

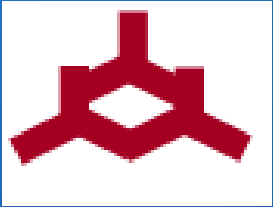


北京師範大學 社会发展与公共政策学院
SCHOOL OF SOCIAL DEVELOPMENT AND PUBLIC POLICY, BEIJING NORMAL UNIVERSITY



What has the financial crisis taught us: the importance of social cohesion for resilient development

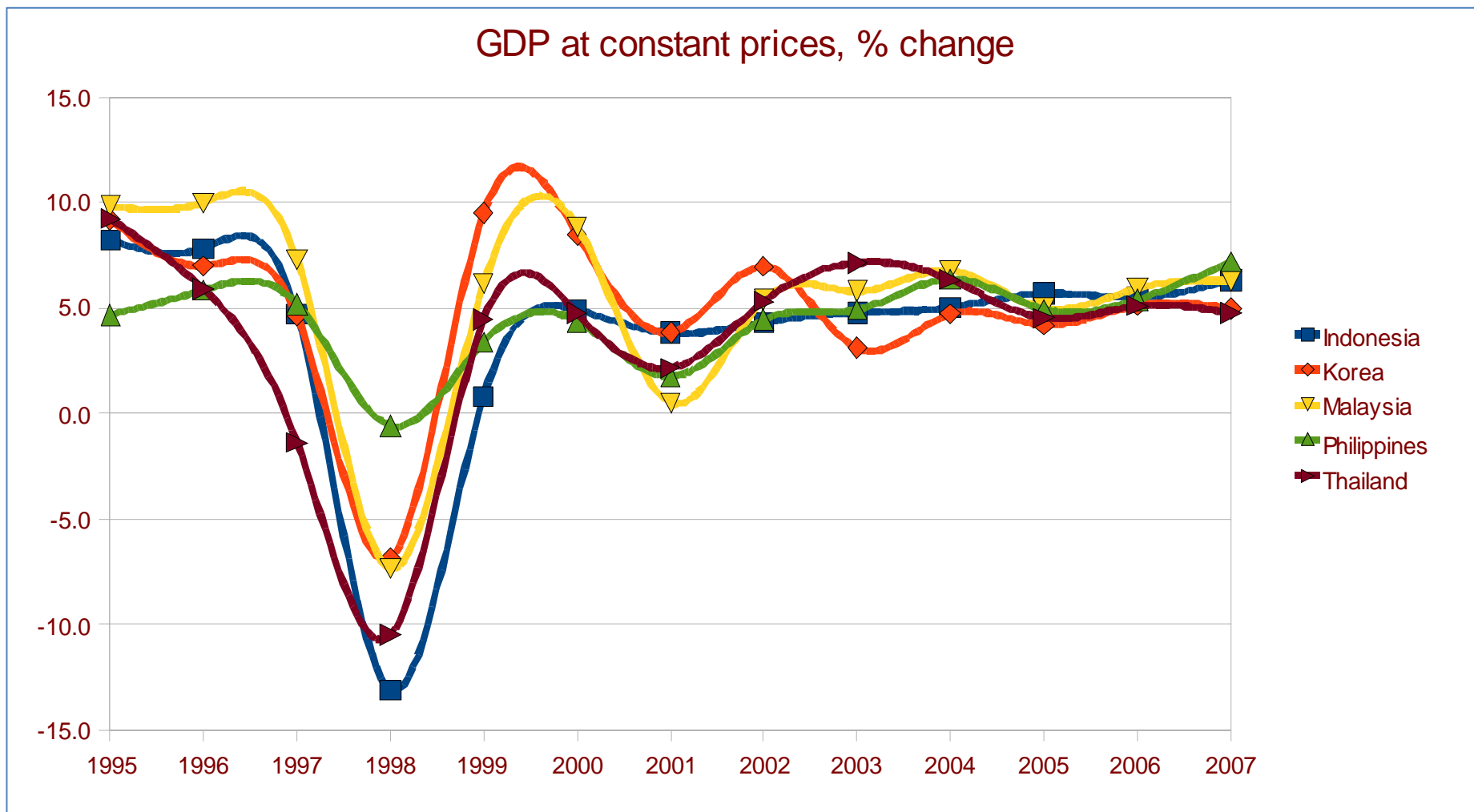
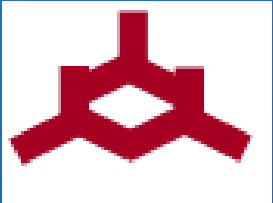
Xiulan Zhang,
Founding Director and Professor
School of Social Development and Public Policy
Beijing Normal University, China
ASEM, May 26 and 27, Yogyakarta, Indonesia

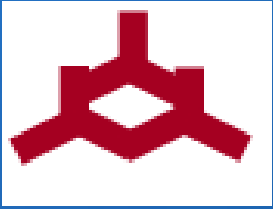


Uncertainties in 2008-2009

- L-Shape?
- V-Shape ?
- W-Shape ?

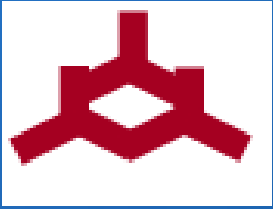
- Turning Point in Asia and China
 - **1998 : Social Protection and Safety Net**
 - **2008 : From Residual to Institutional Welfare?**





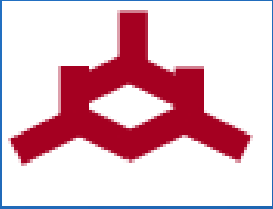
A Continued Welfare State Agenda in China-1

- **Social Insurance: Coverage for All**
 - **Goal: 2020**
 - **Areas included: old-age, medical, unemployment, worker's compensation, and maternity**
 - **Legislations: Final Stage of Approval for Social Insurance Law**
 - **Portability of the pension (self-contribution part) policy Issued.**
 - **Disability: rehabilitation, education, employment, social security and handicap-accessible facilities started to replicated in all cities.**
 - **Rural pension program started and monthly stipends provided for rural elderly over 65 years of age. 12.76 million enrollment now.**
 - **2009-2010: both level and coverage increased.**



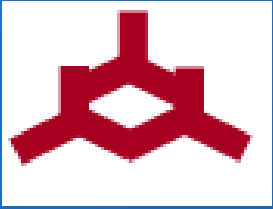
A Continued Welfare State Agenda in China-2

- **Social Assistance: Safety Net for All**
 - **Goal: 2008**
 - **Areas included: cash, medical, education, disaster, homeless, housing, employment, legal, temporary, and maternal assistance**
 - **Migrants were the key in 2009 => temporary assistance system, and medical financial aid system became national program.**



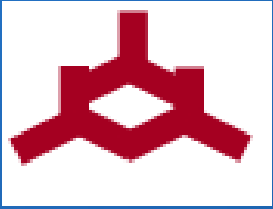
A Continued Welfare State Agenda in China-3

- Health Care:
 - **Goal: Basic health care coverage for all urban and rural residents by 2020.**
 - **Increased level of reimbursement**
 - **Sound health care institution management and operational system**
 - **2009-2010:**
 - **Universal health care will be achieved in 2012.**
 - **costs will be contained, the over 300 million people's in rural areas will have over 85% reimbursement rates in 2012.**
 - **Shifts from Access to Costs and Quality**



A Continued Welfare State Agenda in China-4

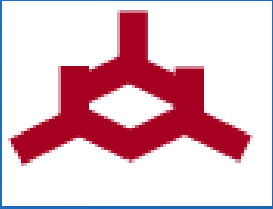
- Education:
 - Full coverage of 9 year compulsory education was achieved in fall 2008
 - Increased funding for vocational education
 - Local innovations: free urban schooling for migrant children
 - 2009-2010:
 - mid-term and long-term plan is announced.
 - From access to quality and equity



A Continued Welfare State Agenda in China-5

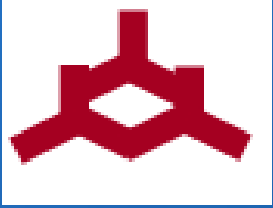
- Employment
 - College students employment programs: community, internship, and local policies
 - Programs for migrant workers

- Housing:
 - Low rent housing
 - Public housing
 - Rural house renovation for the poor
 - Policies to control the housing price



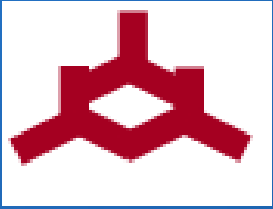
A Continued Welfare State Agenda in China-6

- Income policy:
 - Minimum wages increased
 - Excess benefits and salary control of the State-Owned-Enterprises
- Social Welfare
 - Child welfare planning and piloting initiated
 - Orphans minimum living standard announced
 - Children with major illness insurance started
 - Senior stipends programs implemented



A Continued Welfare State Agenda in China-7

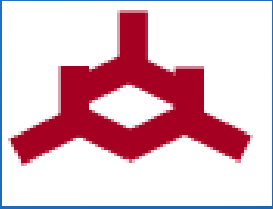
- Poverty
 - Rural-urban integrated approach for poverty alleviation
 - Poverty among migrant population
 - Child poverty is on the agenda
 - Adjustment of poverty line: 786 Yuan to 1067 Yuan. Rural poor from 14.97 million to 43.20 million.
 - Coordination between social assistance and poverty alleviation



A Continued Welfare State Agenda in China-8

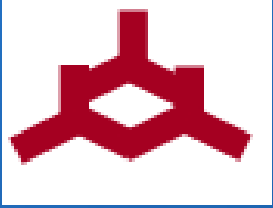
- Social Assistance
 - Urban 23.48 million (3.77%)
 - Rural 47.59 million (6.74%)

- NGOs and Social Groups
 - Local innovations and programs for “services deliveries”



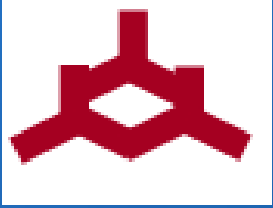
A Continued Welfare State Agenda in China-9

- **Key Developments**
 - **Increased Government responsibilities**
 - Increased funding: coverage and level of benefits
 - Regulation and enhancing implementation capacity
 - Legislation
 - **Entitlement expansion: portability issue**
 - **System integration: horizontal and vertical**
 - **Outburst of local innovations**



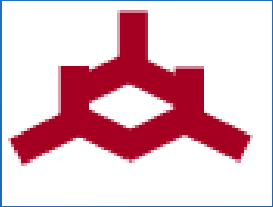
A Continued Welfare State Agenda in China-10

- **Priorities: developmental**
 - **Increase access to basic health care, education, and social protection**
 - **From rural-urban divide to integrated approach**
 - **Increase quality and level of benefits**
 - **Encourage participation of NGOs, communities, and families in service deliveries**



Challenges

- This crisis represents a major transition point?
 - **How the Experience of the EU/US/Development Countries could help shaping the mindset of the policy makers and the general public in China, and in Asia?**
 - **What is the direction for Asia? Developmental, enabling, or residual?**



Thank you!