
The Protection of Vulnerable Groups in China: From the Perspective of Local Government Innovations

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Abstract:

Abstract: The practice of protecting vulnerable groups at local governments in China includes living standard security system and rights protection mechanisms. Therefore, related local government innovations cover detailed protection, policy environment and citizens empowering. The compound dynamic mechanism of government innovations is a mixture of the path dependence of pilot-experience-publicity, performance-chasing behaviors of local officials, the strengthening of legitimacy of weak government departments. The dynamic has been changing from the local governments' active innovations to citizens rights claiming since the existed government innovations have not initiated the protection of equal rights and equal participation.

Key Words: Vulnerable groups, Citizenship rights, Government innovation

Before reform and opening-up, the social structure was simple and the social mobility was quite low in China. Though there were people the government took care of, such as elderly people of no family, orphans, extremely poor people, the disabled and disaster victims, there was no such word as vulnerable groups. Ever since the economic reform, the social structure has been more and more complex with people flowing to wherever they want and their income been stratified. By the year of 2002, the Gini coefficient reached 0.454, and right in May of this year, the then Premier ZHU Rongji used vulnerable groups in his Government Work Report to the Fifth Session of the Ninth NPC (National People's Congress), which immediately drew far-ranging attention domestically and abroad. The word "vulnerable groups" being listed in the Government Work Report means that the China government has admitted very fact of the imbalance of development. As a relative concept, vulnerable groups generally include all social groups in weak position when safeguarding their interests and rights. But some groups in the broad meaning of vulnerable groups are in a weaker situation and their weakness is hard to overcome, these groups are the obvious vulnerable groups that people have reached a consensus that they really are weak¹. Most of the people in the obvious vulnerable groups are those who had contributed to the planning economy system yet have not enjoyed the fruit of reform, and as results of social differentiation and state development strategy selection, they have strong relative deprivation yet little or no capability to change their situation. To protect the vulnerable groups is not only the responsibility of the government, but also the indispensable baseline for the realization of national development strategy. To examine the dynamic of government innovations² in protecting vulnerable groups is a way to analyze and explain the reform path of China.

I. PROTECTIONS THE GOVERNMENT HAS SEARCHED AND OFFERED TO VULNERABLE GROUPS

Since the vulnerable groups that people have reached a consensus emerged after the economic reform, the Chinese government has been searching for ways to protect the newly emerged vulnerable groups when offering protection to the absolute vulnerable groups. The search many local governments have done includes the following two aspects:

Social security system for vulnerable groups been explored

The social security system for vulnerable groups mainly refers to the minimal living security mechanisms. In the traditional planning economy time, people's welfare based on their

¹ In China, these groups these vulnerable groups include at least five categories: firstly, the Three Nos, i.e. those elderly people without family, orphans and the disabled who have no labor capacity, no income, no legal support person; secondly, poor people both in urban and rural; thirdly, the urban unemployed; fourthly, migrant worker from rural; fifthly, the retired with low income. The first category can be regarded as absolute vulnerable group, and the other four types are all relative vulnerable weak groups whose vulnerability was the byproduct of reform and opening-up caused by both national development strategy choice and social differentiation.

² Government innovations in this paper refer to local government innovations. Local governments include all administrative levels under central government.

workplaces or units (*danwei*), which means if a person was not officially employed, he or she would have no security for basic life. With the deepening of the reform of state-owned enterprises (SOEs), the more and more lay-offs became to be a social group abandoned by the unit-based living model in urban area. Some city governments began to consider this serious problem. In June, 1993, the Bureau of Civil Affairs in Shanghai proposed a draft on establishing urban minimal living standards after investigation, and with the approval of the Municipal Government of Shanghai, the Bureau of Civil Affairs and other related departments publicized the *Notice on Guaranteed Minimum Living Standard for Urban Residents of Shanghai*. In the very year of 1993, 7680 urban residents in Shanghai got the basic living subsidy from the government³. Shanghai's practice was the earliest way explored to guarantee urban residents basic life standard, and was also an innovation to coordinate with the then reforms of SOEs. The market-dominated reform of SOEs then required free employment and the split of workers' lifelong welfare from the enterprises, but without social security system, being unemployed by the enterprise just meant no basic living security without the unit-based welfare system and therefore unimaginable. The establishment of the minimum living standard for the urban residents solved the SOEs burden and offered basic living security for the lay-offs as well. Certainly one important reason for Shanghai to carry out this innovation as it should be from today's view was that Shanghai government had strong finance since it was at the forefront of reform and opening-up. Shanghai's innovation just started the first step of modern social security system in China as the minimum living standard is opening to all urban residents as a comprehensive social assistance system including not only basic living subsidies but also education, housing and medicare preferences to secure a kind of minimum decent life and therefore different from the traditional poverty relief system. Hereafter, minimum living standard for urban residents began to be established in more and more cities and by October 1999, all urban residents have been covered by minimum living security with the nationwide enforcement of Regulations on Minimum Living Standard for Urban Residents.

Compared to the urban residents, the rural residents who occupied 80% of the population found the establishment of their minimum living standard much slower. Similar to the emergence of minimum living standard for urban residents, the minimum living standard for rural residents also emerged firstly in the developed coastal regions, city Amoy in Fujian province. Amoy government began to search the way to extend minimum living security from urban to rural areas in 1997, and on July 1st, 2004, the first local statute integrating urban and rural minimum living security *Measures on the Minimum Living Guarantee of Residents of Amoy* was enforced⁴. The *Measurement* specified that offering minimum living security as a obligation but not a favor of the government by stipulating "the residents registered with Amoy permanent

³ Ye Xingqing & Zhang Shunxi, The Evolution and the Current Situation of Urban and Rural Minimal Living Security System in China, *Essays on the Practice and Exploration of Development-oriented Poverty Deduction* by International Poverty Deduction Center in China, 2007.

⁴ CHINANNEWS, The Announcement of *Minimum Living Guarantee of Residents of Amoy*.http://www.china.com.cn/policy/txt/2004-06/03/content_5578552.htm. Last viewed on June 1st, 2011.

household (*hukou*) have the right to get basic living materials from the government where his or her *hukou* registered if his or her family per capita income is lower than the minimum living standard of Amoy.” The Measure also regulated the ratio the governments of all level should assume to the minimum living security fund and encouraged social organizations and individuals to donate and sponsor to the fund. Three years later, the State Council issued the *Notice of Establishing Nationwide Rural Minimum Living Security System* stipulating that “the system should stick to the principle of government subsidy combined with family support, social mutual assistance and individual self-support” which obviously borrowed experiences from Amoy’s practice.

If the establishment of minimum living security system integrating urban and rural was an innovation extended from local governments’ exploration to national institutions, then some exploration local governments carried out were the operationalization of existed institutions full of principles to fit for the local reality, such as the “Sunshine Aid” program in Qingdao, Shandong Province, the “Benevolence Supermarket” initiated in Jialian Street, Siming Districe, Amoy, Fujian Province, and the “Five Guarantees Villiage” in Guangxi Zhuang Autonomous Region.

Rights protection system for Vulnerable Groups been explored

Compared to the direct support and subsidy the governments offer to the vulnerable groups based on the minimum living security system, the right protection system is fundamental to the vulnerable groups. The local government innovations aiming at protecting vulnerable groups’ rights have mainly focused on three levels: innovations setting baseline to guarantee equal rights, innovations guaranteeing equalization of some social rights by resource allocation, innovations improving people’s legal capacities by certain organizations or mechanisms.

Firstly, the baseline to guarantee equal rights means that all citizens should enjoy all the rights written in the Constitution and laws indistinguishably in procedure and substance. The most prominent innovations in this aspect have been the reforms of the household registration system many local governments tried. No matter succeed or not, the innovations reflected local governments’ efforts of sweeping away the institutional obstacles to guarantee equal rights of citizens. Before the economic reform, people were classified as urban people and rural people according to the household registration system, and the social welfare in urban and rural area were quite different. Since 1980s, many rural people began to move to cities to find their opportunities, and many city governments carried out migrant policies encouraging people to move into the cities by using *hukou* as an attractive element. For instance, in mid 1990s, many city regulated that if a person did business, invested, or bought commercial apartment in a city and the money he or she invest reached a certain amount or the acreage of the apartment he or she bought reached the minimum standard the city set, then his or her family could change their household registration from other places (actually mostly from the rural area) into the city. This kind of practice never changed the dual system of separating the urban and the rural since the city governments just regarded cities as goods of the existed urban residents and those who got

registered *hukou* of cities by investment or buying apartment were regarded as buyers of the goods. In recently years, some local governments have tried important reforms such as abolishing the classification of *hukou*, reducing the threshold of registering urban *hukou*, using urban *hukou* as rewards to attract talents. Even so many reforms have been carried out, the shift of *hukou* from village to city is still not so easy. A lot of people moving from villages to cities have been residents in fact in urban area and have changed the composition of the urban population though they have no urban *hukou*. But without urban *hukou* they are in the social margin of the cities they live in since they cannot enjoy same employment, education and social security with those having urban *hukou*. This again has formed a new dual social structure in the urban areas. Therefore, the urbanization path is now changing from the small town focused urbanization to the integration of urban and rural areas. Some local government began to explore zero threshold of *hukou* shift. For instance, on March 16th, 2001, Huzhou city of Zhejiang Province started a reform of *hukou* system regulating that if a person has legal fixed dwelling space, stable employment or living resources, or to living with a relative in Huzhou, no matter where his or her *hukou* clings to before, he or she can move his or her *hukou* to Huzhou city and enjoy same treatment with the existed residents such as education, medicare, etc..⁵ This innovation has opened a new era of citizens' freedom of migration and residence by removing the man-made barriers between the rural and the urban. Due to good consideration and matching measures by coordination among government departments, the reform of *hukou* system in Huzhou city was successful in improving economic development and social stability, while in Zhengzhou city Henan Province, the reform of *hukou* system failed because of the lack of matching measures.

Secondly, the protection of the rights of vulnerable groups is to set up mechanisms to turn rights in text into reality. This kind of protection mainly turned out to be innovations guaranteeing equalization of some social rights by resource allocation. In mainland China, though the Constitution and laws has specifically confirmed citizenship rights, due to lack of feasible mechanisms, many citizenship rights have been in static. With fast economic growth and social mobility, people are now yelling for the realization of citizenship rights, especially in education, healthcare and providing for the aged. For example, equal educational rights demands the balanced allocation of educational resources. In may 2001, Changxing county in Zhejiang Province began to issue four different kinds of education vouchers, and matching institutions such as public announcement and verification of workflow were established to make sure the education vouchers go to the students needed and at the same time make sure the money do flow to education. Then the education voucher system extended to the whole Zhejiang Province.

⁵ All the materials of the reform of *hukou* system in Huzhou, the education vouche system in Changxing and other local government innovations come from the Local Government Innovations Database of China Government Innovation Website (<http://www.chinainnovations.org/>) if there is no specific explanation. As a member of investigation team of China Local Government Innovation Awards , the author has also visited many of the local governments mentioned such as Huzhou.

Thirdly, there have been local government innovations improving certain people's legal capacities by certain organizations or problem-solving dominated measures. Some local government just created some kind of trans-departmental cooperation mechanisms to protect certain groups' rights in order to solve specific social problems. For instance, in 2002, Shijiazhuang city of Hebei Province created the *Juveniles and Children Protection and Education Center* to help those children vagrant and begging in the street by coordinating several government departments. While some innovations were just the results of *weak departments'* active behaviors. Here *weak departments* is a relative concept including two kinds: one kind of weak departments are those departments having legal authority yet the authority has not been used fully due to systematical or institutional reasons, such as the Standing Committee of the People's Congress is one part of the highest authority of the state, but compared to the administrative branch of the government, it's authority has not been fully explored. The other kind of weak departments are those departments not in charge of regulation or resource allocation. Such as those departments mainly offer service or social expenditure compared with department of finance and bureau of taxation, and the so called people's organizations that are fully financed by the state like the trade unions, youth leagues and the women's federation. Though the people's organizations are regarded as GONGOs (government organized non-governmental organizations), they are part of the public sector since they bear functions of link between the government and the society. The *weak departments* focus on innovations of protecting vulnerable groups by emphasizing their weakness and the departments' important status in the political life to rebuild their legitimacy. Therefore, the innovations the weak departments tried always can get supports from both the government and the public, and the related innovations thus tend to empower and enable the vulnerable groups with far-reaching influence. For example, the trade union in Yiwu City, Zhejiang Province has explored a socialized labor rights protection model to increase its importance in the government's decision-making, the women's federation of Yanqing County in Beijing has explored new models to prevent family violence as its remark achievements.

II. THE DYNAMICS OF LOCAL GOVERNMENT INNOVATIONS PROTECTING VULNERABLE GROUPS

The five rounds of China Local Government Innovation Awards (CLGIA) program have illustrated the local governments have taken the protection of vulnerable groups seriously for the past decades. In the 20 nominated programs of the first round of CLGIA (year 2001-2002), 5 programs related to the protection of vulnerable groups and 2 programs won the awards, in the 18 nominated programs of the second round of CLGIA(2003-2004), 5 programs concerned the protection of vulnerable groups and 3 of them won the awards, 7 out of the 25 nominated programs of the third round of CLGIA (year 2005-2006) concerned the protection of vulnerable groups and 4 programs won, in the fourth round of CLGIA (2007-2008), 7 out of 20 nominated programs concerned the protection of vulnerable groups and 3 programs won. In the fifth round

of CLGIA (2009-2010), 6 out of 30 nominated programs concerned the protection of vulnerable groups and 1 program won.

China Local Government Innovation Awards

Rounds	Nominated		Winners amounts	
	total Nominated	VGs protection	total Winners	VGs protection
2001-2002	20	5	10	2
2003-2004	18	5	10	3
2005-2006	25	7	10	4
2007-2008	20	7	10	3
2009-2010	30	6	10	1

The practices of the local government innovations also reflect the three levels of ideas in regard to the protection of vulnerable groups. The first or lowest level of innovation showed that the government was relocating its function in the process of rapid social and political transformation by admitting citizenship social rights. Therefore, some local governments just offer direct and concrete protection, such as the minimum living security system and the educational vouchers. The second level of innovation showed that the government has been trying to build a more friendly policy environment by offering cooperation with social organizations, such as the *Juveniles and Children Protection and Education Center* created by Shijiazhuang city. The third level of innovation showed that some local governments have focused on empowerment and they have tried to offer training and participation channels to improve the capacities of expression and self-protection of the vulnerable groups. All the three levels of innovations as a whole have embedded compound dynamic mechanisms which mingled macro and micro elements since the main body of innovations have been carried out by local officials.

The pilot-experience-spread reform path supported by central government

Ever since the beginning of the reform and opening-up, the central government has encouraged all levels of local governments to explore new institutions fit for respective places. The strong will of economic growth and the very fact of rules lack resulted in the rapid building of institutional framework in the first two decades since 1978, and the accompanying character of the institutional framework was strong principle and weak feasibility, which means that on the one hand it lowered people's stable prediction of the future, on the other hand it decreased the compulsory planning of the government and formed a flexible institutional space tolerating and encouraging all kinds of experiments done by local governments on the base of their situation to collect experiences for the central government to consider general policies. Generally

speaking, the pilot-experience-spread path of institutionalization has not only pushed forward the economic development, but also positively encouraged local governments to explore and possible institutions and mechanisms. Therefore, ever since mid 1990s, with more and more economic reform byproducts such as polarization of the rich and the poor, vulnerable groups emerging, more and more local governments have begun to search for local resolution to the new problems, which again also have reserved experiences and reference for the central government in building national institutions.

Local officials chasing for performance-based promotion

It's just because the existed national institutional framework has been so flexible and the local situations differ greatly, all local governments can adjust measures to local conditions so long as not run counter to political correctness. This in fact leaves local officials great space to fulfill their dreams and solve problems. Local officials chasing for performance-based promotion based on their understanding of government and their own valued aspirations, and the ideal situation is that both the official's individual aspiration and the government's aiming at public interest be realized together. Since offering direct protection or empowering the vulnerable groups can obtain strong political ethical support, as well as strong social support, it is quite a good bonding point of official's individual aspiration and public interest. At the same time, as the passive bottom-line of chasing performance, to protect vulnerable groups is also the necessary choice for local officials to solve problems in economic development. Since mid 1990s, with social conflicts increasing dramatically with the rapid economic growth, social stability has been put to top priority, and local officials have been strictly restrained by one ballot veto of social stability in promotion. Since it is the superior government to decide the lower governments officials' promotion, in order to reduce the risks of social instability directly affect their promotion, more and more local officials has begun to pay much more attention to the vulnerable groups and social problems related to them and carried out policies, measures to protect the vulnerable groups, the consequence has been the enrichment of citizenship social rights.

Weak government departments “coming down to earth” to maintain legitimacy

The imbalance of power allocation among government departments makes some departments weak compared to other departments. As part of the government, the trade unions, women's federations have been dramatically influenced by the rapid social changes and worried about their existence and legitimacy. It is much practical for them to “come down to earth” to find out what the society really need and anchor their legitimacy deeply into the society instead of the government itself, so they have been eager to strongly pushed forward the protection of the vulnerable groups to exchange for social support. With civic awareness improved dramatically, citizens' claims have turned into pressures to the people's congress of different administrative levels, which have led to the increasing of empowering innovations in some local people's congress.

The three aspects mentioned above consist of the compound dynamic mechanism of local government innovations. With local officials' chasing for performance being the core of the compound dynamic mechanism, local economical development have been closely connected with social development and then push forward the protection of vulnerable groups. It is important to realize that on the one hand, though the local government innovations have been based on the public interest, the public interest are decided by the officials. In other words, the existed government innovations showed that it is the local governments that control the discourse, agenda and process of innovation, the citizens have not joined in the innovation yet. On the other hand, the protection of vulnerable groups offered by weak government departments illuminate that the weak departments are facing challenges of legitimacy, their efforts to change their marginalized status by seeking support in society actually improved citizens' legal capacity.

III. NEW TRENDS OF GOVERNMENT INNOVATION DYNAMICS

The protection of vulnerable groups has shown changes from the existed local government innovations. Firstly, the substance of protection has changed from offering directly irregular living subsidies to offering regular institutional security. Secondly, the idea of vulnerable groups protection has changed from utilitarian benevolence to government responsibility and citizenship rights protection. Thirdly, the goal of protecting vulnerable groups has change from the measures guaranteeing SOEs reform to the construction of the whole social welfare system. These changes did not emerge from the very beginning of the practice of protection, nor was them part of the national development strategy, but just have reflected the strategy change from crossing the river by feeling the stones to the state building process.

The Shortage of the Existed Protection of Vulnerable Groups

Firstly, the protection of citizenship rights has not been the mainstream of government innovations considering the protection of vulnerable groups. The protection of vulnerable groups is essentially the protection of their rights with the ultimate goal of improving all-round human development. In other words, if the vulnerable groups of a society cannot be protected by institutions, the citizenship of the vulnerable groups is then not complete, and the whole society's development is not perfect due to the lack of the member's opportunities to develop based on rights. Therefore, the protection of the vulnerable groups should be based on equal citizenship rights of all citizens. Though the existed local government innovations have shown some ideas and measures of empowering citizens by specifying the categories of vulnerable groups, equal citizenship rights still should be guaranteed by general accessible feasible institutions and procedures, so local governments still have huge space to innovate. To protect vulnerable groups from the point of equal citizenship rights protection also means that the vulnerable groups should not be specifically labeled as "vulnerable groups ", thus the government should treat vulnerable groups as ordinary citizens to keep their dignity by offering institutions and procedures to guarantee equal rights and material equality.

Secondly, the right of participation has not been core of the protection of Vulnerable Groups. The right of participation includes participation in concrete topics and participation in agenda setting. More and more local governments have begun to invite the public to join policy talk or public hearing before publicizing new policies or carrying out new measures, but it is still common that the government decides the topic and procedure without consulting the public, the result is that in some places, public hearing or consultation has turned into formalist shows.

Thirdly, the link between institutionalization of protecting VGs and local officials chasing for performance has not been established. The evaluation of performance decides the officials' career development, hence the indicators and ways of evaluation guide the direction of official's performance. While the tenure of a public position also tends to make the officials choose performance that could bring them short-term effect to demonstrate their capacities. This brings dilemma to many local officials when they try innovations. The protection of vulnerable groups is not easy to measure as economic development, and many local officials just keep "no trouble" as an indicator of political-social stability. So if the performance evaluation system has not list the protection of vulnerable groups as one indicator of people's wellbeing, the institutionalization of the protection of vulnerable groups still cannot be linked to the protection of equal citizenship rights. If the protection of vulnerable groups cannot be linked to citizenship social rights, then the result of the existed protection of vulnerable groups might be that people in the defined vulnerable groups cannot change from the dependents of government's policies into citizens improving government performance by exercising rights to participate and protect themselves.

New element to the dynamics of government innovations

The past local government innovations to some degree have pushed forward the development of citizenship social rights. However it should be noticed that the government alone cannot improve the situation of vulnerable groups' protection. The true dynamic lies in the vulnerable groups themselves and the whole society's caring of citizenship rights. The cases mentioned before in this paper have illuminated the dynamic's shifting from the government to the society. As the communication technology has fastened interaction among citizens with a civil society emerging and interaction between the government and the public. Citizens' increasing rights claims are now pressing governments at all levels to guarantee "equal citizen, equal rights". From the experiences of citizenship rights development worldwide, there are two different strategies, one is that the government pushes forward citizenship rights development actively as a tactics of social integration, such as the German government in 19th century carried out welfare to the workers to avoid class conflicts. The other is the government has to generalize some rights under the strong pressures from citizens. In this case, citizens' claim for rights could be class conflicts, social movements or discourse. In contemporary China, the right to know and the right of participation have been recognized by the Constitution for quite a long time, and the governments of all levels have practiced the principle of "from the masses, to the masses" for years, the starting point of the practice actually is top-down at the will of the

officials. As the rapid economic development, the social differentiation and the blooming interactions horizontally especially via internet have brought great challenges to the government, the government has to respond in time transparently and accountably with citizens rights claims among which the social rights of all citizens are of the top priority. So the interaction between citizens and the government based on right exercises and right claims is becoming a new element to the government innovations as a dynamic, if both the local governments and the central government pay attention to this new element, open more channels of public participation and push forward the institutionalization of citizenship rights protection innovatively, the protection of vulnerable groups in China will turn into a part of the harmonious society in a desirable way both the government and the society wishes to see.