

## **Community Building in China: From Welfare to Politics**

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Under the centrally-planned economy modeled after the Soviet Union, the social welfare system in China under Mao Zedong was employment-centred. Each work unit of the state sector functioned as a self-sufficient “welfare society” within which an individual received employment and income protection, and enjoyed heavily subsidized benefits and services such as housing, food, education, recreation, child care, and social security benefits for sickness, maternity, work injury, invalidity and death, and old age. For the few people outside the work units, the state would provide a remedial welfare programme for the “three nos”: those with no family, no source of income, and no working ability. The domination of the work unit-centred welfare had rendered social services organized by non-governmental charities and government departments unnecessary. Under the market-oriented economic reforms, however, commitment of work units towards welfare is rapidly eroding, and more people are now living and working outside the protection of the state sector. Therefore, the need for the development of other form of welfare services is paramount.

As a new source of welfare, community-based welfare services for vulnerable populations in cities have been enthusiastically promoted by the government in the 1990s. In China, an urban neighbourhood of about 50,000 residents is administered by a Street Office, an extension of the district people’s government. As a “neighbourhood government”, the Street Office is responsible for the provision of a variety of public and social services which include fire and crime patrols, marriage registration, household registration, sanitation, supervision of delinquents, nurseries, recreational and cultural activities, family planning and mediation, management of parks and public toilets, and so forth. In specific, community services include welfare provisions for the vulnerable populations; public services for general residents; and job placements for the unemployed and retirees. In a typical Street Office, welfare services can include a home for the aged, day care centres for the frail elderly and disabled children, and shelter workshops for the disabled and the mentally ill. Recent emphasis is on the development of volunteer services. Community-based services are regarded as an emergent and vital source of personal social services, particularly for the vulnerable populations, such as the frail and single elderly, the physically and mentally disabled, the chronically ill, the ex-criminals, the ex-servicemen, the unemployed, low-income families, and youth at risk. With the slow down of the economy and rising layoffs, Street Offices have been delegated with the responsibility

to provide relief assistance to the low-income families and create temporary and casual jobs for the unemployed. These services are considered as pivotal in maintaining social stability.

Each Street Office supervises a number of residents' committees. Each committee, governing an average of 500-700 households, is responsible to assist the Street Office in the implementation of government policies and social service programmes. In principle, the committee members, including the chairmen, should be elected directly by local residents. But in practice, the mechanism of popular elections has not been institutionalized and strictly enforced. As a type of mass organizations, residents' committees in fact more often function as semi-governmental organizations.

In 1996, there was a total of 3,400 community service centres at the Street Office level, 440,000 community service stations at the residents' committee level, 6,300 homes for the aged, 160,000 service units for the aged (day care centres, marriage matching service, activity centres), 140,000 service units for the ex-servicemen, 37,000 service units for the disabled, and one million service units for general residents (home help, household repairs, employment referrals, job retraining, marriage registration, sewing stations, and bicycle parking). To operate these community service programmes, there were 580,000 full-time cadres and 600,000 part-time cadres as well as 5.5 million volunteers.

With limited financial support from city governments, each neighbourhood has to rely on its own efforts to develop public and welfare services. City government allocation for community service only accounts for less than 30 per cent of the total expenses. Profits derived from commercial enterprises (factories, food stores, restaurants and guest houses) and fee-charging public and welfare services managed by the Street Offices are used to finance overall operations. The principle, in the Chinese sayings, is "to use profit-making service to support service that is free of charge." Often, Street Offices use community services as a means to generate revenue. As such, it is exceedingly difficult to separate the welfare and the commercial functions of community services. For capital buildings, the Street Offices can apply for subsidies from the welfare lottery funds (China introduced welfare lotteries in 1987). Some Street Offices would form charity trust funds with public donations to support welfare services. Furthermore, community services can receive preferential treatment from the city government in terms of taxation and credits.

Because the provision of welfare services is largely dependent on the ability of the Street Office to develop a profitable local economy, both the quality and quantity of the welfare services can vary substantially from neighbourhood to neighbourhood. In general, community services are both informal and loosely-structured with the quality of services not standardized. In addition, the quality of community services is plagued by the poor staff quality of neighbourhood cadres. The majority of the cadres in the residents' committees are retirees and redundant workers laid off from ailing state enterprises. Social work educators in China have advocated the urgent need to turn neighbourhood cadres into professional social workers. In Shanghai, the city government has made requests to universities to train professional social workers as community workers.

Traditionally, Chinese neighbourhood organizations functioned more often as an instrument of political campaigns and for the government to publicize laws and policies and exercise social control, particularly for those with no work units. In the last decade, neighbourhood-based social welfare services have been developed to provide a supportive network for vulnerable populations. Indisputably, community

service is a unique form of welfare services in China. Yet the quality of provisions is largely dependent on the economic capacity of the neighbourhood government to finance the welfare programmes.

With the demise of the work unit as an instrument of exercising political and social control, the Chinese Communist Party has tried to strengthen the neighbourhood network to maintain social stability, mitigate social conflicts and promote the socialist ideology, known as “spiritual civilization”. The Ministry of Civil Affairs has been delegated with the responsibility to promote popular direct elections of village heads in the rural areas, as a form of political democratization reforms with Chinese characteristics. In a similar vein, the Ministry is looking for a model to introduce democratization reform at the neighbourhood level in cities. To do so, the Ministry has contracted three Universities and research centre to research on the reform of the neighbourhood administrative structure. A series of national conferences have been organized in different cities to explore the strengths and weaknesses of different operational models. In terms of policy formulation under the Ministry, the Division of Community Service which was previously under the Department of Social Welfare has been transferred to the Department of Grassroots Construction (responsible for village and urban neighbourhood elections), re-titled as the Department of Grassroots Construction and Community Building. The re-structuring signifies the political implications of welfare services development in urban China. As such, emergent community-based social welfare services are not only a vital source of welfare for the urban Chinese residents, but also an important basis of the Communist Party to maintain its legitimacy and governing mandate.

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