

AN EMPIRICAL STUDY ON CHINA'S URBAN SOCIAL SUPPORT AFTER 1949

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Abstract

In this research, we challenge the generally accepted correlation between economy and social support development after clearly describing the structure, principles and disciplines of Chinese urban social support system. Chinese urban social support system needs empirical study. In this study, readers can find a short literature review on existing studies on Chinese case. After defined the variables of this study, we figured out the essential developmental process of Chinese urban social support. Then, we used an empirical way to support my hypothesis that, in China's authoritarian society, the government choose to adopt a social support system that correspond with the demands of the alliance composed by the ruling party and its allied classes, which would reflect the change of its regime legitimacy.

Keywords: Urban Social Support, CCP's Regime Legitimacy, Cross-class alliances, Chinese Political System

INTRODUCTION

The most unevenly distributed social support system (Since social security and welfare systems have always been merged in studies and statistics, in this essay I am using the term 'social support' to represent them both) has been adopted in China even since the beginning of PRC. In nowadays China, the urban-rural dualism is still significant (Xuyi Lu and Guihong Yang. 2013). This dualism in social support system is more severe. In other words, the development of social support in rural area has been lagged a lot, and the structure is also different from the urban system (Chang Kyung-Sup. 2003). This study focuses on the urban social support, since it composes the main body of Chinese social support system (In this essay, when I mention the Chinese social support system, it means the Chinese urban social support system).

After establishment of national control of CCP (China Communist Part)'s government, social support programs were adopted in urban areas. However, the developments of those programs were not successional. Their developmental processes have been interrupted by economy reform. During economy reform, Chinese social support system has been fundamentally redesigned. Unlike other social programs, the provision of social support is constant, though it sometime fluctuates (Esping-Andersen. 1990). Accompany the dramatic development of Chinese economy, its social support also developed.

LITERATURE REVIEW

Existing Studies on Chinese Social Support System

The study of Chinese social support is never on the frontier border, compare with the studies of Chinese economy and politic. "Chinese characteristics social support system" has been used as an excuse by Chinese official to avoid international comparison. Meanwhile, foreign scholars, have been lagged by Chinese language, have to rely on second-hand data. That weakens their studies. To date, the existing studies have not done enough investigation on Chinese case. And the efficiency of general theories is also in question, when they have been applied to Chinese case. For example, Esping-Andersen (1990) and Kasza (2006) demonstrated that the expenditure on social support has positive relation with the amount of GDP Per Capita. In this essay, you will find existing theories has to be modified, when it has been tested by Chinese case. Beyond that, this essay intends to give Chinese answers to the three basic questions (According to Guan Huang's 'Review of Classical Studies on the Welfare State--By Methodologies of Political Science'(2013), the three basic questions of the study on social support are: First, how should different kinds of welfare states be categorized? Second, what are the factors that make up the character of each welfare state? Third, what is the destination of welfare states' development?) on social support study.

Variables in the Study

Social Support

Since social security and welfare have always been merged in studies and statistics, in this essay I use the term 'social support' to represent them both together. Recently, two approaches are used to define social support system, though some differences also exist within the same approach class (Esping-Andersen. 1990). For example, Shogo Takegawa (2005) defines social support system as a mixture of national goal, support provider, and social regulator, but the broad approaches that have been used by Esping-Andersen (1990) to define social support are different. The social support, defined by broad way, does not only include the social amelioration, like pension, health care, and survival benefits, but also relates to employment, wages, and overall macro-economic steering and usually frames the social support in term of the political economy. Though scholars have defined the social support in different terms and from different perspectives, they all magnify the re-distribution part. It is inevitable that the broad approach will include relatively less concerned programs in the investigation of social support. That makes the comparisons between different scholars' studies are difficult.

In contrast, the narrow approach highlights the function of realizing social equality, when it defines social support. To extend the efficient of this study, I will use a narrow and testable approach to define Chinese social support. As SOCX defines the range of public programs to include nine sub-fields: old-age, survivors, incapacity, health, family, unemployment, housing, active labor market policies, and other welfare (Adema, W. and M. Ladaique, 2009) and makes them testable. In this essay, I also define Chinese social support follow the SOCX approach, and sets its arrange: old-age, incapacity, health, unemployment, maternity, housing, military support and others. Since Chinese government officially promotes the so-call 'five insurances' (pension, health, unemployment, work-related injury and maternity), its data is relatively abundant.

CCP's Regime Legitimacy

The foundation of CCP government is its control of military, and that control has never been challenged. Above the foundation, the CCP's regime legitimacy is changing. Since China is transferring from totalitarianism to authoritarianism, its regime legitimacy also correspond the transform (Sondrol, P. C. 2009). The regime legitimacy of CCP significantly changed after economy reform. Before economy reform, China was a typical totalitarianism, its regime legitimacy come from Chairman Mao's charisma (Zhao, Dejin. 2005). Since the beginning of economy reform, the CCP's regime Legitimacy has been gradually transferred to economy

development (Wei, Zhiqiang. 2013). In this study the CCP's regime legitimacy is the independent variable, its change would decide the changes of other variables.

Alliance Composed by CCP and Its Allied Classes

This is the intermediate variable of this study. According to the classical cross-class alliance theory, the change of cross-class alliances would impact the outcome of social support (Pierson Florida. 1996). Unlike other countries, in China it is easy to calculate the change of cross-class alliances. In China, when CCP's government allows any social classes to register their associations, it means CCP wants to share political power with those classes, since Chinese associations are semi-governmental. Thanks to the strict control of association registration, it makes the change after economy reform very significant. Before economy reform, labour union was the only nationwide association (Wang Ming and Sun Weilin. 2010). Ever since economy reform, the amount of associations increases so quickly, and the most of those associations are economy related. The number of associations is used to calculate the alliance composed by CCP and its allied classes.

Socialist Democracy with Chinese Characteristics

This is the conditional variable of this study. The record of this variable can be generally divided into two periods by economy reform. Before economy reform, Chinese political system is a typical totalitarian one; and it has been transferring to authoritarian since economy reform. In detail, though those two periods, there exist some generalized characters: First, the Chinese Constitution has confirmed the leadership of the CCP. CCP is the main controller of political power in China. Second, CCP would share political power with the classes, which are important to its domination. Third, an intra-CCP political system exists, and that is more important and decisive than the official national system.

THE HYPOTHESIS & METHODOLOGY

The main hypothesis of this study is: Given China's authoritarian society, the government choose to adopt a social support system that correspond with the demands of the alliance composed by the ruling party and its allied classes, which would reflect the change of its regime legitimacy.

Dixon (1981) has already sufficiently discussed the philosophy 'Productivity' of CCP in designing and establishing its social support system. In this essay, I adopt and strengthen his argument. The Chinese high Gini-coefficient is my alliance to support my judgment that Chinese urban social support is less advanced. To clearly portray the real face of Chinese social support

system, I adopt a two steps method. In the first step, I review the development of the urban social support in the wake of economy reform; in the second step, I review the record of the urban social support 1949-1978. Then, by both comparative and empirical ways, I value the development of Chinese social support, challenge Esping-Andersen's, Kasza's, and the most generally accepted theory on the relation between social support development and economy and demonstrate my hypothesis. In brief, my review clears the urban social support's extending process: First, the cadres of the CCP had been unquestionably covered. Second, the traditional revolutionary bases and the newly surrounded ethnically autonomous areas had been included, to reward or gain loyalty. Third, all of the important social members, workers and staff who had close relations with the CCP government had been covered in order to strengthen their loyalty. Forth, social members who were important for development, such as college students, were then included to guarantee their loyalty. Lastly, international friends and less important retired workers were included in order to eliminate potential dissatisfaction.

ANALYSIS & FINDINGS

TABLE 1. The Bivariate Analysis between the Important Economic Factors and the Expenditure of Social Support 1952-1978

		ExSS
Year	Pearson Correlation	-.461*
	Sig. (2-tailed)	.015
	Sum of Squares and Cross-products	-3.856
	Covariance	-.148
	N	27
GDP	Pearson Correlation	-.485*
	Sig. (2-tailed)	.010
	Sum of Squares and Cross-products	-42457.848
	Covariance	-1632.994
	N	27
GDPPC	Pearson Correlation	-.452*
	Sig. (2-tailed)	.018
	Sum of Squares and Cross-products	-33.310
	Covariance	-1.281
	N	27

*. Correlation is significant at the 0.05 level (2-tailed).

TABLE 2. The Bivariate Analysis between the Important Economic Factors and the Expenditure of Social Support 1961-1970

		ExSS
Year	Pearson Correlation	-.887**
	Sig. (2-tailed)	.001
	Sum of Squares and Cross-products	-.960
	Covariance	-.107
	N	10
GDP	Pearson Correlation	-.942**
	Sig. (2-tailed)	.000
	Sum of Squares and Cross-products	-12190.177
	Covariance	-1354.464
	N	10
GDPPC	Pearson Correlation	-.956**
	Sig. (2-tailed)	.000
	Sum of Squares and Cross-products	-11.759
	Covariance	-1.307
	N	10

** . Correlation is significant at the 0.01 level (2-tailed).

By empirical method, we can figure out the mechanism of the development of Chinese social support and demonstrate my hypothesis, when we compare the table 1, 2 and 3. Table 1 and table 2 challenge Esping-Andersen's and Kasza's theories.

Especially the table 2, from that we can find the increase of GDP per capita does minus impact on expenditure of social support.

In contrast, the table 3 corresponds Esping-Andersen's and Kasza's theories, that means the increase of GDP per capita does positive impact on expenditure of social support after economy reform.

TABLE 3. The Bivariate Analysis between the Important Economic Factors and the Branches of Social Support 1989-2012

		ExSS
Year	Pearson Correlation	.987**
	Sig. (2-tailed)	.000
	Sum of Squares and Cross-products	166.335
	Covariance	7.232
	N	24
GDP	Pearson Correlation	.903**
	Sig. (2-tailed)	.000
	Sum of Squares and Cross-products	3188795.338
	Covariance	138643.276
	N	24
GDPPC	Pearson Correlation	.906**
	Sig. (2-tailed)	.000
	Sum of Squares and Cross-products	235392.121
	Covariance	10234.440
	N	24

We find the minus relation between economy factors and expenditure on social support in table 1 is not as significant as in table 2, and that relation has been reverse in table 3. That means the economy factors are not the decisive factors in the development of social support in China.

CONCLUSIVE REMARKS

Meanwhile, the most important change between the two periods is CCP's regime legitimacy transfers from political leaders charisma to economy development. Furthermore, the most important difference between periods 1952-1978 and 1961-1970 is the level of political impact (during 1961-1970, China experienced the climax of Great Chinese Famine and Culture Revolution). Besides above, the change of the number of cross-class associations also corresponds my hypothesis. During 1978-2011, the number of business-oriented associations increased from 0 to 245,000, and the number of guilds increased from less than 20,000 to more than 60,000. As the intermediate variable, it change also corresponds the trend of the change of independent and dependent variables. Those support my hypothesis that the change of CCP's

regime legitimacy decisively impacts the development of Chinese urban social support system. Since this is a macro study on Chinese social support system development after 1949, in the future, we will do more research on this topic in more detail data and in different periods.

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