# Research on China Regional Economic Development and Labor Mobility

### Yangxue Wu

Weinan Normal University, Weinan, Shaanxi, 714099, China

**Keywords:** Labor mobility, Regional economic development, Relationship and management skills

**Abstract:** China's strict household registration system and land system restrict the free movement of labor, and labor resources have not been used reasonably for a long time, leaving a large number of labor in China in a state of hidden unemployment. At the same time, the planned economic system restricts the development of China's urbanization and industrialization, which means that the process of marketization is also the process of urbanization and industrialization. The process of marketization requires China to relax administrative intervention in the market economy, but rather to use market mechanisms to regulate economic development. The movement of labor across regions is the role of market mechanisms to regulate the relocation of labor resources, which in turn has an impact on urbanization and industrialization in various regions.

### 1. Introduction

Because China's long-term strict household registration system and land system have restricted the free movement of labor, labor resources have not been used reasonably for a long time, resulting in a large number of labors in a state of hidden unemployment. However, with the reform of the economic system, China has gradually relaxed the control of the labor registration system and the land system, releasing a large amount of labor, which has greatly promoted the regional mobility of labor and provided labor resources for the development of the regional economy. The report of the Third Plenary Session of the 18th National Congress of the Communist Party of China clearly stated that innovative population management, speeding up the reform of the household registration system, comprehensively liberalizing the restrictions on the establishment of towns and small cities, orderly liberalizing the restrictions on the settlement of medium-sized cities, and rationally determining the conditions for settlement of large cities. The establishment of urban basic public services and social security systems has been steadily promoted. ① The planned economic system has limited the development of urbanization and industrialization in China, so China's marketization process is also an urbanization and industrialization process. The marketization process requires China to relax administrative intervention in the economic market, but rather to use market mechanisms to regulate economic development. The cross-regional movement of labor is precisely the use of market mechanisms to adjust the reallocation of labor resources, which has an impact on urbanization and industrialization in various regions. With the development of regional economy, the effect of spatial agglomeration becomes increasingly prominent. As a new research idea and perspective, new economic geography highlights the role of spatial agglomeration effect in promoting regional economic development. Therefore, new economic geography has become a new way of thinking and a new direction to study the cross-regional movement of labor, that is, the cross-regional movement of labor causes the agglomeration effect of the economy, thereby promoting the development of regional economy. In view of this, from the perspective of spatial economic agglomeration, this paper studies the impact of labor movement across regions on China's regional economy.

### 2. Analysis of the Characteristics of Mobile Labor

Since the beginning of the 21st century, in the cross-regional labor mobility, the proportion of women in labor mobility has declined, while the proportion of men has increased. In 2000, the proportion of women in interregional labor mobility was 52.29%, and the proportion of men across

DOI: 10.25236/edbm.2020.026

regions was 47.71%. With the acceleration of China's urbanization and industrialization process, a large number of manual laborers are required to engage in basic economic construction, resulting in an increase in the proportion of male mobility. In 2010, the gender ratio of labor migration changed significantly, and the proportion of men and women tended to increase. The proportion of men in interregional migration was 56.31%, while that of women was 43.69%.

In the interregional migration of labor force, the young people are the main part of the migrant population, which shows that the migration of Chinese labor force has the characteristics of typical young migrant labor force. In 2000 and 2010, the highest proportion of the age of migrant laborers was between 20-24 years old. In 2000, migrant laborers aged 20-24 accounted for 19.53% of the total migration volume, compared to 15.87% in 2010. The ratio is 4 percentage points lower than in 2000. In 2000, the age of labor migration across regions was concentrated in the 15-39 age group, accounting for 72.34% of the total migration volume; in 2010, the 15-39 age labor force accounted for 59.83% of the total migration volume. Compared to 2000, the age range of the migrant labor force in 2010 has expanded, mainly concentrated in the age of 15-49, accounting for 75.81% of the total migrant volume.

From a national perspective, the overall level of education of China's migrant labor force has generally improved. Among them, the proportion of non-schooled and elementary schools has declined, and the proportion of primary school declines has been greater than the proportion of non-schooled decline; junior high school, high school, and college college The proportion of the floating labor force above the education level has increased, but the increase is not large. On the whole, the migrant labor force is still mainly junior high school and high school. In 2000, migrant labor of junior high school and high school education accounted for 87.32% of the total mobility, and in 2010 it was 86.92%. The proportion of education level in early 2000 and high school was 65.33%, and in 2010 it was 69.6%. This shows that the education level of China's migrant labor force is increasing.

From the data of the fifth census of 2000 and the sixth census of 2010, it can be seen that the main reason for the current migration of labor force is migrant workers. The proportion of migrant workers doing business in 2000 was 30.73%, and in 2010, migrant workers did business. The proportion of migration increased to 74.68%, which was more than twice the increase. This shows that economic reasons are increasingly becoming the main reason for China's current labor mobility. From the data of 2000, in addition to migrant workers doing business, the proportions of social reasons such as house removal, family relocation, marriage, marriage, and training were 14.52%, 12.85%, 12.02%, and 11.66%, respectively. Both are above 10%, while the proportion of other migration reasons is relatively low, all around 5%. Therefore, the reasons for migration in 2000 did not show particularly large differences, and the reasons for migration were more diverse. In 2010, the proportion of migrant workers doing business and business accounted for three-fourths of the total migration, while the social factors such as family members moving away, learning and training, and all other migration reasons all declined.

## 3. Labor Mobility and China's Regional Economic Relations

The most basic element of production is the labor force, which will affect the industrial layout and location selection to a certain extent. The main region for labor input is the eastern coastal region. With the continuous input of labor, the proportion of technical labor in enterprises has been increasing year by year. For example, the manufacturing of electronic communication devices, and the use of modern high-tech The product is becoming more obvious. Science and technology occupy an important position in the traditional industry, and show a rising trend year by year. However, for resource-based industries, resources are scarce in coastal areas, making resource-related industries less frequent in coastal areas, such as tobacco processing, natural gas and oil extraction, and coal mining and dressing. With the large-scale importation of labor in the eastern coastal areas, foreign-funded enterprises have obtained good development opportunities, and foreign-funded enterprises have pursued the continuous reduction of production costs. Affected by the continuous influx of labor, foreign-funded enterprises in coastal areas have accounted for 90%.

The continuous construction of foreign-funded enterprises has led to rapid integration of the economic structure and regional economic growth models, and the attraction of labor has continued to rise. Affected by the continuous acceleration of the economic growth rate in the eastern coastal areas, the increasing concentration of corporate location choices, more employment opportunities, and higher income levels, there will be a large influx of labor production factors and related production factors. The continuous influx of labor has provided a better guarantee of human resources for the rapid economic development of the eastern coastal areas. Among the labor inflows in the coastal areas, skilled personnel account for a large proportion, prompting the traditional industrial enterprises to show a trend of continuous regional gradient transfer, thus showing the common development of traditional industries and high-tech, traditional industries and high-tech industries in coastal areas Coexistence model.

From a theoretical point of view, China's rural labor force is in a period of excessive surplus, and the movement of rural labor force will bring a great improvement to the economic situation of the family. After careful analysis of labor flow at different income levels, labor flow in economically developed areas and relatively backward economies will have a certain impact on labor income. First of all, affected by the different conditions of the labor mobility income class, the income gap in rural areas is also increasing, especially the gap between low income and high income is showing a growing trend. Secondly, the gap between the income levels of labor inflows and outflows shows a downward trend. However, the absolute gap between the two has not decreased significantly, but has continued to increase. This has eventually led to labor in backward regions. Economically developed regions are constantly flowing.

The outflow of labor force is highly temporary. Due to the influence of family relations with the outflow area, most of the income obtained after the outflow of labor force flows back to the place where the labor force is exported in various forms. The main reasons for this phenomenon of return of income funds include the following two points: First, the income of laborers going out to work and doing business flows back to the place where labor is exported in the form of capital investment, which makes the output of labor in the form of investment or capital. Once again, it returned to the place of export, making it the main form of accumulation of original funds. Second, all the wages earned after the outflow of labor were sent back to their hometowns, which has become the main source of income for rural households. The phenomenon of capital backflow after labor outflow is relatively obvious, which has caused the price level and demand of the local market to continue to increase, and the regional transmission effect of prices has been relatively obvious. It mainly manifests in the following two aspects: On the one hand, the rural production efficiency and the ability to purchase means of production have generally been improved; on the other hand, the housing conditions of migrant workers' homes have been improved. Whether the return of funds after labor outflows, the improvement of the housing conditions of rural migrant workers, or the continuous adjustment of the rural industrial structure and rapid economic development, the price levels in labor-exporting regions have significantly increased. The income level of migrant workers has a certain impact on the overall level of economic development in the region, and it has caused a certain increase in the overall price level of the region. In other words, the price transmission mechanism generated after labor outflow has given the overall price level in the region The impact is more prominent. The regional effect of prices caused by labor outflow has a prominent effect on the price effect of the means of production, which makes the fluctuations in the price of the construction market more obvious. Therefore, after the outflow of labor, with the continuous return of funds, the return between income in the region and the regional transfer effect of prices has become more prominent.

### 4. Conclusion

Labor mobility has brought positive effects to the economic growth of the eastern, central and western regions, but there are prominent regional differences. The main labor inflow region is the eastern region. With the continuous adjustment and upgrading of the industrial structure, the eastern region has shown a powerful force in labor absorption, but there are also some negative effects.

Therefore, we must do a good job of guiding the labor flow to promote the rapid and stable development of the regional economy.

#### References

- [1] Pan Yue, Du Xiaomin. Labor Mobility, Industrialization Process and Regional Economic Growth [J]. Journal of Quantitative & Technical Economics, 2010 (5): 34-48.
- [2] Bi Xianping. Research on the Impact of Labor Mobility on China's Regional Economic Growth [J]. Economic Review, 2009 (01): 49-54.
- [3] Yang Shangguang, Wang Chunlan. Research on Labor Migration and Flow in Regional Economic Development in the Yangtze River Delta [J]. Regional Research and Development, 2010 (04): 24-28.
- [4] Su Hua, Zhao Mengyuan, Wan Ye. Coordinated Development of Labor Mobility, Industrial Transfer and Regional Economy [J]. Development Research, 2013 (6): 31-34.
- [5] Jiang Qianzhi, Quan Heng. Labor Mobility and Regional Economic Gap: A New Analysis Framework [J]. Shanghai Economic Research, 2015, No.324 (09): 5-16.
- [6] Wang Fei, Guo Songhong, Jiang Qiguangnan. Regional Economic Development and Labor Mobility in China [J]. Economics (Quarterly), 2006 (03): 89-112.