shantytown residents, in spite of their poverty, at least survived in the city. Many undoubtedly would have died in their home villages if they had not left, as was the fate of thousands of famine and war victims in the rural areas of twentieth-century China. Without the Communist takeover in 1949 and the forceful policies prohibiting migration afterward, shantytowns in Shanghai would most likely have grown. The existence of numerous shantytowns in modern Shanghai, therefore, illustrates two sharply contrasting worlds, rural and urban China, in a single Chinese city.

YAOSHUILONG: THE EMERGENCE OF SHANTYTOWNS

The shack settlements could be found in nineteenth-century Shanghai, mainly in the suburbs along the Huangpu River. Large shanty squatter settlements on the immediate outskirts of the city started to appear in the late 1910s in conjunction with Shanghai's industrialization during the First World War and spread quickly thereafter. Generally speaking, immigrants to Shanghai in the second half of the nineteenth century were mostly well-off merchants, absentee landlords, frustrated bureaucrats and literati, skilled workers, and what might be called adventurers. The big tidal wave of rural immigrants to Shanghai, which was the main cause of the emergence of large shantytowns, was a twentieth-century phenomenon. Toward the end of the 1940s, the whole city was encircled by numerous clusters of straw hut settlements (see the map and Figure 1). To gain a clear picture of the origin of these shack areas, let us begin by examining Yaoshuilong (literally, lotion lane), Shanghai's largest shantytown.

Yaoshuilong was located on what had been a desolate field on a bend of the Suzhou Creek, about five miles northwest of the Bund and Nanking Road, the commercial heart of the city. Beginning in 1920, a slum gradually formed around a lotion factory, from which the place took its name. 24 During and after World War I, many textile mills, chemical factories, machinery factories, and kilns were built in the Huxi (west Shanghai) area where Yaoshuilong was located. The convenience of being close to these factories made this once deserted

