

*Does Migration Pay Off? Returnees, Family Background, and Self-Employment in Rural China**

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Abstract

The recent rise of return migrants in rural China has resulted in much debate about whether the migration experience increases villagers' likelihood of becoming self-employed in non-farm jobs. Using data from a rural household survey conducted in 2010 ($N=2,276$), we find that returnees are significantly more likely to become self-employed than

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those with no migration experience. The overall result remains the same while taking human capital, political capital, social capital, as well as demographic background into account, and controlling for family conditions between family wealth and the number of family laborers. We also show that while the positive effect of family wealth on self-employment is stronger among returnees than among non-migrants, the negative effect of the number of family laborers on self-employment is not significant among returnees. This suggests that returnees are better able to mobilize family support on the one hand and minimize the resources dilution problem on the other. Taken together, this article contributes to the current literature by highlighting the interaction of migration and family conditions in shaping how returnees affect their natal communities in rural China.

While today's China continues to see rural to urban migration, of interest here is the increase in return migration.¹ Several scholarly estimations suggest that, not only have about 20 to 40 percent of rural-urban migrants returned to rural areas, but this population will grow in the coming years.² However, this return migration has received less attention and, as a result, is relatively understudied.³ Current literature on international or domestic return migration has focused on two aspects. On the one hand, scholars have considered the individual and contextual factors that determine why migrants return.⁴ For rural migrants, the return migration decision appears to be jointly shaped by a combination of personal, institutional, and social factors.⁵ A study of migrants in Fujian province, for example, has shown that economic factors such as household income, work contracts, and job position are all positively related to return migration.⁶ Du and Li point out that migrants' intention to stay or return is an emotional one embedded in sociocultural contexts.⁷ Liu et al. find that sociocultural attachment is also a significant factor in predicting decisions of return migration.⁸

On the other hand, scholars have explored how returnees' migratory life and work experiences might bring social, economic, and political changes to their natal communities.⁹ Despite the growing number of migrants who can afford to settle down in cities, the majority of migrants will still need to return at a later point in life. This is because without local *hukou* (household registration), rural migrants do not have (equal) access to social and economic benefits, including, for example, housing, social