adjustment of the national industrial layout planning, such as the "three-line construction", and the "three-line construction". After enrollment, rural college students changed from rural household registration to urban household registration and settled down in the city to become urban residents. During this period, the overall urbanization development was at a low level and developed slowly. After the Third Plenary Session of the Eleventh Central Committee of the Communist Party of China, the state has made guidance to concentrate on developing agriculture. Because the construction of infrastructure such as agricultural water conservancy in the early stage tends to be perfect, coupled with the development of agricultural technology and the increase of unified purchase price, agricultural productivity has been greatly improved. On the one hand, it has accumulated the material basis for urbanization. On the other hand, the reduction of agricultural labor demand provides more adequate labor security for the development of urban non-agricultural industries. The urbanization before the urban reform from 1978 to 1984, on the one hand, because a large number of educated youths returned to the city for employment, and several rural students were admitted to colleges and universities after the resumption of college entrance examination, on the other hand, with the development of the urban market, some agricultural population entered small towns, and a large number of temporary urban residents appeared [6]. In addition, as the state increased investment in urban construction, this period showed the characteristics of "first entering the city and then building the city", while the emergence of township enterprises also absorbed part of the labor force from the countryside.

3.2. The Rapid Development of Urbanization

Since the middle of the 1990s, with the establishment of the socialist market economic system and
the entry of a large number of foreign capitals into China after China acceded to the WTO, China's urbanization process has accelerated significantly. In addition to township enterprises, urban labor-intensive industries have become the main force to absorb the rural labor force in this period. Under the combined effect of a large number of employment needs and the income gap between urban and rural areas, China's urbanization process has been accelerated. A large number of young and middle-aged rural labor forces went to cities to seek higher labor remuneration, and the number of rural labor transfers to cities increased sharply [7]. At the same time, due to the expansion of the urban population, a large number of service industry employment demand has been generated, which is also the main industry to absorb the agricultural transfer population. The transfer of a large number of agricultural populations to cities and southeastern coastal areas has promoted rapid economic development, but at the same time, it has also brought some problems, such as the "hollowing out" phenomenon in rural areas, that is, young and middle-aged labor force goes out to work and the elderly, women and children in the family stay in rural areas. As China's agricultural industry is still mainly in the extensive development of small-scale family management, the proportion of agricultural input and output is lower than that of industrial labor and service industry, so the problem of low attraction of agricultural industry for labor force will become more prominent in the rapid development stage of urban economy, which leads to a large number of rural labor force flowing to cities.

The huge gap between urban and rural infrastructure caused by rapid urbanization is one of the reasons for the loss of the rural labor force. The term "infrastructure" in this context includes health, education, social services, etc. It is manifested in the trend of the concentration of high-quality medical resources and educational resources in cities.

### 3.3. The Difference Between Urban and Rural Infrastructure Construction

From 1921 to 1941, the development of China's medical and health services was backward, with an average life expectancy of only 35 years, a maternal mortality rate of 1,500 per 100,000, and an infant mortality rate of 200 per thousand. The main national health indicators were far below the world average. When the People's Republic of China was founded in 1949, the government, based on the basic health situation at that time, put forward the health policy of "catering to workers, peasants, and soldiers, putting prevention first, unifying traditional Chinese medicine and Western medicine, and combining health work with mass movement". Cities mainly provide free health care and labor security health care, and the main body of diagnosis and treatment is mainly professional doctors. The rural cooperative medical care system was widely established in rural areas, and the main body of diagnosis and treatment was mainly medical staff who had received short-term training. They could provide primary medical services in relatively backward rural areas, and their identity of "half agriculture and half medicine" was affectionately called "barefoot doctor" by farmers. During this period, the gap in basic medical services between urban and rural areas was not large. But some serious diseases still need to be treated in city hospitals. With the rise of rural and urban reform, the speed of urbanization has accelerated, because of the gap between urban and rural income and personal development prospects, a large number of medical practitioners and medical students choose to enter urban hospitals for employment, rural areas lack the attraction for young medical staff, and the focus of investment in medical and health services is on urban areas. During this period, the medical facilities and the level of diagnosis and treatment improved rapidly in cities, while in rural areas, although the government's investment in public health services increased year by year, the rural medical and health services still can only provide primary medical services, and there are some problems such as older employees, aging knowledge structure, poor and obsolete medical facilities, and the uneven distribution of medical resources has been aggravated. Therefore, optimizing the spatial distribution of high-quality medical resources and promoting the optimal allocation of medical resources are of great practical significance for the implementation of the "Healthy China" strategy.
The inequality of educational resources also promotes the flow of the rural population to cities. The key point of implementing rural revitalization lies in talents and culture, and the revitalization of rural education is the basis of promoting rural revitalization. As a public product, basic education has the characteristics of non-competitive and exclusive consumption, which determine that educational resources need to rely on government allocation to a certain extent, and increasing investment in rural public goods can improve the income of villagers [8]. At present, the main problem of rural education is the lack of total investment in educational resources, which is manifested in the backward educational facilities in rural areas, the lack of attraction for teachers due to lower salaries and more difficult conditions, and the gradual "aging" of the age structure of rural teachers and the imbalance of academic structure caused by the above reasons. For a long period, because the government's investment in educational resources in rural areas is limited to a certain extent, more students follow their parents to study in cities, resulting in the loss of students in rural schools, some schools have to consider merging because of the loss of students, but the other impact of the merger is that students commute. It further exacerbates the possibility of student loss. In this case, compared with urban areas, rural areas not only lag in the overall economic development but also gradually widen the gap in the investment of educational funds and the development of educational undertakings. The educational financial funds and facilities used for the construction and development of educational undertakings are more inclined to urban areas, which to a large extent interferes with the scientific allocation of educational financial resources.

As China's urbanization has made great progress in a short period, the contradiction of the gap between urban and rural development in the process of urbanization has been highlighted in a short period. At present, the main social contradictions in China have been transformed into the contradiction between the people's growing demand for a better life and the unbalanced and inadequate development. The gap between regional development and urban-rural development has become an important realistic factor restricting people's growing need for a better life. How to solve the gap between urban and rural development has become the key to solving the main social contradictions and vigorously implementing the strategy of rural revitalization (See Figure 1) [9].

![Figure 1: Change in Urbanization Rate in China](image-url)
4. **Suggestion**

Vigorously develop intensive and efficient agricultural production and promote the transformation of agricultural production from extensive development to intensive and efficient development. Continue to strengthen the construction of high-standard farmland, comprehensively promote irrigation methods, high-quality seeds, and agricultural mechanization development, promote the quality of agricultural development and agricultural workers, income growth, thereby enhancing the wishes of the young workers engaged in agriculture, improving agriculture practitioners of knowledge structure, age structure and promote the development of agricultural science.

Guide urban industrial capital to invest in agriculture, develop the deep processing of agricultural products, extend the industrial chain, increase the added value of agricultural products, and promote rural labor to achieve "local employment and income increase", so as to increase local employment and employment opportunities for rural youth.

Guiding rural youth groups to return home and start businesses Give fiscal and tax policy support, make full use of young people's familiarity with the network, make full use of the advantages of the network, combine the characteristics of characteristic agricultural products, develop characteristic agricultural e-commerce, and promote the income of agricultural practitioners.

5. **Conclusion**

Generally speaking, to sum up, the process of rapid urbanization in China, the most important considerations are the "urban-rural dual structure" and the adjustment of economic factors and industrial development. Urban-rural dual structure refers to the coexistence of small-scale peasant production and urban economy, the difference between urban and rural household registration in the social security system, and the strict barriers between urban and rural household registration. The transformation of the rural population to the urban population is mainly through enrollment, marriage, and promotion of cadres. Therefore, in this period, the main reason for the "urban-rural dual structure" lies in the need to establish a social management model adapted to the characteristics of the planned economy and maintain it through administrative means. In the stage of the socialist market economy, with the gradual relaxation of household registration barriers, the development of urban labor-intensive industries and individual industrial and commercial economies, and the resulting increase in the demand for employment in secondary and tertiary industries in cities and towns, China's urbanization has entered a "fast lane" at this stage, and more and more rural population has begun to move to cities. To seek more labor remuneration than agricultural production. The way of urbanization dominated by economic factors has been formed, that is, the inflow of rural surplus labor into cities has provided a large number of laborers for urban development and promoted the development of the urban economy.

**References**


