



Delft University of Technology

**Urban social assistance in China
Transnational diffusion and national interpretation**

Liu, Tao; Sun, Li

Publication date
2016

Document Version
Final published version

Published in
Journal of Current Chinese Affairs

Citation (APA)

Liu, T., & Sun, L. (2016). Urban social assistance in China: Transnational diffusion and national interpretation. *Journal of Current Chinese Affairs*, 45(2), 29-51.

Important note

To cite this publication, please use the final published version (if applicable).
Please check the document version above.

Copyright

Other than for strictly personal use, it is not permitted to download, forward or distribute the text or part of it, without the consent of the author(s) and/or copyright holder(s), unless the work is under an open content license such as Creative Commons.

Takedown policy

Please contact us and provide details if you believe this document breaches copyrights.
We will remove access to the work immediately and investigate your claim.



Journal of Current Chinese Affairs

China aktuell

Topical Issue: Marginalisation and State Intervention in China
Guest Editor: Armin Müller

Liu, Tao, and Li Sun (2016),
Urban Social Assistance in China: Transnational Diffusion and National
Interpretation, in: *Journal of Current Chinese Affairs*, 45, 2, 29–51.

URN: <http://nbn-resolving.org/urn/resolver.pl?urn:nbn:de:gbv:18-4-9635>

ISSN: 1868-4874 (online), ISSN: 1868-1026 (print)

The online version of this article and the other articles can be found at:
<www.CurrentChineseAffairs.org>

Published by
GIGA German Institute of Global and Area Studies, Institute of Asian Studies and
Hamburg University Press.

The *Journal of Current Chinese Affairs* is an Open Access publication.
It may be read, copied and distributed free of charge according to the conditions of the
Creative Commons Attribution-No Derivative Works 3.0 License.

To subscribe to the print edition: <ias@giga-hamburg.de>
For an e-mail alert please register at: <www.CurrentChineseAffairs.org>

The *Journal of Current Chinese Affairs* is part of the GIGA Journal Family, which also
includes *Africa Spectrum*, *Journal of Current Southeast Asian Affairs* and *Journal of
Politics in Latin America*. <www.giga-journal-family.org>.



Urban Social Assistance in China: Transnational Diffusion and National Interpretation

Tao LIU and Li SUN

Abstract: In 1999 the State Council of the People’s Republic of China (PRC) introduced the *Regulation on the Minimum Living Standard Scheme* (MLSS, 低保 or *dibao*) for urban residents in China. Policy learning from different parts of the world significantly shaped the formation and expansion of the MLSS, and Chinese social policy researchers have drawn conclusions about the experiences of these multiple regions. Through expert interviews, we discovered that the Chinese social assistance scheme has been influenced by the US ideas of “social investment” and “workfare.” Furthermore, the European values of “universal entitlement” and “social citizenship” have also been internalised by the Chinese actors behind the scheme. In addition, Hong Kong’s social assistance scheme has inspired Chinese policymakers to explore a model consisting of various categories that target the country’s enormous special welfare needs. Thus, scholars and policymakers from China have used values and ideas outside China to create a hybrid model of social assistance that is characterised by broad coverage, a low benefit level, and a highly provincial administrative structure.

■ Manuscript received 18 July 2014; accepted 10 November 2015

Keywords: China, social assistance, policy transfer, globalisation

Prof. Dr. Tao Liu is a junior professor at the Institute of East Asian Studies and at the Institute of Sociology in the Faculty of Social Sciences, University of Duisburg-Essen, Germany, and has published articles on accident insurance, social assistance, elderly care, and old-age social security in China.

E-mail: <tao.liu@uni-due.de>

Dr. Li Sun is a postdoctoral researcher at the Faculty of Technology, Policy & Management, Delft University of Technology, The Netherlands. She has published on accident insurance, elderly care, rural-to-urban migration, and land and property rights issues during China’s urbanisation.

E-mail: <L.Sun-1@tudelft.nl>

Introduction

In the field of social policy research in the developing world, it has become increasingly apparent that the development of some very poor nations – for instance, the least developed countries (LDC) – is shaped increasingly by Western nations. Global actors such as international governmental and non-governmental organisations create pilot projects aimed at disseminating ideal types to these countries. For instance, in Zambia, Mozambique, Peru, Bolivia, and Bangladesh, there are a number of heterogeneous pilot projects being promoted by various different international organisations. Despite much empirical research about knowledge diffusion in these developing nations, there are still some remarkable research gaps and some research questions that remain unanswered. Hitherto, the main focus of research has been only on the smaller, poorer nations in the Global South. However, the Global South includes nations that vary greatly in terms of economic power and political influence. This leads to a number of pertinent questions: have the largest and most populous transition economies, such as those within the BRICS grouping, also used foreign ideas to enrich their national discourses on social policies? If so, then how, to what extent, and from which sources have these countries borrowed theoretical and practical ideas? And, finally, have they fully transferred a foreign model to their national context or have they adopted foreign ideas selectively?

The selection of China as a case study yields fruitful theoretical insights into the research on global knowledge diffusion, since China has some distinctive characteristics. First, China is generally perceived to be an autonomous nation that is immune to outside influences. A case study of China, thus, might present a challenge for the diffusion and learning of Western and international ideas. Second, China comprises a huge continental area that is subdivided into very heterogeneous subnational regions. Knowledge transfer between different local regions and the subsequent dissemination of knowledge across China shows the intensity of internal knowledge diffusion. Third, in comparison to other nations, China has a few notable peculiarities: there are several “Chinese” societies outside mainland China – Hong Kong, Macau, Taiwan, and Singapore – in addition to a large number of Chinese diaspora societies scattered all over the world. These multiple Chinese societies have great power to influence economic, social, and political change in China.

This article¹ focuses on the core programme of social cash transfers in China: the Minimum Living Standard Scheme (MLSS), considered the last social safety net for people in need. It aims to explore the exegesis of ideas from abroad by Chinese scholars and policy-makers, and to answer the following research questions: how did key actors in China borrow foreign ideas on social assistance, and how did they understand and interpret them? In 2011 the authors conducted 24 expert interviews with scholars and bureaucrats who had been involved in the establishment of the MLSS in China. The research findings show that different sources from abroad have shaped the emergence, extension, and further development of the MLSS in China. Through intensive interaction between China and the rest of the world, Chinese scholars and bureaucrats have adopted some new normative ideas and values from the outside world. The changing cognitive ideas of the Chinese elite have created a new philosophical foundation for setting up a new institutional order defined as a modern, state-provided social policy scheme to cover all Chinese urban citizens.

In the following section, we explain the conceptual framework underpinning our examination of idea transfer. Then, we explain the research methods, followed by the research findings. Following that, we introduce the background of the emergence of the urban MLSS in China; provide an analysis of how Chinese scholars and policymakers have borrowed ideas from the three regions of Hong Kong, the United States, and Europe; and discuss how China's actors not only use positive experiences as examples, but also glean lessons from the negative aspects from abroad. We conclude by summarising and discussing our findings.

1 Research for this article was carried out under the research project FLOOR, sociological branch, at Bielefeld University, Germany (www.floorgroup.de), funded by the German Research Foundation (Deutsche Forschungsgemeinschaft; principal investigator: Lutz Leisering). Special thanks go to Lutz Leisering, Katrin Weible, and two anonymous referees for their valuable comments, which helped to improve the text significantly.

A Theoretical Framework for the Diffusion of Knowledge

The theory of knowledge diffusion denotes that new ideas are interpreted, carried, and transferred between actors. In any one society, there are opinion leaders who receive new ideas first and then put them into an analytic context (Rogers 1962; Dolowitz and Marsh 1996, 2000). Other approaches, like the “advocacy coalition” approach (Sabatier 1991; Sabatier and Jenkins-Smith 1999) and the “epistemic community” approach (Haas 1990), underpin the theory of knowledge diffusion by highlighting the influential role of scientific communities, which have the power to create new thinking and ideas in a knowledge market. An epistemic community is conventionally perceived as a network of professionals who possess a similar knowledge structure and share the same beliefs and norms. It consists usually of scientists, scholars, journalists, and politicians seeking to set social agendas and resolve social problems via dissemination of their shared theoretical and practical know-how within a society (Adler and Haas 1992). The reception and diffusion of norms and ideas is an identical process to the construction of rationality, as the actors believe in those ideas that they prefer and perceive as rational and progressive, and they vote against other ideas by interpreting them as irrational and unsustainable.

In addition, the connection of the theory of knowledge diffusion with world polity theory may broaden theoretical insights in social policy research. Representative scholars of the world polity school like Thomas Boli and John W. Meyer have been exploring an independent level of global reality that operates beyond national state borders. With a foundation of comprehensive empirical data and through wide-ranging investigation, these Stanford scholars have detected the emergence of a cosmopolitan world society, illuminating simultaneously a worldwide diffusion of rationalised models in the realm of high-school education, female education, environmental protection, competitive democracy, the institutions of the market economy, and so on (Boli and Thomas 1997; Boli 1987; Meyer and Rowan 1977; Meyer 1980; Meyer, Frank, et al. 1997).

This dissemination of values and rationalised models induces a logical consequence of isomorphism: the same institutional and structural development has taken place in almost all countries independent

of the heterogeneous local cultural configuration and discrepancies in economic status at national and subnational levels. These rationalised models are legitimised by some basic world cultural values, such as individualism (basic human rights), universalism (for instance, discourses on equality), rationalism (institutional accountability instead of supernatural and transcendental magic), and socially progressive ideas (for instance, economic growth and improvement of health care systems), which originate from Western society (Meyer, Boli, et al. 1997; Meyer 2005). The central value of world culture centres on the discourse of human rights, which is based on the ontological status of individuals, since the individual represents the smallest irreducible societal unit, which has ultimate significance in modern society. World-society values, with a central focus on human rights and individualism, originate from Occidental culture and have become universal norms as their universal validity has been declared to extend beyond national contingency (Meyer 2005). These values and rationalised social models in different domains have been increasingly converted into institutional “myths” and “unquestionable beliefs” which are internalised by the actors, not only in Occidental countries, but also worldwide (Meyer 2005).

So, how do ideas “travel” around the world and shape institutional changes at the national and subnational level? The well-known world polity theory of the Stanford School examines the diffusion of global ideas, rationalised social models, and the global convergence of various policy fields from a bird’s-eye view, which is rooted in a macro-deterministic approach, assuming that nation-states, organisations, and individuals are actors whose behaviour patterns and identity are shaped by international actors beyond nation-state boundaries. National and subnational events simply follow the “script” written by international actors in global arenas (Meyer and Rowan 1977; Meyer 1980, 2005). The major focus has been on the sender actors, and the following questions have subsequently been raised: how, to what extent and in what ways and through which communication channels have international scientific communities and international organisations disseminated ideas to the developing world? One of the most common means of diffusion, exercised by the Bretton Woods Institutions, is the granting of credit. The World Bank and the International Monetary Fund (IMF), for instance, will only grant credit to developing countries if would-be recipient countries acknowledge the know-

ledge, expertise, and models favoured by those institutions. A classic example of this is the diffusion of the multi-pillar model of the old-age pension to post-communist and transformation countries in Eastern Europe, the Commonwealth of Independent States (CIS), and Latin America (World Bank 1994; Orenstein 2003, 2008; Deacon 1997).

The other means of diffusion commonly employed by national or international development organisations is the promotion of pilot projects. They commonly fund local experimentation projects, cooperate with the locally important political and social actors, and seek to prove whether or not models are acceptable and adaptable in the local field. If local pilot projects have proved to be successful, they are transferred to other areas in the country. Different forms of knowledge diffusion contribute to the transfer of ideas: one is vertical diffusion, through which top-down diffusion is spurred by international organisations and some bilateral development organisations; the other is horizontal diffusion, which refers mainly to policy learning and policy transfer between nation-states or between subnational actors. Unlike much diffusion literature, which accentuates the coercive methods of senders in knowledge diffusion, this article centres on the role of national recipients in borrowing, selecting, and interpreting ideas from overseas. We trace a rational model of policy learning driven by national advocates.

Research Methodology

The research methods for this study included semi-structured interviews and document analysis. The interviews were conducted in several Chinese cities, including Beijing, Tianjin, and Hong Kong, in 2011. The documentary analysis of laws, policies, and regulations was the main source used to explore the Chinese government's measures and political will relating to urban social assistance arrangements.

In total, 24 experts were interviewed through semi-structured interviews. These experts included two major groups: one consisting mainly of scholars and social scientists and the other comprising civil servants from state administrations, for instance the Ministry of Civil Affairs (MCA) and the State Council. Several interviewees, like Tang Jun (a professor at the Chinese Academy of Social Sciences, CASS) and Guan Xinping (a professor at Nankai University), both of whom

were engaged in the planning, design, and setting up of the national framework for the urban social cash transfer programme, are widely considered to be key scholars in the field of social assistance in China. It is worth noting that among the central actors, such experts have considerable influence within both the political and the academic community. For example, high-level officials will regularly invite prominent scholars to present an overview of the current development trends and problems in the field of social assistance and social relief, and thus, these scholars' opinions are often valued by the political community.

Each interview lasted an hour and a half on average. The interviewees were asked to explain

- the origins of the urban MLSS, especially their own contributions to the construction of the urban MLSS;
- where the ideas and core beliefs within the MLSS stemmed from;
- how these ideas were interpreted and elaborated on by Chinese social policymakers;
- how these ideas shaped the overall framework of the MLSS in China; and
- through what means the interviewees personally communicated with the transnational community.

A Multiple-Level Analysis of Policy Learning

The Emergence of Urban Social Assistance in China

In 1993 the Shanghai government undertook a policy experiment to transfer cash to compensate the unemployed workers of former SOEs (state-owned enterprises). The Shanghai pilot project was studied by other local governments in China and subsequently adapted by them in an attempt to emulate the Shanghai model and tackle the increasing social problem of the “new urban poor.” Thereafter, these spontaneous regional policy experiments attracted great attention from scholars and policymakers at the national level. Various experts from high-level think tanks like the Chinese Academy of Social Sciences (CASS) and the Ministry of Civil Affairs (MCA) have been involved in developing a national urban social assistance programme that would transcend the local and regional contingencies and limita-

tions derived from these diverse local policy experiments. In 1999 the State Council introduced the *Regulation on the Minimum Living Standard Scheme* (MLSS) for urban residents and proclaimed the birth of the first national social assistance scheme to cover all urban residents (Tang 2003; Zhang and Tang 2010). During the development and the implementation of the urban MLSS, various ideas surrounding social assistance schemes outside China were studied, interpreted, and elaborated upon by scholars and officials in China. The following sections discuss the manner in which Chinese academic and political actors studied exogenous ideas and how they have interpreted these “borrowed” ideas according to their own cognitive understanding.

Go West – To Hong Kong

In the reform of old-age pensions, the recalibration of the health insurance system, and the process of creating an industrial injury insurance scheme, researchers have noted a great deal of policy transfer from the West to China. The Chinese epistemic community has attempted to learn from overseas experiences to modernise systems in China (Leisering and Liu 2010; Liu and Sun 2015; Liu 2005, 2015). Knowledge diffusion plays an essential role in the rationalisation of Chinese social security systems. The Chinese academic community in the field of social assistance and social relief has benefitted tremendously from global comparison, even if there is no clear indication which region has primarily shaped the MLSS scheme in China.

Due to barriers of language and culture, many Chinese scholars could not communicate directly with scholars from Western countries. They had to make their connections circuitously: by first making contact with academic partners in Hong Kong and then, through that connection with Hong Kong, attempting to attract as many ideas and as much knowledge from the rest of the modern world as possible. Due to its special status as a carrier of Chinese culture and a former British Crown colony, Hong Kong has always had the special function of linking China with the Western world and has acted as a bridge between mainland China and the modern world. In the 1990s, it was fashionable for Chinese scholars and bureaucrats to move to Hong Kong to study. This social trend prevailed in the field of social assistance and social relief in China. Several scholars and MCA bureaucrats studied in Hong Kong. For example, Tang Jun, known for his considerable efforts to promote the MLSS in China, studied in the

Department of Applied Social Sciences of Hong Kong Polytechnic University in the 1990s.

Furthermore, scholars from these two different Chinese societies have woven a dense network between the two areas by consistently interacting in institutional contexts. On one side, scholars from mainland China study at Hong Kong universities or do their traineeship in civil society associations there in order to gain knowledge and introduce it back to mainland China. On the other side, scholars from Hong Kong are regularly invited to symposiums, conferences, meetings, and workshops in mainland China at which they attempt to transfer advanced ideas to mainland China. Recently, increasing numbers of Hong Kong scholars have been invited to Beijing to participate in the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (PCC) and give advice on social development in China based on their experiences in Hong Kong. These close ties have fostered the transformation of ideas with respect to the social assistance scheme. Moreover, this linkage between people generally moves beyond the individual level; that is, when two prominent scholars from either side undertake an academic exchange, their personal interaction benefits their affiliations (organisations). The trend for such collaboration gradually expands, as other less high-profile scholars, inspired by the examples of leading scholars, emulate this manner of exchange and thereafter facilitate further organisational collaboration.

In Hong Kong, a public assistance scheme was set up in the 1970s under Governor Sir Murray MacLehose which was modelled on the British National Assistance Act. The scheme was renamed the Comprehensive Social Security Assistance (CSSA) in 1993 under Governor Chris Patten. The major focus of the Hong Kong social security system is to provide allowances to various social groups, such as the parents of young children, the elderly, the disabled, low-income households, and so on. The CSSA is made up of numerous heterogeneous subsystems, which grant cash transfers to different social groups (Chow 1981). According to some of the Chinese scholars we interviewed, Hong Kong's practice of social work and social welfare, along with its social organisations, inspired mainland China. For example, Hong Kong's abundance of experience in the creation of civil society and social governance has translated into the improvement of social work and social services in the mainland through the promo-

tion of voluntary social welfare organisations in China. Furthermore, some scholars advocate emulating Hong Kong's welfare model to set up separate social assistance arrangements – for instance, an education assistance programme and social pension for the very elderly (those age 80 or older). One interviewed official from the MCA confirmed that some policymakers in the field of MLSS have given special attention to the refined categorical programmes within Hong Kong's CSSA scheme, which target dozens of different social groups, each with special needs. This comprehensive social assistance programme in Hong Kong includes, for instance, special assistance schemes designed to help divorced parents, families with disabled children, and people with learning disabilities. According to the views of the experts we interviewed, China could learn from Hong Kong's experience in establishing different categories of supplemental assistance to meet the special needs of socially weak groups, in addition to a wholesale system like the MLSS.

The Influence of the American Idea of “Social Investment”

The close ties between Hong Kong and mainland China constitute only a small part of the international communication within the Chinese social assistance community. Different types of communication networks were built up between China and the world with respect to social cash transfer during the 1990s. After creating and cementing new networks of personal relations through visits to Hong Kong, some scholars used these new resources to then establish and extend further contacts with Western countries, particularly the United States, but also the United Kingdom and Australia. Some scholars mastered the English language and travelled directly to the United States to study there.

There are a few reasons why the Chinese epistemic community maintains close ties with the United States. First, after the collapse of the Eastern Bloc, the United States remained the sole world superpower and, under these circumstances, the US model of economic and social policy could easily be regarded as the single successful model worldwide. A strong leaning towards the Washington Consensus appeared in nearly all post-communist countries during the 1990s; at the time it was interpreted as the only shortcut to a successful modern society. The presence of a powerful and prosperous United

States caused the Chinese scholars to construct an American “myth” based on their subjective judgement. Second, in the 1990s China extended its economic reform and open-door policy towards the Western world, and the most important way for China to foster its integration into the international community was through improving its relationship with the United States. Since China adopted a market economy in the 1990s, leaving behind the inefficient, state-run planned economy, fundamentalist ideas about market liberalism spread quickly. As market liberalism originated in the United States, some Chinese scholars therefore favoured the American liberal model. Even in the field of social policy, more scholars looked forward to a market-oriented social policy, and many of them had critical views of the welfare state model in Scandinavian countries (Lin 2001).

The influence of US ideas of social assistance can be seen in the name chosen for China’s own system of urban welfare. The full name of the Minimum Living Standard Scheme in Chinese is 最低生活保障制度 (*zuidi shenghuo baozhang zhidu*). This term can be split into two major linguistic units: 生活保障 (*shenghuo baozhang*, literally: “living/livelihood guarantee or safeguard”) – namely an institutional system attempting to “secure the livelihood of citizens” – and 最低 (*zuidi*, literally: “lowest”), where this system should be as a “minimum.” The semantic unit “minimum” has the following implication in the Chinese context: the benefit level of any cash transfer in the social assistance scheme should be minimised along the poverty lines stipulated by different levels of local governments and should amount to 10 to 35 per cent of local average incomes (Zhang and Tang 2010). The federal system and character of the American welfare system is especially popular in Chinese social assistance circles because local government bodies – for instance, city, county, and township councils, in China have the discretionary power to stipulate benefit levels.

This consciousness of the very low level of benefit provided by the MLSS has been shaped deeply by American thinking and its narrow definition of the welfare state, as well as its idea of “workfare” (Han and Guo 2012; Lin 2013; Xu 2014). The liberal wing of Chinese scholars in the field of social assistance relates directly to the American experience. One professor at Beijing Normal University, who had studied in the United States and was involved in the various types of cooperation programmes organised by the Ford Foundation, argued the following in our interview:

At the outset, we sought to learn from experiences from the United States, Great Britain, and Australia, etc., well, mainly in the English-speaking countries where we had travelled around. And we have seen that in the United States there was a system: if one's income slides below the poverty line, then some certain benefits will be paid, so that is a system of difference compensation, which is basically what we have adopted. The United States does really have an immense influence on China. At the time that we started the reform and open-door policy, we felt that all countries attempted to learn from the United States, even European countries as well, and such an idea of workfare has spread worldwide.

Consequently, our country has a very good understanding of the system in the United States. The MCA (Ministry of Civil Affairs) has translated a lot of books from English into Chinese; some books introduced the American system in detail. In some cases when the officials of the MCA visited the United States, they received a lot of data about American counties provided by American county governments. As a result of frequent exchanges, we have been very well informed about social assistance schemes outside China. (Anonymous 1 2011)

Strongly liberal-oriented statements are very popular in Chinese academic circles and were often made by the different interviewees. Some interviewees used terms like “self-responsibility,” “deserving poor,” and “workfare.” They also feared “moral hazards” and “negative incentives.” For example, one of the scholars at CASS who had studied in Hong Kong and had been a researcher at the MCA in 1990s and, thus, is regarded as the one of the most influential scholars to work on the urban MLSS scheme, argued,

Even if some scholars advised us to upgrade the benefit level of the MLSS scheme, we do really insist that this system should be at the minimum level [...]. International experiences have proven that a high level of benefit will not provide an incentive to work and make the beneficiaries dependent on social welfare. [...] Welfare reform in America has given us important motivation to maintain a low level of benefits. (Anonymous 2 2011)

However, it would probably be precipitate to claim that the US model of workfare is dominant in China. Instead, it is usually noted that ideas from both the United States and Europe have interwoven and integrated into one cognitive structure, which cannot be explicitly differentiated, and both European and American ideas are widely

spread in China. In this case, there are very few scholars who can clearly be classified as either neoliberal or social democratic. Since the West, particularly Northern Europe, is the cradle of modern social policy and modern social insurance, other continental European countries are also important originators of ideas with respect to social policy besides the United States; therefore, their significant role in social policy change in China should not be underestimated.

The most intriguing empirical findings in this study are that some scholars simultaneously use American and European ideas as a frame of reference for their own understanding. Chinese scholars are open to world-society knowledge structures and pragmatically seek to combine different ideas from different regions into a new analytical structure. This means that both European and American ideas could be mentioned by a single expert without any contradiction. This gives rise to a number of seemingly conflicting situations: sometimes different ideas from the United States and Europe compete with each other; in other cases they play a complementary role. At other times, ideas from these two world-society centres are integrated into a new semantic and cognitive structure; and in other situations, these original ideas are recombined and reinterpreted by Chinese actors.

One professor from Renmin University of China (RUC, also known as People's University of China), outlined the multiple levels of knowledge diffusion:

In the architecture of the MLSS scheme, there are surely many international comparisons to be made. For instance, how the benefit level of the MLSS is defined, how the viability of this scheme is decided, and how this system targets the beneficiary group. To answer those questions we need international experience. That means, in the field of methods and concrete implementation, we were influenced by the outside world. At the outset, we were strongly influenced by Hong Kong, because initially Tang Jun and Zhang Shifei were both staying in Hong Kong. Afterwards, during the phase of rethinking this system, we followed the experiences of the United States and Europe as a reference. The focus was: is it better to set a high benefit level? Is it better to set broad-spectrum benefits? How is this system linked with other systems? After this system was set up, there was really a kind of policy learning at the global normative level. (Anonymous 3 2011)

This interviewee is personally involved in a wide variety of different types of international cooperation with different countries and high-

lights the influential role of knowledge transfer and policy learning. In addition, he himself is particularly aware of the process of ideas spreading between China and Western countries. He made a personal judgement about the role of knowledge and values from the two world regions on either side of the Atlantic in the following statement:

We look forward to introducing knowledge from European countries and the United States. Europe encompasses the United Kingdom and Northern European countries. From cited literature in China, you can see the origin of the ideas, and between colleagues, we have often argued about the systems in European countries. For instance, in some literature we have used the traditional poor law, the new poor law, and the social security system after World War II from the United Kingdom as a reference. And the British model is the origin of Hong Kong's Comprehensive Social Security Assistance. Great Britain has influence on Hong Kong, and Hong Kong has influence on mainland China. Besides these models, the Northern European welfare-state model has been researched and discussed by Chinese scholars as well. During this process of the exchange of international experience, we became aware that the United States are comparatively economically dynamic, they pursue the integration of rights and duties, and they look forward to a restricted and low level of social welfare benefits. These ideas have given us inspiration. (Anonymous 3 2011)

Since he has personally created comprehensive networks with international epistemic communities within Great Britain, Northern Europe, and the United States, he can personally provide a systematic comparison between the different models in different world regions. He analyses why the US model is more popular in China and why the US model is more rational in his opinion. The following statement by him may reflect the attitude of many Chinese scholars:

The MLSS programme is a restricted system of public assistance; it can only ensure basic livelihood. The receiving of assistance should not last for the long term, since long-term reception of assistance will not encourage social participation. [...] Particularly the reform initiated since 1996 in the United States of America has had a fairly great impact on us. (Anonymous 3 2011)

This statement is representative of the Chinese epistemic community and is in line with the mainstream opinion in the academic world. Even if multiple levels of knowledge diffusion take place between the

West and the East, and even if many different ideas spread into China, the American ideas will generally be considered the most attractive and popular. Most Chinese scholars attempt to balance economic and social (or sometimes ecological) development. They favour a model of social assistance that ensures the basic livelihood and well-being of citizens. By contrast, they clearly distance themselves from the concept of the social-cultural minimum as it is practiced in many European countries, since they fear that a high benefit level and a relaxed definition will give the wrong incentives to the beneficiaries and may discourage them from re-entering the labour market. In other words, they generally disfavour models of “high welfare” and “low employment incentives.” In their opinion, a rational model should espouse the “social investment state,” while limiting the amount of support so that the state does not grant benefits that are too generous without considering the duties of citizen. In this vein, Chinese scholars turn away from a purely neoliberal ideology by emphasising the responsibility of the state. Simultaneously, they also keep their distance from a broad definition of social assistance.

This pragmatic attitude towards international ideas facilitates subjective interpretation and an active selectivity of the values and models disseminated by the Western world. The different symbols that have been “borrowed” from the world society are given a social meaning only if these symbolic notations are analysed and elaborated on by the Chinese epistemic community. The spreading and reception of these borrowed ideas is decided by the social construction of mainstream opinion. Another relevant factor is how closely the scholars are linked to bureaucrats, and how frequently these actors interact with each other. Close ties between scholars and bureaucrats shore up the adoption of the new symbols constructed by actors in the academic world. Certain research institutes and universities in Beijing, such as CASS and Renmin University, symbolise the “scientific centre” of China. They function as national think tanks and are chiefly responsible for informing China’s central government about issues like economic and social reforms. Since the academic elite in Beijing have such close ties to the country’s political “power centre,” they usually have more resources and greater clout than scholars from other regions with regard to setting agendas and making policy recommendations to the central government.

The Influence of the European Semantic of “Universal Entitlement”

Obviously, knowledge diffusion and reception does not only function in a unilinear way. On the contrary, one can see the overlap of different ideas from a bipolar world society with two centres, and even sometimes through the paradoxical statements made by actors. This high selectivity and active elaboration of borrowed ideas enables not only the diffusion of American ideas, but also the transfer of European values. Most of the leading individuals in the field of social assistance in China confirm the impact of Europe on the MLSS in China, although the weight of the US and European influences is quite different. The most important borrowed idea from Western Europe is the semantic of “inclusion” and “universalism,” which is known as “universal entitlement” by Chinese scholars. This introduced semantic from Europe has fundamentally shaped the Chinese MLSS, as one professor from Nankai University, who was previously a researcher at the MCA, highlighted in our interview:

In the social field: first, we had the need internally, then we wanted to see how other countries act, therefore we have made many expeditions and investigations into the systems of other countries. At that time, we had a strong impulse to study abroad, not only in the economic field, but also in the social field. Our researchers went abroad to conduct investigations. The direction of learning and investigation was towards Europe and the United States. The system of the United States is a little bit inferior to that of European countries. One common concept within a universal social assistance system is known as so-called “universal entitlement” in English; this concept comes from Europe and it has had a comparatively big impact on China. In the past, we didn’t do it in that way, we granted only benefits to some special needy groups, but later, under the influence of the Europe, we have attempted to frame a more comprehensive and universal system which covers all citizens. (Anonymous 4 2011)

The “universal entitlement” mentioned in the interview refers to a population-wide system which differs from earlier systems based on categories of only special groups like the elderly, people with disabilities, orphans, and widows. Now, through the semantic of “inclusion,” the behaviours and perception of the science elite towards the cash transfer scheme has fundamentally changed. The CASS expert men-

tioned in the section relating to the influence of US ideas above illustrated this further:

We differentiate the current social assistance scheme, in the form of the MLSS, from the social relief system – the former social relief system like the “five guarantees” which covered only some special needs groups, and which means that only a very small portion of the population can really receive a social relief allowance. Now, the social assistance scheme covers all people in urban areas irrespective of any divided categories and irrespective of the reasons for poverty – that means it covers the whole urban population. [...] Additionally, this system benefits each person and everyone should have an entitlement to a state allowance. So today, if anyone is plunged into poverty, s/he can apply for the MLSS allowance. (Anonymous 2 2011)

Although this scholar advocated a low level of MLSS benefits, this did not prevent him from making statements to stress the idea of “universalism.” As he said in the interview, the new MLSS is a social assistance scheme, not a social relief system anymore. The new semantic of “inclusion” means that all urban residents are covered by the scheme, including able-bodied people. Social assistance is granted for needy residents irrespective of the causes of poverty. Thus, the ideas of “universal coverage” and the “socialisation of the causes of the poverty” have become the hallmarks of the new urban social assistance scheme. The internalised value of “universalism” is reflected in this scholar’s use of the words “all” and “whole.” In parallel, this semantic of “universalism” is linked with “individualism,” since in his opinion, each person is covered by this scheme and each individual ought to be endowed with the entitlement to a state allowance. The professor from Nankai University quoted above also stressed the term “universal entitlement,” and he attributes the origin of this idea to Europe.

Lesson Drawing

As Chinese scholars actively sought ideas and experiences from world society to influence the setting up of a modern social assistance scheme, they interpreted ideas and models from abroad in the light of their own cognitive constructs. The subjective processing of knowledge means not only learning about policy, but also drawing lessons from it and critiquing ideas. Many of the experts we inter-

viewed thought that the European welfare state model goes too far and cannot be sustained because financial capacity cannot match welfare expenditure. They feared that an excessive welfare state could create a moral hazard in that it could deter beneficiaries from joining the job market. In parallel to the lessons drawn from the European welfare state, they also made a systematic investigation of the American system and critiqued its obvious deficiencies. Most of the criticisms concentrated on restriction of access to social welfare benefits and the difficulties associated with arbitrary judgements by local government officials towards claimants. After looking at the social welfare systems in the various American states, the interviewees were sceptical about the current American system. They were concerned about some of the negative outcomes of welfare reform in the United States since 1996 and said that the current system was too “tight” and too “stringent” towards beneficiaries and claimants, and that this led to the possible exclusion of some poor people in the United States. Even the most pro-US social policy researchers did not agree with the increasingly tough social welfare system in America. In particular, the professor from Beijing Normal University, who cooperated with the Ford Foundation for many years, expressed his impressions of the current American welfare system. He said that, after visiting several social welfare projects and local social welfare administrations in 2008 and 2009, he felt that personal factors have a stronger impact on the payment of benefits than statutory regulations. In his opinion, the American system is becoming harsher towards vulnerable groups and, moreover, the benefits for families and children are becoming more restricted than in the past (Anonymous 1 2011). The scholar from CASS, who has also visited the United States several times, also expressed his criticism of the US system:

I suggest American colleagues consider getting to know more about the Chinese system. The American system is too harsh; for instance, in the federal state of California, it stipulates that one person can only receive minimum living security benefits for three to five years in his/her whole life, and one person can only receive welfare benefits for the maximum of half of a year each time. I argue that in this realm of social assistance the access should be more open and tolerant. While the Americans have tightened up their system for almost all social groups, the Chinese MLSS has relaxed access for elderly people and children. (Anonymous 2 2011)

This statement demonstrates that the Chinese epistemic community does not follow the American model blindly; Chinese scholars have always processed adopted knowledge based on their own analysis and assessment. The Chinese social policy researchers interviewed as part of this study claimed to have learned from Europe and the United States, and to have drawn conclusions from both, with the following outcome: under the influence of European Union (EU) countries, the Chinese social assistance scheme is more universal and inclusive than that of the United States – access for applicants is more open; however, under the US influence, its level of benefits is much lower than that of the European nations and the determination of eligibility is more “federal” and localised than in EU countries.

Summary

This article has explored how global knowledge diffusion has played a role in the establishment and further extension of the MLSS in China, and has described the types of knowledge (norms, values, core beliefs, and social rationalised models) that have spread to China.

This article has verified the essence of the world polity theory, as well as the various diffusion studies in the realm of social policy, as China has built up strong world-society links with Western scientific communities in order to set up a modern social assistance arrangement. However, through in-depth analysis, we find that the macro-determinism developed by the world polity theorists and their bird’s-eye-view approach do not completely apply to the Chinese context. Instead, the self-directed and autonomous policy learning promoted by scholarly and political actors in China has shaped the pattern of diffusion in China. The idea transfer between the transnational community and the Chinese epistemic community has not been driven by exogenous impulsion or pressure; rather, it has been motivated by a national desire to learn from advanced countries and to respond to domestic social dilemmas. The subsequent selection, exegesis, and recombination of ideas from overseas feature a policy transfer which can be classified as receiver-centred learning.

Throughout this process of turning to the world society as a source of advanced knowledge, the Chinese epistemic community has been strongly influenced by Western nations, especially in North America (the United States of America being the most influential)

and by European countries (the United Kingdom being the most influential). Furthermore, the overall framework of the social assistance scheme (MLSS) has also been strongly influenced by the social welfare reform promoted since 1996 by the Democratic Party in the United States. The major US influences on the Chinese scheme are the ideas of “social investment” and the creation of “workfare”-related social assistance. However, the United States’s punitive welfare system has overall been rejected by almost all Chinese scholars. The US model of low levels of social assistance tends to be undermined by the European approach, which favours universal social rights. China is moving increasingly towards an extended welfare state by taking on social theories from Western Europe. Alongside the major policy learning from the United States and Europe, Hong Kong’s social assistance scheme has also inspired Chinese policy-makers to explore a model that consists of various categorical programmes that target diverse social groups and socially vulnerable people. Thus, the welfare ideas of multiple regions have coalesced in China, significantly enriching national discourses on a rational social assistance scheme, and partially affecting the institutional design of the urban MLSS.

References

- Adler, Emanuel, and Peter M. Haas (1992), Conclusion: Epistemic Communities, World Order, and the Creation of a Reflective Research Program, in: *International Organization*, 46, 1, 367–390.
- Anonymous 1 (2011), interview, professor of School of Social Development and Public Policy, Beijing Normal University, Beijing, 17 March.
- Anonymous 2 (2011), interview, the Deputy Director and Research Fellow at the Institute of Sociology, CASS, Beijing, 22 March.
- Anonymous 3 (2011), interview, Deputy Director and Professor of Social Science and Demographic Institute, Renmin University of China, Beijing, 29 March.
- Anonymous 4 (2011), interview, Professor of Sociology Department, Nankai University, Tianjin, 30 March.
- Boli, John (1987), Human Rights or State Expansion? Cross-national Definitions of Constitutional Rights, 1870–1890, in: George M. Thomas, John W. Meyer, Francisco O. Ramirez, and John Boli

- (eds), *Institutional Structure: Constituting State, Society, and the Individual*, Newbury Park: Sage, 133–149.
- Boli, John, and George M. Thomas (1997), World Culture in the World Polity: A Century of International Non-Governmental Organization, in: *American Sociological Review*, 62, 2, 171–190.
- Chow, Wingson (1981), Social Security in Hong Kong, in: John Finbarr Jones (ed.), *The Common Welfare: Hong Kong's Social Security*, Hong Kong: The Chinese University Press, 81–90.
- Deacon, Bob (1997), *Global Social Policy: International Organization and the Future of Welfare*, London, Thousand Oaks, New Delhi: SAGE Publications.
- Dolowitz, David P., and David Marsh (2000), Learning from Abroad: The Role of Policy Transfer in Contemporary Policy Making, in: *Governance*, 13, 1, 5–23.
- Dolowitz, David P., and David Marsh (1996), Who Learns What from Whom: A Review of the Policy Transfer Literature, in: *Political Studies*, 44, 2, 343–357.
- Haas, Peter M. (1990), *Saving the Mediterranean: The Politics of International Environmental Cooperation*, New York: Columbia University Press.
- Han, Keqing, and Yu Guo (2012), “福利依赖”是否存在? —中国城市低保制度的一个实证研究 (“Fuli yilai”i shifou cunzai? — Zhongguo chengshi dibao zhidu de yige shizheng yanjiu, The Myth of Welfare Dependency in China: An Empirical Study on China's Urban Minimum Living-hood Guarantee Scheme), in: 社会学研究 (*Shehuixue Yanjiu, Sociological Studies*), 26, 2, 149–167.
- Leisering, Lutz, and Tao Liu (2010), Globale Wissensdiffusion in der Sozialpolitik. Die Einführung der Arbeitsunfallversicherung in China, in: *Zeitschrift für Sozialreform*, 55, 2, 175–206.
- Lin, Ka (2001), Chinese Perceptions of Scandinavian Social Policy Model, in: *Social Policy & Administration*, 35, 3, 321–340.
- Lin, Yifu (2013), 从“福利依赖”到“工作自救” —美国福利制度改革对中国城市低保制度可持续发展的启示 (Cong “fuli yilai” dao “gongzuo zijiu” — Meiguo fuli zhidu gaige dui Zhongguo chengshi dibao zhidu kechixu fazhan de qishi, From “Welfare” to “Workfare” — A Lesson for China's Urban Minimum Living Standard Security System from the Welfare Reform of the United States), in: 哈尔滨工业大学学报 (*Haerbin Gongye Daxue Xuebao, Journal of Harbin Institute of Technology*), 15, 1, 45–50.

- Liu, Tao (2015), *Globale Wissensdiffusion in der Politik sozialer Sicherung. Die Einführung einer gesetzlichen Unfallversicherung in der Volksrepublik China*, Frankfurt am Main: Lang.
- Liu, Tao (2005), *Die Reform der Alterssicherung in der VR China: Entwicklung und Determinanten*, Diplomarbeit der Universität Bielefeld.
- Liu, Tao, and Li Sun (2015), An Apocalyptic Vision of Ageing in China: Old Age Care for the Largest Elderly Population in the World, in: *Zeitschrift für Gerontologie und Geriatrie*, 48, 4, 354–364.
- Meyer, John W. (2005), *Weltkultur: Wie die westlichen Prinzipien die Welt durchdringen*, Frankfurt am Main: Suhrkamp.
- Meyer, John W. (1980), The World Society and the Authority of the Nation-State, in: Albert Bergesen (ed.), *Studies of the Modern World System*, New York: Academic Press, 109–137.
- Meyer, John W., John Boli, George M. Thomas, and Francisco O. Ramirez (1997), World Society and the Nation-State, in: *American Journal of Sociology*, 103, 1, 144–181.
- Meyer, John W., David J. Frank, Ann Hironaka, Evan Schofer, and Nancy B. Tuma (1997), The Structuring of a World Environmental Regime, 1870–1990, in: *International Organization*, 51, 4, 623–651.
- Meyer, John W., and Brian Rowan (1977), Institutionalized Organizations: Formal Structure as Myth and Ceremony, in: *American Journal of Sociology*, 83, 2, 340–363.
- Orenstein, Mitchell A. (2008), *Privatizing Pensions: The Transnational Campaign for Social Security*, Princeton, NJ: Princeton University Press.
- Orenstein, Mitchell A. (2003), Mapping the Diffusion of Pension Innovation, in: Robert Holzmann, Mitchell A. Orenstein, and Michael Rutkowski (eds), *Pension Reform in Europe: Process and Progress*, Washington, DC: World Bank, 79–110.
- Rogers, Everett M. (1962), *Diffusion of Innovations*, New York: The Free Press of Glencoe.
- Sabatier, Paul A. (1991), Political Science and Public Policy, in: *Political Science and Politics*, 24, 2, 144–156.
- Sabatier, Paul A., and Hank Jenkins-Smith (1999), The Advocacy Coalition Framework: An Assessment, in: Paul A. Sabatier (ed.), *Theories of Political Process*, Boulder, Oxford: Westview Press, 117–166.

- Tang, Jun (2003), 中国城市贫困与反贫困报告 (*Zhongguo chengshi pin-kun yu fanpinkun baogao, Report on Poverty and Anti-Poverty in Urban China*), 北京 (Beijing): 华夏出版社 (Huaxia chubanshe, Huaxia Publishing House).
- World Bank (1994), *Averting the Old Age Crisis: Policies to Protect the Old and Promote Growth*, New York: Oxford University Press for the World.
- Xu, Qian (2014), 积极福利视角下城市居民最低生活保障制度研究 (*Jiji fuli shijiao xia chengshi jumin zuidi shenghuo baozhang zhidu yanjiu, The Investigation of the Urban Minimum Living Standard Scheme from the Angle of the Active Welfare*), Master Thesis, 南京大学硕士论文 (Nanjing daxue shuoshi lunwen, Master Thesis of Nanjing University).
- Zhang Shifei, and Jun Tang (2010), 中国社会政策研究十年：专题报告集 1999—2008 (*Zhongguo shehui zhengce yanjiu shinian: zhuantu baogaoji, Chinese Social Policy Studies 1999—2008, Special Topical Reports: Practice and Exploration on Construction of Social Assistance System in China*), 北京 (Beijing): 社会科学文献出版社 (*Shehui kexue wenxian chubanshe, Social Science Academic Press*).

Contents

Marginalisation and State Intervention in China

Introduction

- Armin MÜLLER
The Margins and the Marginalised: Social Policy,
Labour Migration, and Ethnic Identity in
Contemporary China 3

Research Articles

- **Tao LIU and Li SUN**
**Urban Social Assistance in China: Transnational
Diffusion and National Interpretation** 29
- Armin MÜLLER
Hukou and Health Insurance Coverage for Migrant
Workers 53
- Rumin LUO
The Emergence of Informal Institutions among Inter-
nal Migrants in Urban China 83
- Matthias STEPAN and LU Quan
The Establishment of China's New Type Rural Social
Insurance Pension: A Process Perspective 113
- Ute WALLENBÖCK
Marginalisation at China's Multi-Ethnic Frontier: The
Mongols of Henan Mongolian Autonomous County in
Qinghai Province 149

Research Article

- Wenjie ZHANG
The Evolution of China's Pay Inequality from 1987 to
2012 183

Contributors 219