

A PROPOSAL TO REFORM IMMIGRATION MANAGEMENT POLICY IN CHINA

by  
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## **Abstract**

China is facing the demographic challenge that a dangerously low birth rate would let the country “getting old before getting rich”. Immigrants can help China decrease the negative influence of demographic challenge, including lacking both professional and talented experts in high-ended industries and a cheaper labor force in manufactural industries. However, the legislation on managing and controlling immigrants in China lags current social development. This proposal reviews the immigration management history in China and briefly introduces the immigration management experience of other countries. The proposal recommends reforming the current visas classification method more detailed according to immigrate and non-immigrate and set a few policies to coordinate. This proposal analyzes the pros and cons of this reform in policy and political perspective to convince the reader to approve it.

**Advised by:** Professor Paul J. Weinstein, Jr.

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## MEMORANDUM

**TO:** LI Zhanshu, Chairman of the Standing Committee of the National People's Congress

**From:** WANG Chenfeng

**SUBJECT:** Reforming Immigration Management Policy in China

**DATE:** May 30, 2021

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### **Action Forcing Event**

On May 11<sup>th</sup>, 2021, China released key indicators of the seventh national census conducted in 2020. This once-in-a-decade survey watched the amount, structure and distribution of the population, as well as rural and urban housing situation. The result indicated that the total Chinese population increased from 1.34 billion to 1.41 billion in 10 years, which was the lowest growth on record.<sup>1</sup> The main challenge from the survey indicated that the total fertility rate is only 1.3,<sup>2</sup> significantly lower than the world average of 2.5, and the replacement level fertility as requiring an average of 2.1 children per woman. China is losing the “demographic dividend” after the Reform and Opening-up since the 1980s, on the contrary, a smaller working-age population having to support a bigger, retired population. Such a dangerously low birth rate<sup>3</sup> makes many scholars and

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<sup>1</sup> Office of The Leading Group for The Seventh National Census of The State Council, National Bureau of Statistic of China, Accessed May 2021. <http://www.stats.gov.cn/ztc/zdtjgz/zgrkpc/dqcrkpc/>

<sup>2</sup> Total fertility rate is a figure for the average number of children that would be born per woman if all women lived to the end of their childbearing years. CIA, THE WORLD FACTBOOK. <https://www.cia.gov/the-world-factbook/field/total-fertility-rate/>

government officials raising the fear that it is China's last chance to slow down the population decline and the aging problem by 2025.<sup>4</sup>

On the other hand, before the COVID-19 Pandemic, the China National Immigration Administration indicated that in 2019, the number of foreigners entering Chinese borders had reached 97.675 million, which is an increase of 11.6% compared to the previous year.<sup>5</sup> China has attracted more aliens to immigrate for different opportunities. President Xi Jinping also pointed out that China will actively implement innovative talent exchange programs and support 5,000 foreign innovative talents in China to conduct exchanges, training, and cooperative research in the next five years.<sup>6</sup> Well-managed immigration system can help China decrease the negative influence of demographic challenges, including lacking both professional and talented experts in high-ended industries and a cheaper labor force in massive manufactural industries.

The National People's Congress as the legislative branch of China, has to reform our immigration procedure and mechanism to corresponding to President Xi's commitment and overcome the democratic problem at the same time. It is urgent for China to turn the challenge of immigration management into an opportunity to optimize the population structure and improve the competitiveness of the labor force when this country is facing an unprecedented challenge on the world stage.

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<sup>3</sup> Berlinger, Joshua. "China's birthrate hits lowest level since country was founded in 1949", January 17, 2020, CNN. <https://edition.cnn.com/2020/01/17/asia/china-birthrate-intl-hnk/index.html>

<sup>4</sup> Cai, Fang. "The 14th Five-Years Plan, Last Time Window to Deal with Aging", Chinese Academy of Social Science, Dec. 2020.

<sup>5</sup>China National Immigration Administration Statistical Data. "670 million immigration personnel in 2019" Jan 2020. Accessed Feb. 2020. <https://www.nia.gov.cn/n741440/n741567/c1199336/content.html>

<sup>6</sup> Ibid.

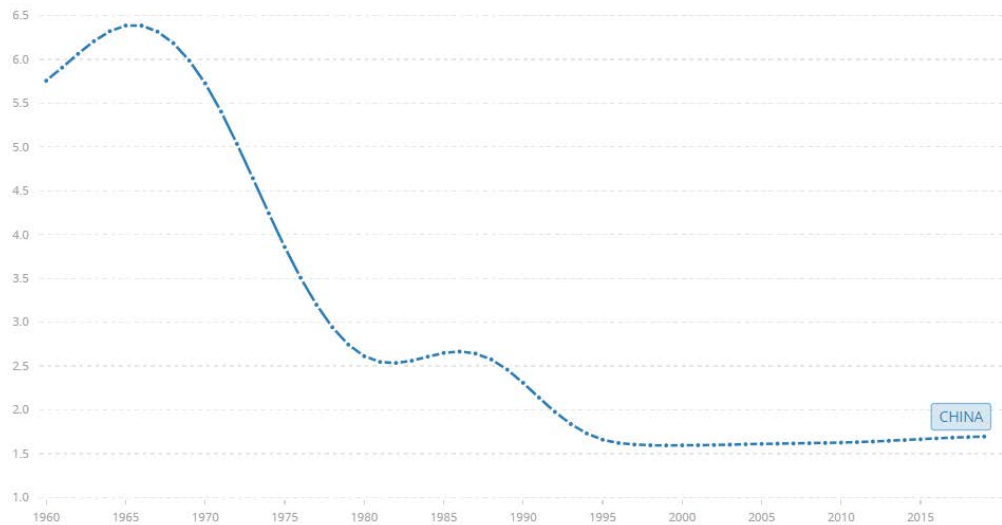
## **Statement of Problem**

The problem to be addressed in this memorandum is that China is losing the “demographic dividend” of the domestic low-cost labor force, which was the Chinese comparative advantage in the global market for the past three decades. China aims to transform and upgrade industries from labor-concentrated to intelligence concentrated. However, before the finish of industrial transformation, China needs both low-cost workers from abroad in manufactories and foreign expertise that could help improve the add-values of Chinese industries. More immigrants are settling in China in recent years, the supply and demand of immigrants and foreign-born workers in the labor market are not met, because the legislation on managing and controlling transnational migrants in China lags social development. The misallocation of human capital and labor force harms Chinese innovation capability and competitive power in certain industries and creates a social problem for undocumented workers.

Since the One-Child Policy implemented in 1982, China used a political enforcement way to experience the stage of “demographic dividend”. During this period, the speed decline of the fertility rate has greatly reduced the burden of child-rearing, and more women could participate in the labor market; while people born under Mao Zedong’s era of “baby bomber” has gradually become adults, and the proportion of the labor force was expanding. At the same time, although the proportion of the elderly was gradually increasing, still has limited influence on the country. This demographic advantage helped China easily boosted the economy after the Reform and Opening-up at the same time. In

China, for nearly 30 years, more than a generation of families only had one child. However, after one of the largest and fastest urbanization in human history, people are less like to have children due to social and economic pressure to raise them even the restriction is less and less effective.<sup>7</sup>

*Figure 1: The Total Fertility Rate of China from 1960 to 2019<sup>8</sup>*



On April 14th, 2021, the People’s Bank of China published the 2nd Paper of 2021 and stated that China’s population situation had been reversed, and the rate of population decline would be faster than expected. The article believed it was difficult for education and scientific and technological progress to make up for the decline of the population. The article appeals to fully open-up and vigorously encourage childbearing, and effectively solve the difficulties of women in pregnancy, childbirth, nursery, and school,

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<sup>7</sup> Wang, Cuntong. “History of the Chinese Family Planning Program: 1970–2010.” *Contraception* 85, no. 6 (2012): 563–69.

<sup>8</sup> The World Bank Databank, “The Total Fertility Rate of China from 1960 to 2019”. Accessed May 2021.



so that women can dare to have, be able to have, and want to have children.<sup>9</sup> Even this reform can be implemented, it would take a generation to increase the labor force and still cannot solve the labor shortage now.

The fastest and easiest way is to encourage foreign nationals to participate in the Chinese labor market through policy guidance. Overall, there the estimated number of international migrants has increased from 84 million to 272 million over the past five decades globally.<sup>10</sup> China as the second-largest economy in the world has increasingly become a favorable destination for immigrants. According to the 2010 Chinese census, which for the first time included foreign residents, China currently has a foreign population of one million. Some studies estimate that including undocumented immigration would double that figure. Although it is still a small portion compared to 1.4 billion Chinese citizens, the absolute number already makes China an immigration country the size of a mid-sized European or Asian country.<sup>11</sup>

Among the immigrants to China, there is a trend of increasing in both population and diversities. More foreigners come to China for business, study, and work while the country is experiencing the economic development and deeper opening-up. They are both from the neighboring countries like South and North Korea, Japan, Vietnam, Myanmar,

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<sup>9</sup> "Understanding And Countermeasures of China's Population Transformation", The People's Bank of China, April 2021.

<sup>10</sup> *World Migration Report 2020*, International Organization for Migration, p.21. Accessed Feb 2020. [https://publications.iom.int/system/files/pdf/wmr\\_2020.pdf](https://publications.iom.int/system/files/pdf/wmr_2020.pdf)

<sup>11</sup> Pieke, Frank. "How immigration is shaping Chinese society", The Mercator Institute for China Studies, Nov 2019. Accessed Feb. 2020 <https://www.merics.org/en/china-monitor/china-immigration>

and Russia, and from farther afield includes South Asia, the Middle East, Africa, Latin America, Australia, North America, and Europe.<sup>12</sup>

There are both pull and push factors such diverse groups come to China. Most foreign residents in China, include students, expatriate or locally hired professionals, entrepreneurs, traders, marriage migrants, and unskilled laborers, are attracted to this country for economic reasons. For example, the China Ministry of Education's statistic shows that in 2018 there were a total of 492,185 international students from 196 countries/areas pursuing their studies in 1,004 higher educations,<sup>13</sup> most of them interested in starting their career in China or related to China. China's future development prospects motivate their stay and study in our country.

The pull of the economic development makes these alien residences mostly concentrate in large urban areas like Beijing, Shanghai and Guangzhou, and other more developed areas on the east coast of China. Many reports indicated that many of these alien long-time residences are undocumented, they were illegal entry, illegal residence, or illegal employment, known as "three illegals" in China. The number of this group kept increasing.<sup>14</sup> The political instability and economic struggle around neighboring countries, like Myanmar and North Korea, also pushed foreigners to shield China. These

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<sup>12</sup> "China International Migration Report 2019", Center for China and Globalization, *Social Science Literature Press*, p.4. Jun 2019.

<sup>13</sup> "Statistical report on international students in China for 2018", The People's Republic of China Ministry of Education, Apr 2019. Accessed Feb 2020.

[http://en.moe.gov.cn/documents/reports/201904/t20190418\\_378692.html](http://en.moe.gov.cn/documents/reports/201904/t20190418_378692.html)

<sup>14</sup> Zou, Wei & Shi, Jing Nan. "Three Illegals Issues Began to Highlight", *Xinhua News Agency*, May 2012. Accessed May 2020. [http://www.gov.cn/jrzq/2012-05/25/content\\_2145417.htm](http://www.gov.cn/jrzq/2012-05/25/content_2145417.htm)

foreign nationals came to China for safer life and mostly concentrated around the border areas.

Some of these immigrants could not best fit in the labor market, and such a high amount and unavoidable rapid increase in transnational migration bring China a critical administrative challenge. According to Professor Fang Weijun's study published in the *Journal of Shandong Police College*, in the "three illegals" case, 80% of them identified as illegal residence, and about 5% of them illegally reside maliciously.<sup>15</sup> Fang's study shows that most illegal immigrants live in urban areas, maintain a relatively low living standard in the cities, and have created a significant administrative problem combined with unbalanced development of different areas. Of the "three illegals" foreigners investigated and dealt with in Guangzhou in 2010, 2832 lived in urban areas, accounting for 84.7%; 509 lived in remote suburban counties, accounting for 15.2%. There are 2599 people who live in non-hotels such as urban rental houses, property communities, and residential areas, accounting for 77.7%; 746 people live in hotels, inns, and other places, accounting for 22.3%.<sup>16</sup> As a country with a long history of isolation, China lacks experience and institutions in efficiently managing large-scale immigrants. There is an emergence of public security issues, xenophobia, and discrimination from this problem.

These issues from the foreign labor supply side would also have a negative impact on the domestic labor demand side. For example, many illegal employments from Southeastern Asia earn wages significantly lower than the Chinese minimum wage and lack basic human rights protection. For labor-intensive industries, the labor costs have

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<sup>15</sup> Fang, weijun. "The Status and Countermeasures of Illegal Foreign Immigrants in China ", *Journal of Shandong Police College*, No.3, Ser. No. 165, Beijing. May 2019.

<sup>16</sup> Ibid.

increased and caused the production costs to be less competitive. There are many Chinese manufacturers seeking to hire illegal immigrants.

In this case, some labor-intensive companies in China have signed employment agreements with people smugglers, and the smugglers recruit people overseas (mainly in Southeastern Asia). After receiving foreign workers, the company allows them to work in a closed mode in the enterprise and pay a monthly salary much lower than the normal labor price.<sup>17</sup> According to relevant laws and regulations, foreigners working in China must hold legally valid work certificates. However, it is impossible for illegal immigrants to obtain paper works after being smuggled in. They could only make money by working hard all day to improve their family life and meet the own survival needs.<sup>18</sup>

Furthermore, for some high-tech companies, the Chinese immigration policy is relatively hard to attract foreigners with extraordinary abilities to work and live in China. The Mercator Institute for China Studies indicates that our government giving out more green cards to top-earners, yet they remain hard to retain. China's high salaries are attractive, but the rates far below the global average for family wellbeing and quality of life. Many foreigners continue to be attracted to China, but they find hard to lend in Chinese society.<sup>19</sup> This result is clearly against the goal of attracting foreign talents and decrease the capability and efficiency of innovation.

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<sup>17</sup> "A factory illegally employed three illegals, and the boss and HR supervisor were detained", Souhu Net, Feb 2018, Accessed Jun 2021. [https://www.sohu.com/a/220597009\\_480292](https://www.sohu.com/a/220597009_480292)

<sup>18</sup> Ibid.

<sup>19</sup> Pieke, Frank. "How immigration is shaping Chinese society", The Mercator Institute for China Studies, Nov 2019. Accessed Feb. 2020 <https://www.merics.org/en/china-monitor/china-immigration>

Therefore, the misallocation of immigrant labor force supply and demand has caused the increase in administrative costs, innovation costs, production costs. The trend is that there are more immigrants coming when China plays a more important role on the world stage. The Belt and Road Initiative highly encourages the interaction and mobility amount countries. The mechanism needs to keep up with the times. Otherwise, it would have a negative impact on the Chinese grand strategy and further development.

### **History and Background**

Chinese history usually shows an image of isolation. The empire's border was protected by the Great Wall and had an idea that all outside of China was barbarian took hold, which known as Sino-centrism. Many people have the stereotyped image that foreigners are not welcomed in China. However, before the earlier overseas explorations yielded to isolationism in the fifteenth century, from Tang Dynasty to Ming Dynasty, for thousands of years, China has always been an open, diverse, and tolerant nation, and had a well-practiced function to encourage foreigners to serve this country. During this long period, history recorded hundreds of Chinese bureaucrats, generals, artists, businessmen who were foreign born. Those immigrants contributed to this country in national defense, economic reform, technological advances, and many other fields. The value of immigrants has well written in the history books. China always has a confident and tolerant culture to accept foreigners integrate and live together with locals in the land under heaven.

After the establishment of the People's Republic of China in 1949, facing the situation of political isolation, economic blockade, and military threats to China by

Western countries, Chairman Mao Zedong proposed the foreign policy called “restarting the stove” and “cleaning the house and re-entering guests”. It became the basic principle of managing foreigners in China at that time. In 1950, China started to carry out the registration of foreign migrants and the identification of diaspora status. On November 16, 1954, the Ministry of Public Security issued the “Instructions on the General Registration of National Aliens”, which required the review and registration of foreigners’ nationality, distribution, and occupation. It was planned to crowd out “imperialist” and “capitalist” foreign migrants and allowed people from the Soviet Union, North Korea, India, Nepal, etc., and some stateless migrants to stay and give them proper resettlement. After the Cultural Revolution in the 1970s, the number of foreigners in China was at the lowest level since the founding of our communist government, which was only about 15,000.<sup>20</sup>

Since the Reform and Opening-Up in the 1980s, the management system for foreigners, mainly based on immigration and entry management, has been implemented. After the Reform and Opening-Up, in order to introduce advanced foreign technology and attract foreign investment to promote China's economic development and national modernization, China began to relax restrictions on foreigner access and encouraged foreigners to China investment, study, tourism, etc.<sup>21</sup> Correspondingly, immigration policies and management have begun to shift from strict restrictions to looser

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<sup>20</sup> ZHAO, Rukun. “Chinese Frontier Immigrants In 1950s and 1960s”, *Journal of Chinese Communist Party History Studies*, Vol. 2, 2012.

<sup>21</sup> Ibid.

convenience, and gradually establish a foreigner management system focusing on immigration management.

In 1983, the Ministry of Public Security set up the Alien Management Immigration Management Bureau, and at the same time established corresponding immigration management offices locally. The Law of the People's Republic of China on the Administration of Entry and Exit of Foreigners was promulgated in 1985, and regulations on foreigners' entry, residence, travel, and exit issues were made. In addition to the "Nationality Law of the People's Republic of China" implemented in 1980 and the subsequent implementation of a series of laws and regulations on foreigner management,<sup>22</sup> foreign migration management has begun to become standardized and legalized.

After 1983, except for some military restricted areas and border areas, most cities and counties in China opened to foreigners; On January 1<sup>st</sup>, 1999, the designated accommodation system for foreign personnel was abolished. Especially after the permanent residence system was established in 2004, more foreigners have brought their families to settle in China. Economic and cultural exchanges between China and the West have become increasingly frequent. The long-term resident foreign population increased from nearly 20,000 in 1980 to nearly one million in the 2010s.<sup>23</sup>

Since the 1980s, China is increasingly improving its laws, but as for immigration, these articles came from different departments and were not comprehensive enough to

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<sup>22</sup> Liu, Ziyang. "The Establishment of The National Immigration Administration Is the General Trend and The Need of The Times", *Legal Daily*, April 2018. Accessed Jun 2021.  
[http://www.legaldaily.com.cn/index/content/2018-04/03/content\\_7512892.htm?node=20908](http://www.legaldaily.com.cn/index/content/2018-04/03/content_7512892.htm?node=20908)

<sup>23</sup> Xi, bujun. "Which Cities Are Most Affected by The Revision of The Regulations on Foreigners' Permanent Residence?" *Sina Finance*, Mar. 2020. Accessed Jun 2021.

constitute a solo and complete series. Many immigration-related policies had no legal reference. Reviewing the immigration management history of China, it is optimistic to see that our relevant policies are recently getting more tolerant, flexible, and serving better to our national interests within the change of international environment in the 21<sup>st</sup> century. The newest law on immigration is the Exit and Entry Administration Law of the People's Republic of China, which was adopted in July 2013. The current law has standardized the right of permanent residence for foreigners and started to issue the Foreign Permanent Resident Identity Card.<sup>24</sup>

This law specified that the following persons are eligible for immigration applications: 1. Direct investment in China at least 500, 000 USD for three years with a good tax record; 2. Having served in China as deputy general manager, deputy factory director or above for three years with a good tax record; 3. Those who have made significant and outstanding contributions to China and have special needs of the country; 4. Spouses of above persons and their unmarried children under 18 years old; 5. The spouse of a Chinese citizen or permanent resident who has been in marriage for at least five years; 6. Unmarried children under the age of 18 take refuge with their parents; 7. Those who have no immediate family members abroad, are over 60 years old, and have resided in China continuously for at least five years.<sup>25</sup>

In 2015, the State Council put forward “Several Opinions on Accelerating the Development of Service Trade” and improving the level of policy facilitation, including

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<sup>24</sup> The Exit and Entry Administration Law of the People's Republic of China, The Central government of PRC. Accessed May 2021. [http://www.gov.cn/flfg/2012-06/30/content\\_2174944.htm](http://www.gov.cn/flfg/2012-06/30/content_2174944.htm)

<sup>25</sup> Ibid.



facilitating the multiple entries and exit of professionals within one year and facilitating the permanent residence approval of foreign high-end talents. There have been some pilot cities at the local level in China attracting foreign talents by simplifying visa procedures, offering job opportunities, etc. to improve immigration management. For example, In February 2016, Chengdu issued “Ten New Policies for Talents”, aiming to build Chengdu into an innovation and entrepreneurship center for high-level talents with international influence in central and western China. In terms of serving foreign immigrants, the new policies have been optimized in terms of visa and residence permit handling and process, to facilitate foreign talents to the greatest extent. At the same time, the municipal government simplifies and provided support in visa applications for talents, visas for relatives, approval of permanent residence, etc. These policies are conducive to foreign individuals' investment, work, and life in Chengdu.<sup>26</sup>

Overall, although the restrictions on foreigners' entry and exit have been gradually relaxed, this “relaxation” is still instrumental and selective. The main purpose is to encourage the migration of foreign experts, senior technical staff, rather than the middle class or less-skilled immigrants. There are still difficulties in managing immigrants who mostly do not fit in the above conditions.

In April 2018, according to the State Council, the National Immigration Administration was established in order to strengthen the overall coordination of immigration and entry-exit management and formed the joint force of immigration

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<sup>26</sup> Jia, Yichao. “Ten New Policies for Talents in Chengdu was issued, and the talent support reached the leading level in central and Western China”, *Xinhua News*, Feb. 2016. [http://www.xinhuanet.com/politics/2016-02/15/c\\_128720467.htm](http://www.xinhuanet.com/politics/2016-02/15/c_128720467.htm)

management better. The State Council proposed to integrate the responsibilities of the Ministry of Public Security in Entry-Exit Management and Border Inspection to become an individual mechanism to manage all the jobs related to immigration.<sup>27</sup>

The establishment of this administration can be seen as the milestone of Chinese immigration history because this is the first time to manage immigration in one department alone with its own law enforcement force. This mechanism can be used well to coordinate and implement relevant policies directly, just like similar authorities serve in other countries with richer immigration management experience. U.S. Citizenship and Immigration Services (USCIS) under the Department of Homeland Security (DHS) is one of the successful examples. The success of USCIS is not only based on the power granted by the government but also on a long-tested and immigration management system and experience.

The United States as a country formed based on immigration worldwide, according to DHS, between 1990 and 2010, the number of foreign-born US residents almost doubled from 20 million to 40 million, while the US population rose from 250 million to 310 million. Immigration directly contributed a third to US population growth and, with the US-born children and grandchildren of immigrants, migration accounted for over half of US population growth.<sup>28</sup> Immigrants have become an engine of the U.S. labor force

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<sup>27</sup> Zhang, Yang. "The National Immigration Administration Shingle Ceremony Was Held", *People's Daily*, April 2018. Accessed Jun 2021. <http://world.people.com.cn/n1/2018/0403/c1002-29904750.html>

<sup>28</sup> Immigration Data and Statistics- Department of Homeland Security, Accessed Jul 2021. <https://www.dhs.gov/immigration-statistics/yearbook/2019>

and defend the country as the only superpower in the world over the past 30 years. One of the advantages of U.S. immigration management is the visa classification system.

The U.S. visas are mainly divided into immigrant visas and non-immigrant visas. This visa classification method according to the purpose of entering America has been proved to be in line with their immigration policy. The United States classifies visa types in detail and objectively according to the immigrants' demand, including receiving a better education, obtaining better job opportunities, seeking political asylum, etc. Therefore, the United States adopts immigration visa classifications such as Family Based, Employment, Adoption, Special Immigrant, Diversity Visa, and so on. Based on these five main categories, each main category is divided into smaller categories, for example, under Employment Visa, it was divided into E1: Priority Workers; E2: Professionals Holding Advanced Degrees and Persons of Exceptional Ability; E3: Skilled Workers, Professionals, and Unskilled Workers (Other Workers); E4: Certain Special Immigrants; E5: Immigrant Investors.<sup>29</sup>

However, Chinese visa classification system is still based on the 1986 Law of the Administration of Entry and Exit of Foreigners. Although it has been kept updated, the classification should also be comprehensively reformed, not simply supplemented, with the gradual change of China's attitude towards immigrants, and Chinese economic development. So far, China has only divided visas into the following types: Tourist (L), Business (M), Non-Commerce (F), Work (Z), Study (X1/X2), Private (S1, Long Term), Private (S2, Short Term), Family (Q1, Long Term), Family (Q2, Short Term), Crew Visa

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<sup>29</sup> Immigrates-U.S. Department of States, Accessed Jul 2021.  
<https://travel.state.gov/content/travel/en/us-visas/immigrate.html>

(C), Group Visa and Transit Visa (G).<sup>30</sup> Comparing to the categories of the United States, we have not distinguished the immigrant visas and non-immigrant visas. The division of different type of visas is relatively general, and no more detailed categories is considered.

Therefore, the visa classification system is the vulnerable part of China's immigration management policies. This proposal recommends reforming the current visas classification method to better allocate immigrants to solve the labor problems mentioned above.

### **Policy Proposal**

China immigration management reform could be implemented through the following steps, to identify immigrants and use policy tools to guide them into the domestic labor market. The most tangible and effective way is to classify the different reasons of migrating based on their visa application categories.

As mentioned in the History and Background section, Chinese visa types are outdated. The country needs to establish a more specific visa classification system, to encourage immigrants' entry legally and distinguish them based on categories. Following the experience of the United States, **it is proposed to reform the current visas classification method more detailed according to immigrant and non-immigrant.** At the same time, China could increase the types of visas, and gradually refine the different types of visas from major categories to minor items. Different types of visas should be divided according to different reasons, stay time limit, entry purpose, identity, and skills,

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<sup>30</sup> Visa Types, Consulate Service-Ministry of Foreign Affairs, Accessed Jul 2021.  
[http://cs.mfa.gov.cn/wgrlh/lhqz/cjwdn\\_660600/t1100843.shtml](http://cs.mfa.gov.cn/wgrlh/lhqz/cjwdn_660600/t1100843.shtml)

to form a highly operable and comprehensive immigration classification system. More specifically, the non-immigrate visas could include the following categories, Tourist (L), Business (M), Study & Exchange (X), Short-term Employment (Z), Short-term Family (Q). The Immigrate Visas could also include the following: Family Unification (J), Long-term Work (E), Adoption and Re-naturalization (H), and Other Special Immigrant.

The sub-categories of Family Unification Visa could be specifically divided into Spouse of a Chinese Citizen, Fiancé to marry Chinese Citizen, Certain Family Members of Chinese Citizens, and Certain Family Members of Lawful Permanent Residents. The sub-categories of Long-term Work Visa could be specifically divided into Persons of Exceptional Ability, Professionals Holding Advanced Degrees, Skilled Persons of unskilled Labor, and Employment Creation/ Investors. The sub-categories of Adoption and Re-naturalization could be specifically divided into Intercountry Adoption of Orphan Children by Chinese Citizens, Foreign Chinese Ethnic Groups Re-naturalization.

Furthermore, it is important to design several other policy coordination mechanisms to ensure the immigrants could be best allocated in the domestic market.

**1. To allow immigrant and non-immigrant visas convertible.**

**It is proposed to design a two-way conversion system between immigrant and non-immigrant visas and change the type of visa according to the change of the identity and entry reasons of the entry personnel.** For example, after a short-term foreign worker marries a Chinese citizen, he/she can be issued an immigrant visa; or a

foreign student can convert his/her Study Visa into Work Visa after finishing the study period.

**2. To implement a quota based on visa categories.**

Immigrate visa quota would be an important policy tool to encourage foreign nationals to participate in the Chinese labor market through government guidance. In principle, the quota quantity corresponds to the demand for foreign talents in the labor market in that year, which is mainly related to the national economic development. The quota should be under the unified control of the National Immigration Administration. **It is proposed to formulate the expected number of each visa category for a period of one year based on big data analytics.** The National Immigration Administration publish the amount of immigrating visa issued every year to control the overall number and specific distribution of immigrants living in China.

**3. To relax the employment visa conditions and manage the needs of employers collectively.**

**It is proposed to simplify the conditions for applying for employment visas, including both short-term employment and long-term work visas, giving opportunities for unskilled laborers, but it is necessary to assess the actual needs of the employing enterprises simultaneously.** According to the situation that manufactories need labor, an employer scoring system can be designed under the Ministry of Human Resources and Social Security. The calculation indicators can be carried out from the aspects of enterprise-scale, profits, location, and environmental

protection to assess the order in which employers obtain employment permits for foreign workers. Through the method of market test, we should select the foreign labors really needed by China's labor market, prevent the excessive number of foreign labors from impacting the local labor market, and eliminate some of the labor-intensive industries that do not adapt to the market competition.

The above new policy would be fully implemented by the National Immigration Administration. All foreigners' entry and exit would be implemented the new policy without exceptions. Chinese consulates abroad also need to cooperate with policy reform when issue the visas. The proposal would be submitted as the amendment of the Law of the Administration of Entry and Exit of Foreigners to the Standing Committee of the National People's Congress for deliberation and approval by you. Considering this is only a policy reform and does not involve personnel and institutional adjustment, a transitional period of six month is enough to set to adapt the new policy.

### **Policy Analysis**

The core problem here is domestic labor market has an unbalanced supply and demand while the international supplement could not join on demand due to previous restrictions. There are several reasons that China could reform immigration policies through a more detailed division of immigrant groups, the quantity regulation of different categories of immigrants, and the unified management of immigrant employers to solve the problem. Based on the cost-effectiveness analysis, this policy reform could alleviate the population, industry and other problems encountered by our society at the least cost.

First, more detailed visa classification could encourage more people come to China through legal paths. There is always a need for people to come to China to work or visit relatives, especially in the border areas. For example, In Chinese border province Guangxi has seasonal workers every year come to China to work in sugarcane harvesting, dried bean production, tree pruning and so on. It is reported that the daily salary of sugarcane harvest in Guangxi can be 80 Yuan, equivalent to 300 thousand Vietnamese Dong, much higher than Vietnam salary level. After the Spring Festival, the number of people coming to China surged to 4000 a day. However, at least 200 people fail to pass the entry application at the customs every day, mainly because they do not have valid documents and the employer does not apply for a temporary residence permit.<sup>31</sup> Because of the high efficiency and low cost of labor force from Vietnam, the local labor is unable to compete with their Vietnamese counterpart, at least not in the short term. Even though it is a win-win situation for the Vietnamese workers to come to China, China lacks a seasonal work visa, and many people have to rely on smuggling in order to enter.

If China has implemented a short-term work visa, the seasonal workers will be able to enter without having to smuggle, they can also be distinguished from long-term workers who want to work in China for years. Vietnamese workers who do not want to immigrate during working seasons can reduce supervision. Similarly, many Vietnamese want to come to China for long-term work in factories in the Pearl River Delta. All these

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<sup>31</sup> “Guangxi Pingxiang sugarcane harvest enters the peak season, and Vietnamese workers are busy working across the border”, Guangxi TV Station, Dec 2019.  
[http://www.gxzf.gov.cn/gxydm/jmwl\\_29789/t1220561.shtml](http://www.gxzf.gov.cn/gxydm/jmwl_29789/t1220561.shtml)



people are being smuggled and are often victims of human trafficking.<sup>32</sup> If these workers could obtain a long-term working visa legally, those smuggled and human trafficking can largely be avoided.

In addition, there are many families, but there is no naturalization visa for foreign family members. Even if a foreign partner wants to come to China, they can still only apply for short-term visas and go to Hong Kong or some other third place to renew their visas every six months. The introduction of the new visa types of Family Unification Visa would greatly facilitate family reunions and reduce the respective costs. There is also an issue in China for those who go to Southeast Asia to purchase a bride illegally. The victim is very hard to seek help from the police because they do not have a visa or a household registration. Many previously married Southeast Asian brides did not have valid visas or personal identification. It is hard for them to prove their identity. With Family Unification Visas, international marriages can become legal, less people would consider smuggling or purchase brides overseas. When the spouse of a Chinese Citizen could stay in China without any concerns, it would be easier to identify and help immigrant victims involved in human trafficking. More detailed visa division can cover more personnel exchanges situations, let more immigrants choose to come to China in a legal pass, solving the problems of “three illegals”. The public security issues would also be improved, when organized crimes related to smuggling and human trafficking.

Second, it will be more convenient for high skill immigrants to work in China. Since immigrant and non-immigrant status can be converted to one another, high skill workers

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<sup>32</sup> “A factory illegally employed three illegals, and the boss and HR supervisor were detained”, Souhu Net, Feb 2018, Accessed Jun 2021. [https://www.sohu.com/a/220597009\\_480292](https://www.sohu.com/a/220597009_480292)

who are not familiar with living and working in China can have short-term stay and get a chance to familiarize themselves with the culture and environment, making it easier for them to stay for the long-term. Immigration decision is a long-term thinking process. Most people will decide to immigrate only after they have a full understanding and feelings for a country. At present, China is in a slight position in international public opinion and cultural output, and the international image is relatively negative. Under the long-term publicity of Western media, many talents are biased against China's social development, human rights, and the degree of openness and freedom. In this situation, it is hard to let them choose to live in China if they could not personally experience the convenience of Chinese life. A short-term working experience may let more talents accept the choice of coming to China. It has a higher chance for them to dispel the concerns about Chinese life and better adapt to the local culture during their stay.

Moreover, the implementation of Foreign Chinese Ethnic Groups Re-Naturalization Visas would make ethnic Chinese overseas more convenient for naturalization. Ethnic Chinese share the same culture, language, and appearance as the majority of Chinese people, and they have a stronger national identity compared to other immigrants without a cultural bond. Re-naturalized overseas Chinese are relatively less prone to discrimination domestically and easier to blend in if they want. From the government's perspective, it is more convenient to manage them than to manage immigration with different cultures and languages backgrounds. When allocating the quota of immigrant visas, the National Immigration Administration can give preference to overseas Chinese. It would be a good policy tool to encourage ethnic Chinese to return.

There are some successful cases in our neighboring countries like South Korea and Kazakhstan. South Korea is also facing the aging problem, but in order to make up for the shortage of labor force, the Korean government began to introduce a large number of foreign workers, the overseas Koreans are preferred. There are 1.26 million foreigners who live and work in South Korea, and there are more than 462 thousand Chinese Koreans working in South Korea with Chinese citizenship, and 85 thousand have joined South Korean nationality.<sup>33</sup> Kazakhstan faced another demographic issue that the population of the main ethnic group was less than half at independence. After encouraging overseas compatriots' re-naturalization, now Kazakh shares 65.5% of the country's population. Both Korea and Kazakhstan are solving their demographic problems by attracting compatriots overseas. China can also learn from these experiences.

Furthermore, the visa categories-based quota and Employer's assessment and management can guide the overall number and specific distribution of foreigners residing in China and prevent the loss of control and waste of immigrant labor resources. The implementation of the visa quota system can not only grasp the overall number of inbound personnel from the first place but also select suitable personnel to enter the country according to the domestic talent demand and labor market conditions. The quota could optimize the domestic labor market structure by correcting the market failure accordingly. In the Chinese labor market, there is a phenomenon that the Southeast coastal provinces have a more developed economy and attract the most highly educated

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<sup>33</sup> Rui Rui, "More than 450000 Chinese Koreans work in South Korea", China-Korea Labor Net, Jul 2018. Accessed Aug. 2021 [https://www.cn-kr.net/news/article\\_17376.html](https://www.cn-kr.net/news/article_17376.html)

graduates. As a result, in coastal provinces, the supply of white-collar workers exceeds the demand, but there are recruitment difficulties in the manufacturing industry. However, inland provinces lack high-end industries and talents, and have a more serious aging problem after most young people work in the more developed areas.

From an economist's perspective, when a market failure occurs, the primary government correction methods are through regulations, tax adjustments, or subsidies. Preferential taxation or subsidies to attract talents has been implemented in most major cities. These methods are carried out by local governments, according to local situations, the central government has to surpass the local, regulate and control the aggregate supply and aggregate demand as a whole, and special target on immigrating labor force.

There is an information asymmetry in the labor market, especially when hiring workers from overseas. Most people would like to come to more developed cities for higher job opportunities. However, there is a more intense competition in such cities. In this situation, China should bring into play the advantages of big data computing and analytics. Through data sharing with the National Bureau of Statistics and the Ministry of Human Resources and Social Security, the National Immigration Administration can gain the supply and demand of China's labor market every year, including the types of jobs. The National Immigration Administration needs to estimate the demand of each type of workers and then issue the quota of each type of visa accordingly.

Managing the employers' side collectively as important as control the workers' side. The reason to design an employer scoring system is forming a thorough investigation of enterprise operation and employment situation. The indicators of enterprise-scale, profits,

location, and environmental protection could provide information that whether the enterprise is well-run, and in a favorable location and sustainable development. These data can be easily collected from Social Security payments. This scoring system can prevent some people from visa fraud by registering shell companies. The government have the duty to ensure the company's overseas labor needs really exist, and not a dying business which can only make profit by exploiting the surplus value of those low-cost labor force. The company should also locate at a place where really unable to hire local employees. Otherwise, excessive foreign labor will certainly impact the local labor market. If there are too many migrant workers in one place, the government still has the administrative tools to correct it. Through accurate statistics on both ends of supply and demand, the National Immigration Administration can easily guide foreign talents to better serve the economic and social development.

Additionally, under the Belt and Road Initiatives, China has increasingly close personnel exchanges with the rest of the world, and even the pandemic cannot stop this trend. The Belt and Road Initiatives is the grand strategy of the nation, and there is an increasing demand for relevant international talents. Our previous policies cannot satisfy such an ambitious.

Therefore, these new-applied mechanisms would significantly lower the administrative costs of society, solving the problem of Information asymmetry on the supply and demand of alien workers, and lay the foundation for further globalization and international integration under the Belt and Road Initiatives. This policy reform has such gains, but the cost is quite limited.

Since the National Immigration Administration has formed successfully in 2018, the institution and law enforcement of immigration has been constructed and empowered. On this good administrative foundation, policy reform is much easier because it does not involve major adjustment of administrative institutions or change of government functions. The direct cost of implementing the new policies is to hire some big data analysts and statisticians to estimate the supply and demand of labor markets. Even this kind of job can be outsourced to private consulting companies or certified public accountants' firms. Considering all the data of both sides can be gain directly from other government institutions, it would not be a high cost or heavy workload. Therefore, to implement such a reform, it would not have any heavy asset investment, only have a negligible statistical cost in government management.

Then we need to consider the policy shortcomings and adverse consequences if the policy is implemented incorrectly. First, the supply and demand of the labor market are always dynamic, and highly influenced by the economic circle. The quota is designed to adjust yearly, cannot timely and accurately reflect the real situation of the market. This may lead to unemployment among foreign workers, and they may become the illegal immigrant again after their visa has expired. However, comparing to illegal immigrants smuggled in the past, they are entering China legally and have a record of the employer, they are easier to be identified. Then they can be persuaded to return or repatriated according to current laws. That is why this policy proposal only involves visa adjustment but only involves the naturalization reform. This can leave room for policy adjustment in the future and will not cause the uncontrollable influx of a large number of immigrants to seriously impacted domestic society. So far, the negative impact is still controllable

because the detailed statistics can be adjusted in time within one year of the problem happened.

The alternative outcome is that not much difference in the number of people who come to China. The new immigration policy will not attract more people to work in China, and the current illegal immigrants would not like to apply for visas through the legal pass. In this case, the state will not pay a great price. At most, it will not be better as it is now. The government can still regulate the labor market in other ways, like shifting the resource processing and labor-intensive industries to the central and western regions, let people there can work nearby.

A worse scenario is that foreign workers in China have seriously impacted the domestic labor market and have direct competition with domestic labor participants. The proposed policies are used in many ways to avoid this situation, including quantity control in both supply and demand. If these means fail, it may have problems in policy implementation. Then China has to adjust the policy and the policy implementation way in time. Therefore, it is always necessary to monitor the market situation.

From the above analysis, visa classification and quantity regulation have sufficient reform conditions, widely beneficiaries, and tangible implementation goals. However, when carrying out policy reform, some political resistance related to party legitimacy, and cultural identity objectively exists, which will be discussed in the following section, and we must be aware of that.

## **Political Analysis**

The political influence for this proposal should be considered both domestically and internationally when changing immigration regulation would influence many domestic interest groups and the foreign pressures of our country.

It is our priority and fundamental requirement to maintain and strengthen the authority of the Communist Party leadership to make any policy. Our immigration management policy reform also has to consider all the possible risks that may shake the party leadership and party authority. Comrade Li Zhanshu, as the member of the Political Bureau of the CPC Central Committee, you have always been guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and have the authority to lead the National People's Congress of China to fulfill the function of consolidating the achievements of reform and opening-up and to institute a constitutional basis for future political and economic reforms and developments. The National People's Congress exercises the state's legislative power and decides upon essential political questions concerning the state as a whole.

Beyond all doubt, immigration regulation reform is an essentially political question that widely influences the central and local level government and the nation's social and ethnic groups and organizations. The reform would tighten the discretionary Power of the provincial level and municipal level Civil Affairs Bureau in naturalization and giving Hukou, but they have to take more responsibility in supervising and managing immigrants who settle in their jurisdiction. For first-line officials at local government, the reformation is a more thankless job. The new policy reduced the grey areas of first-line



officials, like identify the immigrants as legal or not in their favor, so they have less will to implement the reform.

In this situation, only the National People's Congress has the power to push such a comprehensive issue. Other government branches, especially the executive branch of the country, the State Council, cannot push this kind of policy reform to the local level and balance the entrenched local interests. Only legislation could clarify the respective functions of the central and local governments at the same time and break the existing interests' chain. It is an opportunity to better perform constitutional duties and showing the responsibility of the leadership group of legislation. From the perspective of legislation, clarifying the authority of officials at all levels and treating them equally throughout the country can minimize the challenge of the first-line implementation of reform.

Furthermore, as the member of the Standing Committee of the Political Bureau of the CPC Central Committee and the Chairman of the Standing Committee of the National People's Congress, you are one of the closest political allies and friends of President Xi since 1985 in Hebei, you have the unique advantage as a representative of the wills of the president Xi, on such a top-down reform. Premier Li Keqiang of the State Council, represents Tuan Pai<sup>34</sup>, is not in a same faction with president Xi. Pushing policy reform from legislature branch could reduce the influence of Tuan Pai and strengthen the central power of party leadership. You can improve your personal image as a decisive reformer inside the party. Xi's Thought on Socialism with Chinese Characteristics for a New Era

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<sup>34</sup> Also known as "Communist Youth League faction"

makes clear that the overall goal of deepening reform is to modernize China's system and capacity for governance. Immigration reform could be seen as a step in modernizing the capacity for governance. President Xi would like to see your image as a reformer and capable assistant of his ambition.

Stepping out of the inner-party contradictions in reform implementation, we have to be aware that the policy itself may have several disputes that are unfavorable to the authority of our party and government. One of the main challenges is the immigration policies may be considered at odds with the previous population control policy. The One-Child Policy since the 1980s, in which most couples are allowed to have only one child or else face the possibility of fines, sterilizations, and abortions, was one of the most influential and controversial policies among every Chinese family. According to the UN Department of Economic and Social Affairs, China now has more than 150 million families with only one child or one in every three households. In urban areas, more than 90 percent of families have only one child.<sup>35</sup> Many of these only children will face a substantial burden of providing economic support to their older parents, either through taxes or within the family, or both. Every family paid their price for birth control. Among Chinese families, the implementation of the One-Child Policy for party members and government staff was the strictest, anyone who violated family planning would be directly expelled from the party and public office. When the party and government promoted the One-Child Policy, the government persuaded the masses, especially our

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<sup>35</sup> "Below-replacement fertility in China: Policy response is long overdue", Policy Brief No.5, UN Department of Economics and Social Affairs, Nov. 2015.  
[https://www.un.org/en/development/desa/population/events/pdf/expert/24/Policy\\_Briefs/PB\\_China.pdf](https://www.un.org/en/development/desa/population/events/pdf/expert/24/Policy_Briefs/PB_China.pdf)

“own comrades” that China's resources could not carry too many people and that population pressure must be reduced.

Now the new immigration policy encourages immigrants, would make the masses questioning the necessity of the One-Child Policy, even questioning the legitimacy of policy-making procedures. This is a critical issue we have to avoid, otherwise, we are doing a seemingly clever thing that turns out to be a foolish one instead. Public Opinions would argue that Chinese parents made their sacrifices but provided Chinese social resources and development achievements for foreigners. In the context of the rise of conservatism around the world, the relaxation of immigration policy is bound to be more controversial. Maintaining domestic unity and stability has always been the top priority of the Communist Party. Immigration reform although may benefit the country as a whole, the direct beneficiaries, neither the immigrant’s employers nor immigrants themselves could lead or influence the majority of public opinion. On the contrary, the party members and government officials who paid the most price of the One-Child Policy are the pillars of the administration currently, have great social influence and policy execution powers.

The Communist Party of China always emphasizes “People-Centered”, it is important for us to concern about the public opinion, especially the influence of our comrades in the party and government facilities. We have to ensure that people’s concern about the policy inconsistency would not create the double-faced behavior to agree the policy overtly but oppose covertly. In policy implementation, we should emphasize the policy differences caused by different eras and international backgrounds. We should let

the mass understand the birth control helped our dramatic economic boom over the past thirty years and let the country did not fall into the Malthusian Trap. Without the cost of birth control, the population boom may come up with the economic boom simultaneously. The party members and government officials would be much harder to perform their duties. When too many young people are underemployed, even the Arab Spring would happen in China.

Another important issue is immigrants may challenge our existing ethnic policies and produce political problems of Chinese national identity. Since the founding of the People's Republic of China, 56 ethnic groups have been identified and confirmed by the central government. These 56 ethnic groups together form the Chinese national identity. However, among those immigrants, only some transborder ethnic groups in southwestern China are in these 56 official ethnic groups. It is a political issue that whether the rest of the immigrants can also be identified as Chinese ethnic peoples. It is questionable that immigrants would like to be identified as Chinese ethnic peoples or their own ethnic identities. The ethnic minority policy is a political red line in China, because improper handling may cause an ethnic contradiction even the pass of the Soviet Union.

In some of China's global cities like Beijing, Shanghai and Guangzhou, many immigrants already have their own ethnic identity. A "Korean Town" or "China Brooklyn" became a feature of the urban landscape. However, in immigrant settlements, the increasing number of crimes committed by foreigners has seriously affected social order and overall stability. For example, in 2009, hundreds of African migrants surrounded and attacked the Guangzhou Quanguan Street police station. In 2012,

hundreds of organized illegal immigrants besieged this police station again. They smashed police cars with stone bricks and passing vehicle windows, blocked traffic, and chased police and other law enforcement agents. At the end of 2014, the Guangzhou police eliminated the criminal syndicate involving foreign nationals called “freedom fighters”. After investigation, the gang carried out criminal activities such as robbery, injury, drug trafficking, extortion, and illegal detention.<sup>36</sup>

Because of the crime rate in certain immigrant communities, there is also a trend towards intolerance to ethnic and racial differences, fed by increasing nationalism, ethnic chauvinism, and even discrimination. For example, in Wuhan, Hubei, there has been a case where taxi drivers collectively refused to carry Pakistani students, only because some Pakistani students there often evaded their fares. That caused many foreign migrants to feel alienated and unwelcome when some public opinion branded all African migrants as the “three illegals”, branded some foreign English teachers as “trash” or even “foreign spies”.<sup>37</sup> The native Chinese would be unable to tolerate migrants when they did not understand why foreigners come. They would question whether foreigners are able or even willing to adapt to Chinese life and fit into Chinese society if we did not solve the identity problem between locals and immigrants. It would also significantly shaken foreigners’ willingness to come if they feel our country has xenophobia, and they would not be treated equally.

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<sup>36</sup> Fang, Wujun. “The Status and Countermeasures of Illegal Foreign Immigrants in China “, *Journal of Shandong Police College*, No.3, Ser. No. 165, Beijing. May 2019.

<sup>37</sup> Tian, Fangmeng. “Immigration policy and Identity Anxiety in China under the background of opening-up and transformation”, *Beijing Culture Review*, School of Ethnology and Sociology, Minzu University of China. Apr 2021.

However, in general, the Chinese public is not averse to foreign immigrants. More than half of respondents believe that foreigners living in China are good for China's development, enriching cultural life and promoting communication between China and the rest of the world, according to a survey conducted by Huang Yuqin's team.<sup>38</sup> Questions about reform are likely to come from groups of Chinese citizens suffering from an identity crisis, who may not necessarily have come into contact with foreigners in real life, but are using this as an outlet for their feelings. While encouraging immigrants, we must strengthen multicultural education so that different people can understand each other and dilute their differences in identity. We should learn from our ancestors and accept immigrants in a more inclusive way. As long as anyone lives in China, they are Chinese people.

As above mentioned, the powerful dynasties in Chinese history welcomed the people of neighboring countries to emigrate and appointed their outstanding talents with an open mind. For example, the Tang Dynasty formulated laws to manage foreigners. American political scientist and sinologist Lucian Pye even called China as “a civilization pretending to be a state”.<sup>39</sup> China is never a nation-state, and the Chinese identity is never only based on race. More immigrants are recognized as Chinese when they act like Chinese. For example, American basketball player Stephon Marbury was 33 years old when he came to China and got the green card. Although he could hardly speak Chinese, he regarded basketball as a cause to fight with Chinese teammates and fans, so he was

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<sup>38</sup> Ibid.

<sup>39</sup> Huntington, Samuel. "The Clash of Civilizations?" *Foreign Affairs*. Summer 1993, 72/3.

well accepted by the public opinion.<sup>40</sup> This is enough to prove that different nationalities can also have a common identity in China. Celebrities can better promote multicultural integration. It is true that the ethnic minority policy is a political red line in China, however, a more vague and broad Chinese national identity would not cause the ethnic contradiction but a more tolerant and diverse social environment.

From a macro perspective, the greater political challenge comes from the current international situation. In recent years, China's international situation has further deteriorated. The United States and other western countries have taken China as their main strategic competitor. Under the background of great power competition, it is harder for China to acquire knowledges and talents that needed for economic and social development through traditional academic and technical exchanges.

In 2008, Thousand Talents Program or Overseas High-Level Talent Recruitment Programs were established to recognize and recruit leading international experts in scientific research, innovation, and entrepreneurship. It was designed as a way to attract overseas talents to develop in China just like the talent attraction plan in many other countries. However, the United States and Canada claimed that this plan intends to use scientists who are involved to gain access to new technology for economic and military advantage, and arrested scientists for “spying”.<sup>41</sup> Science knows no borders, but Chinese scientists even cannot enjoy the freedom of ordinary people in the west.

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<sup>40</sup> Lin, Xi. “Stephon Marbury Has Officially Received a Permanent Residence Card in China”, *Guancha*, April 2016. Accessed July 2021. [https://www.guancha.cn/sports/2016\\_04\\_18\\_357422.shtml](https://www.guancha.cn/sports/2016_04_18_357422.shtml)

<sup>41</sup> “Threats to the U.S. Research Enterprise: China’s Talent Recruitment Plans”, United States Senate Permanent Subcommittee on Investigations, Nov 2019. Accessed Jul 2021.

In 2020, during the Trump's administration, The U.S. State Department restricted the entry of Chinese students and researchers of science and technology, claiming that they were used to "obtain sensitive U.S. technology and intellectual property rights". Chinese Foreign Ministry spokesman Hua Chunying once said that some extreme anti-China forces in the United States have deliberately fabricated countless lies to stigmatize and demonize Chinese students studying in the United States, and even use judicial force to maliciously suppress Chinese students studying in the United States on unwarranted charges.<sup>42</sup> China is facing a situation that technological and academic exchanges have been constantly suppressed by the rivalry countries now.

It is important for China to attract foreign scholars and talents to come to China and exchange their thoughts in a more inclusive way. The United States relies on education to attract talents from all over the world to maintain its power. China also has to relax visa, even green card, issuance standards for foreign talents, make more immigrants with potentials to stay in China. For example, today, Elon Musk has become the representative of a new generation of immigrant entrepreneurs in the United States, but he did not get a master's degree when he founded his business.<sup>43</sup> According to China's current immigration policy, only famous talents can obtain permanent residence status, then potential talents such as Elon Musk may have to leave China before they succeed.

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<https://www.hsgac.senate.gov/imo/media/doc/2019-11-18%20PSI%20Staff%20Report%20-%20China's%20Talent%20Recruitment%20Plans.pdf>

<sup>42</sup> Yang, Jia. "The US State Department says it has revoked visas for more than 1,000 Chinese citizens", China National Radio, Sep 2020. Accessed Jul 2021.

[http://m.top.cnr.cn/bdxw/20200910/t20200910\\_525249012.html](http://m.top.cnr.cn/bdxw/20200910/t20200910_525249012.html)

<sup>43</sup> "Elon Musk-Biography", Britannica, Accessed Jul 2021. <https://www.britannica.com/biography/Elon-Musk>



Therefore, through a more detailed classification of immigrant visas, it could better provide potential talents for the country, and reduce the adverse impact of Western repression on China's scientific research and other fields. This immigration reform can better strengthen China's international competitiveness and improve its resilience under international pressure.

On the other hand, in the last two decades, the immigration policies of most developed countries tend to open their doors to high-tech immigrants. In 2015, more than 40% of UN member states and two-thirds of OECD member states were committed to increasing the number of skilled migrants. Emerging economies such as Brazil, Malaysia and Turkey also followed the skilled migration policies of developed countries.<sup>44</sup> In this situation, such policies are not only to alleviate the talent shortage in the country, but also to deal with the real or imagined "talent war".

### **Recommendation**

It is recommended that you should approve the immigration management reform proposed above. Combined with the above policy and political analysis, the reform of immigration management policy is beneficial for China's overall development, but there are also some political obstacles. From the perspective of the current population reducing challenges and long-term the balanced development of various industries of the country under the background of great power competition, it is urgent for China to implement the

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<sup>44</sup> Czaika, Mathias & Parsons, Christopher R. "The Gravity of High-Skilled Migration Policies", *Demography*, Vol. 54, 2017, pp.603-630.

proposed immigration policy above to fulfill our government's "deeper reform" mission on economic restructuring and industrial upgrading opportunities.

Nevertheless, there are five reasons that why we need to approve this policy reformation. First, the formulation and adjustment of immigration policies are directly and closely related to the demographic issue. Through the more detailed division of immigrant groups, the quantity regulation of different categories of immigrants, and the unified management of immigrant employers, China could form a relatively complete population statistics and evaluation system. In the immigration management with visa as the core regulation means, we strive to achieve the adjustment effect on the population structure. In combination with the age structure, education structure, and employers' demand for labor, China could attract the urgently needed labor in different levels of industries and ensure that the labor market conforms to China's current development situation. Let immigrants make up for the defects of our country's population structure through reasonable government allocation, to make our population structure has long-term development potential.

Second, China can better circular economy through population adjustment in the new immigration policy. Under policies control, more new immigrants often have certain economic strengths and high technical levels. These people have a high wealth creation ability and consumption potential. They could create wealth for the society directly or indirectly in housing, marriage, childbirth, transportation, and communication. Immigrants can transfer wealth and technology into China and transform consumption activities abroad into domestic consumption. This dual wealth creation process is

accompanied by almost zero social cost. Similarly, even the manufactories hired more unskilled labor at a lower cost, they would have more producer surplus. The wealth contribution of immigrants through new policies could effectively contribute to our economy.

Third, with China's gradual transformation from the country of emigrating origin to the country of immigrating destination, people from different backgrounds would come to live in this land. China could not only attract skilled talents but also absorb the nutrients of foreign culture. Chinese people could learn to accept a more complex and diverse population composition in the world and understand how to deal with cultural conflicts and identity politics. This is a process that all Chinese people must go through to internationalization and the Great Rejuvenation of the Chinese Nation.

Forth, it can set up an image of not afraid of disputes, and always focus on the national interests of you and the party at the critical moment when this nation's demographic and international situation has changed. The difference between our system and that of other countries is that when a policy of other countries becomes inappropriate or outdated, interest groups often have formed strong political energy to make it difficult to carry out any reform. However, in our country, the Communist Party has enough authority to crush all interest groups and move forward. This image of reform will win the trust of the people. As a policy promoter, you would also be praised.

Fifth, our more-opened immigration policy could show an international image of openness and inclusiveness. In the current international environment of a raise of conservatism and national popularism. It has caused more and more serious political

divisions in Europe and America with the liberalism that has dominated world public opinion in the past three decades. The welcome of immigrants can enable us to carry the ideology of liberalism in contrast to the United States, which advocates liberalism and builds the walls. China will increasingly become another option for people in developing countries with limited international influence. With the increase of international influence, China cannot always be behind closed doors. More people immigrate to China can also let the people have more knowledge about different cultures and learn to avoid xenophobia. So that China can better adapt to the role on the world stage and global leaderships.

For China, it is imperative to solve all the above problems, and the reform of immigration policy is only relaxed previous restrictions. China could have a more extensive means to regulate the population and labor market with little policy costs and manageable political costs. If you can approve this policy reform, you can gain more personal prestige and historical praise. It is recommended that you approve this proposal to benefit the country, benefit the party, and benefit yourself.

## **Curriculum Vitae**

Wang Chenfeng was born on August 14th, 1995, in Beijing, China. He came to the United States for college studies after finishing secondary education at Beijing National Day School in 2013. Wang Chenfeng attended Roger Williams University in Rhodes Island from 2013 to 2017, where he graduated with a Bachelor of Arts, Majors in International Relations and Economics. After graduating, he had a half-year internship experience in the Development Research Center of the State Council of the People's Republic of China. Now he is working at China Energy Engineering Corporation for overseas projects investment.