

Housing Relocation Practices: Case Study of Shanghai

Introduction

During the past two decades, China's urbanisation rate has grown exponentially. The shift from rural labour to urban manufacturing and services has stimulated a massive increase in rural-to-urban migration, which has been accompanied by significant changes the landscape and infrastructure of China's cities. The economic surge has led to the creation of many new cities, while transforming others into mega cities with populations of over 10 million residents.

The government's planning policy has contributed to the urban development phenomenon with tactics that have resulted in a proliferation of residential relocation cases. In Shanghai, a mega city with one of the highest population densities in the world (50,000-60,000 persons per square kilometre in certain areas) the government is planning new satellite cities with the goal of decentralising the population and opening up the city centre for commercial and public use (Weiping 2005). In 1995, the total volume of relocated space was 3.23 million square meters. According to the Shanghai Statistics Yearbook 2005, this indicator grew almost 80% in less than ten years, reaching 5.8 million square meters in 2004 .

Relocation has emerged as one of the most important and controversial issues facing Shanghai's development. In 2004, 60% of the concerns expressed by citizens in letters to the government were relocation-related. The heart of the problem lies in the affordability of housing for relocated residents. The area in Shanghai that is zoned for relocation contains residents who often live in destitute conditions. Ironically, these areas are located on land in and around the city centre, often the primary target for real estate developers. Before the 1990s, relocation work was carried out mainly by the government, and on-site relocation was the norm. Residents did not resist relocation as strongly, because they could often return to their original site. However, with the rise of housing prices, the government can no longer afford to relocate residents and now leaves the task to property developers and third party relocation companies. Compensation for residents subject to relocation is not sufficient for them to afford new housing in their original area of residency.

The formula for determining compensation is based either on the square meters occupied by residents or the number of members in a resident household. This formula ignores the reality that most of areas subject to relocation are made up of lane houses occupied by generations of families crammed into small units. When these families are forced to leave, few of them can afford to buy a new property in the same area. Thus, their only option is to move to allocated dwellings in outlying districts, where the infrastructure is basic and the commute time to the city centre takes hours. In the worst cases, families inhabiting undersized units or enduring only partial demolition of their homes do not qualify for the full compensation amount. Consequently, they are unable to afford shelter even in the outlying districts.

On the other hand, developers face another kind of dilemma: in order to win the bid for the project land and eventually transform it into a lucrative residential or commercial property, they need to prepare cash in advance for families or put them up in rented or

purchased apartments. This must occur before the development process even begins. Such an initiative is highly risky, so it is in the interest of developers to suppress the compensation allocated to each family.

As a result of these conflicting interests, the common theme behind the protests for relocation has become the affordability of housing for relocated residents. This leads us to the core issue and theme of the paper---relocation practices in China with a particular focus on compensation methods. Our investigation will begin with a review of the history of relocation practices in Shanghai up to the present day. Particular attention will then be paid to precise methods for compensation and the potential areas for improving them.

History of Shanghai Housing Relocation

Shanghai has undergone three marked periods of relocation: 1) pre 1990s; 2) 1992 to 2000; and 3) 2001 to 2004. Before the 1990s relocation was mainly carried out in specific redevelopment areas under the mandate of “old city” improvement. Most of the relocated residents were able to return to the development areas to live in rebuilt housing.

In 1992 the Shanghai government initiated the “365 Development” programme. Its goal was to redevelop 3,650,000 square meters of structures deemed in “dangerous” condition. This mainly included dilapidated lane houses or *li nong fang*. *Li nongs*, Shanghai’s characteristic housing typology, are two or three-storey terraced structures, with one side lane at the front and another service lane at the back. To this day, *li nongs* constitute the majority of the housing stock in the city centre. The “365 Development” programme encouraged property developers with by offering them incentives such as the waiving of land development and use rights and various tax breaks. The government provided property developers with a subsidy of 1 billion RMB to complete relocation for the redevelopment of an additional area of 1.25 million square meters. This meant that the majority of residents were able to return to their original area of residency or to move to a suitable house in the Pudong New Area. It was also during this time that Shanghai residents on a general level were encouraged to move to the Pudong New Area, a special economic zone designated to become the financial district of China. During this first period of major relocation, the total relocated volume amounted to 32 million square meters, 26 of them from the 662,329 affected households.

During the third period (2001 to 2004), the government’s role in the relocation process changed significantly. According to the “Shanghai Relocation Regulation Guidelines” published in 1991, both local authorities and authorized relocation entities now had the right to relocate. The 2001 revision of the Guidelines furthered the transfer of relocation responsibilities to third parties. Relocation regulations describe “authorised entities,” leaving for the government a monitoring and administrative role with a view to distancing the government from nascent distress in the population. The relocated area per year increased during this period: in 2001 the government marked 10 million square meters for redevelopment. This area comprised about 307 plots of land and 18 million square meters of homes.

Exhibit I

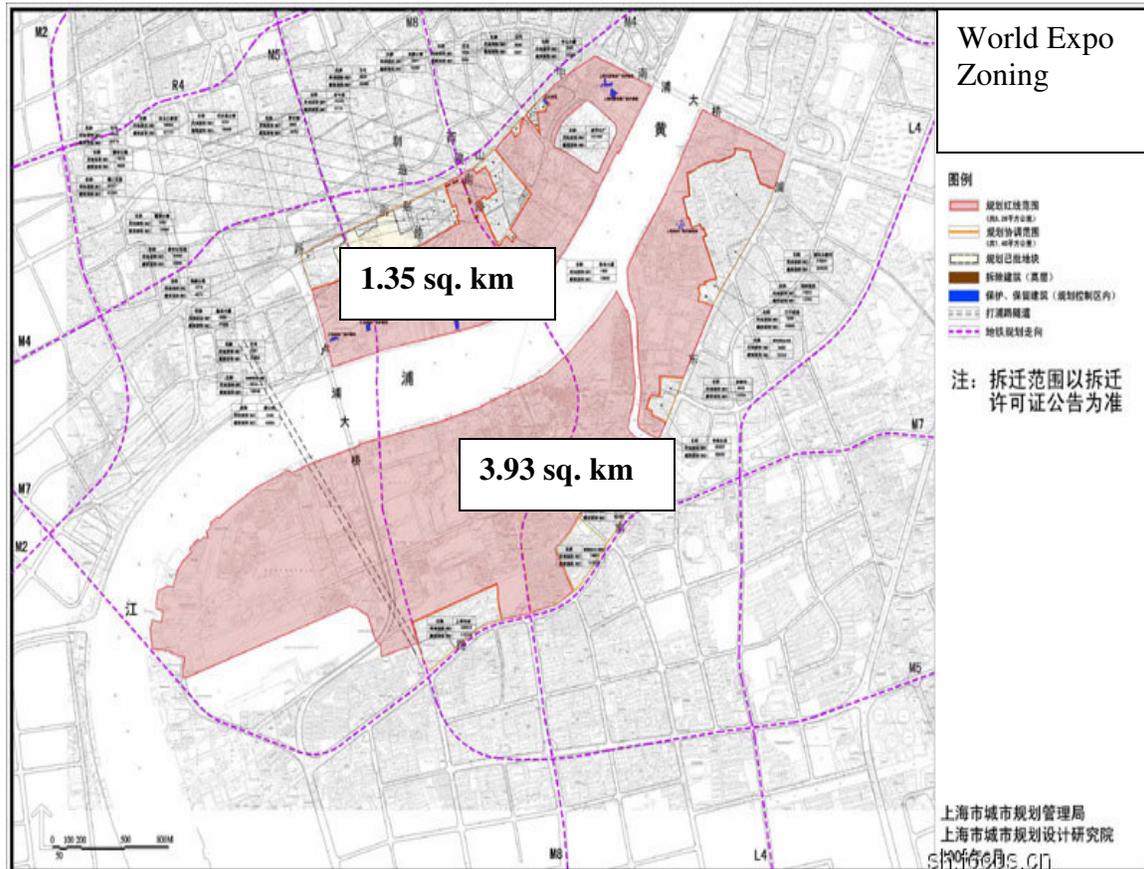


Source: Shanghai Statistics Bureau 2005

It was also during this period that Shanghai saw a major transformation in its spatial arrangement. Significant infrastructure investments including a network of motorways came to fruition. Outside the outer ring road, vast farmland areas were opened to market, resulting in expansive new areas of residential development.

The preparations for the 2010 World Expo marked the beginning of a new relocation period in 2005. The area planned for the World Expo, itself a highly visible municipal project, is 5.28 square kilometers, and approximately 1.74 million households will be relocated. By the end of 2005, the total volume of relocated households will amount to 60,000 (See Exhibit 2). This number constitutes 28% of the planned relocation for the city. There will be approximately 272 relocation entities carrying out this work. According to the government's estimation, 68% of the 25,050,000,000 RMB investment in the World Expo will be used to relocate the residents. This is considered one of the most difficult, time-pressured relocation jobs that China has faced yet.

Exhibit 2 Map of Shanghai 2010 World Expo Zoning



Source: Shanghai Urban Planning Bureau [cited: <http://www.expo2010china.com/>]

Shanghai Relocation Practices

Private ownership of land is not permitted in China. The Central Government is the owner of all urban land and some rural land, with certain other areas belonging to local authorities and collectives.

However, in various ways individuals or entities can lease space or acquire the right to use land, called "Land Use Rights", for a fixed term. There are three types of land use rights: 1) collectively owned rights; 2) allocated rights; and 3) granted land use rights. The first two types of land use rights are not transferable but have no time limit attached, with the government retaining the right to reclaim the land. The third type of land use right is transferable and has a time limit depending on the type of land use; the term ranges between 40 to a maximum of 70 years. This can be transferable on the open market and is typically the type of the right acquired when pursuing property development.

The relocation process is essentially the negotiation for the transfer of land use rights between the buyer and the current land use right holder for land that is designated for urban redevelopment,.

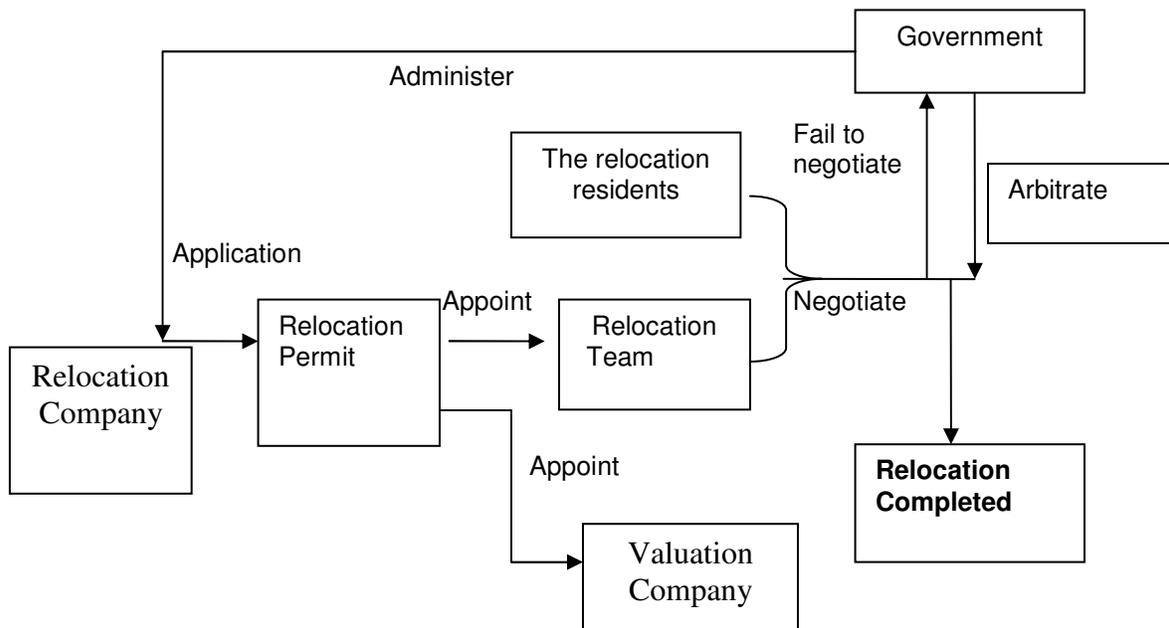
Relocation can proceed when the developer attains the necessary relocation permits. These permits are granted when the property developer obtains all pertinent project approvals, mostly from construction and urban planning bureaus. The land grant use right is transferred when the land transfer fee and the relocation costs are paid to residents.

Exhibit 3 depicts a broad picture of the relocation process. Property developers or government officials appoint an authorized relocation company to take charge of relocation for a designated area. The company appoints a relocation team to negotiate with each individual facing relocation, providing those individuals with a timeline and compensation. The specific amount given as compensation is determined by a government-approved valuation company, of which there are less than two dozen in Shanghai.

If a relocation agreement cannot be reached between relocatees and relocators or among relocators, relocatees and house tenants, it is adjudicated by the department in charge of relocation affairs. If the individuals involved refuse to accept the decision, they can file a case in the court, but relocation can continue while the suit is processed. Furthermore if relocatees and house tenants do not vacate their houses within the prescribed time, the local government can empower related departments to pull down the houses by force or seek permission from a court to do so.

During the relocation process, the relocatees are in a weak and passive position. According to the "Shanghai Relocation Regulations", once the relocation company obtains the demolition permit, it has blanket approval to proceed. Relocatees are never involved during this application process. They have no opportunity to intervene or weigh in on whether or not the area is suitable for relocation. Furthermore, there is no instrument or body to object to the government's decision. This presents a conflict between the people's civil rights and property rights and government authority. The sole stage where relocatees can participate and voice their opinion is during compensation negotiations. Such discussions occur very late in the process. As soon as the court has arbitrated, the relocatee is required to leave within the prescribed time.

Exhibit 3 Flowchart of Relocation Process



Compensation Framework

As previously mentioned, the compensation stage is the first moment when relocatees are in a position to exercise their rights and voice their opinions. It is a critical area of the relocation process that deserves special attention.

History of the relocation compensation system

The first complete government regulation concerning compensation was based on “actual unit compensation”. Clause 28 of the “Shanghai Relocation Management & Implementation Guide”, edited in 1991, stated that “the means of relocation compensation are based on exchange of title, monetary compensation or the combination of the two methods.” The area used for the title exchange and the calculation of monetary compensation was determined by the actual gross area of the relocated unit. The valuation of the property followed the guidelines set by the Shanghai Construction Committee and Shanghai Price Bureau. At the time when the *Hukou* or Household was taken into consideration, each relocated resident received compensation for no less than 12 square meters each. During this period, many downtown residents were relocated to government endorsed suburban areas such as Pudong and Xinzhuang. Although the government also paid an additional stipend to alleviate the move to a less convenient areas, people found the lack of infrastructure in the new environment inconvenient. Consequently, the pace of the relocation work has slowed.

The second phase of the compensation regulation came in 1998 when the government devised a “semi-monetary compensation” plan for “endangered” houses. This was widely encouraged by many scholars as it was seen as a better alternative to the “actual exchange compensation” policy. Gu Jianfa and Liu Fuchang (1997) asserted that semi-

monetary compensation speeds up the relocation effort as the requirement to find an exchangeable unit usually takes a long time. Compensation is determined by the actual area occupied. This regulation had provisional status before the publication of the 2001 relocation regulation.

The third period of compensation regulation began in November 2001 with a revision of the 1991 document. This revision, which serves as the basis for current practice, extended the emphasis on the monetary compensation method. The most important element of the revision states that the means of relocation compensation can be either money compensation or title exchange. The standard for compensation will be confirmed in light of a property market evaluation on the basis of location, land use and gross area.

Current Compensation framework

Clause 32 states the framework of the relocation is based on the following compensation methods.

1. Cash Compensation
2. Housing Exchange by Price Standard –housing of the same price as the cash compensation
3. Housing Exchange by Building Area Standard –housing of the same floor area as the demolished one (regardless of the price difference)

Under current regulations, the affected parties have the right to choose among the above relocation and compensation mechanisms. Should residents opt for Housing Exchange, the demolishing party must provide a choice of at least two relocation dwellings previously approved by the District Land Council.

Housing Exchange by area standard and by cash standard

Housing exchange can be selected and is applicable to (1) the private residential house owner whose house is not leased; (2) the tenant of public housing whose rent is paid to the government (3) the tenant of a private residential house or religious housing whose rent is regulated and paid to the government. The standard for area exchange is based on the gross area of the house demolished in addition to the following premium:

Exhibit 4 Adjustment of Compensation based on Location

Location of house removed	Location of house for compensation		
	IV	V	VI
I, II, III	30%	60%	100%
IV	%	40%	70%

Source: Shanghai Relocation Regulation 2001

The compensation calculation formula becomes:
 (Property Market Unit Price of Demolished Unit + Adjustment) x Gross Constructible Area of Demolished Unit)

Monetary Compensation

According to the Shanghai Relocation Regulation, the formula for calculating monetary compensation is as follows:

Amount of monetary compensation = (Market Unit Price + Adjustment) x Gross Area of house removed. “Market unit price” is the evaluation unit price on the market. If the evaluation unit price is lower than the minimum unit price for compensation, the latter shall prevail. (See Exhibit 5). The variation of the formulas is targeted towards different audiences such as tenants, land use right owners, religious organisations etc.

Exhibit 5 Shanghai Residential Market Price Compensation Standards

Shanghai Residential Market Price Compensation Standard	
Basic Formula	Cash compensation $\square\square$ Market Unit Price* + Adjustment \square x Demolished Gross Constructible Area
Formula 1	Cash compensation $\square\square$ Market Unit Price* + Adjustment \square x 100% x Demolished Gross Constructible Area
Formula 2	Cash compensation \square Valuation Unit Price* x 100% x Demolished Gross Constructible Area
Formula 3	Cash compensation $\square\square$ Market Unit Price* x 80% + Adjustment \square x Demolished Gross Constructible Area
Formula 4	Cash compensation \square Valuation Unit Price* x 20% x Demolished Gross Constructible Area

Source: Shanghai Relocation Regulation 2001

Evaluation of the Relocation Practices

There are several areas in the whole process that is subject to closer scrutiny.

Zoning for relocation

The government’s role in the process is most decisive in the initial stages. Its power rests in determining what area is subject to relocation and in assigning the “status” of the land, which could eventually affect the relocation significantly. For example, a site under the designation of “Old City Urban Redevelopment area” is subject to relocation. However, according to the “Regulations to encourage on-site relocation for <old city urban redevelopment>”, developers are required to provide on-site housing for the residents once their project is completed. In exchange the developer is exempt from paying many relocation taxes and fees related to relocation, and may even receive a waiver of fee for the transfer of the land use right.

This policy has opened the door for some unethical practices. It was discovered that certain government officials would assign “Old City Urban Redevelopment Area” status to certain areas in order to help developers claim the accompanying incentives. After the relocation work had reached a certain point, these officials would then authorize the conversion of the status of the subject site to “Government Reserve Land.” This status nullifies the requirement to provide housing on-site for relocatees. Such questionable alterations to land status became the subject of public scrutiny when it was discovered that various high profile developments in prime locations such as the French Concession

and downtown Jingan districts in Shanghai were given two different land statuses during the relocation process.

Local government officials have also engaged in comparable practices on land that belonged to rural and farm collectives as discovered during a field study we conducted in Minhang district in May 2006, where a farming collective was seized by the government in 1995 under the “People’s Republic of China Land Resources Regulation”. The law states that the government can reclaim collectively owned land rights for public benefit. There was no evidence supporting the claim that the land be used for the public’s interest, especially when it was later given to a developer. At that time, given the underdevelopment of laws and regulations related to relocation, residents were given very little compensation. Five of the forty households that were relocated were forced out. Almost ten years later, there remained two hundred households in the rural collective that have not yet been relocated. The developer had long abandoned this project due to funding shortages. In addition, presiding government officials were no longer in office and newly elected functionaries did not have the incentives to carry out the complicated ordeal. What was left of a once integrated rural setting was a disorderly semi-urban environment with half completed relocation work. (See Exhibit 6). This farming collective area is awkwardly surrounded by fully completed high-rise developments.

Through different interviews we were able to determine that different dynamics came into play in this poorly orchestrated relocation project. Residents that are still living in the area express divergent opinions. Some residents are frustrated with the half completed relocation work and expressed the desire to leave the area. They are discouraged by the long delays and lack of initiative by the government to “fix” the problem. Some owners of the collective have actually left the area and sublet their space to rural migrants, and therefore are indifferent since they have monthly income to collect. As for the families that have left, their previous income source, the farm, is no longer available. Although they have relocated to public housing and each month receive a stipend equivalent to sixty US dollars, it is far less than what they earned before through farming.

Exhibit 6 Picture of the Farming Collective in Minhang



Source: Author Taken May 2006, Minhang Shanghai

Relocation Oversight

In 2005, the government prepared the “Notification of improvement on the monitoring of relocation processes” which aims to ensure that proper and lawful procedures will be enforced during the relocation process. This statement was produced after a well publicized incident that rattled public opinion. ¹Two elders were found dead after a fire occurred on a relocation site in a prime location of the city. ² The subsequent investigation discovered that the culprit of the fire was the relocation team. Astonishingly, this was not the first fire incident reported for the site during relocation. More than twelve fire accidents were reported in addition to other unlawful actions such as cutting out electrical lines, releasing gas, and breaking windows designed to intimidate residents and ultimately force them out. Although the guilty parties were brought to justice, the incident was just one of many similar occurrences in the city. Relocates will remain in a weak position until the government begins effective monitoring the relocation process.

However, there is another side to the coin. In an interview with Mr. Wu a high level real estate company executive, real life examples of unlawful actions committed on the part of relocation companies, relocatees and the government were brought to light. For example, officials working in the government know in advance which areas will be zoned for relocation. Some would secretly notify their knowledge of the government’s plans. Immediately, a group would seek to purchase “*hukous*” or “household rights” to the area and wait to reap the profit from negotiations with the relocation company. Another example consists of relocation companies conspiring with relocatees to skim profits from developers. One scheme involves relocation companies adding additional construction materials to the to-be relocated unit with the permission of the relocatee. Such actions raise the developer’s relocation costs because of dismantling costs of the construction materials in addition to the compensation given to the relocatees.

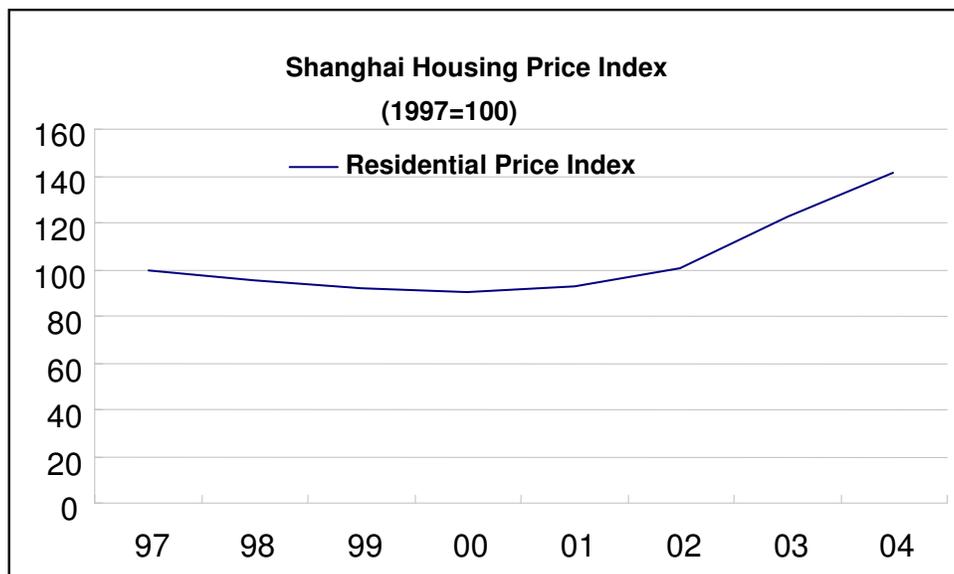
Compensation System

There are many areas to the current compensation regulation that are open to criticism. We will concentrate on a few key areas of concern.

Affordability of housing

As depicted in Exhibit 7, the Shanghai real estate market has seen soaring prices since 2001. In addition, on-site relocation has been removed from many areas. This has increased the difficulty for relocates of finding affordable housing close to their original homes.

Exhibit 7 Historical Shanghai Housing Price Index (1997-2004)



Source: Shanghai Statistics Yearbook 2005

Exhibit 8 shows that the minimum compensation required per unit as set by the government is far lower than the average market price prevailing in each district.

Another problem is derived from the nature of housing supply in the open market. According to statistics published by the Land Resources Bureau, in 1980 the total supply of residential housing in Shanghai was approximately 42 million square meters, making the average unit occupied per resident 6.78 square meters.

These numbers illustrate the housing situation faced by relocated residents today as well as the amount of compensation they are entitled to receive. In 2005, the average Shanghai household consisted of 2.8 people. Thus a typical household occupied an average of 18.98 square meters according to the formula $(6.78 \times 2.8 = 18.98)$. However when calculating the optimal compensation for the average relocated household (using a

figure of 10,000 RMB as the average price for compensation and 7,769 RMB for the average price per unit for a newly built residential unit as quoted by *Shanghai Statistics Year Book 2005*), the household would receive compensation for 48.86 square meters of housing. Formula $(18.98 \times 10000 / 7769 = 24.3)$. Even if the relocated unit is in location VI which qualifies for 100% adjustment, the household can receive only a compensation equivalent of 48.86 square meters. (Formula $(24.43 \times (1+100\%)) = 48.86$)

Compensated for less than 50 square meters, relocatees have difficulties re-entering the housing market. In 2000, the total gross area of the Shanghai housing market was 7,857,352 square meters and 69,516 units. Each housing unit averaged 113 square meters. In 2001 the average housing unit was 117 square meters; 120 square meters in 2002; and 122 square meters in 2003. Newly built housing units are close to 100 square meters and clearly less than the amount theoretically available to relocated families.

Thus problems of affordability has caused strong resentment among relocatees.

Exhibit 8 Comparison of lowest compensation unit price and the average price of second hand house in each Shanghai district

Area		Area Coverage	Lowest Compensation price □yuan/ m ² □	The average price of second hand house in 2005 □yuan/ m ² □
Luwan District	A	North of Xujiahui Rd & Zhaojiabang Rd.	7550	11688.3
	B	South of Xujiahui Rd & Zhaojiabang Rd.	6105	10779
Xuhui District	A	East of Huashan Rd, North of Zhaojiabang Rd.	7600	11592.6
	B	West of Huashan Rd, South of Zhaojiabang Rd, East of Kaixuan Rd, North of Zhongshan Rd	5400	9936.6
	C	West of Kaixuan Rd, South of Zhongshan R, North of Longhua harbor, Northwest of Humin Rd.	4400	9403.6
	D	South of Longhua harbor, Southeast of Humin Rd, North of Dianpu River	3700	8268.5
	E	South of Dianpu River	2800	6794.7
Changning District	A	East of West Zhongshan Rd.	6123	11100
	B	West of Zhongshan west Rd, North of Huhang railway, South of Suzhou River, East of Weining Rd.	6008	9883.5

	C	West of Weining Rd, North of Huhang railway, East of Hami Rd, South of Suzhou River.	5273	8830.5
	D	North of Hami Rd, West of	5260	8594.6

Source: <http://www.shfdz.gov.cn/fwcq/bcdj.jsp>

Valuation Companies

The role that the valuation companies play in the compensation process is critical, as they have total control over the reference market price used to compensate relocatees. Their valuation can only be declared invalid when the estimated market value of a unit is lower than that of the minimum compensation allowed. According to the Shanghai Relocation Valuation Regulation, valuation on relocation can only be undertaken by valuation institutes that hold proper licenses and are appointed by the relocation team. The valuation companies' costs are paid by the relocation team as well. Moreover, unlike auditing companies, valuation institutes are not legally responsible for their valuation. This creates an inevitable bias, as it is in the best interests of the valuation companies to side with relocation companies. Such alliances are possible because in general real estate valuation can allow for a range of comparable prices, and is up to the discretion of an accredited valuation company to decide on the final valuation figure.

On April 2004, the Shanghai government revised the Regulation of Shanghai Relocation on Evaluation. In the new regulation "the selection of a valuation institute shall be open and transparent. The institute can be selected by means of voting, negotiation or lottery." Although the intention is to be transparent the law is very vague and it still leaves relocatees little opportunities to learn about the valuation institute that will be appointed by government. In the relocation process, the relocation company will often damage the interest of the people being relocated, therefore slowing the speed of relocation. There are two possible explanations reasons behind it.

Transparency of the system

Another area of inefficiency in the compensation system is the lack of transparency and standardisation. The negotiation of compensation is conducted one on one between the relocation team and relocatees. The only reference is the government's publication of the minimum compensation permitted. Depending on their negotiation tactics, the relocatees can receive higher amounts than the valued compensation. On the other hand, developers and the relocation team often have under-the-table agreements that essentially grant a margin to the relocation team if they spend less than the developer's relocation budget.

Therefore, this causes a delay in relocation work as each negotiation can take time. More often the last relocatee to agree on the compensation amount is also the one who is likely to receive the highest amount of compensation. For Mr. Chen, a resident of a zoned area for relocation on Fuxing Road, Xuhui district, the relocation process began in 2001 and until this day it has not been completed. The reason of this is that the relocation team was driven to reduce the compensation amount. This has caused a delay in relocation completion because many relocatees refused to accept this amount. At the same time, the housing price in Shanghai continuous to increase. In the end, the initial relocation budget from the developer has fallen behind the costs of today. As a result, relocation has halted. This type of scenario is fairly common in present day Shanghai.

IV. Conclusion

Relocation is a complex issue that involves many parties and often uncontrollable market factors. This paper has sought to illustrate the areas of conflict for the parties involved: relocatee, property developers, relocation companies, government officials, and valuation companies. With the relevant law still in development, the biggest opportunity to improve relocation practices rests with policy makers. The following are recommended areas that the government can improve on:

Addition of Third Party Evaluation

The compensation amount is the most critical for all the parties; it is imperative to ensure that the valuation method is fair. We have discussed reasons why the valuation company might be biased. This problem can be reduced if the government would put in place a third party that can validate the result produced by the original valuation company.

Public Hearing

Under the current relocation process, relocation companies are given permission to mobilise relocation as soon as they receive approval. Even under circumstances where negotiation has not reached a mutual agreement regarding compensation, relocation is inevitable. Although according to Clause 7 of the “City relocation arbitration regulation” a public hearing can take place when the percentage of unrelocated residents is higher than that of the relocated residents, the details of the procedure remains vague. The administration of the public hearing is left up to relocation regulation department of the respective provincial, municipal, or district government.³ It would be advisable to develop the public hearing system, making it available at important stages of the relocation process.

Strict Enforcement and Monitoring of the Legal System

Current relocation processes show that the role of the government focuses on law making and permit approval, serving as arbitrator at some points. However, we have found that often parties involved have found ways around the system and have engaged in unlawful acts. This occurs primarily due to a lack of enforcement. Stricter monitoring of the process is necessary to protect civil rights, discontinue unlawful zoning, prevent incidents with loss of life, and put a stop to forced relocation.

Transparency

The implementation of transparency, critical to ensure fairness in the relocation process, can be improved at all stages of the relocation process. The distribution of information such as relocation timeline and progress reports, relocation team, compensation method, valuation reports, valuation parties, and exchanged housing should be well publicized and accessible. This would prevent those with privileged information from operating unethically.

Housing Policies

The difficulty for relocatees in finding affordable dwellings given the current housing market situation and the current compensation system is exacerbated by the fact that property developers make more profit on bigger size units, thus making the supply of affordable housing limited.

The government could grant incentives to developers that develop more economical housing or zone certain areas for affordable housing only. This was suggested as recently as this June by the publication "Regulation to stabilize the housing market" which states that no less than 70% of all housing units in new housing construction projects must be less than 90 square meters.

According to the 2005 Shanghai statistics yearbook, there are still about 20 million square meters of old *li long* housing which are or could be marked for redevelopment. In addition to the obvious window for further urban development, this could be seen by the authorities as a unique opportunity to advance the issues that the current relocation processes have thrust on urban Chinese.

China's stated aspiration of achieving harmonious economic development would benefit from less disruptive relocation processes through unambiguous policies, a system of checks and balances including public hearings, an emphasis on transparency, and a serious drive for affordable housing.

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