Relegitimation through New Patterns of Social Security: Neighbourhood Communities as Legitimating Institutions

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Abstract

After the beginning of the 1980s, the economic conversion towards a market economy led to a crisis in the urban social system. The party-state was no longer capable of ensuring, or willing to ensure, social protection by itself. New urban “neighbourhood communities” were supposed to assume these tasks through the far-reaching inclusion of their respective residents. This required an expansion of participation, self-help, and self-organization, i.e. socially and politically active citizens. In recent years, the state has therefore fostered social participation by its citizens in urban areas. Citizens’ social commitment and activities in their neighbourhoods improve the quality of public services and thus their satisfaction with the state.

In this article, the author argues that the Chinese party-state is attempting through this means to pursue the goal of strengthening its legitimacy. The article tries to clarify this intention with an example from a central policy field: the reorganization of social security by means of urban neighbourhoods. The question as to whether or not

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legitimacy is actually spawned by this reorganization cannot be fully answered at this time. The neighbourhood communities and their social security function are still rather recent. Therefore the author’s focus lies much more on the state’s discourse and intention to gain legitimacy, the implementation of its intention, and the initial reactions of the population involved.

For a long time social policy was regarded as one of the great achievements of the Chinese Communist Party (CCP), which in turn legitimized the authority of the party. Unemployment was officially non-existent; at least in urban areas a life-long workplace appeared to be secured for each individual. Alongside health and old-age benefits, since the 1950s urban social services in China have included the provision of subsidized housing, the setting up of children’s day care centres, subventions for articles of daily need, allowances for inflation and a broad range of further bonuses. The various social services were, however, provided by the *danwei*, i.e. the work or living unit. Indisputably, compared to the majority of other developing countries, China achieved a high degree of social security with these measures.

Since the beginning of the 1980s, the economic conversion towards a market economy led to a crisis in the social system, while at the same time making economic protection against risks (e.g. of unemployment, medical or geriatric care) necessary. A non-negligible number of state enterprises were or are faced with financial ruin; on multiple counts they were or are no longer able to pay the expenses for medical and pension services. In the course of reforms of the state enterprises, millions of employees were dismissed. For the majority, this signified the immediate loss of their entire social safety net. The state could not (or would not) assume this task; hence for increasing parts of the urban population social protection is no longer guaranteed. On top of that, unemployment is on the rise due to factory shut-downs and personnel reductions. Between nine and twelve million people who since 1997 have dropped out of the public labour force each year are in need of a new workplace, not to mention the circa ten to twelve million graduates annually.

Unrest among the unemployed labour force regarding dismissals, the break-down of the social safety net, the insolvency of state companies, inadequate settlements, as well as protests against officials who concomitantly profit from government property or misappropriate settlement monies, has increased significantly in many industrial areas in the past