

Econ 274 October 2, 2018

= book

- 流动人口

- 户籍 (户口)

- greatest social transformation in history: from 85% rural → majority urban

- why? two pieces: rural, urban

- so what?

  - social science: how affects people

  - puzzle: wage gap  $\longleftrightarrow$  hukou, HK including social capital

= urban: economies of agglomeration

- high w

= rural: excess labor:  $\Delta \text{tech} \Rightarrow \text{MPL} \downarrow \Rightarrow w \downarrow$

- outmigration

= gap

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