

《Future city raises hopes for locals》

Many low-end jobs expected to support high-end enterprises, innovators, government operations

China is building a new city near its overcrowded capital, and it could become a boom town. One million residents already live in the area, and the value of the coming surge is not lost on them.

Li Xin, 22, completed an internship last year at what was then a rural school in a nondescript county just outside Beijing. When the plans for Xiongan New Area were announced, she acted quickly to accept an offer of a permanent position at the school that she had rejected two months before.

Initially, it didn't seem to be a desirable option for even an average graduate like Li to work in an obscure county like Xiongxian, but that suddenly changed.

On April 1, Xiongan New Area, spanning the counties of Xiongxian, Rongcheng and Anxin in Hebei province, was announced. The area will be eco-friendly, with an optimal urban layout, an array of public services and an innovative development strategy.

Heading for big cities has been a choice for many rural students seeking their fortune in recent decades. But many are returning.

Zhao Wenxiang, Party chief of Zhaozhuangzi village in the heart of the new area, said that out of a dozen college graduates from there, five plan to return - a number unheard of in previous years. The new area is dedicated to high-tech industries and is expected to become a hotbed of innovation.

The immense wealth generated by big cities like Beijing has failed to trickle down to peripheral areas. Places in the shadows, such as Xiongan, remain relatively poor. The three counties that the new area covers reported a combined GDP of about 20 billion yuan (\$2.9 billion) last year, less than 1 percent of Beijing's economic output.

"Previously, it was unimaginable to have a teaching applicant from a quality university," said Zhao Yonghong, director of the Xiongxian county education bureau. Salaries in the county are much lower than in the capital, hence it's hard for schools to recruit teachers, which creates a vicious cycle of wasted talent and missed opportunities.

But what was once a brain drain is likely to become a talent magnet, given that colleges of the caliber of Peking University plan new campuses in Xiongan, which according to plan, will host higher education institutions along with its other functions.

"Human resources are key to building the city, but to attract the right kind of people, you must offer the highest quality of education for their children," Zhao said.

Two-sided coin

A house-buying frenzy, which followed the announcement of the city plan, has been stamped out by the government, but local rents have tripled as nonlocals swarm into the area seeking opportunities.

Jinhai Group, a garment factory listed on the ChiNext Index, China's Nasdaq-style board, saw many visitors this month looking for jobs or cooperation opportunities. Rongcheng is already a garment manufacturing base, with 900 businesses providing 70,000 jobs.

"I'm waiting for more substantial offers," said general manager Xue Xinjian.

Xue is eager to transform his business model as rising labor costs have eroded his profits. A man's suit fetches only about \$30.

"We have no top designers nor a well-connected sales team plugged into fashion trends, so we cannot respond quickly to the changing market," he said.

Like hundreds of local garment factory owners, Xue look forward to moving into a custom-built industry park in the new area.

Chen Yao, an economist at the Chinese Academy of Social Sciences, said Xiongan - as a part of an urban agglomeration - had to exploit its own advantages in the industrial chain.

"New ideas might not be originated in the new area, but by cooperating with innovation hubs like Beijing, the new area can commercialize these ideas," Chen said.

While some celebrate new opportunities, there is no shortage of companies in the area uncertain about the future. Taidou Group, a cable maker, is one of them. The factory employs 600 workers.

Cable-making is, or was, one of the pillar industries in Xiongan, but the 60 or so manufacturers are mostly small workshops and produce a lot of pollution, a far cry from the proffered dreams of an eco-friendly urban utopia.

Xu Linghua of Taidou worries that his business may have to close or be relocated.

"We meet existing national environmental standards, but Xiongan is going to be different, with much stricter demands," Xu said. He is waiting for the specifics of the official plans before making a final decision.

Expecting a change

Early in the morning on an ordinary working day, Wang Zhonghui, 63, and Zhao Linsan, 62, lay idly on their flatboats in Baiyangdian Lake, arguing.

"I'm taking my pension now. But what will the young people do if all the small factories disappear?" Zhao asked.

Wang replied: "You know nothing about it. Big companies are going to move in; even our unskilled kids will have jobs" - referring to the prospect that Xiongan will be home to Beijing's administrative organs, large enterprises, and so on.

Such employers will not be staffed exclusively by rocket scientists and e-billionaires. They will employ many cleaners, drivers, canteen staff and security guards, the thinking goes.

Wang and Zhao are boatmen who make ends meet by rowing tourists around. Tourism suddenly took off in April.

"When the new city comes into being, I guess manpower will be needed," said local farmer Wang Mutou, 66. "But we have to change our way of doing things to adapt to the future. That may be hard. But I'm sure it will benefit my grandchildren and later generations."

The optimism of new prospective teacher Li is not dampened by any fears or worries.

"I'm betting on it," she said. "I want to be among the first real residents of this new city."

