CHINA'S RURAL ECONOMIC REFORM IN THE PAST 40 YEARS

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Outline

- 1. Introduction the institutional roots of rural-urban gap before 1978
- Reducing exploitation of agriculture by industry during 1978-1994
- New exploitations of the rural economy by heavy taxation and land expropriation (1994-2004)
- Rebuilding the economy and society in the countryside after 2005
- The remaining issue: closing the differences in social rights between the rural and urban residents

I. Introduction – institutional roots of rural-urban gap before 1978

Development strategy before 1978

- China's choice of rural institutions was not entirely due to the ideology of socialism. Indeed CCP's initial strategy was to maintain private ownership over land.
- What was the major task of China (and other socialist countries) at that time?
 - To catch up with the western countries in economic level.
 - To build up a strong military force that can deter the possible threat from the West.
- What strategy could China adopt?

Reference for this section: 林毅夫,蔡昉,李周《中国的奇迹:发展战略与经济改革》,中文简体字版,上海人民出版社,1994;中文繁体字版,香港中文大学出版社,1995;英文版,香港中文大学出版社。

"Heavy Industry First" (優先發展重工業).

- This strategy was adopted by Stalin (斯大林) in USSR.
- Roughly speaking, heavy industry produces "producer goods" (生產資料) while light industry produces "consumption goods" (消費資料).
- Given a fixed amount of resources, we can choose to allocate the resources to produce
 - (1) producer goods,
 - (2) consumption goods
- Putting more of them into the heavy industry implies a faster expansion of the production capacity (at the expense of current consumption). Thus, the output level in the next period will be higher than what we have when we invest more resources in light industry.

Why was it difficult to implement such a strategy?

| Characteristics of heavy industry | | Economic environment | | |
|-----------------------------------|---|----------------------|---|--|
| | Large amount of capital was needed. | | Raising capital was not an easy task. | |
| | Projects had long construction period. | | Interest burden could be too heavy to firms | |
| | Importation of technologies would remove technological bottlenecks. | | Exporting goods to earn foreign exchange was difficult. | |

Could the strategy be realised by free market?

- Free market was not consistent with the catch-up strategy
 - Source of capital
 - The population was dominated by rural residents, but each rural household had only small amount of savings. The financial system at that time was premature to channel the savings to industrial investors efficiently.
 - The industrial sector was too small to generate sufficient surplus for fast and heavy investment in the industrial sector.
 - Investment decision
 - Even if the savings are channeled to private investors, the investors will likely put the money in light industry.

China's strategy (similar to Stalin's strategy in USSR)

- Extract surplus from the agricultural sector starting from 1953, the
 government adopted a mandatory procurement system for major
 agricultural goods. The procurement price was artificially low.

 Collectivization was later implemented, partly to ensure the
 effectiveness of the procurement system.
- Low wage policy Workers in the industrial sector were given very low wage (which was made possible by the low prices of agricultural products). This was to suppress consumption.
- Central control of investment and production Industrial firms, largely state-owned, were able to earn a large amount of profits. The profits were surrendered to the central government for investment (mostly in heavy industry). To ensure the material supply to priority projects, the Chinese started to adopt direct control on the flow and the production of major industrial goods. An economic planning system was eventually established.

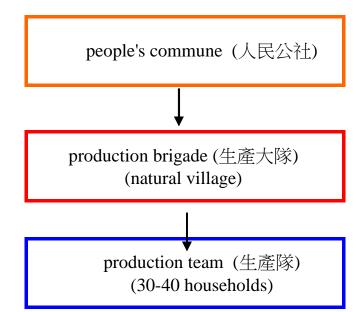
Evolution of the collective system

 Starting from the early 1950s, the Chinese government promoted the collectivization of agriculture, which went through the following forms:



The Emergence of People's Communes

- Advanced agricultural production cooperatives (高級農業生產合作社) were established nationwide in the mid 1950s. In 1958, Mao advocated the setting up of people's communes (人民公社).
- Initially, people's commune emerged as an instrument to gather large number of labourers to construct large-scale water conservancy projects. The central government was happy to see that people's commune could build large projects without much need for capital (which was extracted to heavy industrial in urban areas).
- Eventually, it became an institution that governed every aspect of rural life (industry, agriculture, commerce, education, armed force). In some episodes, it also provided important public services such as dining rooms and nurseries.
- Since the 1960s, a three-tier governance system was formed in rural China.



Problems of Chinese agriculture before 1978

- The productivity of the Chinese agriculture during the collective era was low.
- The Stalinist development strategy suppressed the development of the agricultural sector:
 - The state put most investment on industry (particularly heavy industry) rather than agriculture.
 - The agricultural prices were too low. Farmers could not get much more income even if they work harder to increase the output.
- There were incentive problems under collective farming
 - Under the egalitarian distribution system, the farmers could not get more even if they worked harder. In other words, they lacked the incentive to work hard.
 - Monitoring costs are too high in agriculture. It is too difficult for anybody to distinguish who works hard and who does not. As a result, no body works hard.
- The Chinese government adopted the policy of "grain first" (以糧為綱) in the 1960s. Most regions were instructed to grow grains even if they were more suitable to grow other agricultural products.

Institutional consequences

Governance

- Party-state + small peasantry
- "a sea of small peasantry" → a modern state trying to reach the countryside
 - → Treating rural area as an instrument for industrialization or pursuing socialist ideals?

Minimal role of the market

Suppressing traditional country fair trade and further division of labour

The urban-rural divide

- To implement this strategy, rural-urban migration has to be controlled. In 1958, China introduced the *hukou* system that restricts migration between (1) rural and urban areas, and (2) different locations.
- Rural and urban residents since then have very different rights, e.g. access to social security and public services.

Rural reform in the past 40 years

- How has rural reform changed the roles of the government and the market in organizing the economy?
- What are the impacts of the rural reform on
 - Rural residents
 - Governance of the rural areas
 - agriculture

II. Reducing exploitation of agriculture by industry during 1978-1994

The comprehensive rural reform in 1978

- China's rural reform was often equated with the abandonment of the collective production system. In fact, the reform package was very comprehensive and aimed to maintain the people's commune system. The collapse of the collective system was somewhat an unintended consequence.
- Policies adopted by the 3rd Plenum of the 11th Central Committee of CCP (中國共產黨第十一屆中央委員會第三次全體會議,簡稱「中共十一屆三中全會」) was as follows:
 - increase the share of agriculture in state investment in capital construction (from around 12%) to 18%; budgetary revenue of local governments should be used mainly in agriculture and agriculture-supporting industries
 - increase the agricultural procurement prices 農產品收購價
 - fixing of the state's procurement quota (定購量) of agricultural products
 - encourage the development of rural markets
 - encouraging the diversification of production, according to a locality's advantage (多種經營,因地制宜)
 - large importation of grains
 - the adoption of various forms of responsibility system (責任制)

Enhancing production incentives in collectives

- The reform package largely represented a reversal of the radical policies of the Cultural Revolution. The increase in the prices indicated the intention of the government to reduce the extraction of surplus from agriculture.
- Initially, the central government only encouraged forms of responsibility systems that can improve the efficiency of the collective production system. For example, one popular system is called "contracting tasks to teams" (包工到組)
- However, some kinds of household responsibility system (家庭 承包責任制, HRS) emerged in some poor areas, although it was forbidden at that time.

[Note that there are confusions about the terminologies of different household responsibility systems. The terminologies we use here is different from those used in吳敬璉(2010).]

Granting production freedom to farmers

- The HRS initially took the form of "bao chan dao hu" (包產到戶).
 Under this system, each household is allocated a certain area of land, with which the farmers are responsible to fulfill an output target.
 - All the output would be gathered by the collective. Workpoints (\bot 分) will be given to the household according to their fulfillment of the target.
 - Over-fulfillment of the target will be given more workpoints. Remunerations (in kind and in cash) to a household are distributed according to the number of workpoints a household got.
- The HRS finally stabilized in the form of "bao gan dao hu" (包乾到戶) or "da bao gan" (大包乾)
 - the obligation of the households (also being allocated a certain area of land) to the state and the collective is clearly defined (selling a certain amount of grain at a low price)
 - the household can have a full autonomy in managing their production activities and surplus agricultural products
 - → 交足國家,留足集體,剩下都是自己的

Bottom-up or top-down?

- The central leadership changed its attitude towards HRS gradually:
 - Initially HRS were not allowed
 - Then HRS were allowed in poor and remote regions.
 - Regions where people lost confidence with the collective system could implement HRS
- Finally recognized HRS as socialist in nature
 - land is collectively owned
 - HRS improves production efficiency .
- Further changes:
 - Farm land was initially contracted to the rural households for a short period of 3 years, leading to insufficient investment in preserving land fertility.
 - In view of this phenomenon, the central government decided in 1984 to extend the contract period (承包期) to 15 years.

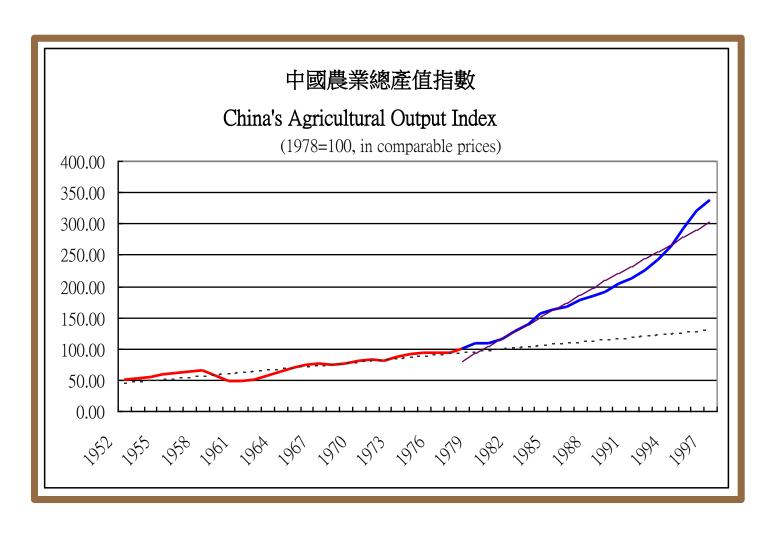
1978年末: 「不許包產 到戶」

1979年9月:「除某些副業生產的特殊需要和邊遠地區,交通不便的單家獨戶外,.....不要包產到戶」

1980年9月:「那些邊遠 山區和貧困落後地 區,.....群眾對集體 失去信心,因而要求 包產到戶的,應當支 持群眾的要求」。

1982年:「包乾到戶」 是「社會主義集體經 濟的生產責任制」。 Consequences of initial reforms (1)

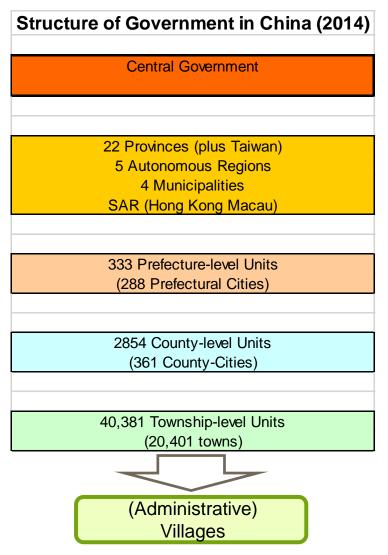
Higher agricultural growth



Consequences of initial reforms (2)

Abandonment of People's Communes

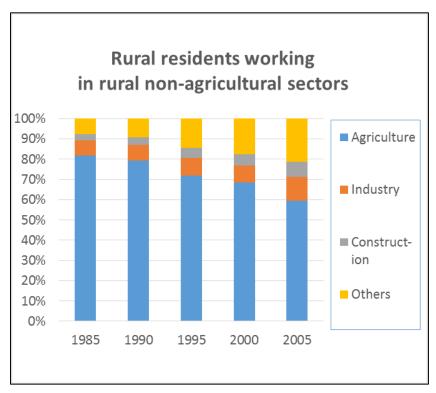
- As the collective production system collapsed, the People's Communes were abandoned.
- Township governments were established as the primary administrative bodies in the rural areas.
- Under the township government, there are villages that are supposed to be self-governed by rural residents.

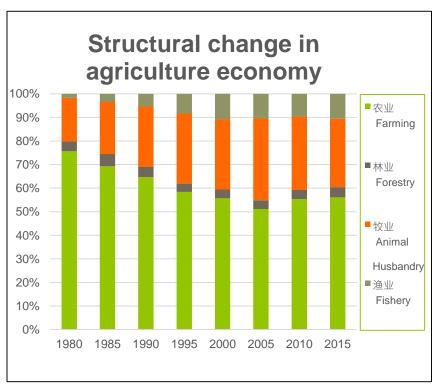


Consequences of initial reforms (3)

Diversification of the rural economy

- (1) more rural residents are engaged in non-agricultural activities
- (2) more non-farm activities within the agricultural sector



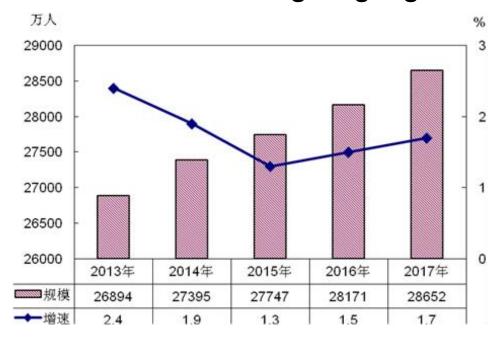


Sources of information: 《中國統計年鑑》 and 《中國農村經濟年鑑》, various issues.

Enhanced labour mobility

- As the labour productivity increased, redundant (surplus) labour appeared.
- With partial relaxation of mobility control, many rural residents have tried to find jobs in cities.
- The number of nongmingong (農民工) has ever since increased dramatically, flowing mainly from inland to coastal regions.

Number of *nongmingong*



Source:

http://www.stats.gov.cn/tjsj/zxfb/201804/t2018042 7 1596389.html

Regional flow of *nonminggong*

| 2017年外出农民工地区分布及构成 | | | | | | | | |
|-------------------|---------|----------|------------------|-----|------|------|--|--|
| 单位: 万人、% | | | | | | | | |
| | 外出农民工总量 | | | 构成 | | | | |
| 按输出地分 | 外出 | | | 外出 | | | | |
| 19年制山地力 | 农民工 | 跨省流动 | 省内流动 | 农民工 | 跨省流 | 省内流 | | |
| | 1/1/1 | 四旬111147 | 1目 P J 1/IL 29/J | | 动 | 动 | | |
| 合计 | 17,185 | 7,675 | 9,510 | 100 | 44.7 | 55.3 | | |
| 东部地区 | 4,714 | 826 | 3,888 | 100 | 17.5 | 82.5 | | |
| 中部地区 | 6,392 | 3,918 | 2,474 | 100 | 61.3 | 38.7 | | |
| 西部地区 | 5,470 | 2,787 | 2,683 | 100 | 51 | 49 | | |
| 东北地区 | 609 | 144 | 465 | 100 | 23.6 | 76.4 | | |
| | | | | | | | | |

Source: http://www.stats.gov.cn/tjsj/zxfb/201804/t20180427_1596389.html

III. New exploitations of the rural economy by heavy taxation and land expropriation (1994-2004)

Problems in the post-HRS period

Has the rural problems totally solved by the HRS?

- 李昌平:「農民真苦、農村真窮、農業真危險」
- ·湖北省鄉級黨委書記 2000年初上書朱鎔基總 理
- 上書中央之後不到一年,在地方官吏的壓力下離開了鄉委書記的職位。
- 《我向總理說實話》2002年初出版



Problem (1):

Heavy tax burdens and the governance problems

- Chinese farmers suffered from excessive burdens of taxes and subcharges (農民負擔過重). The situation after the mid 1990s had been particularly serious.
- At the same time, township governments and village administrations had incurred heavy debts.
- Complicated causes:
 - Extraction of rural resources by upper-level cities under the city-administeringcounty system (市管縣)
 - Expansion of local bureaucracy
 - Unfunded missions of the central government (e.g. compulsory education)
 - Provision of public goods that exceeds the affordability of the peasants
 - Corruption of local cadres
 - Falling incomes of peasants (especially in grain-growing regions)

Problem (2)

The limit of small-scale production

- Under the HRS, household operated their land in small scale. As productivity increases, farmers have more and more agricultural products to sell in the market.
- Increasing contradiction between "small-scale production and large-scale market" (小生產與大市場的矛盾).
 - Difficult for small rural households to get the information of markets which may be far away from the production places.
 - →large fluctuation of agricultural prices due to supply instability.
 - Difficult for farmers to realise scale economies in agricultural production
 - Difficult for farmers to innovate or adopt new technologies in the new market environment

Problem (3)

Changing market environment

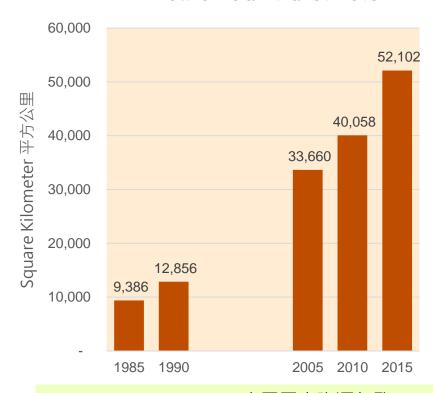
- Starting from the 1990s, there was a shift in the demand in the domestic agricultural market.
 - Urban residents were consuming less grains and more high-protein food.
 - For foodgrain, they demand for quality products.
- Upon accession to the World Trade Organization (WTO) in 2001
 - growing competition from imports.
 - new opportunities to export their products to foreign markets
 - → Shifting production from "land-intensive" production (e.g. wheat and rice) to labour-intensive production (e.g. aquatic products, fruits and flowers).
- Farmers failing to respond to this change suffered from a decline in income growth.

Problem (4)

Rapid urbanisation and losses of farmland

- City governments have high incentives to quicken urbanization because
 - The associated construction work would boost GDP growth, which was the most important performance indicator under the CCP's cadre management system
 - The resulting tax revenue will increase the resources that the local government can control.
- Local governments have high incentives to expropriate land with the low compensation stipulated by the Land Administration Law or even do not pay the proper compensation.

城市建成区面积 Area of built districts



Sources of information: 中國國土資源年鑒 and 中國城鄉建設統計年鑒, various issues.

IV. Rebuilding the economy and society in the countryside after 2005

General police line

- Developing rural areas as a strategic goal
 - Using resources of industry to "return feed" the agricultural sector (工業反哺農業)
 - Coordinating the development of urban and rural areas (統籌城鄉發展).
 - New slogans:
 - Building the new socialist countryside 建設社會主義新農村 (2006, Document No.1)
 - Rural revitalisation strategy 振興鄉村戰略 (19th CCP National Congress, 2017)

Remedy (1)

Public finance reforms

- Reducing tax farmers' burdens
 - Abandon the (official) agricultural taxes
 - set a limit to the maximum amount of taxes and fees that local cadres can collect.
 - Major additional collection of taxes/charges should be subject to "one issue one approval" (一事一議) by the village committee
- Provide more public goods using the money of higher-level governments (more generally, reform the fiscal system)
 - Giving direct income subsidies (直接補貼) to grain growers (to replace the price subsidies).
 - Increase the subsidies to rural education
 - Improving the infrastructure in rural areas
 - Subsidizing farmers to buy electrical appliances
 - More transfer income to low-income farmers

Remedy (2)

Governance reforms

- Replacing "city-administering-county" (市管縣) by "province-administering-county" (省直管縣) – to reduce the extracting of rural resources by cities
- Public finanace of townships to be managed by county (鄉財縣管)
- To reduce the size of local bureaucracy e.g. mergers of townships (鄉)
- Enhance local democracy
- Sending university graduates to villages (大學生村官)

Remedy (3)

Strengthening land rights and enhancing land transfer

- To strengthen the contract rights (承包權) and reduce the legal power of local cadres to take away the land from the farmers. On this basis, land transfers to facilitate scale operation has been encouraged.
 - The CCP announced at the end of 1993 that land contract could be extended by another 30 years after the original contract expired in the late 1990s.
 - In March 2003, the "Land Contract Law"(土地承包法)started to take effect. It stipulates that (1) land contract should cover 30 years; (2) during the contract period, the use right of land can be transferred and inherited; (3) big adjustment of land allocation can only be made with the consent of 2/3 of the community members. Furthermore, the law emphasizes that land can be transferred only on voluntary basis.
 - In 2008, the CCP decided to encourage the "mobility of land" (土地流轉) so that productivity of land can be improved.
 - In 2008, the CCP indicated that the land expropriation system should be reformed, but the details have yet to be worked out.

Remedy (3)

Commercialization of agriculture

- Enhancing the commercialization of agriculture (農業產業化). This
 requires a change in the organization of agricultural production and
 related activities.
- It is often difficult for individual peasant households to get the necessary inputs and technology as well as to establish market channels for these products. Suggestions to overcome the problems include:
 - the model of "company + peasant households" (this model has increased efficiency but does not necessarily boost the income of the farmers).
 - Strengthening the functions of the existing cooperatives or establishing new cooperatives (or peasant associations) to provide various pre- and postproduction services and increase the bargaining power of farmers. Advocates often refer foreign examples, e.g.
 - Sunkist American citrus growers' non-stock membership cooperative composed of 6,000 members from California and Arizona, see https://en.wikipedia.org/wiki/Sunkist_Growers,_Incorporated

New issues (1)

Food security (糧食安全)

- Opening up trade will enhance division of labour among counties. A natural result would be:
 - China should produce less land-intensive products (e.g. grain)
 - China should export more labour-intensive products
- Would China be too dependent on food supply by other countries?
- China's policy to ensure food security
 - Set a red-line for the farmland area (1.8 billion mu)
 - Grain reserve system
 - Subsidise grain production
 - Keep net import of major food grain at low levels.

Findings of a national survey



资料来源:《2013中国国土资源公报》

http://www.mlr.gov.cn/xwdt/jrxw/20140

Would China's heavy reliance of soybean import jeopardise it food security?

- 我國是大豆原產國,擁有得天獨厚的大豆種質資源優勢,曾是世界最大的大豆生產國和出口國。入世以來,在大豆需求快速增長、進口持續大量增加的同時,國內生產不斷減少,自給水準大幅下降。由於大豆市場高度開放,大豆成為入世後最先出現進口大幅增加、增長快速的大宗產品。
- 2001-2015年大豆進口量從1394萬噸增長到8169萬噸,年均增長14%,年均進口增量達500萬噸。進口主要來自農業基礎競爭力極強的美國、巴西和阿根廷,其中自美國進口占總量的40%以上。目前,我國大豆進口量占世界貿易量的60%以上,大豆自給率持續下降。
- 在我國耕地和水資源短缺、資源環境壓力大的情況下,持續增長的進口量對國內大豆 產業健康發展和主產區豆農增收帶來怎樣的作用?作為我國傳統糧食作物的重要組 成部分,大豆持續大量進口對於我國實現「適度進口」的糧食安全戰略又有何影響?

Source: http://www.xinhuanet.com/fortune/2016-09/28/c_129303567.htm

Can China feed its people?

- 20多年前,一個美國人寫了本書,提出了一個聳人聽聞的問題:誰來養活中國?還有一個澳大利亞人做了個預測:中國將進口9000萬噸玉米。事實證明,這兩個經濟學家的預測,的確遠遠不如天氣預報準確。
- 20多年過去了,我國的糧食問題,如今讓國家發愁的,不是少了,而是多了,尤其是玉米、水稻和小麥:庫存太多了,多到倉庫裝不下;裝進去的,也不能存太久,以至於只能降價賣。海量的庫存,讓財政補貼進入了漩渦場,讓國家頭疼不已。在此背景下,糧食安全問題,就成為了一個生僻話題,鮮有論及。
- 2016年,我國穀物淨進口2136萬噸,主要是小麥、大米、玉米、高粱、大麥;大豆8378萬噸;棉花123萬噸;植物油770萬噸;食糖291萬噸;豬產品280萬噸;牛肉58萬噸;禽肉13萬噸;乳品215萬噸。可見,主要農產品中,除了蔬菜和水果之外,在糧棉油糖豬牛禽乳等方面均是淨進口。
- 普通讀者對這些數位可能沒有概念。換個角度,光說大豆:進口大豆的數量,如果我國自己生產的話,按照現在單產水準,需要7億畝土地!這比整個東北和華北耕地面積的總和還多!大豆進口一直在增加,近10年,增加了近2倍!今年上半年,繼續保持兩位數的增長勢頭。
- 換句話說,為什麼我們的糧食庫存多,是因為進口大豆,節省了大量土地,得以種植了更多的玉米和小麥等;在此基礎上,還進口了大量糧食,把一部分國內生產的糧食,打壓到庫存裡邊去了。

Source: http://www.xinhuanet.com//food/2017-09/13/c_1121653932.htm

What security – food grain or feed grain?

- 2017年我國大豆淨進口9542萬噸,稻米淨進口283萬噸,小麥淨進口442萬噸, 玉米淨進口274.4萬噸。中國科學院亞熱帶農業生態研究所研究員肖國櫻認 為,稻米淨進口283萬噸,約占上年度我國稻米生產量的2.7%(稻穀的精米率按 50%計算),小麥淨進口442萬噸,約占上年度我國小麥生產量的3.3%,稻米和小 麥的自給率均在95%以上,口糧安全性沒有問題。
- 「我國進口糧食穩步增加,這是我國消費者的飲食結構和需要決定的。儘管 2017年進口糧食總量已經超過了一億三千萬噸,超過了我國2017年糧食總產 量的五分之一,但從結構看,大豆是油料作物,玉米也90%以上是用做飼料。
- 我國口糧由水稻,小麥直接構成,玉米及雜糧比例很低。大豆持續10年大量進口,反應了我國對蛋白飼料進口的需求一直居高不下,而大量進口大豆是因為政府為了提高老百姓生活水準而採取的開放大豆政策,即對大豆進口沒有配額限制,而對進口玉米、水稻和小麥,中國是有配額限制,超過配額,就徵收20%以上的進口稅
- Source: https://top.sina.cn/zx/2018-01-30/tnews-ifyrcsrv8452449.d.html

Considerations

- How substitutable are the imports?
- What is your risk preference?
- How much cost do you want to pay for the security?

New issues (2)

Food safety (食物安全)

·中國大陸食品安全事件一覽 (https://goo.gl/hDmYTQ)

| Year | Incident | Brief description |
|-------------------|-----------|--|
| 2003年 - 2004 年 | 大頭奶粉 | 因為食用劣質奶粉導致嬰幼兒致病、致死相關事件。生产劣质奶粉的首犯王文官被判处有期徒刑8年。 |
| 2008年 | 中國奶製品污染事件 | 河北石家莊三鹿集團生產的三鹿牌嬰幼兒配方奶粉,被驗出含有三聚氰胺,導致在甘肅、江蘇等多個省市出現多名嬰兒得腎結石的事件。 |
| 2011年5月 | 污水饅頭 | 廣東省深圳市 發現了一些污水饅頭,使用過期變質的麵粉、膨鬆劑、乳化劑、氧化劑、增白劑等有毒用料制作「又白又大」的饅頭。 |

V. Closing the differences in social rights between the rural and urban residents

China's reform policy in hukou since 2014

• 2014 年7 月,《国务院关于进一步推进户籍制度改革的意见》 (http://www.gov.cn/zhengce/content/2014-07/30/content_8944.htm)

| Content | Remarks |
|--|---|
| 進一步調整戶口遷移政策,全面放開建制鎮和小城市落戶限制、有序放開中等城市落戶限制、合理確定大城市落戶條件、嚴格控制特大城市人口規模,解決部分重點人群的落戶問題。 | Differentiate the openness of cities by size. |
| 創新人口管理模式。提出取消農業戶口與非農業戶口性質區分,建立城鄉統一的戶口登記制度。 | Equalisation in name. what about the social security? |
| 切實保障 農業轉移人口及其他常住人口合法權益。 並提出完善農村產權制度、擴大基本公共服務覆蓋面、加 強基本公共服務財力保障等與戶籍制度改革相配套的改革措施。 | Strengthen the rights of rural residents |

Reference for this section: 刘金伟: <新一轮户籍制度改革的政策效果、问题与对策>,《人口与社会》,2018年7月,第34卷,第4期,89-98頁。

Transition: Resident's card (居住証)

- 《居住证暂行条例》(2015年10月)
- 公民离开常住户口所在地,到其他城市居住半年以上,符合有合法稳定就业、合法稳定住所、连续就读条件之一的,可以依照本条例的规定申领居住证。《条例》规定县级以上人民政府及有关部门为居住证持有人提供下列基本公共服务:
- 义务教育、基本公共就业服务、基本公共卫生和计划生育服务、 公共文化体育服务、法律援助和其他法律服务、国家和居住地人 民政府规定的其他基本公共服务。
- 居住证持有人在居住地享受下列便利: 办理出入境证件、补领居民身份证、机动车登记、申领机动车驾驶证、报名参加职业资格考试、申请授予职业资格、办理生育登记和其他计划生育证明材料以及国家和居住地人民政府规定的其他便利。

***居住证制度的建立,解决了非户籍人口基本公共服务获得问题。

From semi-urbanization to full urbanisation

- · 2016 年10 月,國務院印發了《推動1 億非戶籍人口在城市落戶方案》
- ·「十三五」期間,戶籍人口城鎮化率年均提高1個百分點以上,年均轉戶1300萬人以上。到2020年,全國戶籍人口城鎮化率提高到45%,各地區戶籍人口城鎮化率與常住人口城鎮化率差距比2013年縮小兩個百分點以上。
- 進一步放寬了不同類型城市落戶的門檻,規定除少數超大城市以外,其他類型的城市均要放寬對農業轉移人口落戶的限制,
 - 大中城市不能採取購買房屋、 投資納稅等方式設置落戶限制,
 - 特大城市也要區分主 城區和郊區,採取不同的落戶政策。
 - 方案明確了存量優先的原則,優先解決能夠在城市穩定就業和長期生活的重點人群落戶問題。同時,對實施積分落戶的城市進行了限定,城區常住人口規模300萬以下的城市不得採取積分落戶方式。

Some problems

- Are city governments incentivized to implement the optimal level of urbanization (attract the right number of the citizes)?
 - Should population-exporting provinces compensate the population-importing provinces?
 - Should the central government bear part of the costs of reform?