

*Links between International Migration
and Wenzhou's Development:*
Preliminary findings and implications

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Contents

- Why is Wenzhounese unique?
- Trends of New Emigration from Wenzhou
- Contributions to Home Development in Wenzhou
- Implications for Chinese and Italian Communities

Globalisation and Impacts on China

- Economic transition to private economy
- Dependency on international trade
- Labor mobility and entrepreneurship
- Wide spread of “sweatshops”

Profile of Wenzhou (2006)

- Land: 11,784 km²
- Population: 7.43 m
- GDP/person: \$3054
- Internal trade: \$9.9b
- Export: \$8.1b
- Trade in GDP: 43%



Why is Wenzhounese Unique?

- Leading to private economy in China
- Long history in labour mobility
- Social networks and entrepreneurship
- Specialty in trade and petty-commodities

Tab 1 Mobility Patterns (2000, '000)

Division	Location	Popn	Immig.	Emig.	Balance	Rates (%)
		(1)	(2)	(3)	(2)-(3)	[(2)-(3)]/(1)
Lucheng	Urban Districts	526	349	12	337	64.1
Longwuan		94	114	4	110	116.7
Auhai		596	297	36	261	43.7
Ruian	County City	1197	185	170	14	1.2
Leqin		1165	236	235	1	0.1
Dongto	Outer County	126	5	34	-29	-23.2
Yongjia		910	82	263	-180	-19.8
Pingyuan		831	33	122	-89	-10.7
Changnan		1228	43	99	-56	-4.6
Wencheng		373	5	113	-108	-28.9
Taishuen		358	7	84	-78	-21.7
Total	--	7405	1355	1171	183	2.5

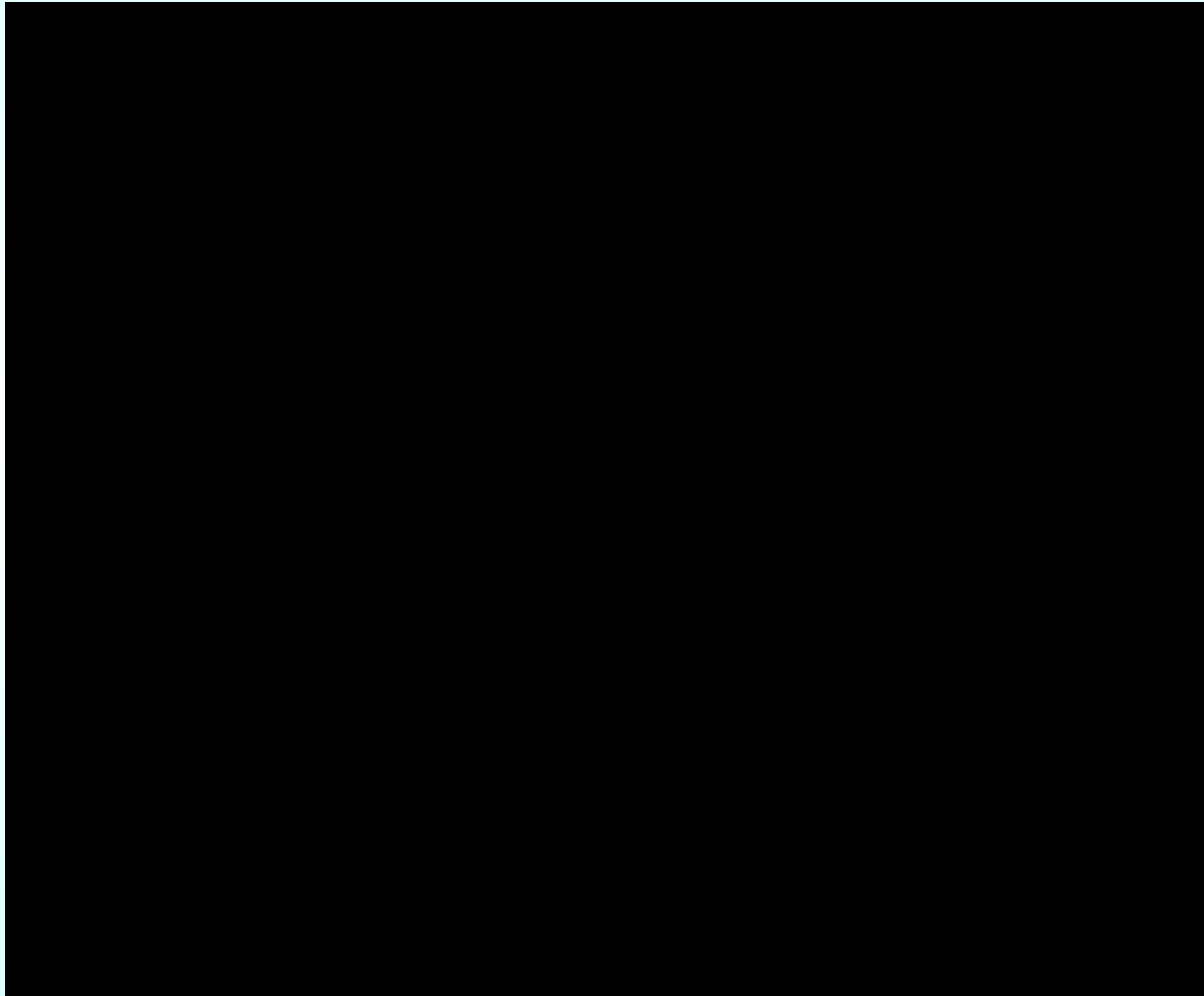
Tab 2 Internal and International Migration

Division	Emigration (1) (000')	International (2)(000')	Internal* (1)-(2)(000')	International in total (%)
Ruian	170.4	91.7	78.7	53.8
Leqin	235.1	37.9	197.2	16.1
Dongto	33.8	0.3	33.5	0.9
Yongjia	262.5	46.0	216.5	17.5
Pingyuan	121.7	11.5	110.2	9.4
Changnan	98.9	4.8	94.1	4.9
Wencheng	113.2	102.4	10.8	90.5
Taishuen	84.1	0.1	84.0	0.1

Fig 1 Growth of International Migration



Fig 2 Destinations of Migration



Tab 3 Growth of Chinese Residents in Italy

Year	Veneto	Italy	Veneto/Italy (%)
2000	5,489	60,143	9.1
2001	6,119	61,452	9.6
2002	6,827	64,010	10.7
2003	11,599	104,952	11.1
2004	14,063	111,712	12.6
2004/2000	2.56	1.86	3.5% +

Tab 4 Ethnic Economy in Veneto (2004)

Sector	Chinese	Other non-EU	Italian and EU
Manufactories	1,041	627	29,652
Trade	530	3,319	67,081
Building	7	5,416	42,114
Transports	8	986	11,569
Other activities	165	809	126,945
Total	1,751	11,157	277,361
Manuf. in total (%)	59.5	5.6	10.7

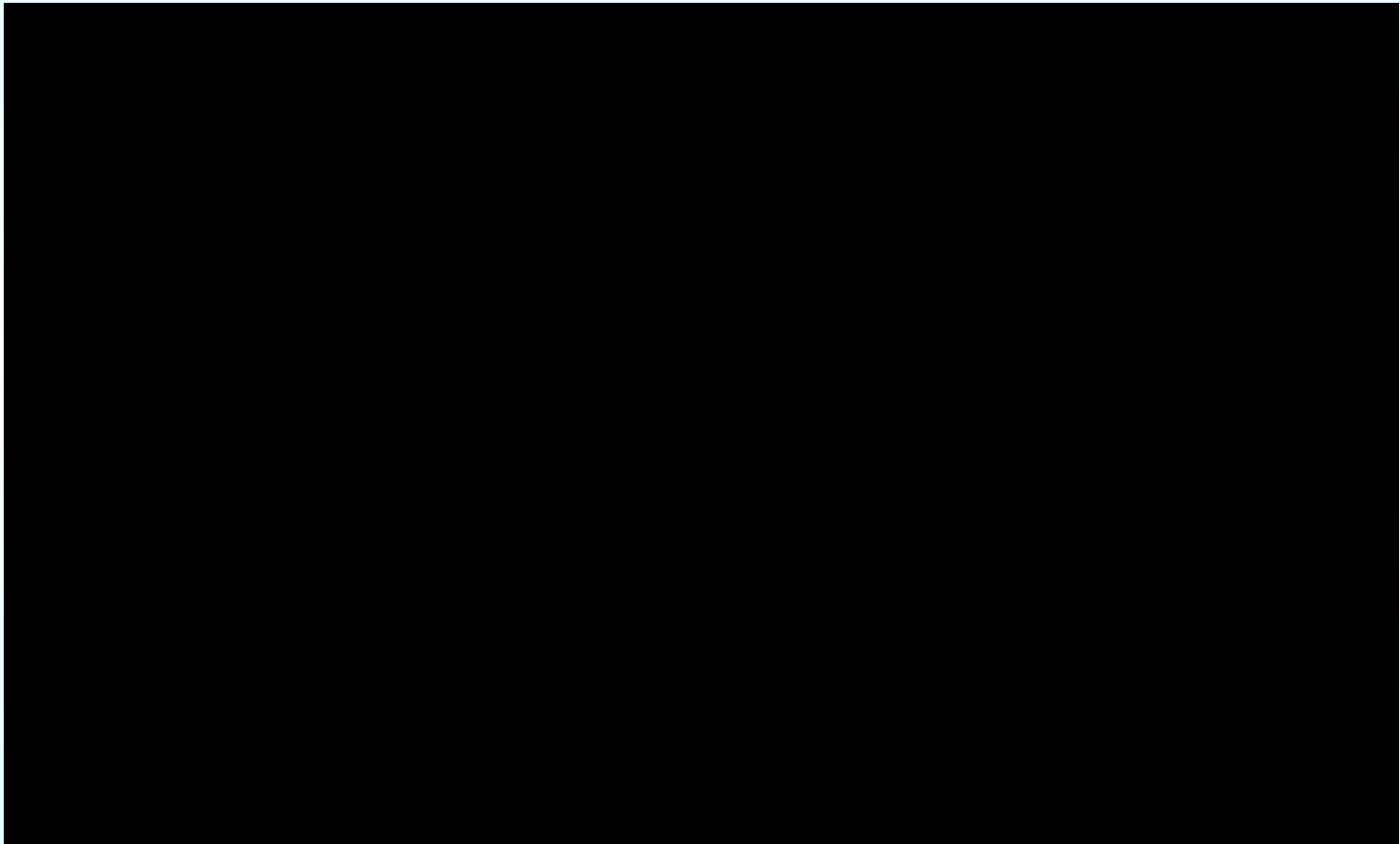
Tab 5 Growth of Chinese Entrepreneurs in Veneto

Years	1970-79	1980-89	1990-99	2000-05
Pub/restaurants	6	30	132	609
Trade/retails	0	3	61	934
Manufactories	0	1	104	1299
Others	0	1	15	61
Total	6	35	312	2903

Tab 6 Remittances to Wencheng (M yuan)

Year	1980	1990	1999	2005
Remittances	1.78	6.13	242	1500
Growth (times)	--	3.44	39.5	6.20

Fig 3 Export Growth and Share of Wenzhou GDP



Tab 7 Export Structure (2005, %)

<u>Major Products</u>		<u>Destinations</u>	
• Shoe	25.6	• Europe:	42.4
• Garment	15.1	• Asia	30.1
• Glasses	5.5	• N America	11.2
• Leather	1.9	• Africa	9.4
• Lighting	1.2	• L America	5.9
• Machines	35.6	• Ocean Pacific	1.1
• Other	15.1		

Fig 4 Growth of Wenzhou-Italian Trade

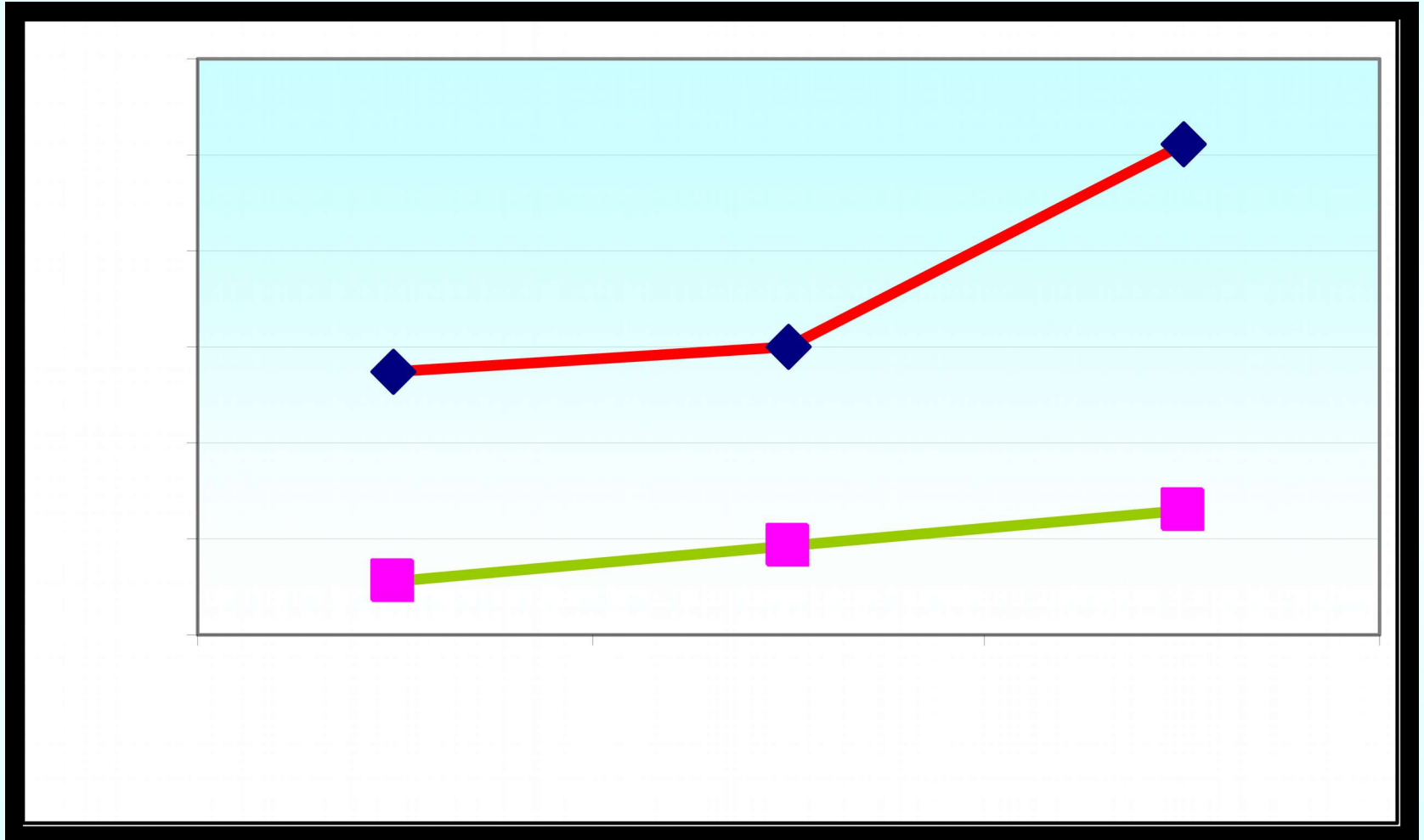
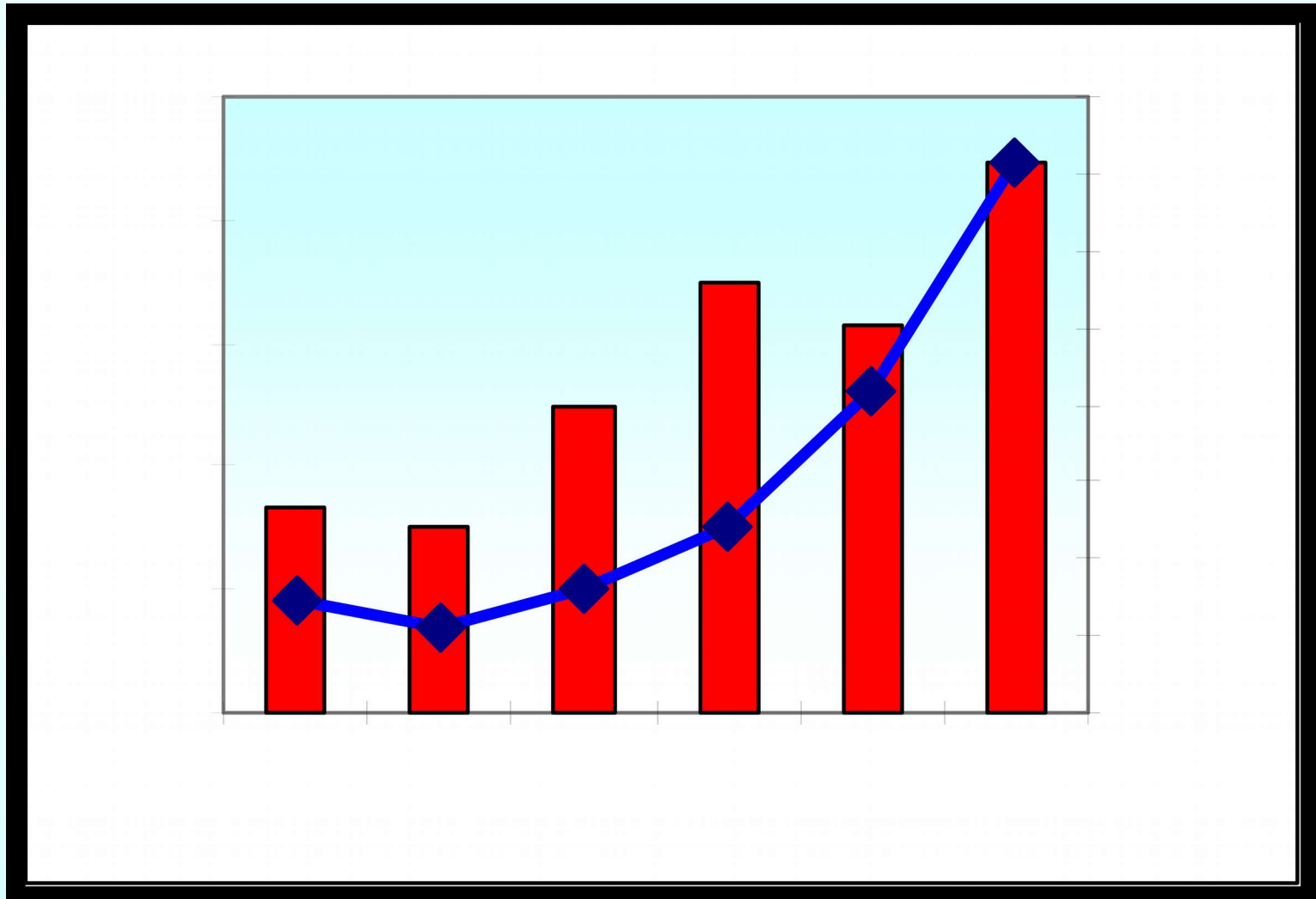


Fig 5 'Foreign' Direct Investment



Conclusions

- Intrinsic link and order between emigration flow, then commodity export and inflow of overseas capital
- Dynamical systems: demand-pulling, skill matching, social networks, and migration culture
- Local impact: international migration as an intrinsic dynamic and means of Wenzhou's development

Implications for Further Research

- Consequences and regulations of Italian subcontracting system
- Identity of Chinese ethnic entrepreneurs and migrant workers
- Segmentation, learning process and career development of Chinese migrants in Italy
- Dysfunction and reconstruction of Chinese community organizations