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Changes of Villagers' Welfare and Security in the Reconstruction of Urban Villages

—A Case of Guangzhou Province, China

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Abstract In the paper, the connotations of welfare are briefly outlined from the broad and narrow aspects and the changes of villagers' welfare of urban villages in city are analyzed. In economic welfare terms, at the same time of losing their lands, villagers have obtain certain amount of land compensation after the expropriation of lands. In non-economic welfare terms, the social status, lifestyle, environmental conditions and psychological state of the reallocated villagers have changed obviously. The status quo of the urban villages is outlined. Besides, the main problems in the urban villages of Guangzhou are probed into, which covering the ubiquitous illegal utilization of lands and illegal construction, poor public order, low public quality, imperfect public facilities and so on. The modes (Liede mode, Pazhou mode, Huadi mode and public self – financing mode) and characteristics of reconstructing the urban villages are concluded. The impact of the construction on villagers' welfare is concluded as well as the security system for protecting villagers' welfare in the reconstruction of urban villages. It is suggested that the government and the villages should share the expenditures on the education and training of villages and share the input on infrastructure. In addition, the government and the villages should take the responsibilities in terms of public security, culture and so on.

Key words Villagers' welfare, Security, Reconstruction of urban villages, Security system, China

Urban villages refer to the original rural settlement which is surrounded by lands for urban construction or brought into the area of urban land use, and it is the territorial entity characterized by incomplete urbanization of rural areas and significant urban – rural dual structure. Since the 1990s in particular, the urban villages continued to emerge in economically developed regions, and the obvious discrepancies and contradictions between urban and rural areas caused by them have appeared in the aspects of city landscape, infrastructure, public order and some other aspects, which has attracted the attention of local government and many scholars. After the rapid development of economy in a recent decade, the government has accumulated solid financial strength, so the reconstruction of urban villages has become an important and emergent task for the government. Many scholars have conducted numerous research on the problems of urban villages from the perspectives of economic system, urban geography, community culture and so on, thus different thoughts and modes for reconstruction are formed. However, due to the villagers' welfare of urban villages can not be effectively guaranteed, the reconstruction of urban village is in trouble. Taking the reconstruction of urban villages in Guangzhou as an example, the innovative thoughts for the reconstruction of urban villages are discussed on the basis of the laws and regulations concerning urban construction and land management, and then to guarantee the welfare of villag-

ers in urban villages and improve the quality of the urban construction.

1 The changes of villagers' welfare in the reconstruction of urban villages

1.1 The connotation of welfare Usually welfare is regarded as the reflection of the individual and collective habits, and it is the effectiveness arising from consuming certain goods or services or the satisfactory degree obtained by people. Generally speaking, a person' effectiveness can be increased through increasing the goods one consumed, besides the physical goods, individual health, leisure time, social relations, employment status and other factors all have something to do with the level of welfare. Therefore, in broad sense, the concept of social welfare includes not only the economic welfare but also political and cultural welfare. While the economic, political and cultural welfare refers to the satisfactory degree of the economic factors, political factors and cultural factors to individuals. The higher satisfactory degree of one aspect, the bigger the welfare is in this aspect^[1].

1.2 The changes of villagers' welfare in the reconstruction of urban villages

1.2.1 The changes of economic welfare. Before the reconstruction of urban villages, villagers make their living by lands, renting houses and collective bonus. After the reconstruction, villagers lost their lands, as well as a series of rights and interests concerning lands. In the first place, villagers take the lands as the subject of labor. Once they lost their lands, they would lose the basic source of living at the same time. In the second place, the supports provided for agriculture and farmers in terms of technology, capital and agricultural funds and so on

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are based on lands. Once the villagers lost their lands, they would lose the supports. In the third place, the urban villages attract numerous immigrant works for their convenient transportation and cheap rent. For example, in the village of Wenchong, Guangzhou, the rent for living and commerce are 10 – 15 yuan/m² and 35 – 40 yuan/m² respectively. Driven by the huge rent interests, villagers' excessive and illegal construction is prevalent, but if the government do not provide certain compensation when demolishing these houses will cause the decrease of villagers' compensation expense and villagers' rent. In the fourth place, the changes of collective bonus are determined by the management capability and operation capability of the stock company on the collective properties.

After land expropriation, villagers will get a certain amount of compensation according to the relevant laws and regulations. The land expropriation compensation can only satisfy villagers' material enjoyment temporarily, but can not solve the long term living security. There are even a handful of villagers who do not know how to operate the money, and then go bankruptcy or even go astray until run out of the compensation.

1.2.2 The changes of non-economic welfare. After the reconstruction of urban villages, villagers' rural household registration changed into urban household registration. But the villagers can not enjoy treatment like rural collective villagers and the welfare in employment, medical treatment, education, annuity security and other welfare like other urban residences. Due to the low level of professional skill, usually villagers undertake the manual work in labor-intensive industries. The hours and strength of work all have increased, but the freedom of work and living have decreased comparing with the previous jobs of these villagers. After being relocated, the public facilities, sanitary conditions, transportation conditions and public order all have changed, so did the original neighborhood. Therefore, the social status, life style, environmental conditions and psychological conditions have changed obviously.

2 The application of villagers' welfare security in the reconstruction of urban villages in Guangzhou

2.1 The status quo of urban villages in Guangzhou

Guangzhou is a typical city which has developed to be a modern metropolis from an old city with rapid development pace and prevalent phenomenon of urban villages. According to the statistics of 2000, five districts in the urban development region, except the Dongshan District, Liwan District, and Yuexiu District, have 139 urban villages. Besides, in the constructed region, there are 45 urban villages (excluding Huangpu District) and the total area of urban villages are 80.6 km², which accounts for 26.17% of the aggregate area of the constructed districts. The urban villages are mainly distributed in the nearby suburbs of Guangzhou, and they show axial distribution along the main lines of transportation^[2].

2.2 Main problems in urban villages of Guangzhou As a result of the typical urban-rural dual structure of urban villages

and the long term poor management, villagers apply lands and construct houses illegally driven by interests, which disordered the overall planning and layout of the city, and tarnished the images of the city. In urban villages, the buildings have high density, extremely high volume fraction, poor natural lighting, poor ventilation and high risks of fire hazard. Around the villages, there are many floating population, according to the resources provided by the neighborhood committee of Shipai, the immigrant population has surpassed 70% of the total population^[3] and the quality of most of the immigrant people is low. Many villagers get high profits from the rent and collective bonus, then they form the habits of earning without paying. Besides, the frequently happened fighting in urban villages, the serious problems like prostitution, gambling and drug taking, and the repeated banned but in vain illegal underground economy gravely affected the general mood and order of the society. What's worse, the public facilities for medical care, education and fire control are imperfect. Taking fire control as an example, the serious shortage of fire-fighting equipments, poor awareness of villagers in fire fighting and the densely distributed tier building in urban villages have high risks. Once the fire breaks out, the fire-fighting vehicle and ambulance could not thread through the narrow space, which lead to great personal injuries and property damages.

2.3 The reconstruction mode of urban villages in Guangzhou and its impact on villagers' welfare

Guangzhou, according to the demands of urban and rural integration, began to alter and reconstruct the urban villages from 2001. In order to act in concert with the promotion and implementation of the reconstruction work of urban villages, Guangzhou stipulates four local regulations, namely *Regulations on the Village and Town Construction of Guangzhou*, *Regulations on the plan of Villages of Guangzhou*, *Regulations on Villagers' Construction Land in Rural Areas of Guangzhou* and *Regulations on the Registration of Rural Property Rights in Guangzhou*. And the four transformations, namely transforming from village committee to neighborhood committee, from the collective lands to state-owned lands, from villagers' property rights to city and town property rights and from collective economy under the control of village committee to joint stock company shared by the collective corporate shareholders and by individual shareholder, are conduct under the regulations. Besides, the social pension system should be set up, and the municipal, sanitation, power supply, gas supply and public order and so on will be brought into municipal management sphere. The seven natural villages locate in the central of Guangzhou, including Liede, Huadi, Wenchong and so on are selected to conduct urban village reconstruction. The way of "one village, one mode" is applied in alter and reform the urban villages, and after obtaining the experiences and way will be expanded in the whole city. Since the first case of reconstructing the urban village in Liede, there appeared many types of reconstruction modes successively. The impact of the different modes on villagers' welfare can be seen on Table 1.

Table 1 The reconstruction mode of urban villages in Guangzhou and its impact on villagers' welfare

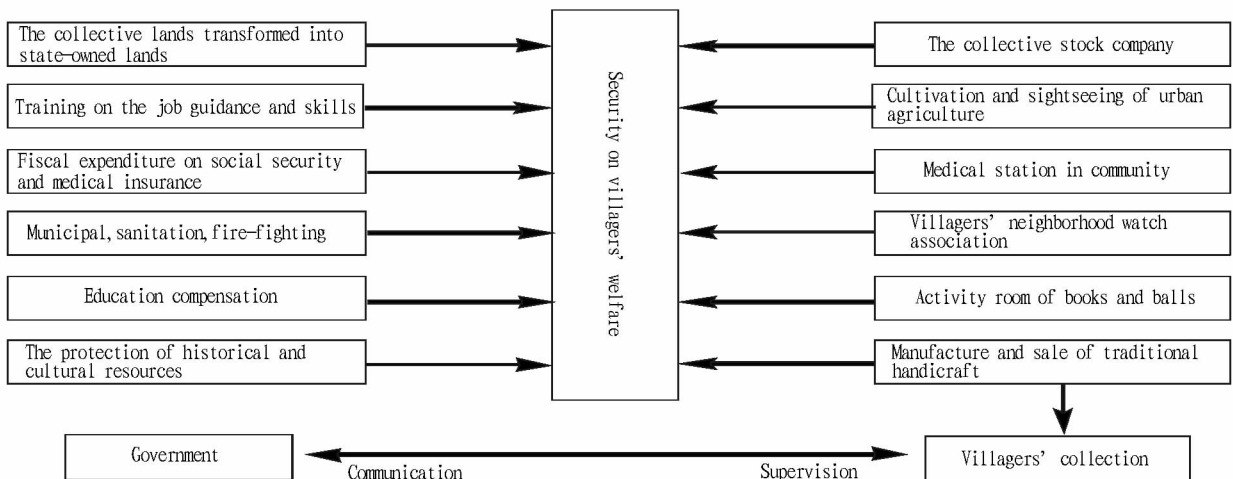
Modes	Characteristics	Impact on villagers' welfare
Removing before reallocating, auction for one time (Liede mode)	The government does not invest, but takes a land for financing (mature land). The money obtained from financing is all used to reallocate and construct infrastructure	Due to the uncertainty of the completion time of project and the limited fee for temporary reallocation, villagers have to take certain risks
Demolition of lands by trusting the responsibility of reallocation (Pazhou mode)	The government publicly remises the financing lands according to the status quo of urban village (immature land), but the responsibility of reallocation is trusted to the financing lands. The developers take the responsibility of constructing reallocation house and paying compensation in cash. The demolition fee is under the joint supervision of the district government and the village	There is difficulty in supervising the demolition capital and the villagers have to take certain risks
Reallocating before demolition, and developing at a progressive speed (Huadi mode)	The government divides a whole land into many pieces, and removes part of them then constructs the reallocation houses. The government reallocates villagers to the constructed houses. The reconstruction fee is burdened by the capitals obtained by auction. It is hard to collect the starting fund and the capital turnover is long	Villagers have the new house when removing the old house, which reduces the risks
Self-financing of community	Besides allocating the original residents, all of the properties after reconstruction are used to rent. The item needs huge investment and long period	This mode takes the village as the dominance, so it is helpful for protecting villagers' rights and the historic heritage of community

2.4 Establishing the welfare and security system for villages in the reconstruction of urban villages in Guangzhou

The municipal government not only displays the functions of organizing, managing, guiding, supervising and serving, but also burdens the expenditures on infrastructure input, education and training, medical care after the villagers transformed to city citizens and social security in the reconstruction of urban village. The government should introduce the communication mechanism of competition, consultation and negotiation in the early period of the reconstruction of urban villages, so as to effectively protect the villagers' right to derive benefit from land in the process of reconstruction of urban village. As a result of villagers' relatively low capability of survival and completion, the government should provide related training and education to equip them with quality and skills in the job market and make them to be the city residences with competitiveness. In addition, the government should bring urban villages into the unified management of cities; take targeted measures to comprehensively reconstruct and improve the life quality of the community residences, thus to realize the urbanization of villagers not only in terms of registration and living, but also in the aspects of material and spiritual life.

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The village committee takes all the responsibility of the social public affairs of the village, and as a manager for the collective properties, taking charge of the huge collective rental property. After the stock transformation of collective economy, the management and operation of the collective economy maintain the value of collective property and develop it, which provide long term security for villagers' life. The government and the collective stock company should gradually replace the original incompetent members in the village committee through education and training, self-cultivation and introducing talents, and in the last change the talents to the modern executive class^[4]. The villagers' welfare and security system in the reconstruction of urban villages can be seen as follows.

**Fig. 1** The villagers' welfare system in the reconstruction of urban village

2.5 Suggestions for securing villagers' welfare in the reconstruction of urban villages in Guangzhou

2.5.1 Innovating new mechanism of land use. The focus point of the reconstruction of urban village is land property, including the collective construction land property and agricultural land property, the property of farmlands in particular. Owing to the advantageous position of neighboring to the central region of cities and the perfect infrastructure of cities around, the collective construction land of urban villages has great potential for appreciating and developing comparing with ordinary villages. In order to realize "the same lands, the same price", the collective land in urban villages can be transformed into state-owned land according to the law. The government can reduce or eliminate the land transfer fee, which should be handed in by the government below city level (including city level). Besides, the government should conduct unified planning, land expropriation, auction and management.

2.5.2 Selecting the way of demolition compensation which can best secure villagers' welfare. Taking Liede village as an example, on the basis of the fully communication with villagers, the Liede village applies the "reallocation in the original position" and "demolishing a house and compensating it timely" in the process of reconstructing. This kind of way reduces villagers' damages as far as possible. First of all, villagers can return to the original place after the reconstruction and continue to enjoy the advantageous position of the new Zhujiang city and enjoy the interests bought by the appreciation of the new Zhujiang city. In the second place, as for the legal construction, the government should apply the compensation principle of equal area compensation; as for the illegal construction, the government should provide a certain amount of compensation as well, so as to protect villagers' utmost economic interests. In the end, in the period of constructing reallocating houses, villagers can get certain amount of temporary reallocation fee as the compensation for renting house, thus the rent losses caused by demolition will be made up for and the negative

(From page 9)

the construction of rural infrastructure. In addition, the government should optimize the plan of rural infrastructure and reasonably plan the construction of rural infrastructure and try to avoid wasting and ecological damage^[5]. The government should also establish the evaluation system for the rural infrastructure invested by the government, and conduct necessary audit, evaluation and supervision after the completion of the items.

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effects caused by the reconstruction will be reduced.

2.5.3 Protecting the historical and cultural resources of Guangzhou. In the reconstruction of urban villagers in Guangzhou, the ancient villages and aging architectures should be preserved, so as to last longer the traditional culture. In the reconstruction of Wenchong, the government preserved 13 ancestral temples and other ancient buildings around the Lushi Ancestral Temples and Shaoshan College. The government collects the ancient architectures by the way of translating, reconstructing after demolition, repairing and other ways, thus a group of ancient architecture with 30 000 m² will be built. In addition, a cultural and leisure plaza based on these old architectures will be planned at the same time.

3 Conclusions

The reconstruction of urban villages is a systematic project with long range of time, hard capital operation, and the interests concerning governments from various levels, villagers, and developers. With the economic and social development of developed regions, the service awareness of governments and the self-protection awareness of villagers have increased continuously, thus villagers' welfare in the reconstruction of urban villages will be well secured.

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