Focus on China

A New Development Model or Old Lessons Reconfirmed?
From the Guest Editor

This issue is focused on China. The focus is partly an opportunity to peer into the rising importance of China from a development studies perspective, but it also marks the rising importance of research on China within the Institute of Social Studies and the initiation of a staff research cluster for this purpose, appropriately called ‘Focus on China’ (see the description of this cluster on page 11).

In standing with the ISS tradition of engaging with the big questions about development, a variety of leading scholars working on China, both inside and outside China, were asked to reflect on the following question from the perspective of their own long standing expertise on the country: does the example of the People’s Republic of China over the last 30 years present a new model of development to the world? Or does it reconfirm some of the classical insights from development studies?

This question refers both to the growth success of China and to the perversions of this success, for example, rising inequalities. In a sense, China brings us back to development debates that were raging during the 1960s and 1970s, before the 1982 debt crisis and subsequent programmes of structural adjustment pulled research agendas away from questions of ‘growth with equity’ and towards questions of no growth at all. Up to the 1970s, while China was still under the autarky of Maoism, regions such as Latin America were experiencing decently rapid rates of growth, with Brazil hailed as a growth miracle. However, critics from the political and academic left were pointing to the economic and social polarisation and marginalisation that were accompanying such growth, at the same time as neoliberal scholars were impassioned with the cause of dismantling import-substitution industrialisation and state interventionism. In the end, the economic models producing both growth and marginalisation unravelled and were razed.

In the meantime, China has now arisen from the shadows of Maoism as the new growth miracle among large poor countries, charting a new path for those disillusioned (or never illusioned) with the remedies of the dominant international financial institutions. Therefore, in a certain sense, we have returned to the same concerns of the 1960s. China and several other large poor countries such as India have kept the issues of investment, production and national capital accumulation on their agendas, setting them off from the reigning development discourse. Their successes in generating sustained growth are now a reality to contend with and have resurrected issues of equity within growth (versus equity within stabilisation and structural adjustment).

In setting this broad frame of reference for the invited scholars, the response was diverse and fascinating. The articles alternate between scholars based in the West and Chinese scholars based in China. The first opens with a reflection on the Chinese model by Sarah Cook from IIGS in the UK, followed by an interview with Zhu Ling, a leading economist in China. Athar Hussain from LSE in the UK discusses the challenges of current social security reforms, while Xizhe Peng, one of China’s leading demographers, offers an update on demographic developments. Laurence Roulleau-Berger, a leading French sociologist working on China, writes about new forms of social and economic inequality. Rong Ma, a leading sociologist in China working on minority issues, writes about the history of ‘nationality policy’ in China. This is followed by an article from Max Spoor from ISS on a current ISS research project in Western China; an article on Chinese NGOs by Lu Yiyi, a Chinese research fellow at the University of Nottingham in the UK; and finally, an article on participation in the Chinese context by Lu Caizhen, a Chinese PhD graduate at ISS.

While space limited the inclusion of yet more debates and insights, we hope that this selection whets the appetite of the reader and encourages them to seek out further China-related engagements with the ISS. Or, to paraphrase the closing remarks by Zhu Ling from her interview in this issue, while China’s development is a difficult process, it also offers many very exciting facets to challenge current thinking in the field of development studies. It is our hope that ISS becomes one of the leaders to take up this challenge, as it has in so many other development issues over the years.

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About the cover

A hat factory in Qinghai Province, West China, producing Muslim skull caps for export to Saudi Arabia. The automated machinery was imported from Germany. The writing on the wall reads: ‘Develop our thoughts, Innovate constantly, Promote (our) products on the international market’. The photo was taken in 2004 by Andrew M. Fischer during his fieldwork in this area.

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China’s development model: What is there to learn?

Sarah Cook

Thirty years of sustained and rapid growth has brought China to the threshold of being a major player on the international stage. As new groupings (from G2 to G20 and beyond) take shape during the current financial crisis, China’s size and new found influence inevitably place it at the heart of any emerging global leadership configuration. What does this mean for international development, and how will China contribute to meeting current global development challenges? What lessons, if any, can be drawn from China’s experience, and does it constitute a distinctive ‘development model’?

The 30th anniversary of China’s reform has been a catalyst for reflection on China’s development experience. The global financial dislocation has heightened this interest. Among the international development community, questions are being asked about the significance of China’s rise for low income countries, for poverty reduction and the delivery of global public goods. There is much to learn from China’s experience, but a unique combination of features makes the search for a ‘model’ or for lessons to extrapolate an elusive one. China’s rise also brings a major challenge to the traditional development community which needs to understand China’s motivations, rooted as they are in its domestic development strategy; and to adapt to China’s presence in low income economies and the alternative development paths it offers.

IS THERE A ‘CHINA MODEL’?

How should we attempt to understand China’s particular combination of authoritarian socialist politics and increasingly market-based forms of economic organisation which have accompanied rapid growth? There is no easily identifiable model which captures China’s reform experience. To the extent that a model can be described, it concerns process rather than blueprint or policy prescription. It is one of pragmatism, experimentation and gradualism; looking for successes, keeping what works and discarding what does not. This approach is reflected in widely-cited slogans – ‘Seek truth from facts’, ‘Crossing the river by feeling the stones’ and Deng Xiaoping’s comments about the colour of the cat being unimportant as long as it catches mice.

What China has achieved was unimaginable thirty years ago, even to the architects of reform. Throughout this period, the leadership has pursued a trio of objectives – reform and opening, development, and stability; with stability remaining at the core, the key determinant of the sequence and speed of reforms – when to push ahead and when to retreat. The Party-state leadership has shown a responsiveness to innovations that work, allowing space for variation in policy implementation suited to local conditions, moving ahead in small steps but stopping to evaluate and if necessary take a step back if Party control and stability are threatened. These processes are found in reforms starting with the decentralisation of agriculture and establishment of Special Economic Zones, to the dismantling of state-owned enterprises, relaxations on labour mobility, expanding civil society and personal freedoms, and the reconstruction of a social welfare system more suited to a market economy. Policy interventions respond to specific problems at various points in the process. Where threats of social or political instability are perceived, the leadership tightens central controls or reins back on reform – as for example in the response to the student demonstrations of 1989, in limiting the spread of direct elections beyond village level, and in the constraints placed on autonomous ‘civil society’ associations or other collective forms of organising or protest.

Critical to China’s reform has been the building of new institutions or the flexible adaptation of old ones to meet changing economic and social realities. At key moments, institutional bottlenecks have arisen, for example the absence of clearly defined property rights, an independent legal system, access to information, accountability mechanisms and regulatory structures. Many of these problems remain and may yet create fundamental challenges to the system. Policies and institutional arrangements that facilitated earlier stages of rapid growth may later become obstacles to further development. An element of ‘showcase’ modernity, aimed less at self-sustaining development than elite consumption patterns, has generally had less time than its ‘cross the river by feeling the stones’ and Deng Xiaoping’s comments about the colour of the cat being unimportant as long as it catches mice.

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China’s Development Model: Comparative Perspective

To what extent do policies pursued by the Chinese state reflect other development experiences? China’s reforms are frequently assessed with reference to East Asia’s ‘developmental states’. While some similarities exist in the ability of authoritarian states to direct capital towards economic objectives, there have also been key differences (Tsai, K. and S. Cook, 2005). As a transitional economy, China faced the dual task of dismantling socialist institutions while constructing ones suited to market-oriented growth. Sub-national governments in China have had greater autonomy in determining the terms of local development: its political system and sheer size complicate effective and consistent implementation of policies set forth at the centre. As a ‘late liberaliser’, China faced different global conditions from those of its participation in economic institutions have been subject to more complex negotiations, and China has generally had less time than its East Asian neighbours to conform to multilateral trading norms.

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Other debates have concerned the speed and sequencing of reforms – the benefits of ‘big bang’ versus gradualist approaches to transition. China’s gradualism was initially criticised by some observers for lost economic efficiency, but it enabled the leadership to maintain political control and stability and establish new institutional arrangements while ‘growing out of the plan’ (Naughton, B., 1996). More recently – and of particular relevance for international development – are debates over whether China’s development approach, including its interactions with other low income countries, challenges the orthodoxy of the Bretton Woods institutions. While the basic tenets of the ‘Washington Consensus’ are increasingly questioned, and policy prescriptions have already shifted significantly, even less agreement is found around the so-called Beijing Consensus. From the perspective of developing economies, China may represent an alternative approach, distinct from OECD development orthodoxies and aid modalities. With its emphasis on partnership and mutual interest, China’s engagement as trade partner, investor or producer has been an important driver of growth, apparent particularly in its rapid expansion of economic activity in Africa. Beyond some general guiding principles, such as non-interference in internal affairs of other nations, however, there are few clearly identifiable policy prescriptions for China’s development assistance.

What is distinctive in China’s reform process is therefore less an ideologically based set of policy prescriptions than a flexible process of adaptation to rapid change within specific political and institutional contexts. China needs to be understood not for its exceptionalism, although there are of course distinctive characteristics including its size and strong state capacity, but rather for the way it manages the structural and demographic transformations that all countries experience, on a larger scale and at a faster speed than ever before. This has called for creativity and innovation in solving problems and responding to circumstances for which there is no blueprint.

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China’s economy and the global economic crisis: an interview with Zhu Ling

by Andrew Fischer

AF. China recently reported an annual GDP growth rate of 6.8 per cent for 2008. Some commentators suggest this means China is not in danger of losing its status as an emerging market economy. What can you tell us about that?

ZL. Prior to the current reform period the growth model was actually much less labour intensive in comparison with the reform period from the early 1980s onwards. This can be seen from the fact that more than 80 per cent of the labour force was squeezed in the agricultural sector. In the first half of the 1980s the major driving force of growth was agricultural and rural non-agricultural development, which were characteristically labour intensive. This was because the increase of employment and household income was given priority during that period, after the economic crisis that occurred in the period of the ‘Cultural Revolution’. Since the 1990s, when the Chinese economy became more involved in globalisation, and the growth rate was used as a key indicator to evaluate the achievements of local officials, the growth model has tended to be more export-oriented and capital intensive.

The current economic crisis has forced the Chinese government to design policies towards a more labour intensive and environmentally-friendly growth model. However, these efforts alone would not bring substantial changes without strengthening anti-monopoly policies and opening the monopolised sectors to the entry of the non-state owned enterprises, such as in petroleum production and marketing, the power industry, communications and banking. Furthermore, the labour intensive small and medium sized enterprises should be given better access to financial services and public support. In any case, employment should be taken as the most important indicator to evaluate local governments. That would help.

AF. Regarding your second point, it has been often noted by many economists that the Chinese economy has sustained a high growth since the 1990s has had a low elasticity of employment to growth, in contrast to earlier periods which were more labour intensive. This is precisely the reason why high growth rates are deemed necessary, so that sufficient jobs can be generated given these characteristics of growth. Therefore, what you suggest implies a radical reorientation from the path
to promote job creation as well as the build up of assets in the non-state sectors of the economy.

AF: Hasn’t the government been trying to force concentration in certain sectors of the economy throughout the 1990s and 2000s, both as a means to control redundancies and overproduction in many industries (such as in steel) as well as to create national corporate leaders that could compete in the international economy (such as in petroleum)? In which case, wouldn’t a policy of liberalising monopolies at this point work against these objectives, particularly given overcapacity in the current economic slowdown? Isn’t the question of employment creation a problem of domestic demand more than capacity or business entry? Also, how much of the employment generation problem is rooted in rising inequality?

2L: During the 1990s a policy was undertaken to guide the reform of state-owned enterprises; so called ‘Zhua Da Fang Xiao’. It means: privatise the smaller state-owned enterprises and let them compete in the market without state support, while keeping the larger ones under state ownership and giving them stronger and more concentrated public support. The implementation of this policy accelerated the marketisation process but at the same time it has had the side effect that, with the preferential treatment from the government, some of the large state-owned enterprises have tended to become monopolies. A few of these monopolies have joined the group of internationally large firms, such as PetroChina Co. Ltd and China Petroleum and Chemical Corporation. However they have not seemed to be internationally competitive due to their governance structure under the governmental administration. For instance, the top managers of the state-owned giant enterprises appointed by the government and some of them have been officials without sufficient business management training. On the other hand, the internationally competitive firms are mainly small- and medium-sized non-state owned enterprises. That is why no one in China now considers that anti-monopoly policies would affect the international competitiveness of the large monopolist firms.

Moreover, at present job creation is the most important goal of policies, more than anything else in the context of the current economic recession, given that it is closely related to social stability. Without job and asset creation, there is no increase in household income. Then domestic demand, especially domestic demand generated by consumption, cannot be effectively stimulated.

The obstacle to employment generation was closely related to the discrimination against rural people. The urban-rural income gap explains over 40 per cent of the nation-wide income inequality across households. This problem has become even more pressing due to the increasing of agricultural investment so that food production might increase in the autumn harvest of this year. It has also been strengthening social protection programmes since the beginning of the slow-down in the domestic economy. This will alleviate the shocks of the economic crisis on lower income groups, including the poor.

AF: Recently you were researching the impact of rising food prices on poor people in China. What were your main insights? And how have these insights changed in the current economic crisis, given that food prices have now fallen sharply?

2L: Our data analysis based on the national household sample survey shows that the food price hike during 2007 damaged the food and nutrition security of the rural poor. The shock of rising food prices affected the livelihoods of the urban poor less than the rural poor. This was due to the broad coverage of certain urban social protection programmes, such as the Minimum Living Standard guarantee programme. The same programme for the rural areas was established later than the urban programme and has been extremely underfunded due to the weaker financial capacity of the local governments in the rural areas. Moreover, the rural pension programme has not yet seen much take-up in rural areas and the integration of rural migrants into urban social protection programmes is still a problem to be solved.

At present, international food prices are falling but dangers to food security in the developing world, including China, still exist. The current economic crises affect food security in two ways: reduced investment in agriculture will lead to a decline in food supply; and a decrease in the income of the poor result in a reduction of their ability to purchase food. Therefore, the end of the price crisis does not necessarily mean relief from the threat of food and nutrition insecurity for the poor.

More specifically, China has been facing such a serious drought in the spring season of 2009. This will certainly lead to a decrease in food production in the summer harvest. As a result, both food security and farmers’ income have continued to be a great concern for both the general public and the government. The State has been increasing the pricing of agricultural investment so that food production might increase in the autumn harvest of this year. It has also been strengthening social protection programmes since the beginning of the slow-down in the domestic economy. This will alleviate the shocks of the economic crisis on lower income groups, including the poor.

AF: Given all of these domestic challenges, what could or should be China’s international role in the current global economic crisis? In a globalised world that is facing an economic recession, what China can and should do is, on the one hand, promote and participate in the international collaboration for the reconstruction of more strict rules to supervise financial activities; and on the other hand, adjust its own growth model and reduce its foreign trade imbalance. A successful transition of the Chinese growth model to a more resource-saving and environmentally-friendly one, and more healthy economic growth in China would make great contributions to current attempts to bail-out the world economy.

AF: Thank you very much for your time and valuable insights! 2L: Thank you for your interest in China’s development. It is a difficult process but it is also a very exciting issue to challenge the capacities of contemporary intellectuals.

The schemes divide into the familiar categories of ‘social insurance’ and ‘social assistance (social safety net)’. In China, these include the Rural Cooperative Medical Insurance Scheme (RCMIS). The schemes exist to provide health care for the rural population, and two rural schemes: the local pension schemes and the ‘Rural Cooperative Medical Insurance Scheme’ (RCMIS).

THE CURRENT SOCIAL SECURITY COMPLEX – AN OVERVIEW

The assortment of social security schemes that currently exist do not constitute an integrated whole, hence the term ‘complex’ instead of ‘system’. Broadly they are aimed at the following:

Poverty alleviation;
Income maintenance in the event of unemployment, occupational injury, sickness and retirement;
Subsidised, including free, medical care as and when needed.

The schemes divide into the familiar categories of ‘social insurance’ and ‘social assistance (social safety net)’. Both categories include a variety of schemes and the distinction between them is based on two salient aspects: first, the conditions attached to the provision of benefit (entitlement qualification) and second, the method of financing.

By design, social assistance is means tested, which in China can be stringent and intrusive. Being non-contributory, social assistance schemes have to be financed from general government revenue, which leads to the vexed issue of the apportionment of expenditure responsibilities among government tiers. The contributory schemes fall into two categories: Social Insurance for the urban population, and two rural schemes: the local pension schemes and the ‘Rural Cooperative Medical Insurance Scheme’ (RCMIS).

Taken together, the contributory and non-contributory schemes are characterised by two salient features:

• segmentation and striking differences in provision across groups;
• highly decentralized financing and management.

SEGMENTATION

The abiding feature of the Chinese social security complex has been the deep division between the rural and urban population and the glaring contrast between their respective social security entitlements. This division dates from the pre-reform period (pre-1978) and still survives, though increasingly blurred at the edges. The urban population benefits from a complementary combination
of contributory Social Insurance, providing old-age pension, injury compensation, health care insurance, maternity benefit and unemployment compensation, and means-tested social assistance (Minimum Living Standard Assistance - MLSA), which bridges any shortfall of household per capita income from the local poverty line.

In contrast, the social security provision for the rural population is sparse. Bar a few minor exceptions, the rural schemes are non-contributory social assistance schemes aimed at alleviating severe hardship and narrowly targeted, either towards households passing a means test or benefiting beneficiaries of designated localities. There are two major rationales for the limited social protection cover in China’s rural areas. One is that each rural household is assigned a plot of agricultural land that serves as a floor to household income, a feature that is particular to China and a few other economies. The other is the high cost of introducing a social security regime comparable to the one in urban areas. As a result, the limited capacity to collect taxes and social security contributions in rural areas. Both are valid, but only under strong qualifications. The protection provided by land plots is highly variable and has diminished over time because of the combination of the increase in the rural population and the diversion of land to non-farm uses. The latter has given rise to a substantial rural population without any land.

DECENTRALISATION

Both rural and urban social security systems are highly decentralised, the traditional hierarchy of the former rural urban and urban systems. The former is to charge rural residents a lower rate to treat household land plots as a substitute for social security, the average area of land plot per household varies across villages even in close vicinity, as do the climate and farming practices. The cultivated area per rural inhabitant is low: slightly less than a fifth of a hectare (0.19) and falling because of the diversion of land to non-agricultural use. The implication is that land plots do not provide full protection against a fall into poverty. Further, not all rural households have a land plot each and providing old-age pension to landless households has in recent years risen sharply. A rough estimate puts their number at around 40 million which is around 10 per cent of total rural households. The argument is that treating household land plots as a justification for providing the rural population with reduced social security coverage was wrong from the beginning and has been rendered even weaker by recent developments.

Migrants represent a huge blind spot in the current social security coverage. This is due to two factors. First, they are not recognised as residents of the localities where they may have been living and working for a long time. Second, the current social security schemes are financed and operated on a highly decentralised basis and there is as yet no national framework for the portability of contributions and benefits. A vast majority of migrant workers are from rural localities and their inclusion in the social security system would seem to be a first step towards the construction of an integrated system. There are two aspects to the problem of immigrants in Social Insurance schemes: collection of contributions; disbursement of benefits. The problems raised by the first are, in principle, the same for immigrants and residents. The only difference is that, compared to the latter, former are more likely to be in jobs with low rates of Social Insurance coverage, such as casual or informal employment. Concerning the second, one needs to distinguish between schemes where contributions and benefits run concurrently and where they are separated in time. The former may prove significantly more difficult because of disability and injury compensation and medical care insurance, which can be extended to immigrants workers fort any problem. Some cities already do so. The latter group includes old-age pension that raises a particular problem because of the long time gap between the payment of contributions and the receipt of benefits and the absence of a national framework for the accumulation of contributions paid in various localities and the portability of pensions. An interim solution to the problem is to set up a special scheme for migrant workers that is managed by the central government.

What are the prospects for the establishment of an integrated social security system by 2020? Two of the principal pre-conditions for the development of such a system are now present. First, the last few years have seen a dramatic improvement in the public finances and this trend looks likely to continue. The implication is that the government would be increasingly capable of covering the extra cost of setting up an integrated social security system. Second, the leadership is strongly committed to establishing such a system.

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Fertility transition in China over the last 30 years

Xizhe Peng

Chinese society has undergone a very rapid transformation during the period of China’s reform and openness over the last 30 years. Traditional Chinese society was based primarily on family and kinship: reproduction, or child bearing, was therefore viewed as one of the principal duties of male family members. To have sons, at least one son, was one of the prevailing fertility desires, as sons were responsible for the continuation of the family line, provision of old-age support, and general security for family members. While the basic norms of family formation remain, fertility and behaviour have changed over the last half a century, with much more rapid changes occurring over the last 30 years.

RAPID FERTILITY DECLINE

Early fertility decline emerged in China’s urban areas in the mid-1960s attributed partially to the availability of contraceptive services provided to urban residents. China’s nationwide fertility transition started in the early 1970s with a government-sponsored family planning programme. The national total fertility rate declined sharply from 5.8 in 1970 to 2.8 in 1979, a decrease of more than fifty per cent. China’s total fertility rate dropped to below-replacement level in the 1990s and has remained there since. This fertility transition is characterised by its rapidity and has profound impacts on China’s socio-economic development.

It has been a subject of controversy whether fertility in China has been dropping as rapidly as indicated by the official statistics. The debate has focused on the accuracy of China’s fertility statistics or estimates, though general consensus is that China’s total fertility rate is below replacement level, ranging from 1.5 to 1.8.

There have always been marked regional variations in fertility levels between China’s provincial units, but the gap has been narrowing in recent years. This phenomenon is clearly associated with the different paths of fertility transition among China’s regions. Big municipalities such as Shanghai and Beijing began their fertility decline as early as in the mid-1960s. On the other hand, fertility transition only started in the 1980s in some of the western provinces such as Qinghai.

STRONG GOVERNMENT INTERVENTION AND EFFICIENT FAMILY PLANNING PROGRAMME

The current attitude of the Chinese government to the population issue can be described as ‘maintaining the below-replacement fertility, taking comprehensive measures to cope with China’s population problems’, including controlling population numbers, improving quality of life, and making efforts to solve the aging problem (see government document, December 2006).

The success of China’s birth control policy has for a long time been heavily dependent on government administrative intervention. The proposal of ‘One Child Policy’ was first put forward in 1979 and became fully operational in the early 1980s. The current national family planning policy took its original form in the mid-1980s and, since 1991, the political commitment to population control has been reaffirmed. Programmes were initialised by the central government and carried out through a top-down administrative network. The programme mobilises the entire government mechanism through comprehensive management and co-operation between governmental departments and non-governmental organisations and all relevant social and economic policies must be in compliance with the central government’s population policy.

Despite this, one of the marked features of China’s family planning programme is its decentralised policy formation and operation. Local authorities have been given some flexibility, under general guidance from the central government, in adapting the national policy to the vast regional differentials in social, economic and cultural conditions. As a result, the rigid ‘one child per couple policy’ is implemented mainly in urban areas where the majority of rural families are permitted 1.5 to 2 children. The rationale for this is that farmer families depend on strong labour for agricultural production and family support (primarily provided by married son(s)) in old age as there is almost no well-functioning government-sponsored pension system operating for Chinese farmers (see article by Athar Hussain on page 9).

Families belonging to minorities are entitled to have even more children. In this sense, the ‘One Child Policy’ is an overly simplified term. If all Chinese couples followed local family planning regulations, the total cohort fertility rate in China would be 1.62 for the 1990s, declining to around 1.5 in the 2000s as more Chinese became urban residents.

Financial and other administrative incentive and disincentive measures have been widely used in the programme. The programme requires couples to reduce the number of children they produce, but is unable by itself to provide adequate social support for people to adjust their family planning strategy or to provide necessary compensation for couples to alleviate the life risks associated with low fertility. Punitive packages, in some cases turning into serious coercive actions, were used particularly in the 1980s by local cadres, despite the government emphasis on Mass Line and against coercion in general (see E. Winckler, 2002).

Despite these shortcomings, China’s family planning programme has brought about dramatic changes in people’s fertility behaviour in a relatively short period, and successfully slowed down the rapid population growth in China, with a profound impact on the stabilisation of the world population.

VARED SOCIAL AND ECONOMIC DEVELOPMENT AND SOCIETAL CHANGES

There is no doubt that government commitment and efficient implementation of family planning programmes are the major determinants of China’s rapid fertility decline. It is also evident that in addition to the government’s population policy, the general level of socio-economic development is another crucial determinant of China’s regional fertility variation. China’s fertility transition is a process of diffusion: it started in some relatively well developed regions and urban centres, and then diffused to other parts of China. The complex population policy reflects the greatly varied economic and social realities in different Chinese regions. Furthermore, the differential local policy is a compromise between the central guidance on population control and the local situation, both in terms of socio-economic development and the political commitment of the local government.

There have always been gaps between the targets set by the programme and public acceptance, but the gaps have reduced with time as traditional patterns of marriage have undergone a gradual shift. The average age at first marriage for China as a whole increased from 22.23 years in 1990 to 23.14 years in 2000, a 0.91 year rise over a ten-year period. The trend of delaying marriage is continuing and more visible in big cities. Small family size is widely accepted by the public and has become a social norm in both urban and rural areas, especially in more developed regions and among the young generation.

Economic independence and the high cost of marriage and childbearing are some of the causes behind this trend. In addition, the increasing number of women enjoying higher education, particularly true in urban areas, is contributing to delayed marriage. China’s social transformation has brought with it fundamental changes in family functions, relations and structures. Young people nowadays are much better educated and up-to-date with modern technologies, and have become more individualistic. Delaying marriage, the DINK family model (double-income no kids), and cohabitation before...
On the other hand, scholars argue that current fertility in China has already been too low and will not be able to recover if population policy is not modified quite soon (Wang Feng, 2005). The ageing population has become a widely discussed topic and China may be the first major country to become old before it becomes rich. There are fears of a huge social welfare crisis caused by rapid population aging. The experiences of European and Eastern Asian countries in reversing low fertility are often cited to support the proposal to relax birth control and options for possible policy changes have been suggested by researchers (see for example, Zeng Yi, 2007). It is however more likely that China’s present population policy and family planning programme will remain intact for the coming few years. Meanwhile, gradual modification or relaxation of birth control is expected at least in some local areas in China’s coastal regions.

Along with strong government commitment, China’s family planning programmes have now put more emphasis on voluntary participation by Chinese couples. Efforts have been made to promote education and information dissemination, and on provision of a better, continuous and regular contraceptive service. While societal interests remain the major rationale for China’s population policy and programme, individual rights get more attention. It is certain that people’s voluntary participation and free determination will play much more important roles in determining the future fertility level in China.

China’s population will continue to grow in the future. Population will remain one of the decisive driving factors affecting China’s future development. China will complete its fertility transition and enter a new stage of demographic transition.

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There are increasing concerns about the negative effects of very low fertility and debate on modification of China’s family planning regulations has been intensive in recent years. On the one hand, there is the fear of the vulnerability of China’s fertility transition and the possibility of fertility rebound if the government loses control on population issues. China’s increased demands for food and energy, and the environmental pressure from a larger population are some of the main arguments used in favour of keeping the current population policy.

Over the past 30 years, China has gone through three transitions: from central planning to a market economy and the country’s modernisation, from an agricultural society to an industrial society, and from rural life towards very intense urbanisation (see for example, Li Peilin, 2002, 2003; Sun Liping, 2003, and Li Peilin et al. 2008). As a result, today society must face great social and economic transformations that produce cleavages and fragmentation along lines born in a context of attempts to synchronise the processes of economic transition with those of structural transformation (Li Peilin et al., 2008). A first line of fragmentation has emerged between the cities and the countryside, in particular with respect to rural migrants who come to look for jobs in the big cities but do not easily find any. A second line of fragmentation has emerged between blue collar and white collar workers, or, more precisely, between the ‘new rich’ and blue collar workers. A third line has emerged between those who work in the legal market economy with recognized formal status versus those who are forced into informal employment with illegal, or even criminal status. In this respect, sociological analysis in China (Li Peilin, 2002; Li Qiang, 2002) has converged on the idea of a very marked fragmentation between cities and countryside before the reforms (up to the late 1970s). This produced a dual socio-economic structure, in particular through the household registration system (hukou), which in itself constitutes a principle of social differentiation based on two systems of status that did not overlap (rural and urban). In contrast, new inequalities have arisen in the last 30 years with the rise of unemployment in the transition to a market economy.

These migrants develop what has been called ‘intra-continental pluri-mobilities’, i.e. they move back and forth between a diversity of rural and urban job markets (Roulleau-Berger L. and Shi Lu, 2004). The large increase of migratory movements since 1985 has weakened the registration system (hukou) and has supported the opening of broad mobilities of people across the country. This has played a role in the creation of interactions between the increasingly globalised rural and urban job markets. However, the status of a large majority of these migrants is technically ‘illegal,’ in the sense that they do not even have a certificate of temporary residence. For instance, it was estimated that only 50 million migrants had this document in 2000 (Thireau, I. and H, Linshan, 2004). This places the rest in situations of great social and economic vulnerability.

The experiences of European and Eastern Asian countries in reversing low fertility are often cited to support the proposal to relax birth control and options for possible policy changes have been suggested by researchers (see for example, Zeng Yi, 2007). It is however more likely that China’s present population policy and family planning programme will remain intact for the coming few years. Meanwhile, gradual modification or relaxation of birth control is expected at least in some local areas in China’s coastal regions.
Chongqing / Zhu Ling

• Regarding institutional discrimination, local governments in some provinces try to control the massive numbers of arrivals of peasant-workers. Thus, each employer must make a request to the city hall concerning the number of such migrants he intends to engage. For many of the migrants, which is legitimated by discriminatory choices made by employers. On the basis of a survey on temporary residents of rural origin carried out in 2002 by a joint team from the National Bureau of Statistics and the Economic Research Centre of the Chinese Academy of Social Sciences and reported by Li Chunling (2008), only 7.2 per cent of rural employees worked in the temporary sector. 5.5 per cent in urban collective companies, and 0.6 per cent in companies with mixed capital (all three the more privileged sectors of urban employment), whereas 86.7 per cent worked for independent companies, typically the less protected and less privileged sectors of urban employment.

• Regarding legal discrimination, migrants are stigmatised by local urban residents and are treated like foreigners. They have a lower status and receive lower wages than locals. Competition with local workers also puts many of the more skilled or lucrative sectors of urban employment out of reach for many of the migrants, which is reinforced by the fact that the majority of peasant-workers do not have an urban hukou, which implies that they do not receive social disqualifications for accidents, health and retirement (ibid.).

The experience of employment can be paid less. Hence, these migrants given that they have an urban hukou, which implies that they do not receive social disqualifications for accidents, health and retirement (ibid.).

Li Shidong (2008) identifies the experience of employment discrimination of migrants along institutional, social and legal lines.

1. institutional, social and legal lines.

2. the experience of employment can be paid less. Hence, these migrants given that they have an urban hukou, which implies that they do not receive social disqualifications for accidents, health and retirement (ibid.).
The key to understanding and interpreting ethnic relations in contemporary China

Rong Ma

Recent events in Tibet have brought renewed international attention to the issue of ethnic relations in China. In order to understand the situation in Tibet, Xinjiang and other minority areas in China, we need to look at the wider historical framework of ‘nation-building’ in modern China and the ideological background of ‘nation’ theory in Marxism and Leninism. Otherwise, our attention will be led to focus on details in the present, such as human rights, the legitimacy of street demonstrations, or the proper ways of handling terrorist attacks, while ignoring the ‘deep footprint’ of minority-majority relationships in contemporary China. Only by understanding this legacy can the direction of possible solutions be found.

For years people have referred to this legacy in terms of the ‘minzu issue’. Minzu is the Chinese word that is used to translate the Marxist concept of ‘nation’. This term has developed from Marxist theories of nationalism by Stalin and his contemporaries. Minzu therefore refers to the majority Han as well as the Mongols, Tibetans, Uyghurs, Kazakks, Koreans and other minority groups with different cultural characteristics in China.

Despite these non-Chinese origins of the word minzu, there is ironically much confusion in the West about how to translate this term into English. The English term ‘nationality’ is often used, even by Chinese authorities in their English translations of Marxist ‘classics’. However, the term ‘nationality’ in the West refers to people’s citizenship in a country or nation-state. Western scholars or politicians who support the independence movements of Tibetans, Uyghurs and other minority groups in China often refer to them as ‘nations’.

Western scholars more inclined towards the Chinese government tend to use the terms ‘ethnic groups’ or ‘ethnic minorities’, placing these groups on a similar footing as African Americans, Asians, or Hispanics in contemporary US society. The confusion between these three English terms (nation, nationality and ethnic group) has led some Western scholars to suggest that simply the Chinese transliteration should be used (i.e. minzu) rather than attempting a translation. However, none of the English words conveys the correct meaning (see Harrell, 2001: 39). Nonetheless, the confusion provides useful insights into the theoretical sources of ‘minzu issues’ in today’s China.

In Western scholarship, it is well recognized that concepts related to modern forms of nationalism only became prevalent during the 17th and 18th centuries in Western Europe (see Hobson, 1990: 14-20). During the process of building states from kingdoms and empires, many groups with different languages, cultural traditions and historical memories gradually identified themselves with a specific ‘nation’ and became absorbed into the emerging nation-states.

These nation-states then became the predominant form of political entity in Europe and the unit of state sovereignty in international legal systems. While many factors influenced these processes in each case, as argued by Anderson (1983), the reasons that some groups were included or excluded depended to a certain extent on various internal and external factors along with people’s ‘imagined communities’.

These concepts of ‘nation’ and ‘nation-state’ spread from Western Europe across the world during the colonial and imperial periods, particularly from the 18th-20th centuries. Many newly-independent states, such as India, followed a similar, though not identical ‘nation-building’ process following decolonisation, as did Eastern European countries at the beginning of the 20th century. The nation-building processes nonetheless differed in the West and East. As argued by Anthony Smith (1991: 11), western countries were characterised by a ‘civic model of nationalism’ whereas Eastern Europe and Asia drew more from an ‘ethnic concept of the nation’. In the latter, those groups that maintained different cultural characteristics were transformed into minority groups within the modern political structures of the new countries and were called ‘racial’ or ‘ethnic’ groups.

In the case of China, the Qing Empire had tried hard to turn its traditional multi-tribal empire into a modern form of ‘nation-state’, similar to the Tsarist Russian Empire. This was continued under the Republic of China, established in 1911, which was a republic of five groups. Sun Yat-sen announced that ‘nationalism in China is based on the state’, and in his oath of Presidency of the Republic, he called for unifying the territories of the Han, Manchu, Mongol, Hui (Xinjiang) and Tibetans as a state, and unifying the Han, Manchu, Mongol, Hui (Muslim) and T-betans as one people, that is the unification of the Chinese nation.

In this way, he tried to establish the country as a modern form of ‘nation-state’ (republic) based on the asserted notion of a ‘Chinese nation’ that included the non-Han inhabitants of the imperial hinterlands. After Sun Yat-sen’s death, Chiang Kaishek and the KMT government followed this framework of ‘Chinese nation’ and denied the Mongols, Manchu, Tibetans, Uyghurs and other groups the status of ‘nations’.

In this respect, the approach of the Chinese Communist Part (CCP), which defeated the KMT in 1949, was different. The CCP adopted the framework and definition of minzu (nation/nationality) from Stalin. In the 1950s, Stalin and the Communist Party of the Soviet Union organised a campaign of ‘nationality recognition (identification)’ and over one hundred nationalities were recognised. Their members received an official ‘nationality status’ and ‘republics’ were established for the large ‘nationalities’, which resulted in a politicisation of ethnicity. According to the Constitution of the PRC, all of these republics had a right to become independent sovereign nations. This framework was a key factor in the collapse of the USSR when the political climate changed.

The People’s Republic of China (PRC) followed a similar path, basing its policies towards minority groups on Stalinist theory. In the 1950s, the government also launched a campaign of ‘nationality recognition (identification)’ and recognised 56 ‘nationalities’ based on Stalin’s definitional criteria (common territory, language, economic mode, and psychological nature manifested in a common culture). A variety of ‘autonomous areas’ were also established in places where various ‘nationalities’ were concentrated, which together made up 64 per cent of Chinese territory. The only difference between the Soviet and Chinese model is that the constitution of the PRC does not offer the right of political separation to its ‘nationalities’ and China is not a union of republics but one republic that practices ‘regional autonomy’ for minority ‘nationalities’. This has resulted in a double-level structure of nation-building: an upper level composed of the Chinese nation (Zhonghua Minzu) and a local level of 56 ‘nationalities’ (minzu).

The Chinese government has also issued many policies in favour of minorities. For example, in the practice of family planning programmes, minority members can have two children per couple while the Han are only allowed to have one. Minority students can receive additional points in examinations (in Inner Mongolia) or enjoy quotas (in Xinjiang) for university admission. Top positions in the local administration of autonomous areas are only offered to minority cadres, and minority residents usually receive more financial subsidies in welfare programmes. However, these policies have often politicised group identities while at the same time created tensions given that the Han majority often feels discriminated against.

Similar to the Russian case, group consciousness and boundaries in China have become stronger and wider under the political and social systems since the 1950s. Particularly since the break-up of the Soviet Union and its various republics succeeded, it is natural that nationalism and requests for independence emerged among the minority minzu in China, especially for those with large populations and distinct languages and territories, such as Tibetans and Uyghurs. This is key to understanding and interpreting the ‘minzu problem’ in contemporary China.

Nonetheless, there are several factors that have had positive impacts on the stability of ethnic relations in China over the past six decades. First is the predominance of the Han majority; the Han consisted of 94 per cent of the total population in 1933 and 91 per cent in 2005. Second, the Han regions are much more economically and socially advanced, providing products and incomes to support the nation. Third, the central government has introduced many favourable policies towards minorities and provided huge financial subsidies to autonomous regions (eg. the central government provided about 28 billion yuan to the Tibet Autonomous Region in 2008). Fourth, many members of minority groups have co-existed with the Han for centuries and have been assimilated.

Other factors which used to play a role in keeping the country together are now changing. For example, the communist revolutions in both the USSR and the PRC brought with them many benefits to the poor people of both majority and minority groups.
and minority groups: land reform programmes gave land and cattle to poor farmers and herdsmen and poor workers became the ‘leading class’ in urban areas. Hence, these common people supported the Communist Party and its policies, including its policies on nationality affairs. The Communist ideology, as expressed by charismatic revolutionary leaders, became a theoretical tie binding the worker-farmer classes together under the leadership of the Communist Party. As these leaders died, their ideological influence gradually vanished. The system of planned economy and division of production among autonomous areas was also the water supply and was replaced with the market economy.

Furthermore, although the theory of ‘nationality’ and the system of regional autonomy based on this theory still dominates in China, there are many gaps between the theory and daily practice. In many autonomous areas the Han constitutes a majority (e.g. 79.2 per cent of the population in Inner Mongolia, 65.4 per cent in Xinjiang and 61.6 per cent in Guangxi). Han also constitute a significant part of the population in Xinjiang (48.6 per cent vs. 46.1 per cent Uyghur) and the Tibetan Autonomous Region represents a very special case with a small Han population (6.1 per cent). In contrast, minority populations only consist of 12.15 per cent of the total population in many autonomous counties across the country.

Where the minority forms the ‘leading group’ in an autonomous area and has issued policies and regulations in favour of this group, the Han majority often feel discriminated against, leading to conflict. Moreover, the leading group might consider the autonomous area as its own territory and make efforts to prevent in-migration of other groups and to keep control of natural resources under its own management. This again causes reactions from other groups and the central government.

The ‘nationality’ quota system for official appointments in the government also leads to a variety of contradictions that undermine legitimacy. On the one hand, it helps some minority groups achieve positions they are not really qualified for, resulting in a reduction in administrative efficiency, on the other hand, although top administrative positions in autonomous areas are only open to ‘natives’ of the minority group, the Han usually occupy the position of Party Secretary, which is where the central authority lies. Also, the same policy prevents the minorities from competing for higher positions within provincial or central governments because the allocation of such positions among groups is designated according to their population sizes. While the minorities feel this lack of ‘real’ autonomy, the central government considers this power structure to be a basic guarantor of unification, which explains why the Chinese Communist Party has been very cautious about reforming this political system.

Similarly, despite efforts to provide a dual education system for minorities, minorities often end up facing severe disadvantages in the job market because of their lower average education levels, their inferior linguistic abilities in Chinese language, or because of cultural differences.

...a strategy of ‘politicisation’ of minority groups...

When a group has been officially recognized by the central government, foreign authorities and the elites of the group, and when this group has its own ‘territory’ in the form of a republic or autonomous region, the desire to become an independent nation through the ‘right of self-determination’ emerges, supported by both nationalist theories in the West and the Marxist theory of ‘nationality’. This is a key ideological-political source of separatism among minority ‘nationalities’ in China today. In this sense, the Soviet model followed by the PRC can be called a strategy of ‘politicisation’ of minority groups. This model turns traditional minority ‘tribal states’ into modern ‘national nationalities’ and turns the country into a ‘union of many national nationalities’. The problem and danger of nationalist separation was not actually created, at least in part, by the authorities of the USSR and China themselves in the process of ‘nation-building’.

Based on this opinion, I suggested rethinking the strategy of ‘nation-building’ in China practised since the 1950s (Ma 2007). The ‘culturalization’ strategy towards minority groups in the US and India might be a better alternative for China in the future. I believe that only when minority ‘nationalities’ in China are transformed into ‘ethnic groups’, the ‘minority issue’ and ethnic tension can decline. While this challenge to the ‘orthodox’ Marxist minority theory has been heavily criticized in China, the freedom of academic discussions in China needs to be improved to enable us to face reality and provide a more scientific base for policy-making.

In the meantime, the policies in favour of minorities should continue, but the target of these policies should be gradually switched from ‘all members of minority groups’ to all residents of ‘poor areas’, then to ‘all individual citizens who need the help’. Similarly, the administrative structure of autonomous areas should be maintained for a period of time but the sense of a ‘nationality’s territory’ should be reduced gradually. The dual system of schools in autonomous areas should continue, while various kinds of bilingual education facilities should be offered to all members of minority groups.

The situation of ethnic stratification in Chinese society should be systematically studied and the government should establish programmes to help minority members who are disadvantaged in terms of language or other skills.

In general, the future of the ‘minority issue’ and ethnic relations in China largely depends on the direction of government strategy. Of course, it will also be related to the level of economic development and to cautious political reform in China.

ISS/XAU/KNAW Research Project in Rural Xinjiang

Since 2007, ISS has been cooperating with the Xinjiang Agricultural University (XAU), on research looking at the livelihood strategies of small-scale farmers of mostly Uyghur origin in the Southwest of the province, within the limitations of an oil boom and environmental degradation that they confront (see map below). The joint research programme (2007-2010) is financed by the Royal Academy of Arts and Sciences (KNAW) as part of the China Exchange Programme (CEP), and is supported by the Chinese Ministry of Science and Technology (MOST).

The ISS team is led by Max Spoor and includes Murat Arsel, Kristin Komives and Arvind Dasgupta. The XAU team, which involves academic staff from the Colleges of Economics and Management, and of Environmental Sciences, is led by Professor Pu Chunling and includes Prof. Jiang Pingen amongst others. The first year of cooperation was successfully completed and the KNAW recently approved the funding for 2009.

The research investigates how the livelihood strategies and the source use of small farmers in Southwest Xinjiang are changing in the face of current transformations in domestic markets and in government policies towards the agricultural sector. This is an arid region with a scarcity and unequal distribution of water and arable land, with heavy soil salinization. The study uses village and household surveys, and household case-studies in order to understand the linkages between economic development and environmental degradation of water and land resources on the one hand, and household income generation and the productivity of land and water resources on the other. It is carried out in rural areas of Xinjiang that contain a substantial number of poor and vulnerable households, mostly minority Uyghur nationality (6 e. ethnicity). This minority accounted for a majority of the provincial population in the 1950s, but the influx of Han Chinese migrants in the 1950s and 1960s as part of a population transfer policy, and more recently due to the oil-boom in the province, has brought the Uyghur share below 50 per cent (around 9 million out of the more than 20 million people). These rural households are transforming their livelihood strategies in the context of new largely privatized input and output markets, changing property rights systems, degradation of the environment, and a policy framework that has become less interventionist and more market-oriented and decentralised since the late 1990s.

Xinjiang province is one of the poorer provinces in China, if measured by average rural household income per person, it was the 7th ‘poorest’ province of 31 provinces in China in 2006, with an average per person rural income of 2,737 yuan (an estimated 340 USD). Thirteen minority ‘nationalities’ are indigenous to the province, of which the Uyghur are by far the largest group. The province is one of the main providers of raw materials and food for the rest of China; it produces 32 per cent of the domestic cotton output (in 2006), while its oil industry is also booming. Xinjiang has therefore been of strategic importance for successive Chinese states, and soon after the civil war ended in 1949 a massive wave of migration from other parts of China was launched. Among other results, this led to the establishment of the Xinjiang Production and Construction Corps (XPCC), known as the Bin Tuan, which were organised as large-scale state farms (also known as regiment farms because of their military command structure). Hence, a bi-modal agrarian structure emerged, with many (often minority Uyghur) small farmers (with 0.7 hectares of farmland on average) and the large regiment farms of the Bin Tuan.
Through the course of these developments, Xinjiang has even become a main crop in Xinjiang. For many small farmers in the southwest of the province, it is a crucial income earner. Their substantial dependency on income from cotton is due to their very small farms, the fact that the government still prioritises cotton and grain production, and limited opportunities for off-farm work. Nevertheless, cotton is a cash crop. It can be produced with high net returns per hectare in arable and agro-ecological areas that possess certain ‘resource-based’ comparative advantages, particularly water. However, resource degradation is severe in many parts of Xinjiang, particularly in terms of soil salinization, and decreasing water quality and availability. There are water shortages in the downstream areas of the rivers, such as in the southwest and southeast of the province where Uyghur populations are especially concentrated. Other underlying factors include overuse of water resources through inefficient surface irrigation (and leaching practices), low quality drainage systems, and the continuous cropping of cotton (and even sometimes rice), which consume large quantities of water per hectare. Also, average yields have fallen, as has happened in late 2008, this has the effect of depressing the incomes of these small farmers.

Hence, the livelihood strategies of small farmers are very much interlinked with agricultural (and cotton) production, and resources. We can even discern a ‘cotton-environment-poverty’ nexus, which under certain institutional and market circumstances can be transformed, leading to a more virtuous cycle of income generation. In order to analyse livelihood strategies, we are using the well-known sustainable livelihoods framework as an analytical framework (Figure 1), distinguishing five forms of capital (or assets), namely human, natural, financial, physical, and social capital. Together these form the foundation of household livelihood strategies. Dynamic changes and processes alter these crop mixes in which small farmers are using are investigated in this research.

To give an example, in the case of Xinjiang, human capital is high (with near full literacy rates), while for small farmers natural capital (land and water access), physical capital (irrigation systems, machinery etc.), financial capital (access to credit, or equity capital), and social capital (connections with local leadership) is relatively low. This leads to the typical spider diagram as depicted in Figure 1. Resource degradation might also be linked to poverty or low income in a two-way relation, in which land limitations force small farmers to over-exploit their resources in order to earn sufficient income to overcome poverty, with new problems in turn might well become a source of further impoverishment due to resultant soil degradation.

Figure 1: Sustainable Livelihood Framework: Households of Small Farmers of Xinjiang

Uyghur, as many farmers do not speak sufficient Chinese. After long discussions and a detailed preparation of the questionnaire together with a team of three scholars from the XAU who visited the Netherlands, the household survey was completed. Particular attention was given to the opinions of small farmers on recent government policies to diversify into more fruit and nut production, and on the problems related to land quality, and water scarcity and distribution. In late November/early December 2008, we selected 15 BSc XUA students of Uyghur origin to train in survey interviewing. The research team (with Ma Yiming, Zulfikar Maimaiti and Puerhati) accompanied these enumerators to the field, together with two colleagues from Nanjing Agricultural University, an affiliated partner in this project. One of the Nanjing colleagues was Shi Xiaoping, a PhD graduate of ISS and whose Alma Mater is the XAU. Max Spoor of ISS led the initial training in which a draft of the questionnaire was practiced, including intensive role-playing exercises necessary for the enumerators and which was started during the 20 hour train ride to the South. Precise planning was made for a household survey of 360 households in nine villages (in three townships), based on stratified sampling. In the meantime, all the necessary approval from the village authorities was arranged. Finally, the enumerated farm households were compensated for their time invested (with a standard package with tea, soap, cooking oil, etc.).

In the first year of the research project, a large household survey was undertaken. It was agreed with the XAU that this would be done in Awati county (in Aksu Prefecture, see Figure 2). During several preparatory visits, solid institutional and personal contacts were established in order to prepare the survey. Notably, doing fieldwork in China needs much preparation and approvals at all administrative levels (i.e. central, provincial, prefectural, township and administrative village levels of government). utmost care is needed to perform the survey as independently as possible, preferably with university students who are bi-lingual (Chinese-English) and as much as possible, preferably with university students who are bi-lingual (Chinese-English). Figure 2: Map of China, Xinjiang Province and Aksu Prefecture

Taking into account that a Western researcher would draw too much official attention, only the Chinese/ Uyghur members of the team went to a village, as standardized and finalise the questionnaire. This village was not included in the real survey just like the other villages which were visited on previous trips of the joint research team. During the first week of December all the village visits and interviews were completed, now only by the XUA researchers and students, often alone with the farmer or other members of the household. As it is standard procedure, the collected data were checked each night after a village was visited. All villages except one were nearly exclusively inhabited by Uyghurs, while one village (for comparative reasons) was included that had a majority Han-Chinese population. Local cooperation (with the agricultural bureau and the village committee) was very good and the survey was completed as planned. The data is now being processed and it is expected that some interesting papers will be written on the basis of this vast data set.

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NGO-State Relations in Contemporary China: The Rise of Dependent Autonomy

by Lu Yiyi

One important consequence of China’s 30-year reform is the emergence of NGOs which have enjoyed fast growth in recent decades. Before 1978, there were only about 6,000 so-called ‘social organisations’ in China. By the end of 2007, the number of registered NGOs had reached 387,000. Moreover, the social organisations that existed before the reforms were fully controlled by the state and served the state’s objectives. While some of the registered NGOs today are described as government-organised NGOs (GONGOs), many were born of private initiatives and organised in a bottom-up fashion. In addition to the registered NGOs, many unregistered grassroots organisations have also been very active. It is difficult to know their exact number, but it is widely believed that only a small minority of Chinese NGOs are actually registered, so the total number runs into several million.

The development and functioning of NGOs in any particular country inevitably reflects the overall state-society relations in that country. Most developing countries do not have a strong state like China’s. This immediately makes China stand out in terms of the degree of state dominance over what might be called ‘civil society’ (recognising, of course, that civil society encompasses a broader range of organisational forms and activities than represented by NGOs). But the civil society that has developed in China is also different from what one may expect in a typical authoritarian state. Kenneth Lieberthal has aptly characterised the post-reform Chinese state as ‘fragmented authoritarianism’ (Lieberthal, K. G., 1992) — while the state has retained its dominant role in economic and social spheres, authority below the very peak of the system has become more fragmented and disjointed as a result of economic reform and administrative decentralisation. The fragmentation of state power has created the possibility for Chinese NGOs to enjoy a much higher degree of de facto autonomy than is assumed possible when the state is clearly bent on controlling them.

In this article, autonomy is defined as NGOs’ ability to enjoy total operational freedom and make independent management decisions, including deciding what activities to undertake, without any government interference. Conventional wisdom holds that Chinese NGOs lack autonomy: one only needs to look at the ‘dual management system’ for NGOs to realise it, the argument goes. Current Chinese government regulations require every NGO to place itself under the ‘professional management’ of a state organ with responsibilities for its area of work, in addition to being registered and vetted annually by Civil Affairs departments. The professional management agency holds a wide range of responsibilities, including supervising the NGO’s ‘ideological work’, financial and personnel management, research activities, contacts with foreign organisations, and the reception and use of donations from overseas. NGOs that do not comply with the dual management requirement are outlawed. Therefore, as one Chinese researcher summarises the situation: the current legal framework ensures that no fully autonomous NGO can lawfully exist in China (Kang, X., 1999).

Although the NGO sector as a whole lacks autonomy, researchers generally assume that at least the ‘popular NGOs’ are more autonomous than GONGOs. Chinese researchers and NGO practitioners often divide domestic NGOs into two broad categories: GONGOs and ‘popular NGOs’. Popular NGOs are initiated by private citizens and receive no government subsidies. Their staff are
Comparing participation in China to the participatory discourse in development studies

Lu Caizhen

Participation has been an important buzzword in international development discourse in recent decades. Despite the conventional view that participation is not possible within an authoritarian political system, there has also been an important buzzword within China. People might argue that participation in China is very different from participation elsewhere in the ‘South’ and from the meaning implied in international development studies. To examine this contention, it is important to examine the meaning and uses of ‘participation’ in the Chinese context, from political campaigns and activities in the Republican era (1920-1949), to revolutionary activities in the Maoist era (1949-1977), and to various participatory practices that have emerged in the post-Maoist ‘reform’ period (1978 to present). From this perspective, various modern Chinese concepts of participation can be seen to draw from European sources while at the same time differing in several important respects. Nonetheless, examined with a discerning eye, the predominantly consultative or legitimising use of participation in the current Chinese context is perhaps not that different from current participatory practices of western donors in international development. In the Chinese context, there have been different waves of participatory discourse and practice, taking the form of ‘campaigns’, village elections, and developmental projects. The history of these waves can be traced back to at least the 1920s when Yan Yanchu and Liang Shuming were inspired by the Republican ideals of Sun Yat-sen and other leading Chinese nationalists and began to promote a ‘Mass Education’ and ‘Social Laboratory’ approach in 1920-30. Examples of this were the so-called Dingxian Experiment (Rural
Lu Caizhen (the first from the left) facilitates a focus group discussion on forest management with Mosuo women beside Lugu Lake in Luoshi village, Yunnan Province.

In contrast, participatory ideas and practice in China’s reform period (1979 onwards) has moved away from the revolutionary socialist origins of Maoism and towards a more consultative model rooted in authoritarian ‘market socialism’. The kinds of participatory approaches carried out in the development field since the late 1980s have tended to be project-based, with most participatory projects supported, at least initially, by international donors or NGOs. During the 1990s, participation in development came to be mainly understood as the use of Participatory Rural Appraisal tools to consult local people. Participatory methods were applied to appraisal processes as a technical accomplishment to economic development programmes, a tool in the consultation process and a way of informing policies. Local people still played a limited role in wider decision-making and policy-formation processes. From 1989, village committee elections were shaped, initiated and organized according to The Organization Law of Village Committee of the People’s Republic of China, which specified this as a task of the Central Government. The initial attempt sprang from a will to secure status of the rural areas rather than from a concern for villagers’ right to influence decisions that affect their lives. Thus, participation in China has come to be understood as the presence of people when decisions are announced, the contribution of their labour, or their participation in ceremonies for material incentives.

Generally, it was not optional in the past, but is optional now, it can be limited to consultation, and might involve the use of participatory rural appraisal tools, for example. Obviously, one might point to forms of what might be called ‘autonomous participation’ (i.e. participation not organised or conditioned by the state, and possibly in opposition to the state), such as the start of Tiananmen Square in 1989 or the Falun Gong movement, but these are generally not considered part of the ambit of participatory approaches, particularly in China. In consequence, even with the involvement of international donors, participatory approaches have tended to steer away from notions of material empowerment and towards more technocratic purposes.

One contention that might be raised by these examples is that those Chinese ideas of participation do not constitute actual participatory practices, properly understood, given that they are largely consultative in nature, or else used for garnering legitimacy among the population or in the eyes of the international community. Recall that according to ‘participatory approaches’, in the development studies literature (such as those articulated by Sherry Arnstein), there exists a ladder of participation, lower levels of participation include passive participation and voluntary participation based on consultation or monetary incentives, whereas higher, more effective levels include interactive participation and participation as self-mobilisation. Hence, the dominant forms of participation in China have definitely been at the lower level. For instance, in the rural reconstruction projects of the 1920s and 1930s, participation was mainly consultative; people expressed their views, made suggestions or were consulted. But decisions were made by outsiders.

In this regard, it is important to recall that the early Republicans saw themselves as a revolutionary force, they founded the first Chinese national-state and fostered an emergent pan-Chinese nationalism. So it was in this period of nationalist revolutionary zeal that many of these programmes were innovated. The experience was distinctly Chinese, but at the same time, the ideas were definitely influenced by many of the liberal and socialist revolutionary ideas emerging in Europe at the time, particularly given that many of these Chinese nationalist elites were educated in western-influenced schools. For instance, Liang Shuming’s idea of local self-governance was to inspire independence, the organization of local teams, and mass participation; this was similar to the ideas of mass political mobilisation that fed the participatory ideas and practices that emerged in the West among many of the socialist and/or republican movements of the 19th and early 20th centuries.

In the 1920s, the rhetoric was ‘from the masses, to the masses.’ This later became the ‘Mass Line’ of the Chinese Communist Party, promoted by Chairman Mao Zedong, who viewed the world in similar revolutionary ways. Moreover, Communist China’s ‘democratic centralism’ served as the foundation for revolutionary participation. Decisions were to be made by organizations that represented the majority, which would then in turn be fed to the upper levels of the governing hierarchy, up to the Central Committee. Trying to bring about often radical social changes such as land reform, this approach was less concerned with the usual participatory principle that villagers should be able to determine the course of the policies that would affect their lives. However, such revolutionary participation took a very perverse mutation during the chaotic years of the Cultural Revolution (1966–1976), as participation became synonymous with highly politicised mass movements motivated by the idea that social hierarchies needed to be reversed.

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It is doubtful that this Maoist approach to revolutionary participation influenced the western liberal theories of participation, since those promoted by Robert Chambers, which currently influence the participatory discourses and practices of western development agencies. These latter liberal participatory approaches arose as reactions to the paternalistic aspects of the early community development approaches of the 1950s and 1960s. Similar to the revolutionary or socialist approaches, they were premised on using a bottom-up perspective to community development, implying empowerment and a voice for the weakest sectors of society in decision-making. However, they did not imply a particular direction or content of what such empowerment should entail, as this was to be the outcome of participatory deliberations. However, Maoism definitely influenced socialist movements worldwide, particularly in those other developing countries, notably in Latin America where notions of emancipatory participation emerged parallel to a rise in actual socialist revolutionary challenges to right-wing dictatorships throughout the continent.

Participatory approaches in China thus differ from the ‘ideal type’ envisaged in development studies. However, recalling the critical literature in this field, we might recall that the ideas of participatory approaches are very difficult to find in practice. This is particularly the case within contexts of stark power asymmetries between larger political and economic processes disempower and disenfranchise communities at the same time as participating actors are considered to empower and enfranchise these same communities through de-politicised techniques of localised decision-making. In this sense, perhaps the example of China, while obviously contravening many of the ‘principles’ of participatory development, may not be so different from the realities of participatory approaches elsewhere in the developing world. This is especially so in situations where wider political and economic decision-making is removed from the ambit of these approaches as well as the democratic process more generally, such as World Bank projects implemented within a context of stringent structural adjustment programmes and further good governance conditionalities. In other words, the example of China actually helps us break free from the idealised view implicit within the participatory literature and confront more explicitly the technocratic and de-politicised nature that these approaches have evolved towards, both within China and elsewhere.

It cannot be denied that participatory approaches in China have strong Chinese characteristics and have evolved within its own political and institutional history, often with few reference points to other parts of the world. A primary difference in the operating context is that participatory approaches take place within a framework of a top-down and highly centralized political system, centred on the corpus of the Central Communist Party and the national government. Very little autonomous participation takes a bottom-up form or comes from local actors. Only inside the framework of top-down leadership can we talk about different levels of participation, since citizens are not involved in the initiation of decisions or even in planning activities. Participation is delinked, in other words, from policy formation and decision making, which remain highly centralised. When people contribute their labour, express ideas, or are consulted, they are considered to be participating. However, in this respect, we must ask whether this is really that different from – say – participation as it might operate in most World Bank projects?
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