

# İNANÇ MODEL UNITED NATIONS 2025

**“CONTEMPLATING DIPLOMATIC FRACTURES WHILE  
BREAKING THE CYCLE OF SOCIOPOLITICAL INJUSTICE  
AND APATHY”**



**Enhancing Resettlement Strategies to Manage Population  
Displacement in China**

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**Committee:** United Nations High Commissioner for Refugees (UNHCR)

**Issue:** Enhancing Resettlement Strategies to Manage Population Displacement in China

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## Introduction

Following the founding of the People's Republic of China in 1949, resettlement became a cornerstone for the development of the country. Until the 1970s, the state led the process of compulsory resettlement, emphasizing collective wellness over individual initiatives. With economic reforms beginning in 1978, the displacement in China shifted more towards development induced resettlement. The rapid development led to population flow towards industrial zones, evolving the resettlement policy with it and creating the first monetary compensation. Further expansion of China's cities and urban transformation led to one of the largest resettlement processes globally, displacing 40 to 60 million people in the span of two decades. This major shift in the country's population caused the compensation to be insufficient compared to household prices, social exclusion and disintegration of the migrant population, and limited access to urban livelihood. During the time of mass resettlement, China was also exposed to many natural disasters including but not limited to the 1998 Yangtze floods, 2008 Wenchuan (Sichuan) earthquake, and frequent flooding in the southern region. These circumstances further increased the instability caused by the mass displacement. Closing upon the recent years, population displacement has been significantly affected by climate change, natural disasters, and risk prevention. Hence, settlement of areas such as

floodplains and landslide-prone mountain areas took place in consideration of respective risk factors. Another condition is ecological conservation, as modern resettlement also took into consideration environmental and ecological damage done by the inhabitant population. The disruption of livelihood and trauma still endures within China as well as the instability of the poorly balanced population.

## Definition of Key Terms

**Population Displacement:** The movement of a country's population caused by environmental, economical, strategical, or other reasons.

**Internal Displacement:** The displacement of a country's population within its borders. Nearly all of the displacement present in China is internal, their own people migrate in their country.

**Resettlement:** The process of planned replacement of a country's citizens. Resettlement projects such as the ones seen in the Chinese agenda help with balancing the population and providing livelihood to displaced groups.

**Chaiqian:** China's urban demolition and reconstruction mechanism adopted in the 1990s, fostered by development projects and investments from real estate owners. The word chaiqian itself is a combined term made up of "chai" (demolition) and "qian" (relocation).

**Development-Induced Displacement:** Displacement caused by economic development and industrialization in a specific region more than other regions. China experienced this occurrence in the 1980s caused by rapid industrialization and urbanization.

**Urban Redevelopment:** Renewal of central city areas or urban settlements to aid with providing for the evolving needs of the population. Urban redevelopment in China's case commonly results in triggering chaqian.

**Housing Commodification:** The process of shift in the value of housing, making it a market-based commodity and an investment tool instead of merely a basic need. After the 1998 reform in the Chinese government, housing was fully commodified, enabling mass urban redevelopment and fostering the household market.

**Land Finance:** The collective process of converting land into profit, often utilized by governments to maximize gain from land. In China, amongst many other nations, an extensive process is used to first apply chaqian, then construct infrastructure, and finally lease land rights to local governments to maximize profits in the long run.

**Hukou System:** The Chinese system determining settlement locations of citizens according to information including but not limited to residence location, skillset and inheritance. This system has proven to be problematic as issues such as limited access to welfare and inequality between citizens emerge as a consequence of operation.

**Compensation:** Mainly financial incentives to compensate for resettlement costs and losses. Compensation has had a history of being either inadequate or barely sufficient in China and is one of the main issues at hand today.

**Livelihood Restoration:** Efforts aiming to help restore the necessities of life after resettlement. Livelihood restoration in China is often imbalanced, as urban provinces manage to restore livelihood more efficiently than rural provinces, caused by the uneven opportunities and amenities.

**Social Integration:** Capacity of resettled people to integrate and adapt into the host society. Social integration is oftentimes directly related to livelihood access and providing it equally, as employment is the most resilient way to ensure it. China struggles with integration mainly because of the government's focus on commodifying the households and the exclusion caused by the Hukou system.

**Involuntary Resettlement:** Relocation carried out with either limited or no actual choice. China's insufficient compensation and the Hukou system left many people no real choice.

**Vulnerability:** The amount of exposure to economic, social, or environmental harm. Vulnerable populations are the prioritized targets of resettlement to minimize risk before actual harm.

**Monitoring and Evaluation (M&E):** The process of tracking information regarding the outcomes of resettlement and the impacts it had on the community. In practice the M&E procedure in China works quite differently than in theory; having minor influence from affected communities, and instead relying on central ministries as well as provincial governments.

## General Overview

### Urbanization and Internal Migration as Structural Factors

Over the past forty years, China has experienced one of the most drastic demographic shifts in modern times. Beginning in the late 1970s, economic reforms, industrial growth, and increased rural labor relocation led millions of people to move from the countryside to cities. This transformation is reflected in the exponential rise of the urban population, heading from less than 20% of the total population in 1980 to over 60% by 2023.

The development of urban areas and infrastructure fueled both economic growth and job opportunities, but also required large scale redevelopment of urban land. As cities grew larger, the demand for urban land skyrocketed, encouraging the clearance of older neighborhoods and nearby rural communities to redevelop industrial zones for new projects. These circumstances set the stage for mass internal displacement, with migration serving as both a cause and an effect of urban development.

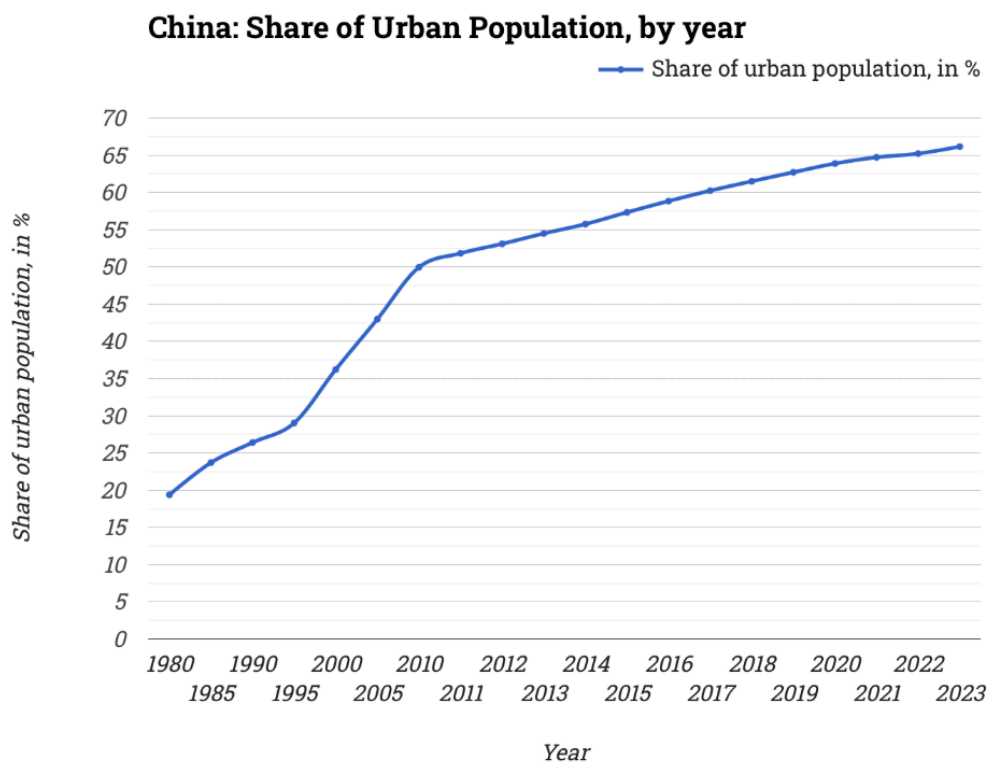
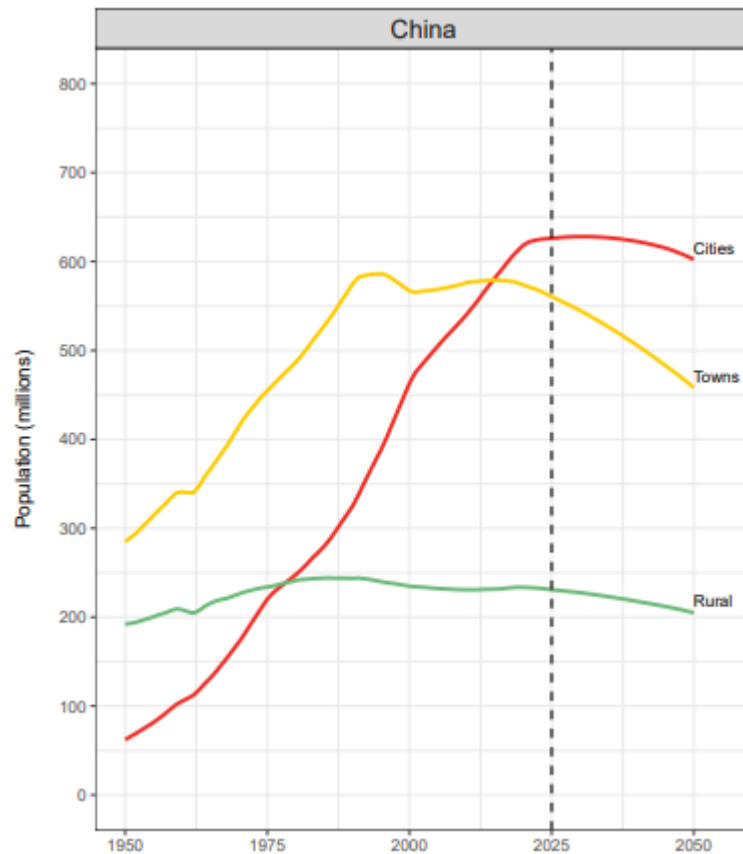


Figure 1: China's share of urban population rose from roughly 19% in 1980 to over 66% in 2023.



*Figure 2: China's population composition divided into cities, towns, and rural areas over the years. After industrialization a drastic increase in the population of cities is visible, as well as a speculation until 2050*

The increase of internal migration was caused not only by economic opportunities in cities, but also by the rising population and consideration of converting rural areas into urban zones, mostly before 2000. Especially after 2010, migration from rural to urban regions became the largest trend fostering urbanization. Together, these forces increased the demand and value of land markets significantly; alongside of applying constant pressure on the housing supply and district governments.

## **Land Ownership, Housing Reform, and the Emergence of Chaqian**

The unique land ownership conditions of China is mainly shaped by its displacement dynamics. According to the Constitution of the People's Republic of China, the state owns all urban land, while rural land's ownership belongs collectively to villages and their members. Individuals may only have access to land use rights, which can be expropriated or converted by government authorities for development purposes. The flow towards land becoming an economical asset was dramatically accelerated by the 1998 housing reform. Driven by this reform, a market based residential real estate sector was born, while the value of housing as a welfare allocation decreased further. Households being made into individual property caused a surge in real estate investments, as well as any housing project supported.

Following the commodification of housing, urban areas with relatively lower values became frequently targeted redevelopment projects. In order to maximize profits and boost growth, local governments used administrative authority to repurpose these areas through *chaqian*. The compensation provided limited resident's ability to veto their resettlement, forming a system in which population displacement and urban redevelopment are intertwined.

## **Mechanisms of Involuntary Resettlement**

Even though China's legal system provides displaced populations with compensation, issues emerged when individuals ultimately couldn't invoke their right to remain when the land was designated for redevelopment. Residents generally lacked the legal power to cope with authorities. Compensation offers are directly connected to the degree of compliance achieved by the residents, producing a lose-lose situation to force acceptance. In extreme cases, amenities such as water or electricity are disconnected, or access to services are restricted; increasing the difficulty of remaining in the same household. Legal prosecution is possible but has nearly no chance of intervening with demolition after an official approval from the government, leaving residents with limited options and incentivising relocation. These mechanisms embedded into the Chinese population management system is what creates involuntary resettlement, even though it seems as if residents are generously compensated for relocation.



## **Livelihood Restoration and Social Integration Challenges**

Livelihood restoration has been prioritized above restoring the community's employment during the resettlement process in China. Most cases of urban resettlement involve urban chaqian that prioritize market forces over giving jobs to the displaced. The exception would be some of China's poverty alleviation resettlement programs that incorporate job training, access to jobs, and social services. A number of these employment relocation programs have been unsuccessful because the resettlement houses usually get built on the peripheries of the cities where there are few job opportunities. People that migrate from rural areas and are yet to be recognized “urban” by the government because of the restrictions imposed on them through the Hukou system, particularly with access to public services, are finding it more difficult to integrate into their new urban neighborhoods. As a result, the physical movement of households is not usually accompanied by any long term social or economic benefits to the communities they came from.

## **Major Parties Involved**

### **People's Republic of China (Central Government)**

The central government of the PRC is the primary and ultimate actor in all resettlement and population displacement processes, both historically and currently. In other words, the central government—through the State Council, the NDRC, MOHURD, and the Ministry of Natural Resources—sets up the legal, administrative, and policy framework that guides land acquisition, urban redevelopment, and relocation via the property rights, compensation principles, housing reform, and land-use conversion that it has created, while

defining broader national development strategies that incorporate rapid urbanization, infrastructure expansion, poverty alleviation, and economic modernization.

Policies for central government reform, such as the commodification of housing in 1998, the tax-sharing reform of 1994, and the revision of the Land Administration Law, have structurally reshaped the incentives around land use and resettlement. While these policies have promoted economic development and urbanization, they have also created entrenched structural pressures for large-scale demolition and relocation. It is also important to note that in most cases, the central government itself does not directly involve itself in the local-level projects of *chaiqian*; rather, it develops long-term national plans and delegates implementation to lower levels of government. This governance structure facilitates flexibility and scale but has also fostered inconsistencies, social conflict, and allegations of forced or involuntary resettlement in many places.

## **Provincial Governments**

Provincial governments serve as intermediate coordinators for both central and municipal or district governments. The primary role of the provinces is to create a context within which national resettlement, urbanization, demolition, and relocation policies apply to regional conditions, and meanwhile ensure that local governments adhere to the decrees of the center. Provinces are also in charge of supervising and approving large-scale or politically sensitive relocation projects, including major infrastructure development projects, environmental protection zones, dam construction, and disaster-risk reduction.

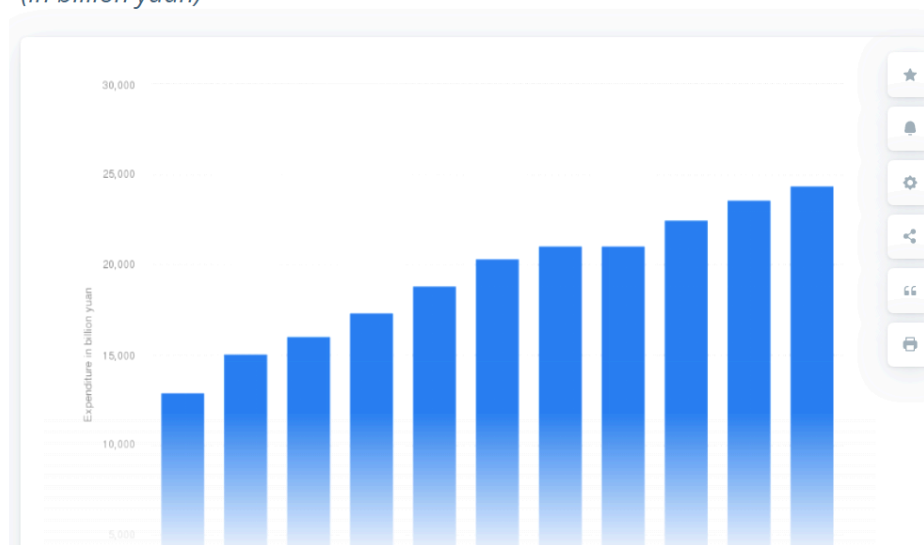
Beyond coordinating policy, provincial governments bear major responsibility for maintaining social stability. Where there is conflict over forced demolitions, low compensation, or sustained resistance on the part of affected populations, provincial-level intervention may be mediated, investigative, or in the form of direct administrative intervention. Incidences of protest, petitioning, or violent clashes with police associated with *chaiqian* have frequently drawn the attention of provincial-level authorities. As regulators and stabilizers, provincial governments thus work to balance development imperatives with potential social instability.

## Municipal and District Governments

Municipal and district governments are, respectively, the principal driving forces and immediate decision-makers behind the process of *chaiqian*; proposing urban redevelopment projects, determining which land is to be demolished, setting compensation standards, ratifying resettlement plans, and organizing the relocation of the affected population. Higher-level policies naturally need to be implemented in concrete ways on the ground by the same governments, thus placing them as the most influential actor in shaping resettlement outcomes.

Municipal and district level governments also face very high operational costs, while having circumscribed authority to collect taxes. They consequently rely very heavily on land finance, whereby infrastructure, public service, and administrative operations are covered through revenue generated from leasing out land use rights. This reliance has intensified since the 2000s and forms the financial backbone of much aggressive redevelopment and evictions. Powerful fiscal and political incentives at lower levels of government, such as GDP growth targets, revenue generation from land, and cadre evaluations, generally favor prioritizing economic growth and project completion over social welfare. As a result, municipal and district governments are right at the epicenter of urban development success and continued displacement related social conflict.

**Local government expenditure in China from 2014 to 2024**  
(in billion yuan)



*The cost of operation of local governments in China from 2014 to 2024*

## **Demolition and Relocation Authorities**

Demolition and relocation authorities work at the street, neighborhood, or district level and are responsible for the direct implementation of *chaiqian*. They are in charge of negotiating with residents, handling compensation agreements, arranging logistics of relocation, serving eviction notices, and carrying out demolition orders. Most commonly, the right to remain is taken away because areas are designated for redevelopment under catch-all “public interest” designations. Causing controversy in this regard, demolition and relocation authorities have been accused of causing involuntary resettlement by making compensation dependent on compliance, by reducing compensation in case of late acceptance, or by letting living conditions deteriorate through disconnection of utilities or partial demolition. Since the early 2010s, overt incidents of violence have become a rare occurrence; however, reports of coercion, intimidation, and administrative pressure are still widespread. Because they are typically the most conspicuous face of the state in the process of displacement, such authorities have often been the target of public outrage and resistance and have thus acted as the *de facto* scapegoats despite their being located within a hierarchical administration.

## **Local Government Financing Vehicles (LGFVs)**

LGFVs make up an important part of larger local government financing vehicles that finance and sustain population displacement and redevelopment projects. The LGFVs are state owned companies established by local governments in order to finance infrastructure construction and urban redevelopment and resettlement projects. They borrow from banks or capital markets against collateral in land, future land revenues, or government guarantees, thereby linking *chaiqian* directly into the local debt structure. While the model has helped accelerate urban growth and mass relocations by making the projects economically self-sustaining, in any case this has entailed long-term fiscal risks, which have entrenched incentives for land conversion and demolition into the present. Because LGFVs rely on future land sales for debt servicing, local governments continue to face incentives to embark on new redevelopment projects, adding to further cycles of displacement.

## Timeline of Key Events

<b>1949</b>	With the foundation of the People's Republic of China, urban land was nationalized and private ownership was abolished, laying the foundation for state control over land and housing.
<b>1989</b>	The Constitution of PRC formally establishes the dual land system: urban land is state-owned, while rural land is collectively owned.
<b>1994</b>	Fiscal reforms centralized tax revenue but left expenditure responsibilities to local governments, making land finance crucial and incentivizing redevelopment and displacement.
<b>1998</b>	Welfare housing ends and housing becomes a market commodity, enabling large-scale urban redevelopment and the expansion of chaqian.
<b>2000</b>	Rapid urbanization causes cities across China undergo intensive demolition and relocation as land values rise and local governments pursue growth and revenue.

2014	The new urbanization plan indicated a policy shift toward more regulated and socially conscious urban development while maintaining redevelopment driven growth.
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## Previous Attempts to Resolve the Issue

### Legal and Regulatory Reforms

A significant legal response to displacement was 2011 Regulation on the Expropriation of Houses on State-Owned Land, following many protests made by Chinese citizens in the cities of Tianjin, Chengdu, Shanghai, Xian and Shenzhen. The law established a process for an expropriation to occur without a resident's consent, and also prohibits expropriations from occurring when any resident is living on the property that has been expropriated. Even after the acceptance of the new law, residents of state-owned land still do not have the legal right to half a forced eviction if they encounter one.

### Urban Planning Policy Initiatives

In order to regulate rapid urbanization, the Chinese government implemented the New Type Urbanization Plan between 2014 and 2020, with a goal of more orderly and people oriented urban development. The plan promoted improved resettlement standards and access to public services to promote resettled populations. However, strong economic and fiscal incentives at the local level limited the effectiveness of the New Type Urbanization Plan in reducing displacement.

### Poverty Alleviation and Relocation Programs

Between 2015 and 2020, China executed ecological relocation and poverty alleviation strategies in rural and environmentally sensitive regions. The latter had been marked by the granting of better living and social services and were thus considered to be more progressive

resettlement improvements, but the methods applied in these programs were only partly implemented during the urban chaqian situations.

## **International and United Nations Influence**

International organizations like the World Bank and the Asian Development Bank applied the policy of involuntary resettlement safeguards to various China funded infrastructure projects, yielding small-scale improvements in results. The United Nations further advocated for inclusive urbanization principles through such frameworks as SDG 11 and the 2030 Agenda for Sustainable Development. However, these initiatives are yet not legally binding, and their application varies from one place to another.

## **Possible Solutions**

What is urgently needed to improve resettlement outcomes in China is better balance in central planning and implementation at the local level for dealing with social and economic disruptions caused by large-scale internal displacement. Aligning land finance practices with urban redevelopment policies and aligning these with social protection would avoid compensation gaps and reduce pressures on forced relocations. This will be further consolidated through an expansion of post-resettlement support via long-term income assistance, small-scale entrepreneurship programs, and economic integration plans tailored to each region. Incorporation of risk-sensitive and climate-adaptive planning in resettlement policies can reduce repeated displacement from environmentally vulnerable areas. Improvement in pre- and post-impact data collection, along with very limited but organized consultations with affected populations, allows identification of early failures that may materialize only in the longer run. Through institutional collaboration with UN agencies such as UNHCR, China could refine resettlement governance by adhering to international standards regarding monitoring and sustainability, while retaining domestic policy autonomy..

## Conclusion

Population displacement through *chaiqian* in China is the outcome of a premeditated structure consisting of the country's land ownership system, housing commodification, and fiscal governance model. While supporting modernization and development, urbanization has also had consequences in the form of inequality, forced resettlement, and social disintegration; more significantly for vulnerable populations. Recent attempts have improved the situation considerably, yet the underlying incentives that link land conversion to local government revenue remain largely intact. I wish for fruitful discussions in this committee to ultimately sever or differentiate the bonds between profit and destruction in the name of redevelopment.

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