

**The Impact of Market Economy on
Poverty In China: Access on Food and
Health Services**

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PREFACE

Poverty does not include a problem in China during the central planning economy system since several reasons. The first, the government gave employment to all the people through state-owned enterprises and collective enterprises. Its result was they enjoyed economic stability even though their wage was very low. The second was the policy of the equality of wages, so it prevented the people to feel the inequality. The third was a public system of social welfare for urban society through providing urban society basic benefits on social insurances. It included pension insurance and medical treatment, housing, the poverty assistant for poor people who was not supported by other sources. The economic and social institutional policy functioned very well under the economic socialist and planned system. The policies had prevented the poverty in urban society effectively. The good anti-poverty was manifested on the basic aim of the economic and socialist system and the main aim of political and ideological of the Communist Party.

At the early Reformation, the poverty problems more occurred in rural areas rather than in urban areas. Since the middle of 1980s, the rural poverty has been viewed a big problem because in these areas the economic development has not developing yet. But, many regions in the country particularly in coastal regions, has achieved the brilliant economic achievement. So, the strategy of anti-poverty has focused on rural areas. However, since last 1980s, “the battlefield of the Reformation and Open Door Policy has turned from rural areas to urban areas. Or, after the Reformation and Open Door Policy have come in the second stage, the urban poverty has become a big problem. In the middle of 1990s, because of worse situation, the government has accepted the reality gradually that the urban poverty is social problems in big cities. The official terms has also changed. The government has accepted concepts such as the urban poverty, poor household and poverty problems. In the first time, it has taken place at the academic publications and then, at the official documents.

The Study, “The Impact of Market Economy on Poverty In China: Access on Food and Health Services” point out that average economic growth every year of China in the post economic reform are relatively high (10%), however it is accompanied by the rising of degree of poverty in the shame period. Generally speaking, private ownership, privatization of state enterprise, and opening to

the foreign investment, has resulted into the development of cities as center of economic growth mainly in the eastern part of China and also in the capitals of provinces. It goes along with urbanization of population from urban to cities areas or from other undeveloped cities to developed cities. The development of economy, the rising of developed cities, and urbanization has been assumed as causes of urban poverty. However this research is not addressed to measure quantitatively what extent the influence of economic growth into the rising of urban poverty in China. Urban poverty in this study is defined as no access for a certain social community's mainly urban community to health and agricultural product services. Strategy of survival is in the key word to explain how a certain social groups that we construct as poor (urban poor) that is those with no access to the health and agricultural resources, can maintain their life.

The publication of this book was possible by support from our colleagues in China who's given some assistance and information to this research. We would like to thank to Prof. Dr. Zhang Haiyang from School of Ethnology and Sociology, Central University of Nationalities, Ms. Xinna from Mongolian Research Institute of Inner Mongolia University, Dr. Xie Lili and Ms. Meng Wa from Chinese Academic and Social Science (CASS), Li Qiang, M.A. from Department of Sociology, Tsinghua University, Dr. Qingjie Xia from School of Economics, Peking University, Prof. Shi Li from Beijing Normal University. We also thank to Ahammad Helmy Fuady for his language assistance and Dr. Fadjar F. Thufail for comment and critics.

This report has been passed many debates through not only discussions but also seminars, held by Research Center for Regional Resources (PSDR-LIPI). It has been revising base on critic and suggestion that given from many colleagues. We want to say thank to the researchers Rita, Hakam, Erlita, Upik, Rudolf and Cahyo and our administrative staff who gave the assistance and the cooperation to us. We realize that our report have some lack and weakness as well as the limitation. We are really thankful if there are any suggestion and input for our report to make it perfect.

Jakarta, December 31 2008,
The Director of Research Center for Regional Resources
The Indonesia Institute of Science

Dr. Yekti Maunati, MA

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Chapter 1

INTRODUCTION

(Rita Pawestri Setyaningsih)

1.1 Background

Implementation of the market economy has increased economic growth of most regions within China. However, since the 1980s inequalities and disparities in the country grew higher. A factor led to the condition was unequal distribution of foreign direct investment (FDI). Most of FDI in China flew to the eastern part, which therefore the economic growth of the eastern part of China grew more rapidly compare to the inner region, which received only 20% of the total investment (Stockwell 2002: 237).

Indeed, the economic disparities do not only occur between eastern and western region, but also between rural and urban areas and between social stratification within the Chinese society. In 2004, net per capita income for the urban population in China reached 1000 US dollar, while it was only 370 dollar for those who live in rural areas. A survey conducted by a China research institution shows that the gap between the rich and the poor has increased. Similarly, the United Nations for Development Programme (UNDP) shows that the Gini Coefficient index in China had increased from 0.30 in 1982 to 0.40 in 2005. It indicates a higher economic inequality among people in the society. In addition, the Beijing statistical office shows that in 2004 the comparison between the highest income recipient and the lowest one was 5.8:1, higher than the previous year that was 4.7:1.

The income inequality in the urban areas has also become a new phenomenon in China. Previously, poverty was a characteristic of the rural areas. However, since the 1990s, urban poverty occurred and become a focus of attention of the Chinese government, particularly since the 16th congress of the communist party. Moreover, inequalities have widened and relative poverty has increased (Appleton, Song and Xia (2008).

Many internal and external factors have caused the urban poverty. The internal factors are economic restructuring, conflicts and problems in income distribution, lack of incomplete social security system and the effect made by enterprise reform towards the employment and salary of workers (Li and Zheng, 2007). Within the economic restructuring, the price reform in the beginning of the 1990s has increased food prices above the reach of the poor because they did not receive higher income. The social welfare reform which was started since the end of the 1980s has changed the system that give subsidy for the cheap housing, free education and also free health services to the society. Reduction in public expenditures and the caricaturization of the state owned enterprises (SOEs) has also increased rate of unemployment from 6% in 1993 to 12% in 2000 (Giles, Park, dan Zhang 2004; Knight dan Xue 2004). Large quantity of rural migrants in urban areas, urban income disparity and high urban consumption index have also contributed to rise of the urban poverty in China (Li and Zheng, 2007). These factors particularly hit the low income recipients to get access on various living needs. In addition, globalization is also believed as an external factor that increased urban poverty in China (Moser et al., 1993).

However, there is no exact number of the urban poor in China due to different assumption used in the calculating of urban poor. According to the National Bureau of Statistics, based on the urban poverty line of 1500 Yuan per annual income, in 1995 the rate of the poverty incidence

for urban population and households were 4.4% and 3.84%, respectively (Li and Zheng, 2007¹). There was 12.42 million and 3.33 million of urban people and families recognized as absolute poor. The World Bank estimated in 1998 the incident rate of China's urban poverty was 4.7%. However, Xue Jinjun and Weizhong in Li and Zheng (2007), who included the migrants in the urban population, calculated that the urban poverty rate in 1999 reached 7.4%. This number would be different if the urban families with unemployment and urban migrant were also included. Team from the China Academy of Social Sciences found that number of the urban poor people in 13 cities in China in early 2000 has increased 10% compared to that in 1995².

The China government implemented the “Di Bao” program (the minimum living allowance) between 1997 and 2003. The program aims to ensure each individual who was registered³ as an urban population to get minimum income base on local poverty line (O’Keefe, 2004). Therefore there is no more gap between income recipient below the DB line set by the municipal level and local Di Bao line. Although the pilot project was first time implemented in Shanghai, between 1997 and 1999 this policy was further implemented as a national policy and fully implemented nationwide in 1999. Shaohua (2006) found that the program appears to be very good to avoid leakage to the non-poor, but this only gives small impact to the poor. In fact the program did not reach about three quarters of the households with an average below the Di Bao line. It is only

¹ Li Shi (2007) distinguished concept between the low-income group and poor group, and that between urban poverty and township poverty.

² That was because of the increasing of laid-off population, dropped-out, unemployment, retirement and migrants from rural areas to urban areas (Li and Zheng, 2007)

³ “Registered” urban residents are those with an official registration for urban residence (Shaohua et al, 2006). Those who do not have official registration is called non-registered urban residents, who are often recent migrants from rural areas. They the non registered residents usually do not included in the urban poverty alleviated on program implemented by local government

covering one eighth of the aggregate income gap relative to the Di Bao line. Moreover, Appleton, Song and Xia (2008) also found this policy as an ineffective anti-poverty program in reducing urban poverty. They also said that the government in China might be said to have gambled by heavily rely on economic growth to resolve many social problems including poverty reduction.

This study focuses on impact of the market economy on urban poverty in China. Poverty is not merely limited to problem of getting income and consumption, but it is also related to healthcare, education, vulnerability, participation in social and political activities, etc. Sometimes, poverty is related to structural problem which occurred due to the existing structure of the society. This study would like to find out how the Chinese people from various group categories, various income recipients and various ethnics groups in Shaanxi and Inner Mongolia Provinces can access the agricultural products and health services in which their prices and distributions are determined under the market economic system. This research aims to get better understanding on how the unemployed people and those who have no regular income in Hohhot and Xi'an get access to agricultural products and health services provided by the government while considering several measurement factors. Urban poverty in China is a unique phenomenon which created a new pattern of the urban poverty, which is different from the existed patterns explained by the previous studies. This can only be explained through a new pattern of poverty in a transition economic and developing country.

This research is the fourth year research that focuses on the China. The first study (2005) was about the China economic reform, particularly about the development of communism in China. The second (2006) was about impact of the market economy on the development of social classes, particularly about the emergence of the middle class. The third (2007) was about impact of the market economy on Foreign Direct Investment. In this chapter, I would like to explain about background of the research,

research method, several concepts on access, the general overview of Hohhot and Xi'an, and also health autonomy and also Chinese urban people's access to agricultural products.

1.2 Theoretical Framework

There are several definitions on urban poverty. The different definitions and measurement of the urban poverty has created different estimation number of the urban poor. For example, United Nations Development Programme (UNDP) developed the Human Poverty Index (HPI) by using three approaches: the income perspective, the basic need (also called as the food basket or the subsistence minimum) perspective and the capability perspective. The poverty line is also a very famous measure for defining the urban poverty. For example, the World Bank's defines families spending one dollar or less based on Purchasing Power Parity (PPP) as living in poverty. Differently, in Russia, people who have less than the average income are regarded as living below the poverty line. The Chinese government uses minimum living standard approach to measure number of the urban poor, which was in 1999 estimated about 2.6 million in 1999, or 0.6% of the total urban population⁴. In most official occasions, the poverty line used in urban areas refers to the benefit poverty line. In this research, the definition of the urban poor is similar to that given by the Chinese government, but in particular, we also define the urban poor in term of their abilities to get access on agricultural products and health services. Therefore, those who are living above the poverty line, but face difficulties to get access to the products are also defined as the urban poor.

⁴ Actually, there are two types of poverty lines used in China which are used for different purposes. The first is used by academic studies and the second is the benefit poverty lines used by the government for poverty relied work, Such as Minimum Living Allowance Program. However, each Province has its own poverty line, which is different from that in another Province (Yan Hao, 2001).

According to Marxian perspective, access can be defined as a situation that is experienced by social actors or social groups who do not have any resources or opportunities to get them within process of production, for example in producing goods or service products, including health services and agricultural products. Marx called those who do not have such access as a subordinate or proletariat. Meanwhile, those who have the resources, the means and the mode of productions are called as superordinate. Usually, the superordinate can exploit the subordinate. Therefore, as a strategy for survival, the subordinate depends on the superordinate that is included within a system of production.

Poor people, as proletariat, are usually lack of resources. They are lack of material, capital, value, and even lack of social relationship in producing good and services. However, as a human being, they have to keep themselves alive. Problem comes when they cannot fulfil their basic needs or when they can fulfil their needs but not enough to make alive, therefore they face structural barriers, which is called as structural poverty. Theoretically, structural poverty is defined as someone's inability to keep all of their basic rights to develop their live properly.. In order to cope with the structural poverty is by enforcing their basic rights of the poor people. According to Mboeik (2005), the most basic rights of the poor are getting access to food products and health services.

In a market economic system, access is as a matter to what extent consumers or buyers can buy goods and services whose prices are determined by market and not by government. Thus, people who can not afford to buy products and services due to the prices unable to get access to the products. In the market economic system, the determination of what kind of product, how to produce, and how many goods and services will be produced that can maximize the profit belong to the producers' hand, while considering factors that influence the market demand. In this term, private sectors play bigger role than the government. Thus

there are limitations of the government intervention, such as price determination, quota and subsidy. Besides, capital flows and supply of commodities in the market are controlled by price mechanism. This mechanism, therefore, creates competition among economic players; those who have bigger power will win the competition. However, different type of the market, for example monopoly, oligopoly, or perfect competition market, influences the price determination. In short, in the market economic system, the market determines rate of the price of production and the distribution of the products.⁵

In the transition economy, China has not used the full concept of market economy defined by the western experts. All round economic intervention has been turned into selective intervention. A more fair treatment has been given to various enterprises with different ownership by consolidating, respecting and safeguarding enterprises' independent management rights in line with legal system.⁶ Government intervention still plays an important role to reduce the government's role in the future, because a market economy system cannot be established without the government's guidance and support.⁷ However, China has implemented several principles of the market economy; including the price system of 95% of the consumption products and 80% of the production are determined by market (Lü Zheng, 1999, hlm. 292). There are special characteristics of the market economy in China. Therefore concept of the market economy in this research refers to the concept used in China.

This research uses the concept of access in term of structural, cultural, and historical approaches. The structural approach is related to the inability of the social actors to fulfil their basic needs due to the production process which makes them difficult to get access. Within the

⁵ <http://www.uwsp.edu>.

⁶ <http://www.chinadaily.com.cn>.

⁷ <http://www.chinadaily.com.cn>.

cultural approach, access is related to social capital, i.e. social network, which in turn makes them affordable to fulfil their needs. Therefore, those who economically do not have access on goods and services will get the access by having social network that helps them. The historical approach is addresses to find out how the development of the concept of urban poverty in China. It is important to explain the concepts of poverty in both before and the post-reform.

Nan Lin (2001, p. 19) defines social capital as “*investment in social relations with expected returns in the marketplace.*” Whereas Hasbullah (2006) mentioned that generally, social capital consists of norms, trust, network, etc. It refers to potency of a group, individual relationship or groups’ relationship within networks, norms and values which are established by the group itself, which in turn they follow. It also refers to network ties, supporting each other, the using of similar language, norm, and social culture together, and thus they can take the value (Wulf, 2004). *Guanxi*, means connection (Chen and Chen, 2004), is a concept which defines connection and relationship in Chinese society. *Guanxi* is known as a special relationship between two people which is in the long term will set up a mutual relationship. The more *guanxi*, the more connection within the Chinese society we have. Chen and Chen (2004:308) classified three kinds of basic elements which sets up *guanxi*: family kinship, known people (alma mater, colleagues) and foreigners. These three different elements create basic interaction among them which further will create different outcome.

Several studies explained about relationship between social capitals in term of access. Loury (1977), for example, explained about different racial income within labour work and different access they have to get information. Batjargal (2004) defines social capital as a relation network that become an asset for entrepreneurs to get access on information and resources, easiness to do transaction and monitoring cost, to establish

lesson and interpersonal trust and to improve cooperation with someone else. In China, the *quanxi* has contributed to improve the development of small-medium sized enterprises, as entrepreneurs run in the business successfully in establishing trust in giving loan.

We selected both agriculture and health industries as they play more crucial role in providing basic needs for people in the Chinese society. Products of the agricultural industries include *grain*, beans, wheat, eggs, milk, either goat, cow, or soya bean milk, beef, mutton, pork, etc. Whereas products of the health industries include health facilities provided by hospital from various levels, provided medical treatment, either traditional or modern ones, medicine and health insurance.

1.3 Research Method

This is a qualitative research which is conducted by interviews. Locations of the field research were in Xi'an, the capital city of Shaanxi Province, Hohhot, the capital city of Inner Mongolia Special Autonomous region and Beijing, the capital city of the ROC. Hohhot and Xi'an are selected as the capital cities of the two provinces which were in 1998 had high poverty rate⁸ (Hussain, 2003). Although Beijing has the lowest rate of poverty line (0-2%), however Beijing become one of the most attractive destination cities for rural migrant.

We interviewed three main categories of informers, including governmental decision makers, observers and ordinary people. The governmental decision makers include government official, doctors (from general hospital and clinics), and owners of drug store. However, since there was limited time in conducting field research and we could not get deeper information on the regional policy on poverty alleviation thus

⁸ The poverty rate of Inner Mongolia was above average poverty (6-8%), while that of Shaanxi Province had the high to severe poverty rates (more than 8%).

the analysis on it will be biased. Thus, it becomes a weakness of this research. Interview with the government official was conducted with the representative of the labour and social security department of Beijing municipality, especially to get information on health insurance.

Besides, we also interviewed several researchers and experts from the anthropological, sociological, and economics perspectives. The people in the society that we interviewed were from categories of staple food whole sellers, and urban poor people. Those who were categorized as urban poor people were those who do not have regular income, including construction workers, rickshaw drivers, beggars, and the other service provider; and also unemployment.

The secondary data were collected from various resources, including from several libraries in Jakarta, Beijing and Singapore, and from internet. We also conducted *focus group discussion* with several experts who focus on the matter above.

This research is analysed using multidisciplinary approaches including economics, sociology, anthropology and history. Historical approach is used to analyse the government national policy for poverty alleviation, while sociological approach is used to analyse the access of the urban poor people to agricultural product. Economic approach is used to analyse the access of the urban poor people to health service, while Anthropological approach is used to analyse the connection between ethnicity and poverty. The complete description about variables, operational definition, indicators, and resources person can be seen in below table.

Table 1.1 Variables, operational definitions, indicators, and resources person

Variables	Operational definition	Indicators	Resources person
Urban Poverty	Access to agricultural products	Price of the products, availability of the products, easiness to access the products	Staple food seller, vegetable and fruit sellers, representatives of the government, economist observer, sociologist observers, urban poor people,
	Access to healthcare service	Healthcare fee, distance to get the service, quality of the service, time they need	Doctors, pharmacy owners, urban poor, doctors.
History of poverty	History of anti poverty policy in the era of Mao Zedong	Di Bao policy	Secondary data, representative of the government official.
	Market economy	Price system of the agricultural products and healthcare service	Economist observer.
Social network	Kinship as a strategy to cope with poverty		Anthropologist observer and urban community in Beijing

1.4 Field Work Site

Hohhot is the capital city of the special autonomous region of Inner Mongolia. The status of the special autonomous region was acknowledged by the Chinese government in 1954. Hohhot lies on the northern China which is located between Yinshan Mountain and Yellow river. It covers of 17,224 square kilometres and has more than 1.4 million population. Hohhot is not only an administrative region, but also a center

for economic and cultural activities. It has various cultures and 36 ethnic groups. In 2005, of the population there were 87.3% of Han Chinese, 9.6% of Mongol, 1.6% of Hui, 1.2% of Manchu, and the rest was from the ethnic minority, including Korean and Uyghur. Han people in Hohhot constitute descent of Shanxi people who has inhabited there for long time, or from the north-eastern migrant and Hebei Province. They came there particularly after the founding of the PRC.

Since the economic reform and the implementation of the open door policy, Hohhot economy developed rapidly. The eastern part was developed more than the eastern city was stated in 2000. Hohhot becomes one of the tourism destinations in China. Share of the tourism sector contributes significantly to the Hohhot economy. The most popular tourism object was the large amount of the grass land. The main agricultural product of Hohhot is dairy giants Yili and Mengniu.

Hohhot is characterized by the mid-sized of the Chinese industrial city. In recent years, the government has implemented series of initiatives that shown up (brings) Hohhot identity and ethnics minority groups. The administrative region is divided into 4 counties, 4 districts and a county level banner, which is divided into 20 smaller urban sub-districts and 96 townships.

Xi'an is the capital city of Shaanxi province. Geographically, Xi'an is located on the northern China, which contains of 9 districts and 4 counties. It has 10.108 km square dimension, in which 30% of the total area is urban area. In 2006 there were 8.22 million of permanent residents. About 5.4 millions of the residents were urban residents which increased 2.5 times higher than that in 1978. Total of the registered residents was 47.5311 million people or increased by 1.5% compared to that within the previous year. Composition between man and woman is 106:98. The

population density is 814 people per square km. There are more than 10 groups of ethnic groups in Xi'an. However, Hui people dominate the Xi'an society besides the Han people. Besides, there were about 50,000-60,000 of the Moslem people.

The Xi'an's economy is quite stable. In 2006, the Gross Domestic Products (GDP) reached 145 billion Yuan or equal to \$39.2 billion. It constitutes 58 times higher than that in 1978. The GDP of the Lianhu District is the biggest after Yanta, where in 2006 it accounted for 162.64 billion Yuan and 256.14 billion Yuan respectively. Since 2000, the Xi'an's economic growth reached 13%. Share of the tertiary sector (including transportation, storage, post and telecommunication, services, whole sales and retail trade and catering services) was 52.7%, while the secondary sector was 42.4% and the primary sector was 4.9%. The shift of the economic structure happened in 1990, where the secondary sector dominated the economy. The tertiary sector also absorbs bigger number of labor compared to the industrial sector.

Xi'an develops five main industries, those are: high science industry, aeroplane and car (high technology industry), travel/tourism industry, modern service industry, and cultural industry, such as movie and theatre. In term of the education institution providing, Xi'an is the top three after Beijing and Shanghai.

As a camp of the 13th Dynasty, Xi'an as the largest and the best-preserved wall in the world. Xi'an becomes an international famous tourism city. In 2005, there were about 59.879 million domestic tourists and 928.400 overseas tourist visited Xi'an and it created income of RMB 31.68 billion Yuan and US\$ 446 million, respectively. The various tourist destinations in Xi'an become not only potential source income for the government, but also potential employment absorption.

About 87700 of the Xi'an urban population work while 39800 (or 47.5%) of them have no job but re-employed. About 4.3% are unemployment. However, number of the village workers is higher than that of the non agricultural people.

In 2006 Xi'an's per capita income reached 17794 Yuan (\$4809) or increased by 11% from the previous year. The disposable income of the urban population reached 10905 Yuan, much higher than that of the rural population which only 3809 Yuan. The urban people spend their income higher for daily consumption (46.32%) than for food (34.42%). However, in 1995 the spending for food (44.68%) was higher than that for daily consumption (36.16%). Consumption for clothes decreased from 12.67% in 1995 to 8.72%. In contrast the need for housing increased from 6.49% in 1995 to 10.54% in 2006. The average of each family in the urban area has 2.9 family member, less than that in 1995 which accounted for 3.88 orang.

Xi'an produced several kinds of agricultural products, including grain which becomes the main products. In 2006 its production, including corn and wheat reached 58 million tons. Xi'an people's main food consumption are wheat made products, such as noodle, mandao, bread, or porridge. The abundant of the wheat stock is exported to the other regions of China, whereas the rice stock is imported from other regions. The second biggest production is vegetables, which accounted for 57 ton within the same year. The problem is that foundation of the agricultural is still weak that makes it difficult to develop the grain output (Xi'an statistical yearbook, 2007:5). the government budget for developing agricultural sector was 308.1 million Yuan.

In 2006 Xi'an has 5617 health institution from various levels. It included 475 general hospital and health service centers. There are 4 kinds of hospital in Xi'an, those are: general service hospital, hospital served with Chinese medical treatment, mixed service hospital (Chinese therapy

and western) specialized hospital (Xi'an statistical yearbook, 2007:528). While in Xi'an there were 49.9 thousands of health professionals including 18,000 doctors. The number of the doctor was fewer than that in 1995 which numbered unding source of the insurance was socially distributed while that which is managed by community accounted for 296.2 thousands and for the health insurance and medical treatment was 575.8 million Yuan. This included social insurance which accounted for 199.72 million Yuan. The government spend approximately 199,72 million Yuan for the social security program, while for price subsidy was 157,99 million Yuan.

Beijing is the capital city of the ROC (Republic of China) It is located in the north of the Huabei province. With total destination areas of 16,800 square kilometres, in 2000 total number of the population accounted for 13.82 million, which mostly live in the plain areas of Beijing. Among other cities in China, the population density of Beijing is the highest, although the population's growth rate is low. A total of 56 ethnic groups live in Beijing. As the national political and cultural center of the country, Beijing economy is more developed compare to the other regions. In 2000, the Beijing GDP was 246,050 million Yuan and the per capita income of GDP was 22,000 Yuan. The total value imports and exports accounted for 29,62 dollar within the same period. The total of the grain - the biggest agricultural product - output reached 1442 million tons.

According to the statistics, in 2000 there were 6.14 million employees and 4.54 million workers. Of those, 0.75 % was included as the urban unemployment rate⁹ The annual per capita disposable income for urban and town residents was 10,349.7 Yuan. Per capita consumption of all residents on average was 8493.5 Yuan, and for rural residents 3,441.3 Yuan. In terms of health services, there were 6176 health-care institutions. There were 69,000 beds and 103,000 health workers (<http://www.unescap.org/esid/psis/population/database/chinadata/beijing.htm>).

⁹ Calculated from unemployment registration

1.5 Research Outline

This article is organized as follows. Chapter 1 is introduction, which explains about the problem, research method, location and the general information of Hohhot, Xi'an and Beijing, and their economic and social statistic trend. Chapter 2 explains about national policy on the urban poverty alleviation in China. Chapter 3 discusses about the access of the China urban society toward agricultural products. Chapter 4 talks about health autonomy. This chapter mainly discusses about effect of the government autonomy in the health sector including health insurance. Chapter 5 explains about poverty and ethnicity, which drawn the relation between ethnicity and poverty. Chapter 6 is conclusion and closing remarks which will also talk about the problem of the urban poverty in Indonesia and also lesson learn for the problems relevant to Indonesian

Historically, urban poverty became a new phenomena in China due to different economic and social characteristics before and after reform. The full employment policy implemented before reform had ensured everybody to get job, although with relatively low wage. The relatively equal income received by each population had avoided population to feel unequal. As the social welfare was provided for the whole people in the city, there was relatively small inequality among population. Beside, concept of poverty was not so populer to be used. Instead they used facing barrier and hard living. Instead of the success of China in implementing the socialism to achieve social welfare, the socialism economic strategy failed to achieve high economic growth, untill the reform and the open door policy were implemented in 1978. the high economic growth was not accompanied by equality, that made the disparities between regions become wider. Poverty which firstly became characteristic of the rural area was shifted into the problem of urban area, particularly in the middle of the 1990s. Since then, the government has to realize that urban poverty became a seriouse problem in the cities which appeared concept of urban poverty, family living in poverty, and poverty problem.

The tree no of “no income”, “no working ability”, and “no family support” has shifted to various sub groups of “the tradisional Three Nos”, and “the no job or having job with low income”, and “the new urban poor”. The last group constitutes the biggest group of the poor in the recent years. In 2000, it was estimated to be 71% of the total urban poor, which indicated that the urban poverty is very related to the economic reform and transition economy. The chapter 2 will have more discussion about the national policy on the urban poverty within historical perspectives.

Adequate supply of food is very important for the China society in getting access to food products to maintain their life. The quantity of the food supply in the market influences price of the products which in turn influences the quantity of the demand. Therefore, making a good agricultural sector management is very crucial. Moreover, in China, which has four seasons, to plant crops in the winter time is more difficult. In this case, the technology usage in the agricultural sector plantation is an easier and faster way to harvest fruits and vegetable. In addition, the government gives support to farmer trough providing subsidy, reducing taxes, increasing farmers wage, etc. Agricultural reform by accelerating rural land system is also aimed to poverty alleviation, as land is very crucial for the poor farmer survival. The discussion about the agricultural reform and the access of the urban poor to the agricultural products is drawn in the chapter 3.

The other reform implemented in China was reform on healthcare system. This reform covered various aspects, including healthcare, insurance, production and distribution of drugs and medicines, health service given by medical doctor either within hospital, clinics or private individual clinic. The other important aspect of the reform is about health funding for providing the healthcare services. The reform healthcare system has given authorities to each local governmental institution to manage its funding for hospital management including for management of providing health services in its own region. Therefore, the local government do not depend on its funding to the central government any more, as it did

before the reform. As a consequence, the Chinese society has to pay the higher fee for getting medical and healthcare services. This has caused some of groups of the societies face barrier to get access to the medical service.

The healthcare services in Hohhot - which constitutes as the capital city of the special autonomy region of inner Mongolia Province - is not quite different from those given by the non-special autonomy region of Xi'an in Shaanxi Province. Particularly for the migrant group, some of them still face barriers to get access to the medical and healthcare services. In this case, they use social network and social relation to get access to the services. Therefore, social network and social relation are very important to help those- who get difficulties in term of material to get access on healthcare. The detail explanation about this is written in the chapter 3.

The number of rural migrant in cities in China has been estimated to increase since 1978. The gap between urban and rural residents, the unfavourable treatment by the central government for the rural residents, and the three farm problems have driven them to migrate to cities. They utilize the social network based on family relations, kinship relations, geographical and occupation related relations, and newly established occupation-related connections among friends, classmates and fellow workers to get jobs. Previously, dependency, patronage and other kinds of support (e.g. business partnership) were kinds of network that they utilized to upward mobility. Further, village community becomes a good source of information and assistance. Sometimes, active involvement in job agencies and recruitment person in the migrant receiving areas help the new comer migrants as a way to replace role of informal network and help them smoothing in process of initial settlement. In the chapter 5, the writer explained about who urban migrant and the urban community in Beijing are. Then the author explained about the poverty and the discourse internal migration in China, how migrants activate strategies and create ties in order to adapt to their live in the city.

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Chapter 2

ANTI-POVERTY POLICIES IN CHINA

(Saiful Hakam)

2.1 Introduction

There are many patterns of urban poverty in the world. These patterns are connected to economic and social factors. The first is the urban poverty in developing countries. This poverty takes place in cities in Africa, Asia and Latin America. It is because their Gross Domestic Product (GDP) and per capita income are very low. As shown by many researches, there is negative relation between the economic development and the poverty level in developing countries (Pernia, 1994).

The second is the urban poverty in developed countries. Generally, economic wealth does not automatically solve the problem of poverty. It is proved in North America and Europe that suffered high level of poverty. In developed countries, many people are classified as acute urban poor. Even more, this poverty is taking place for generations. In many cases this poverty happened because unequal wealth distribution, the high social gap between the rich and the poor, and low motivation of poor people to improve their life. Also, there are many factors such as social and cultural structures, economic and social policies.

The third is the urban poverty in countries with high growth of economy. The economic growth is a main factor for developing countries to come out from the poverty. However, there is still high level of poverty and social inequality. This poverty is getting worse because the rapid growth of the economic development. The experiences of Latin America and

Asia have shown that many economic and social factors becoming the cause of this poverty. There are some examples of this poverty. The first is the acute inequality on the distribution of the wealth and the high social gap. The second is the speed growth of economy encourages extensive migration of rural labor to move to cities. It creates problems, such as limited working opportunities, the lack of infrastructure in urban area etc. The third is developing countries that experienced more risks of the global economy. It is also the main cause of instability of political and economic situation in these countries.

The fourth is the urban poverty in the countries which was experiencing economic transitions. The countries of the ex-Soviet Union and the countries in the East Europe have been experiencing this poverty at the high level. This poverty has increased in the time of economic transition from the planned economy to the market economy. The economic collapse and the basic changes in economic, social and political situation in the countries, conducted the economic transition, is the main causes of the rise of the extent of the poverty.

According to Xiao,(1997) and Guan (1999), current urban poverty in China is not included in the pattern of the urban poverty as mentioned above. The first and second pattern can only be used to explain the rural poverty in China. Moreover, even though the urban poverty in China includes some shapes of the third and fourth pattern, this poverty can not be explained fully by these patterns. As in developing countries, the urban poverty in China has clearly the same shapes with developing countries. However, at the same time the poverty is also caused by the causal factors with the transition society that has relation with the economic and social transition in the countries of the ex-Soviet Union and East Europe. Different with the fourth pattern of urban poverty in the transition countries that the economy is going collapse, the urban poverty in China increase when the economy grew rapidly. Therefore,

the urban poverty in China is really unique. This poverty can only be explained by a new pattern, the fifth pattern. The fifth is the urban poverty at the economic transition but it is rising. This pattern is better to be explained through some important factors at the economy, political and social relating with the economic transition and the rapid growth of economy.

2.2 The Urban Poverty in China

The urban poverty is an important issue in China, recently. Before the reform era, poverty was not a big problem in urban areas of the country. It was because special economic and social characters on the socialist and planned system. The first character is *the full employment policy*. This policy provided job for most urban labors, both in the state-owned enterprise and the collective enterprises. The result was labours enjoyed a stable condition even though their wage was very low. The second was the policy on the wage equality. This policy prevented people to feel the inequality. The third was a public system of social welfare for urban society. This policy provided urban society with basic benefits on social insurances. It included pension insurance and medical treatment, housing, the poverty assistant for poor people who was not supported by other sources. The economic and social institutional policy functioned very well under the economic socialist and planned system. The policies had prevented the poverty in urban society effectively.

The good anti-poverty was manifested on the basic aim of the economic and socialist system and the main political and ideological aims of the Communist Party. If we see carefully, the aim of economic of the Chinese economic socialist system was to apply the industrialist strategy ambitiously. So it is not surprising that many resources were placed in urban areas. The result was many labors and urban society enjoyed higher

income and wealth benefits rather than rural people. In terms of political and ideological aspiration, the Communist Party wanted to show that the poverty was an evil of the old society that had to be solved in the socialist society led by the Communist Party. Therefore, it is not surprising that many efforts were attempted to obtain the aim. The party and government had attempted in all ways to equalize the industrial strategy with the policy on controlling social inequality and wiping out poverty. Furthermore in official documents poverty terms were never mentioned. The terms were changed by the concept of life's hardships and difficult households.

The socialist strategy was practically successful. It was because the aim of anti inequality and anti poverty was successful enough. However, it should be considered that the strategy of development on the economic and socialist system was not successful. In urban areas the poverty was not viewed as a big problem. However, it should be noted that the income level and living standard of Chinese urban society was very low compared with urban areas in developed countries. To accelerate economic development and to increase the nation welfare and the level of per capita income, the Economic Reform was started in the last 1970s. China had been obtaining the high rapid of economic growth for two decades. This is a result of the Economic Reform and Open Door Policy. The income level of people has also increased highly. However, in other side, social inequality and poverty have become serious problem.

At the early reform, the poverty problems occurred mainly in rural areas rather than in urban areas. Since the mid-1980s, the rural poverty has been viewed as a big problem because in these areas the economic development has not developing yet. But, many regions in the country particularly in coastal regions, has achieved the brilliant economic achievement. So, the strategy of anti-poverty has focused on rural areas. However, since last 1980s, "the battlefield of the Reformation and Open

Door Policy has turned from rural areas to urban areas. Or, after the Reformation and Open Door Policy have come in the second stage, the urban poverty has become a big problem. In the middle of 1990s, because of worse situation, the government has gradually accepted the reality that the urban poverty is social problems in big cities. The official terms has also changed. The government has accepted concepts such as the urban poverty, poor household and poverty problems. In the first time, it took place at the academic publications and then, at the official documents.

Facing complicated problems of the urban poverty, many elements in government have intensified the anti-poverty policy. Indeed, there are some successful actions of anti-poverty policy. However, the government still has many problems, of this poverty, that must be solved. Because so many attentions and resources are focused on this issue, the urban poverty has become the hot issue in the government policy, academic publications and public opinions.

2.3 The Shapes of the Urban Poverty

In the pre-reform era, there were only three 'Nos', namely no income, no working ability and no family support. These Nos were regarded for poor groups. So, they were received government's support and assistance. However, since the reform, the urban poverty has many forms. The poor people have been classified into many sub groups. According to several studies, the population of the poor urban society consists of three sub groups. The first is a group in accordance with the traditional concept, the three Nos. This group is regarded the traditional poor urban society or the traditional urban poverty because at the long time they has been treated as the poor people. Since 1950s, the government has given them the social support and assistance.

The second group consists of people that classified as the poor because they do not have a permanent job. Or, they have a job but the wage is very low. Or, they really depend on a member of the family and it causes the average of household income is lower. People of this group usually experience acute poverty. They exist even at the pre reform period. However, they are not included in the system of social assistance from the government, even though they accept some assistance from the government when their condition is very acute.

The third group is the new poor urban group. They are unemployment or joblessness, fired labors and fired workers, workers with low wage at state owned companies and the collective enterprises and pensioners.

Of these three groups, the first is the traditional urban poor in China. The second is not regarded the poor people till recent years even though they have difficulties of live for a long time. The third is the new poor people in urban areas in China, as a result of the reform on urban economy and the transition from the planned economic to market economic system and from the closed economy to the open economy system. The last group has become the big group in recent years. According to the national statistic, the poor urban society, people who receive the Minimal Living Standard consist of six categories or groups.

Table 2.1 The Sub group beneficiaries of MLS in urban areas 2000 (%)

Workers	Fired	Pensioners	Unemployment	The three nos	Others
15	30	9	17	6	23

Including the disable, the people without permanent job and some students

Source: the Social Assistance Office of the Ministry of Civil Affairs (quoted in Hong and Wang, 2002) (Guan, 1999, 21)

The first column on the table 1 is the new sub poverty urban groups. According to the account they are 71% of urban poor society in 2000. According to other study conducted in Wuhan, a big city in China, it is about two third (2/3) or (64 %) of total population of poor people, according to the definition of the MLS beneficiaries in 1997 (the poverty study team of Wuhan University, 1999). The statistic shows that the problem of urban poverty in large extent can be related to the economic Reformation and transition process.

2.4 The Explanation for Urban Poverty

The urban poverty is more difficult to be revealed than the rural poverty. The urban poverty in china has several characteristics. The characteristics can be summarized in a working transitional pattern. The pattern includes the development of problems of urban poverty and the background of a working transition in relation with economic and social factors.

In the basic level it is clear that urban poverty in China at the present time is caused by the high level of unemployment and the increasing income inequality. Many study showed that most of poor household become very poor because the head of household or husbands are jobless or they have a low income. There are two kinds of unemployment in urban economy in China. The first is the registered unemployment including employee who is fired by boss. They then register themselves to a governmental office for unemployment affairs. Some of them get benefit of official program of the unemployment insurance. The official unemployment level of this kind is very low, about 3% in 1990s. However, there is 'a kind of other unemployment' that is workers who half fired or not full fired. It means that even though workers are fired but they are still member of the company or enterprise. So, they can obtain some subsidy and other social benefits from their boss. According to official

source, National Statistical Bureau in 2000, the total amount of fired workers was 6.5 million in 1999. Till 1999, according to some researchers, the total amount of fired workers was about 20 million in which 7 million workers could not return to work. The actual number of fired workers might be under the official statistical calculation because many workers had not been registered to the service center for jobs and employments. Or, many workers have not been registered yet officially. Because of complex and floating condition, there is no accurate official statistic. Even, there is no academic calculation about the actual national level of the firing. However, by putting two kinds of unemployment equally, the unregistered level of urban society is actually about 5-8% in the last years.

In middle level, the increasing of unemployment and inequality income has been viewed as a result of the economic changes. The change is on the economic development focusing on exports or outside, change of urban industrial and economic relations between urban and rural.

The change of economic system has important impacts on urban poverty. The important changes is on employment policies directing to market economy in which all workers is not guaranteed in obtaining employment. The government has no responsibility to give employments anymore. In the pre reform era, state owned corporations had to conduct social tasks such as providing jobs and prosperities for their workers. The government gave financial assistances for the corporations. However, because the Reformation the corporations has been treated or regarded as a free enterprise. The government also has not given financial assistances for the corporations but he has given permissions for them to fire workers to improve their performance in the market.

The increase of foreign investments and the high percentage of international trade have contributed for the rapid economic development

as a whole and the raise of per capita income of urban society. However, these developments also have role in the increasing inequality of income and urban poverty. It is because the support in increasing foreign investments and exports are through the low workers wage. It means that the workers wages and prosperities tending to be restrained.

The presence of relocation of traditional industries, moving out from industrial metropolitan areas, the development of industries in rural areas and many rural labors coming to cities to find jobs, led the urban workers to face hard competition in finding jobs because the high number of people that looking for jobs. The real result is so many urban workers lost their job.

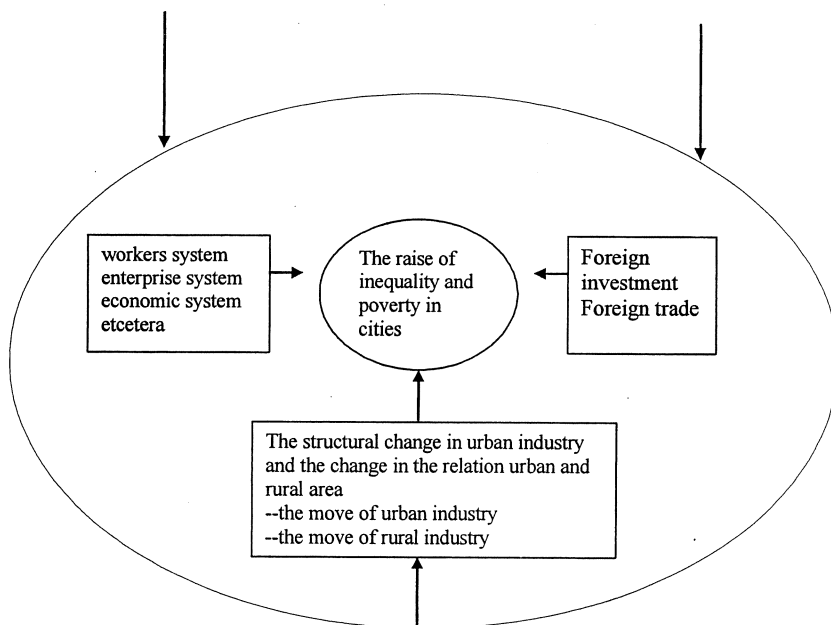
In macro level, the general situation of market transition and globalization has shaped the fundamental background in increasing inequality and urban poverty in China. Because of economic transition to market economy and Open Door Policy, many urban entrepreneurs have faced the hard competition from two sides: foreign investors and new industries in rural areas. Some inefficient enterprises particularly state owned corporations and collective enterprises collapsed and bankrupted. Facing hard market competition and avoiding the bankrupt, some of the enterprises or corporations have increased efficiencies. They also have reinforced the competitive power by reducing the labor wage. They could do it because there are so many workers in China. So, many urban workers lost their job. If the fired workers are included, the unemployment level is greater in the national unemployment level that is 47% in the last 2000. Look at table 1.

The urban poverty is caused by the economic transition and economic development which is unfair in distribution. The characteristic can be viewed clearly in negative correlation between the variable of poverty level and economic development. If a national unity measure was applied,

an inequality shape would be appeared. The regional inequality and poverty level are greater in some regions which have not developed yet. These conditions are also caused by globalization. This is an economic explanation of urban poverty in China according to Xiping Guan. (Guan, 1999. 26)

Picture 2.1 Economic Explanation of Urban Poverty in China According to Xiping Guan.

Economic Relation Market Transition Open Door Policy Globalization



Transition of Economic Structure

Source (Guan, 1999, 26)

The poverty and difficult problems in poor urban society were also caused and aggravated by some changes in social policies. The social security system in urban area found in 1950s had played important role preventing poor urban society fall down in the very acute poverty in relation with low per capita income. But, after Reformation the level of the social security has much changed. In short, the collapse of the social security has also placed the urban poverty in a more tragic condition. Many changes have happened in the social policies. These are in social insurance, social assistance, health care, education, housing and social service.

1. Minimum Living Standard Assistance. In 1950s, the quota system was applied for basic goods to standard of living in urban area. These were food, clothes, oil and etcetera. This system was to guarantee and to fulfil all of the basic requirements for urban society in the short time and particularly to confirm that a household with low income could fulfil the basic requirement in other hand. After the Reformation, this quota system and the government control on prices are wiped out. All of the basic goods at the present are sold according to market prices. While wealth urban society has enjoyed the supply of goods in market, urban poor society worry about the high or expensive prices of basic goods. Some issues are the big problem for the poor. These are electricity cost, water, room warmer and etcetera in which in pre Reformation there were subsidy for these items. But, now all of these items are discharged according to market prices. So, many cases have showed that urban poor society can not hold or get some of the basic requirements.
2. Pension. In pre-Reformation there was a stable pension system in national level for state workers. In this system, the government and the state owned corporations had responsibilities to provide pension for their workers. After Reformation the old pension system has changed by social insurance. This insurance is funded by both

workers and employer. For some enterprises especially the developing enterprises such additional costs causing problems or difficulties for their business. Some workers try to avoid the responsibilities to pay this insurance. So, they do not benefits of this insurance in the future (Zhang, 2000).

3. Medical Care. In Pre-Reformation there was a public system of medical care in urban areas. This system was funded by public budget. This system provided medical service with low cost for urban society. In the same time, state workers and government staff have free charge on medical care. However, since the Reform era, the medical care service has become very commercial. The medical costs have increased drastically. The result is people with low income have no ability to get medical cares and medicines. Moreover, most of poor people have no medical insurance. Besides, because many local governments do not applied insurance program made by the central government in 1998, many workers in cities do not obtain the medical reimburse. They have to pay their medical costs themselves. In this condition, the medical costs are a crucial factor causing acute poverty in household with low income.
4. Education. The same change has occurred on education system in urban area even though the level is not as expensive as on medical costs. The first is the free access to high education is erased. Today, students have to pay tuition fee at least thousands Yuan per year. The second, even though basic and middle educations are still public institutions and the cost of these educations is low under government rule, actually the education costs in every household have increased. According to survey in three big cities, it has increased rapidly (Yang, 2002). In the same time, in some cities some of the best schools have changed to the private institution and of course the cost is very expensive.

5. **Housing.** In Pre Reformation there was a welfare housing system in urban area. The government gives houses to state workers. Because the Reformation on housing started in 1980s, this system has been changed to a commercial housing system. The urban society has to buy houses in property market. The price of the house in this market is still expensive even though many workers have accepted subsidies from their employer. In big cities, the poor people can not afford to buy houses because the price is so expensive. Indeed, the government has provided a rented housing system for the urban poor people as a part of the Reformation. But, this system is not really successful because there are few participants in it.
6. **Social Assistancess.** In relation with the increasing problems on poverty in big cities, the government has rebuilt the social assistance system. The government has also changed the traditional program with the Standard Living Minimum Program. It is the only program that has widened even though there are some problems in the development.

2.5 The Basic Change on Philosophy and the Aim of Welfare System

The change is not only happened in important arrangement but also it is made in the basic philosophy and the public aim of the welfare development. This change can be summarized in this table. (Guan, 1999, 29)

Table 2.2 The Changes on Philosophy and Aim of Social Programs Since the Reformation

	Traditional	After Reformation
Basic Philosophy	To attain “socialist ideology in which the priority on economic efficiency in the second place	Social and equality are the main aim.
Basic Aim and Economy	to increase work motivation by providing the decrease on the wages and good social services	Social welfare for economy that more efficient.
Basic Aim	To keep the social justice by giving social assistance to the poor.	To improve the quality of life by high people selectively public budget.

In short, the main task of the Chinese government in recent social policies in turn is particularly provide “saving net” for people in order to avoid social conflict when the government cuts public budget to strengthen economic power. (Guan, 1999, 29)

2.6 The Anti Poverty Programs in China

In urban area in China, the strategy for anti poverty consists of solid approach. These are increasing per capita income and creating many job opportunities through the high of the economic growth, assisting urban poor people taking new chances through more training programs and providing many social securities for poor urban people and etcetera.

Because the urban poverty and anti urban poverty programs are a new topic for the government and intellectuals in China, there is no a long term and well-planned strategy of anti poverty yet. However, several programs have been conducted specially in urban area in 1990s. The

programs have been reinforced in later years. The programs focus on the assisting for seeking jobs and social insurance.

The Service for Seeking Jobs. Even though the government has removed the old policy of assisting all urban workers to get job in 1980s, the government still has a policy to assist urban workers especially fired workers. The government has provided job information service center for job seeker. There are many programs are working in cities. These are creating many jobs chances in urban area and encouraging investments inside it, providing training programs for fired workers, encouraging fired workers to works on informal sector and private entrepreneur and etcetera. However, the results are low especially on training programs for fired workers.

The Three Security Lines. This program is conducted to solve urban poverty. Three important programs of it are jobless insurance, living cost for fired workers and Minimum Living Standard. The first is Insurance for Unemployed Person. This program is initiated in 1980s. This program is created to give benefits for registered unemployed person on the basis of contribution from employee and employer. Once the employee registered in the office of social insurance, they get benefit of unemployment because they are fired started form 3 till 24 months. It depends on the year amount in which the insurance claim has been paid. However, because urban people who lost their job choose not to register in the office, the official unemployment number is very low.

Living Cost for Unemployed People. This is a provisional benefit for fired workers particularly in state owned corporations. After fired, most of workers join in the service center on jobs opportunity. This office has assisted giving information about employments, training, and basic living cost. But, because enterprises are required to share paying living cost, some of enterprise which the condition is no good enough is impossible

to contribute for the service center. In short, they fail to give for all fired workers the living cost. According to the official statistic about 95 % of fired workers who has registered to that service center have been accepted on average 323 Yuan per month in the middle of 2000.

Minimum Living Standard. Because the old urban assistance program is not related with the raise of poverty problems and the program has small scope, the Minimum Living Standard program is made to change it. In addition, the old social assistance program only included "The three Nos, this new system gives cash money for all registered household whose per capita income is too far under the line standard. Started in big cities like Shanghai in the early 1990an, this program is shaped in 668 cities before last 1999. This is the most stable program and attains direct target, for the urban poor. However, because the program is supported financially by local government, the scope is very small. It is because local government has difficulties and most of urban people do not received the program. In 2000, total amount of beneficiary of this program in all cities in China is about 2.82 million. In 2001, because of the strong participation of the central government and province government, the total amount of the beneficiaries experienced rapid increase. Till last October 2001, the amount of beneficiaries is 7.15 million. This amount perhaps attains 11.89 billion in the last 2001. In the first ten months in 2000, the expending of the government for Minimum Living Standard is 3.2 million Yuan. (The calculation in this paragraph is taken from the social assistance in the ministry of civil affairs, 2001; Hong Kong and Wang, 2002. In recent years, an average on Minimum Living Standard is 146 Yuan per capita. In the first ten month in 2001 the revenue per month in the national is only 66 per capita (the Social Assistance in the Ministry of Civil Affairs, 2001). Moreover, there is no plan that is proposed to increase the Minimum Living Standard in cities in China.

2.7 Conclusion

Based on the changes, there are several tendencies that can be summarized as follows. First, the market principle has been introduced largely. In this principle there is little role of government on welfare. In every aspect, except social assistance, certain the level of this market oriented approach has been applied. Also, to some extent welfare principles had collapse. The tendency is clear for health insurance, medical care, housing, education, and other private and public services. Traditionally, these public services have changed to different level of commercial services or semi- commercial. The second is the government has destroyed social welfare system. Since Reformation Era, the government has not taken responsibility on welfare services. The government has reformed the social securities and the welfare system. Indeed, the Reformation of this kind of services is to achieve the economic efficiency. But, the Reformation has deteriorated the urban poor people because they have difficulties to pay the services. The third is in relation with the change from universal model to selective model in the welfare system. Instead of pursuing universal model, the governmental program of welfare has changed to selective model. In this model the government directly looks for poor people. When the government has introduced the anti poverty programs like the Minimum Living Standard, the government has made the great changes of the old rule for ordinary urban people. A more direct social security system is better to solve the recent poverty problem in an efficient way. But, this system is less good in creating a broadly and largely social security system.

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Chapter 3

HEALTH CARE REFORMS AND ACCESS TO HEALTH CARE

(Upik Sarjiati)

3.1 Introduction

Economic reform in China that changed planned economy to market economy began since 1978 in various sectors. One of the sectors that were reformed is health sector including health care system, insurance, production and distribution of medicines. The term “health care system” refers to a country’s system in delivering services for the prevention and treatment of disease and promoting physical and mental well-being. Particular interest to a health care system is how medical care is organized, financed, and delivered. The organization of care refers to such issues as who gives care (for example, primary care physicians, specialist physicians, nurses, and alternative practitioners) and whether they are practicing as individuals, in small groups, in large groups, or in massive corporate organizations. The financing of care involves who pays for medical services (for example, self-pay, private insurance, Medicare, or Medicaid) and how much money is spent on medical care. The delivery of care refers to how and where medical services are provided (for example, in hospitals, doctors’ offices, or various types of outpatient clinics; and in rural, urban, or suburban locations).¹⁰

¹⁰ US History Encyclopedia, “Health Care”. Website: <http://www.answers.com/topic/health-care>. (Accessing on August 8, 2008).

Since the economic reform, there was changing in who are responsible for provide health care service. Health care service was not provided by central government but provided by local government. The local government has responsibility for financing and managing the hospital. It makes the health care services are not free anymore but the community have to pay to get them. This chapter explains about the health care system in China and how the urban poor access the health care service in Xian City in Shaanxi Province and Huhhot City in Inner Mongolia Autonomous Region (IMAR).

3.2. Healthcare system before 1978

Before 1978, health care system in China was managed by a centralistic government. Private sector did not have a role in providing health care service. At the time, the health care system was comprehensive and effective. By economic reform, commune system health care was provided by three-tier system, and it was financed and administered locally.¹¹ The first tier consists of part-time bare foot doctor who provided preventive and primary care. For more serious illness, they would refer the patients to commune health centers that might have ten to thirty beds and outpatient clinic staffed by junior doctor and serving ten to twenty five thousand people. Patients with more serious illness were refereed by the commune health center to the third tier, the county hospital staffed by senior doctor. Under thus system, people in rural and urban could access the health service at a low price. The health care service was delivered as part of social welfare system.¹² China health care system before economic reform was effective. It was indicated by improvement

¹¹ Chow, Gregory C, 2004. "Economic Reform and Growth in China". *Annals of Economic and Finance* 5. 127-152

¹² Akin, John S.et.al, 2005. "Changes in Access to Health Care in China, 1989-1997". *Health Policy and Planning*. 20(2). 80-89

of nutrition and by the increase of life expectancy from 35 year old (1950) to 68 years old (1986).¹³

In urban areas, people get health insurance from the government. There are two kinds of important insurance. The first is the Government Insurance Scheme (GIS). It was given to government official, retirees, disabled veterans, lectures and students. The second is Labor Insurance Scheme (LIS). It covered state enterprises' employees, retirees and their dependents. Both of the insurance were financed by government budgets.¹⁴ Only state enterprises with more than 100 employees (the enterprise is managed by central government or province government) were required to participate in the LIS; smaller state enterprises and industries owned by district or street (county or town) government could provide the LIS voluntarily. The LIS and GIS provide a comprehensive health care benefits. Beneficiaries received free outpatients and inpatients services. Dependents of the LIS beneficiaries were reimbursed 50% for their health and prescription drug expenditure, and there was no financial limitation for available services regardless of expense.¹⁵ Employees who worked in small collective enterprise also got the health insurance but not their dependents. The employees had to pay for their medical expenses first and obtain reimbursement later. During the planned economy period, China's health system had made great achievements and there were much experience to learn:

¹³ Yu Wei, 1998. "Conflict Between Social Desire and Individual Responsibility: Issues in Financing China's Urban Health Insurance Reform". EAI Working Paper No. 12.

¹⁴ Weizhen, Dong, 2001. "Health care Reform in Urban China". Working Paper 2001/2. Comparative Program of Health Studies at the University of Toronto. Website: Health care reform in Urban China: http://www.utoronto.ca/cphs/WORKINGPAPERS/CPHS2001_Weizhen_Dong.pdf

¹⁵ *ibid*

- a. China's health system had made great achievements during the planned economy period.

Through over 20 year of development after the founding of the People's Republic of China, relatively complete health service including medical treatment, prevention, healthcare, recovery, teaching and research had been into formation. In urban areas, a three-tiered medical service system of city, district-level hospital and street outpatient service and related epidemic prevention had been into formation. In rural areas, a three-tier hospital prevention and healthcare network integrating prevention, medical treatment and healthcare had been into formation with country-level hospital as the main units, township health centers as the core units and village clinics as the foundation units. The accessibility of health service had greatly increased.

- b. Reasonable selection of health intervention

In the general medical field, behavior of hospitals and patients were well controlled and standardized through setting public welfare objective of the related medical service organs, controlling medical service provision capacity and other related institutional arrangement to enable the emphasis of the medical intervention on the treatment of common disease and frequently occurring diseases with good cost effectiveness.

- c. Widely covered social medical security system had been established.

In planned economy period, medical security system was well developed. In urban areas, medical treatment and labor medical security system almost covered all laborers. In rural areas, health system covered almost 90 % of rural people. At the system the health service giving people in China including the medical equipment financed by government. In this system, transfer payment worked effectively.

3.3 Healthcare Reform in China

In 1978 economic reform occurred in China by reformed the agriculture sector. Commune system was changed to Household Responsibility System, which therefore Chinese people did not live together in communes anymore. In line with dismissal of the communes in rural areas, the health systems that were managed by commune no longer exist. Barefoot doctor began undertake the private practice to get the income.¹⁶ In order to tackle the new challenges, the Ministry of Health developed a set of health reform measures for national implementation, which were approved by Chinese State Council in 1985. The key objectives of these measures were:¹⁷

1. Decentralized the management responsibilities and regional development
2. Expanded the existing facilities while introducing a range of financial incentive to medical staff for improving productivity.
3. Encouraged the development of private practitioners and family patients' beds (i.e beds in domestic settings where patients are treated by health professionals).
4. Built the city hospital to support rural and smaller hospital through staff exchanges.
5. Formed a health legislation system.
6. Reformed the existing health insurance system.

¹⁶ Chow, Gregory C, 2004. "Economic Reform and Growth in China". *Annals of Economic and Finance* 5. 127-152

¹⁷ Weizhen, Dong, 2001. "Health care Reform in Urban China". Working Paper 2001/2. Comparative Program on Health Studies at the University of Toronto. Website: Health care reform in Urban China: http://www.utoronto.ca/cphs/WORKINGPAPERS/CPHS2001_Weizhen_Dong.pdf

The important matter that influenced the health sector after economic reformed was financing aspect. Before economic reform all health services including the wage of employees and hospital facilities were financed by the central government without considering the hospital's profits. After the economic reform, the public health service is responsible of local government including its financing. According Weizhen (2001) there are three changes of the healthcare financing:

1. The Chinese Government provided limited fund for health care. It covered only basic personnel wages and new capital investments, which were about the 25-30% of hospital expenditure.
2. The Chinese Government gave freedom for the hospital and the health centers a large degree to manage their finance.
3. The Chinese Government allowed private ownership of health facilities and private clinics. Beside that, the government also allowed the hospital management to charge higher fees than public hospitals.

GIS and LIS had been effective to give equal access to health care in urban areas, but both of them also had weaknesses. The main weakness was inefficiency in allocation health resource and health care provision. Another problem was lacking risk pooling across enterprises or across local governments because they had their own insurance. If an enterprise was running deficit, the enterprise could not reimburse the medical cost of labors. Because of that, the Chinese government carried out a series of reforms in urban employee health insurance system.

3.3.1 Reform on Cost Sharing (1980-1991).

The first health care reform in 1980-1991 focused on cost containment of health service that it will be reimbursed by cost sharing at demand and supply sides. From 1985 to 1991, the focus was turned to the control of provider especially economic incentive for hospital. Supply side of cost sharing carried out by determining the health service fixed cost and recognizing pre payment cost of the health service. It will decrease the financial risk if there is any shortage of the cost to pay. Another supply side reform was to define limited pharmaceuticals for which GIS beneficiaries would be reimbursed.

The health service cost was defined by government below the actual cost to allow the poor people to access basic health care. When the government withdrew support to health provider, as a survival strategy, the providers increased revenue to cover the expenses or the actual cost. The providers increased using the high technology of medical equipment, defined the high price and increased revenue from the drug prescription. The healthcare system reform allowed the hospital to use the profit that they got to finance the hospital operational. The hospital productivity influenced the profit that they got so it encouraged the hospital to improve their services. The market system increased the quality and quantity of the health care service effectively in China.¹⁸

3.3.2 Reform on Health Insurance System since 1992

Health insurance system reform was carried out since 1992 by socialized a new insurance financing mechanism. The mechanism was combination of individual and the government saving account. The employees pay

¹⁸ Yu Wei, 1998. "Conflict Between Social Desire and Individual Responsibility: Issues in Financing China's Urban Health Insurance Reform". EAI Working Paper No. 12.,

the insurance premium about 5 percent of their income yearly. It aimed to give the employee awareness in accessing the health care. In the early stage, this program was begun at four cities as the pilot project; there were Shenzhen, Guangdong in 1992 and it then continued in Jiujiang, Jiangxi Province and in Zhenjiang, Jiangsu Province in 1994.¹⁹

The employee insurance reform encouraged development of new employee insurance financing. The system is cooperation between the companies and the joint venture company to provide their insurance for their employees. The companies also cooperate with the hospital as the provider of the health service for their employee directly. The hospitals have been allowed to manage the GIS fund such as at Luwan District at Shanghai since 1988. It decreased the per capita GIS expenditure from 30% at 1987 to 9.88 % in 1990.²⁰

3.3.3 Reform on the employee health protection since 1996

In the early 1996, the State Commission for Economic Restructuring, the Ministry of Finance, and the Ministry of Health cooperated to arrange the document about “Opinion Expanding the Number of Pilot Cities for Reform of the Employee Health Protection System”. The policy implemented in several areas in China covered 50 cities at 27 provinces. The healthcare reform was held successfully in Jiujiang city and Zhejiang city so it became the pilot project for others areas.²¹ Although the policy was implemented at 50 cities followed the model at Jiujiang Zhenjiang but the implementation depends on the financing mechanism in each area.

¹⁹ Weizhen, Dong, 2001. “Health care Reform in Urban China”. Working Paper 2001/2. Comparative Program on Health Studies at the University of Toronto. Website: Health care reform in Urban China: http://www.utoronto.ca/cphs/WORKINGPAPERS/CPHS2001_Weizhen_Dong.pdf

²⁰ *ibid.*

²¹ Io, LO Vai, 2001. “Health Care Reform in China”, EAI Working Paper No. 79,

On December 14, 1998, the State Council declared “Decision Concerning the Establishment of Medical Insurance System for Urban Staff and Worker”.²² Based on the announcement, a basic medical insurance program is used by all companies, institutions and government institutions at whole areas. Implementation of this program is held by local government in the county level.

3.4 The Financing of the Health Service for the uninsured population

It is not all of Chinese people have health insurance. In 1993, GIS and LIS only covered 9% and 40 % of the urban population or 2.5% and 11.7% of the total population. More than half of Chinese residents are not covered by health insurance so that they have to pay the cost of the medical treatment. This group consists of informal workers, entrepreneurs and migrant workers.

Migration of workers from rural to urban areas becomes a phenomenon in China. The increase of worker who move to urban areas is influenced by the relaxation of the *Hukou* System that ease people migrate from rural to urban area.²³ The relaxation of the migration policy aims to decrease poverty in rural areas and also to decrease disparity between rural and urban areas. People were allowed to move temporary or permanently from one area to other area. The migrant workers usually work at informal sector such as construction worker, street vendor, service seller and etc.

²² *ibid*

²³ Hukou is a system that regulate Chinese people to live in certain region and in line with the social economic right that Chinese people own as the inhabitant in certain region. The hukou system was implemented since 1950s, addressing resource distribution, controlling the migration and monitoring migration of people from rural to urban area. In 1984, relaxation of hukou system was implemented to ease the movement of people from rural area to urban area, so that the lack of the labor in urban areas can be fulfilled by rural labor.

The migrant workers in urban area need attention from the government. They work temporary or permanently in urban depend on their work in urban area. This group does not get aid from the local government of the destination place. To get the social security, they have to own *hukou* in their destination place, so that they have to release their rights in their previous place. Other requirements depend on local governments; each area has their own mechanism. For example, local government of Beijing defines the requirements to get the social security as follows; they are elder (more than 50 years old for women and more than 60 years old for man), does not has employment and does not has pension subsidy from a company. Other people who have the right to get health insurance are children under working age, people that have not get employment yet and disable people.²⁴

Until now, the local government of Beijing does not give health insurance for the resident who does not have *hukou* including the migrant worker. It creates difficulty for the migrant people to access the health care because they have to return to their home for a cheaper health care.

3.5 Poor People Access to Healthcare: Case studies Huhhot City in Inner Mongolia Province and Xi'an city in Shaanxi Province

The healthcare reform influences people in accessing the health care in China. Access to health care is related to how the people get the health care services, which is influenced by many factors such as cost of health care service and cost of medical treatment, distance to get healthcare service, quality of health care service and time to get health care service. Different with Mao period, when the health care service was provided free by the central government, since the reform people have to pay to get the healthcare service. National health care survey indicated that 38% of the Chinese did take medical treatment when they were sick and

²⁴ The interview of Labor and Population Staff in Beijing on

70% Chinese hesitated to get treatment in hospital because the high medical cost.²⁵

3.5.1 Case Studies in Huhhot city, Inner Mongolia Autonomous Region (IMAR)

Inner Mongolia Autonomous Region (IMAR) as an autonom region has special rights to manage its region. Special autonomy was given to IMAR because this area is settled by minority group which number larger than other areas. In 2005, there were 87.3% of Han Chinese, 9.6% of Mongol, 1.6% of Hui, 1.2% of Manchu, and the rest was from the ethnic minority, including Korean and Uyghur.

Urban poverty becomes a phenomenon because of increasing urban poor and changing group of urban poor. Leung and Wong (1999) explained that the urban poor consist of retired employees, unemployment and migrants from suburban areas.²⁶ Huhot, as one of the big city in Inner Mongolia, is a destination for migrant worker who mainly come from rural areas. In 1999, poverty rate was 23 % while migrant poverty rate reached 28.7.²⁷ The numbers indicated that the poverty rate in Huhhot is partly migrants. The migrant workers did not get the social security from local government including insurance health because they did not have the *hukou*. Like the other areas, the local government of Inner Mongolia Autonomous Region (IMAR) provides the health facilities to local residents. As an autonomy region since 1947, IMAR managed its region appropriately with its own capacity and source of financing.

²⁵ WHO Representative in China dan Social Development Department of China State Council Development Research Center, 2005. "China: Health, Poverty and Economic Development". Beijing

²⁶ Guo, Chen, Urban Poverty in Socialist Country: Myth and Realities, Changing Urban Landscape in Transitional China since the 1970s, Department of Geography, Pennsylvania State University.

²⁷ *ibid*

Table 3.1 Health Institution, Bed and Health Employed Personnel

Items	Number
Hospital	474
Health Center	1346
Clinics	5101
Center for Disease Control and Prevention	140
Maternity and Child Care Center	113
Total Beds	69753
Employed Personnel	120575

Source: China Statistical Yearbook 2007

Even though the government provides social security services, including the health care, for poor people but part of the inhabitants cannot get benefit from the support maximally. It is also said by a migrant worker working in construction in Huhot. He comes from Sichuan Province and work at Huhhot temporary depends on job he got. The construction worker who was interviewed does not have health insurance from his company because he works at informal sector and he often changes his job. He also does not have health insurance from local government because he is a migrant and does not have *hukou* in Huhot; *hukou* is a requirement to get social security including health insurance is provide by local government.

His income achieves 1000 Yuan monthly and it is sent to his family at Sichuan. He confessed that he was never sick and never went to hospital to general check up. When he suffered serious illness he would returned to his hometown to get medical treatment at lower cost. He could get 30% concession of total medical cost because he has health insurance at

his hometown. He cannot use the insurance in other regions, such as Huhhot. The health insurance is used only at the region of the owners according their *hukou*. He also admitted that he will go to hospital or another health center if he suffers serious illness and he had to pay medical cost about 100 Yuan; a large amount for him.

To get medical treatment at lower cost he went through long distance from Huhot to Sichuan. Not only the long distance but also his illness had to be concerned. If he did not get medical treatment as soon possible his illness becomes more serious and it will danger himself. He also need to pay transportation cost when he back to hometown to get medical treatment. So, the expenditure to get medical treatment that he paid is higher than the Huhot residents paid.

The case above also was experienced by a beggar from Gansu Province. Actually, he is poor farmer seeking money in Huhot because the income that he got was not enough to finance his family daily needs. He told that although he is very poor, he never get cash money as subsidy the Chinese government. He told that he never sick and if he was sick, he did not go to hospital and just went to drugstore to buy some medicine. He spent 7-8 Yuan to buy medicine; this amount is cheap relatively. He went to hospital if his sick was serious. He would go to hospital in his hometown because he would get the discount for the health cost service until 30%. In Huhot he had to pay about 200 Yuan for medical treatment; he said that the cost was very expensive for him because his income is just 600 Yuan monthly.²⁸

Several of informants did not aware with their illness and they would only go to hospital or other health center to get medical treatment if their illness were serious. They went to drugstore to get some medicine

²⁸ Interview with the beggar 70 years old from Gansu Province on June 21, 2008 at Huhot City, IMAR Province.

at low price. They told that they did that to save money. Western medicine was often chosen by the poor because it is cheaper than traditional Chinese medicine. For example, the price for a kind of medicine for headache is 1.5 Yuan for one pack that content of 20 pills.²⁹ Beside that, the western medicine is consumed more practically and gives the healing quickly. While the traditional Chinese medicine use many natural substances. It is not practical and has to be consumed continually.

Since the health reform was carried out, a hospital could be managed independently, including seeking benefit from their business. The hospital give discount for the medical treatment cost for the poor who cannot pay the medical cost. It is one of the hospital autonomy to give subsidy for all people. Based on the government rule, only the residents that have the Inner Mongolia *hukou* can get the aid from local government. In other side, hospitals are willing to discount medical cost for the poor although they do not have the *hukou* in Inner Mongolia. It was taken for social activity as one of the hospital purposes. A doctor said that it was also because giving medical treatment for all people freely is a doctor duty. Decision to give the discount to patients was depend on the doctor who taking cares of them.³⁰ Social networking in this case has important role and has influenced poor people who have not the resource to access the health care service. For example, a manager of a drugstore gave discount of the medicines price for poor people that he knew well. The price was below the market price. It also occurred when a poor got treatment at hospital; the doctor recommendation influenced the poor to get the discount. If the doctor knew the patient very well, the procedure to get discount is easier. In other side, when the doctor did not know the patient, he will face difficulties to get the aid from the hospital.

²⁹ Interview with a drugstore clerk, on June 21, 2008 at Huhot City, IMAR Province.

³⁰ Interview with Dr. Xing Xing Liang, the general doctor at General Hospital (Zong He Yi Yuan) at Xinhua Aveanue, Huhot, IMAR on June 23, 2008

In management side, the willingness of the hospital to provide discount for the cost of health medical treatment for poor people was influenced by financial condition of hospital. The hospital is willing to give the discount to patient when hospital can afford to finance the operational cost of the hospital and had high profit. Therefore, giving aid or discount for poor people will not cause financial loss for the hospital.

3.5.2 Case Studies in Xi'an city, Shaanxi Province

Xi'an is the capital of Shaanxi province. It is located in North China and consists of 9 districts and 4 counties. The population in Xi'an in 2006 was 8.22 million people. The number of urban people was 5.4 million people, or it has increased 2.5 times compared to 1978. There are 10 ethnic groups in the city, with Xi'an and Hui people as the second largest community after the Han in Xi'an. Generally speaking, health facilities in Xi'an are quite sufficient. In 2006, number of public hospital were 219 unit, Chinese traditional hospital that provide the Chinese traditional medical treatment were 39 unit and the mix western and traditional medical treatment were 3 unit.

Western medical treatment is preferred by Xi'an people as told by Mr Ma, a 38 years old man, who work as a rickshaw driver. He is suffering diabetes and has to take treatment in a hospital. He spent 300-400 Yuan for medical treatment at once, but right now he does not take medical treatment at the hospital anymore, and just consumes medicines to control his blood. If he sick, he will go to a western doctor because the medicine given by Chinese traditional doctor is bitterer than western medicine. The medicines are at the same price, about 100 Yuan.³¹

³¹ Interview with Mr Ma, 38 years old, a rickshaw driver, on June 13, 2008 at Xian City, Shaanxi Province.

This opinion is also stated by other informant, Ms He, a 49 years old woman, a seller of corn and noodle. She has ever worked at Chinese company. Until now she receives insurance because of her friend who also working at same company help her. She is suffering high blood pressure. She told that when she suffered she would go to pharmacy to buy some western medicine. She chose the western medicine because it could heal effectively and safe to consume.

Table 3.2 Health Institution, Beds and Peasons (2006)

Hospital	Number of Institution (unit)	Number of Bed (unit)	Number of Medical Personnel (Person)
General Hospital	219	23467	30957
- County Hospital	4	803	1310
- Other Hospital	215	22664	29647
Hospital of Chinese Medicine	39	1838	2961
Hospital Integrating Traditional Chinese Therapeutics with Western Therapeutics in Practice	3	20	21
Nationalities Hospital	1	20	10
Specialized Hospital	41	3107	3554
Total Number of Hospital	303	28452	37503

Source: Xi'an Statistical Yearbook 2007

The number of health care infrastructure has not changed significantly. In 2006, the number of Urban and Township Hospital was 475 units, decreased from 2005. While the number of clinics in 2006 was 207, this number increased 9 units compared with 2005.

Table 3.3 Number of Health Care Facilities (unit)

Health Care	2003	2004	2005	2006
Urban and Township Hospital	473	495	479	475
Sanatoriums	4	4	4	4
Clinics	179	179	198	207
Specialized Prevention & Treatment Situation	3	2	1	2
Sanitation and Antipidemic Station	19	18	17	17
Maternity and Childcare Centers	15	7	5	5

Source: Xi'an Statistical Yearbook 2007

Since the economic reform, local government has the role for providing the health care for the local inhabitants. In 2006, the Xi'an Government allocated 575.8 million Yuan or 4.28 % of the total expenditure for Medical Treatment and Health. The government also paid 435.5 million Yuan or 3.23 % of expenditures for Pension and Relief Funds for Social Welfare. While, the central government allocated 17.9 5 % of total expenditures for Medical Treatment and Health. Interestingly, the education expenditure of Xi'an government reached 12.49% of total budget. It was higher than the central government expenditure.

Table 3.4 Local Government Expenditure 2006 (10.000 Yuan)

Kind of Expenditure	Number	%
Medical Treatment and Health expenditure	57582	4.28
Pension and Relief Funds for Social Welfare	43553	3.23
Subsidies to Social Security Program	19972	1.48
Operating Expenses Education	168171	12.49

Source: Xi'an Statistical Yearbook 2007

Health is one of the main necessities that had to be fulfilled. To access the health service, cash money or insurance is needed to finance it. Interestingly, in line with health care reform, conducted since 1978, household expenditure on health service is increase. It is because the government does not provide health care service freely, like before 1978. Also, part of the population faces difficulties to get government aid although they are included in the groups that have to be helped.

The story above was also experienced by a women name is Ms Hui (46 years old), who works as rickshaw driver.³² She is a widow with two daughters and she has a disable mother. She earns 50-100 Yuan daily. She said that her stomach is sick and need surgery. She has not take surgery because the cost of surgery is very expensive, about 20.000 Yuan. So, her doctor suggested her to consume some medicine to prevent her illness getting worse. She spent about 500 Yuan for the medicine at once. She did not follow the doctor suggestion when she was consuming the medicine. She consumed the medicine more than 3 times a day because she felt painful. Therefore the medicine is exhausted for three days.³³

The high cost of surgery makes Ms Hui did not take it and therefore she consumed the medicine everyday and this activity has been done for 5 years and ignoring the doctor suggestion. She consumed the medicine more than the number at instruction; it would make her illness getting worse. Ms Hui's experience illustrates that it is not all of the poor people get government aid. She has proposed for government aid but after evaluation the government considered her age is quite strong to work and was not reasonable to get government aid. She also said that it is not only her, even her disabled mother did not got the government aid. Moreover she has ever given 200 Yuan to party committee but she did not get the aid. She told that her money was not enough as assumed by

³² Ricksahw is the kind of transporation in Chinese that holds 2 people.

³³ Interview with Ms Hui, at the Muslim restaurant in Xian City, on June 16, 2008

committee. In this case, committee has important role to make policy for Xi'an people. Money politics act as one way to get access especially for health aid so the people who have resource can access health aid easily. Even though the local government provides health insurance for poor people, in practice the poor people need cash money to get health insurance.

The case above illustrates the increasing money that has to be spent by people to get health care service because they did not have health insurance. The household health expenditure in urban area tends to rise year by year. In 1998, the household health expenditure in urban area is about 287.7 Yuan or 5.03% of their income yearly. It increased in 2006 become 696.09 Yuan or 5.78%. Increasing health expenditure of the household was influenced by the increase of medical cost. Generally, the out of pocket of medical cost tend to increase. In 1978 out of pocket of medical cost was 20% and increase 26% in 1986 and 42% in 1993.³⁴

Table 3.5 Urban Household Consumption Expenditure in Xi'an (Yuan)

Kind of Consumption Expenditure	1998	2001	2004	2005	2006
Food	1910.93	2023.91	2685.1	2926.32	3093.12
Clothing	449.58	485.93	611.03	712.98	783.93
Facilities, Article and Service	546.23	628.91	493.33	373.36	582.84
Medicine and Medical Service	287.7	406.13	641.77	746.67	695.09
Traffic and Communication Service	264.68	453.12	688.22	763.55	922.99
Recreation, Education and Cultural Service	585.08	908.07	1252.55	1357.5	1666.93
Residence	534.81	531.45	813.14	719	946.87
Miscellaneous Commodities and Service	227.6	378.14	242.68	300.42	295.09
Total Consumption Expenditure	4806.6	5815.66	7242.82	7899.81	8986.87
Annual Income Per capita	5723.83	6678.56	9312.05	10030.64	12033.94

Source: Xi'an Statistical Yearbook 2007

³⁴ World Bank, 1997. "Financing Health Care: Issues and Options for China", Washington, DC

Ms Hui's experience would not occur if the Chinese people have health insurance to pay the medical cost. The government employees have health insurance directly. Moreover certain level of government employees get medical services without charge, for instance doctor services, cost of hospital and cost of medicine. For the lower level, the patients paid for 30% of the total of medical cost. Having health insurance makes people get the health service more easily.³⁵

3.6 Poverty constraints people to access the health care

Basically, the local governments provide the health care service, but not all Chinese could have access to the health care. Base on the case studies in above, resources, such as cash money and health insurance as capital and social network as social capital have important role to get access to health care. The people having capital do not have difficulties to get the health. However, in other side, part of the society has difficulties to get health care service because of lack of resource.

The main problem is the part of the society does not have resource to access the health care. We use several indicators for access; distance, price, time and quality. The people without resource will face the difficulties concerned with those indicators. The cases of the construction worker from Sichuan and the beggar from Gansu illustrate the problems in accessing the health care service concerned about the distance to get health care services. They got the health care service but they had to go back to their hometown to get it. They wanted to get the health care service at a lower price but actually they had to pay higher cost than the cost at Huhot because they had to pay the transportation cost to their home. The transportation cost would be higher than the discount that

³⁵ Interview with Mr Liu, ex government employee of Xi'an City, on June 15, 2008, Xi'an City, Shaanxi Province.

they got so that the total cost is indeed higher than health care cost at Huhot.

The case in Xi'an city illustrates that difference opinion between local government and the inhabitant to define how the Chinese People classifying the poor. According to the local government, Ms Hui is not a poor person, but she assumes herself as a poor person. Actually she could not get the good health care service. She just consumed some pills to reduce her pain but the pills could not heal her illness. She will recover if she takes the surgery but the cost is very expensive. So, to get the government aid she gave a bribe two hundred Yuan to the committee at Xi'an, but it was also rejected because of little bribe.

The cases in Huhot and Xi'an illustrate the lack of resource experienced by the poor people constraint their access to health care service. It worsen their condition and influence them at work. They would get less money when they sick because of low productivity. So they will stay as the poor. The above description can be seen in the next chart.

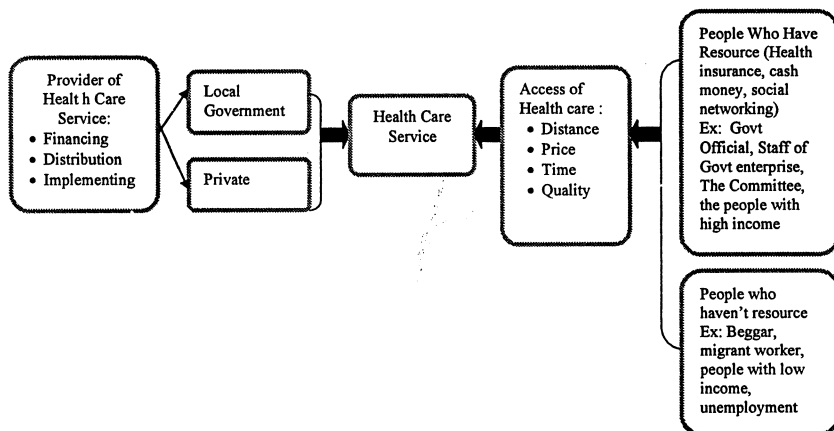


Figure 3.1 Accessing of Health Care Service

3.7 Conclusion

Since the health reform occurred, the health service is the local government's responsibility, and it is not the central government's responsibility anymore. Financing and managing of health care providing for Chinese people is the local government responsibility. The private sectors also have a role to provide the health service such as hospital, doctors, Pharmacy Company and the insurance company. Therefore the health care is not public good anymore. The patients have to pay medical cost to get the facilities and the services. The hospitals have independence to manage the hospital management including financing, and the hospital is allowed to get profit from the business.

The health system reform has increased the medical cost higher than the medical cost before health care system reform. It because communities that have not resource such as cash money, health insurance and social networking facing difficulties to accessing the health care service. Although the IMAR Province is an autonomous region, the implementation of health care service in Huhot city is not different with other city like Xi'an city. In both cities can be found several communities, especially the migrant, that have difficulties to access the health care services. They have to return to their hometown to get health care service at lower price. The social networking is important when somebody do not have cash money to get health care service because they can get discount of the medical cost if the provider knew them well.

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Resources Person

Sarjiati, Upik and Erlita Tantri. Interview with Staff of Labor and Population Bureau of Beijing, on June 2008.

Sarjiati, Upik and Erlita Tantri. Interview with Construction worker from Sichuan Province, Huhhot City, IMAR, on June 21, 2008.

Sarjiati, Upik and Erlita Tantri. Interview with Beggar from Gansu Province, 70 years old, Huhhot City, on June 21, 2008.

Sarjiati, Upik and Erlita Tantri. Interview with Pharmacy clerk, at Huhot City, IMAR, June 21, 2008.

Sarjiati, Upik and Erlita Tantri. Interview with Dr. Xing Xing Liang, the General Doctor at General Hospital (Zong He Yi Yuan), Xinhua Avenue, Huhot, IMAR, on 23 June 2008.

Sarjiati, Upik and Erlita Tantri. Interview with Mr Ma, 38 years old, rickshaw driver, Xi'an City, on 13 June 2008.

Sarjiati, Upik and Erlita Tantri. Interview with Ms He, 49 years old, corn and noodle seller, on June 14, 2008

Chapter 4

CHINA AND AGRICULTURAL

(Erlita Tantri)

4.1 Introduction

Improving rural land system is substantially important for poverty alleviation (Fulin, 2000). It is because land is essential for poor farmer's survival. China is huge country by huge population. China cannot only depend on the import of agricultural products to supply its demand, so that China's agriculture needs wide attention to meet the demand. Contribution of agriculture in poverty alleviation is by increasing the income of small farmers and raising the wages and employment of landless poor. The government of China also tries to supply the Chinese need, and just exporting the agricultural product if there is surplus available. The agriculture also contributes in strengthening the economy and food security (United Nations, 1996).

4.2 Agricultural Reform

Fulin (2000) said that, first, farmers in most poverty areas should be given long term land use rights based on joint household responsibility system. Rural land system reform should also be combined with poverty alleviation. Farmers' interests have to be protected by government relating to the implementation of second round of contracting land of 30 years. It is expected that the land transfer can be done and commercialized so that it provides incentive to increase farmer's enthusiasm. Second, Development of wasteland is potential and highly valuable assets and it can bring huge benefit for the poor. Therefore, wasteland resources are

contracted in a systematic way for 50 to 100 year terms, when the rights and interests of developer is protected and the land use right can be transferred well. These could add high incentive to farmers' development of wasteland. Third, long-term fund is essential to farmers' investment in their contracted land and the improvement of the wasteland resources.

Development of agriculture in China has three problems since the People's of Republic China (PRC) is found (Fulin, 2000): First is limited agricultural products because of fewer agricultural lands compare to the huge population. Second is farmers' low income that is caused by chronic poverty and limited job opportunity. Third is less of sustainability of agricultural development and investment. On December 1978 in Communist Party's Third Plenum, Chinese leaders wanted to make the nation to be wealthy and powerful. In agriculture, China tried to meet the demand for agricultural products from its huge population by increasing state investment and raising the price of the agricultural products (Huang, 1998)

In the early economic reform (1979-1984), China operated agricultural sector under a collective farming system that is a system of production based on people's communes. In late 1970s, it shifted in some parts of rural china. Farming was done by households through contracting lands among individual peasant households (Mengkui et. al, 2004). It happened as peasants' initiatives and government gradually understood. By the end of 1983, around 98 percent of production teams had adopted household responsibility system. In 1984 Chinese government approved the basic farming system to the household as basic unit (Mengkui et. al, 2004) by giving responsibility to farming households of how to improve agricultural productions.

From 1979 to 1984 agricultural production increased by 7.4 percent per annum and grain grew 5 percent annually (Huang, 1998). The early

agricultural reform was regarded as being very successful and called as miracle (Longwordth 1989; Huang 1993a in Huang 1998). In 1980s, household in rural areas adopted contract responsibility system with remuneration linked to output. It separated the land use right from the operation right. Giving the operation right to farmers has stimulated their enthusiasm for production so that increasing the land's output level.

In the first study, Research Center for Regional Resources - PSDR (2005) quoted that the first stage is called breakthrough stage (1978 to 1984), which emphasize to development of agriculture. The Third Plenary Session of CPC's 11th National Congress in December 1978 gave attention to agricultural as the foundation of national economy that had suffered serious damage and weak in the last few years. Agricultural condition made the plenary session put forward a series of political and economic measures for developing agricultural production by reducing peasants' burden, mobilizing their initiative and releasing them from worry (Shangquan and Fulin, 1997). In 1980, CPC Central Committee held symposium to discuss how to improve the agricultural production by responsibility system.

The household contract system is the micro economic system's foundation for the growth of the market system and this system had fired farmers with a great labor enthusiasm. The family-based farming system had not only promoted development of crop cultivation but also increased the development of family-based animal husbandry; and it had led the emergence and development of township industries (Ping, 1998). This effort made China to be able to feed themselves, even though it only has 7 percent of world's total farmland. In 1984, the State of Commission for Restructuring the Economy, the Ministry of Commerce and the Ministry of Agriculture, Animal husbandry and Fishery to adopt the following reform measure in the field of circulation of agricultural products (Shangquan and Fulin, 1997 in PSDR, 2005).

First, "China should develop a diversified economy, including state-owned, collectively-owned and individual economies, adopt various economic forms and implement multi channel circulation. Framers should be encouraged to enter the circulation field, and should be allowed to engage in the exchange of commodities and should not limit their business activities.

Second, reducing on purchase and purchase by state quotas. The three planned purchase are grain (rice, wheat, and corn), oil-bearing crops (peanuts, vegetable seeds, and cotton seeds), and cotton. Nine varieties for purchase by state quotas, such as pigs, jute and bluish dogbane, ramie, tea, cattle hides (only those slaughtered by the state), sheep's wool, bamboo *gaozhu*, and vegetables (only those destined for large and medium sized cities and the main industrial and mining areas).

Third, as to improve methods of managing prices, it was specified that all agricultural and sideline products which are purchased according to the state's plan and quotas and included in the plan will be purchased at the planned purchase prices and the purchase prices will rise or fall according to market supply and demand.

Fourth, as to the reform of the wholesale system of agricultural and sideline products, it was required "to change the wholesale system featured by the unified purchase and supply according to administrative division and levels, and unreasonable operational links should be abolished. The basic operational link of agricultural and sideline products are in countries, where special wholesale companies may be set up".

Fifth, as to quickening the reform of supply and marketing cooperative system, it was required that the supply and marketing cooperatives make a breakthrough in helping farmers to become shareholders, expand the scope of operations and services, and manage distribution according to work, prices, etc., on the principle of changing the "the government-run" into the "non-government-run."

Sixth, as for actively developing the processing industry of agriculture and sideline products, “this will help to satisfy the needs of improving the people livelihood, perfect China’s food structure, make agricultural and sideline products more beneficial and help solve peasants’ difficulties in purchasing and selling products. So we should spare no effort to do work well.”

Seventh, as to greatly developing communication and transportation and facilities for commodity operation, it was stressed that due to constant development of production and circulation of rural commodities, and the steady expansion of horizontal economic connection, the stumbling blocks of in adequate communication, transportation and commercial facilities are becoming more important.

However, in the implementation, the household responsibility had distortions (Fulin, 2000). First, doubts exist over the adaptability of joint household responsibility system to modern socialized mass production and there were fragmentation of land pockets for unified management. Second, the policy concerning the stabilization of household responsibility was not followed effectively.

During 1984-1989, rural market reform was initiated to abolish the unified purchasing and marketing system (1985) (Huang, 1998). All agricultural products were supposed to be bought and sold in free markets. Huang (1998, p.8) stated that state purchases of grain, cotton and edible oil, both quantities and prices, were determined mutually by the government and farmer, but it was through a newly instituted contract system. A number of policies had been implemented to encourage diversification of agricultural and non-agricultural in country sides. Grain sales were subsidized by the purpose of stimulating the development of animal husbandry production, while tax-exempt and subsidized band loans were planned to encourage rural industrial development (Huang, 1998). In

this stage, re-collectivization of agricultural production was made in 1988.

Agricultural reform did not go smoothly. Inflationary effects and high agricultural prices became problems for government that struggling to overcome instability in economic development. "Stop-go reform was the result for decade after 1985, following important falls in production, contract purchases of grain, and cotton were quickly made mandatory again in 1985 and 1986 although liberalization policies for other agricultural products were maintained" (Huang, 1998 p. 8). In May 1998, the government tried to reform marketing policies for non-staple food in urban areas. Food subsidies were paid to urban consumers to eliminate existing price subsidies on consumption of agriculture products, while a series of experiments was done to reform grain policies and the land tenure system.

In the early 1990s, there was liberalization of grain prices that criticized by many Chinese economist. They thought that grain had to free form trade liberalization because grain was special product that needed special policy to measure food security and political stability (Huang, 1998).

An agricultural dilemma occurred. When government officials and economists agreed that objective of reform was to develop agricultural market economy in which consumers and producers would make their own decisions and resources would be placed between relative prices and market prices determined by demand and supply condition, a serious problem appeared from grain scarcity to high inflation (Huang, 1998) that brought difficult alternative to continue grain policy reform in 1990s. "Chinese policy makers in the mid-1990s are not sure that market reform is the right direction for Chinese agriculture."

Arable land for cultivating will continue to decrease, while demand for grain specially will increase widely. In 1993 and 1994, grain prices rose

high, which the fluctuation of grain prices can show the indicator of imminent crisis (Shangquan and Fulin, 1997). From 1989, government tried to increase state purchase prices for grain in response to several years' stagnation in grain production (Huang, 1998). In this year, previous special policy toward the livestock and rural industry were ended.

In 1991, grain market reform went faster. For the first time since thirty years ago, based on the experience of 1988 reform of non-staple food policy and regional policy, government raised state market prices for grain (Huang, 1998). In 1992, urban market prices were brought to the level of rural purchase prices, so that government tried to remove the increasing burden of grain subsidies on state budget. Government still wanted to buy grain but the prices determined by market.

In 1994, government eliminated the State Price Bureau that gave intervention in prices for forty years. In 1993 to 1995, many administrations were renewed. The state stressed the significant of maintaining basic self-sufficiency in grain. A new grain policy was announced in 1995 that every provincial governor was responsible for grain supply of his/her own province. In 1994, grain coupon became a fact of life again in many cities and in May 1995, State Price Bureau was re-established again (Huang, 1998).

When the third Plenary Session of 11th National Congress of Communist Party of China (CPC) was held in 1994, China's agricultural reform had passed three major stages as follows: "the first stage was from 1978 to 1984, when China gradually built and implemented the contract responsibility system based on the household and with compensation linked to the output in the rural areas. The second stage was from 1985 to 1991, when China reformed the system of state monopoly purchase and quota, and gradually raised controls from market and prices of agricultural products. The third stage was from 1992 to 1994, when

country started the transition to the rural market economy in all around way” (Shangquan and Chi Fulin, 1997).

China supports the agricultural protection. Food security is the most significant reason introducing agricultural protection policy. Chinese population draws attention especially for China’s consumption demand for food. International political disputes can create delicate condition in satisfying China’s consumption demands and in domestic side, sufficient incentive must be provided to agricultural producers to supply rising demand for food (Huang, 1998).

China had made policies to develop their agriculture product. Major trade policies that has been done including regional opening-up policies, foreign direct investment policies, fiscal policies, monetary policies, foreign exchange policies, and foreign trade control (tariff and non-tariff measures) policies and for domestic support for agriculture, there are fiscal and financial policies and agriculture protection (Shouying and Dan, 2004).

From 1988 to 2007, China invested 320.3 billion Yuan in comprehensive development of agriculture, including 99.2 billion Yuan by the central government and 76.8 billion by local governments. Of the total, 34.3 billion Yuan was bank loans, and 110 billion Yuan was raised by farmers and other sectors. China will see the fifth repeated plentiful harvest of summer grain. “Summer crops, which usually account for about 23 percent of the total annual grain output, would surpass the 115.34 billion kilograms produced in 2007” and China had approximately 500 billion kilograms of grain last year (China to Invest, China Daily, 2008).

4.3 Agriculture in Rural Areas

Diversity of agricultural products in rural areas also includes animal husbandry, fishery, and landsides. The basic problem for China is the pressure of population on its land. More consumption for food production needs larger land and food supplies. China tries to enlarge agricultural technology to replace the decline of farmers and lands. It will affect agricultural sector's share to gross domestic products (GDP). The agricultural sector's share to GDP declined from 27 percent to 16 percent between 1990 and 2000, or declined about 0.6 percentage point per annum. Analysts also believed that by 2010, China's agricultural sector's share in the economy could dip below 10 percent (China's Agriculture, Beijing Time, 2002).

Table 4.1 China Natural Resources 2006

Item	2006
Land Resources 10,000 hectares	
Area of Cultivation Land	13004
Area of Undeveloped Land	10800
Usable for Agricultural Production	3535
Area of Afforested land	28493
Undeveloped Land Usable for Afforested	5471
Area of Grassland	40000
Utilizable Area	31333

Sources: *China Statistical Year Book 2007*, p. 5

National total land for agricultural use in 2006 is 950,693 million hectares, where Inner Mongolia is about 95.224 million hectares and Shaanxi is 18.482 million hectares (*China Statistical Year Book, 2007*). National total area of cultivated land in 2006 is 130.039.200 hectares, where Inner Mongolia has 8.201.000 hectares and Shaanxi is 5.140.500 hectares. Mostly in Inner Mongolia is grassland with animal husbandry as life stock.

From time to time, China has problem of limited space for farming that affect the food supply. The production efficiency and diversity of farmland force grown over time, however efforts to expand to the west and the north have limited success, since land is generally colder and drier than farmlands to the east. Inner Mongolia and Shaanxi tend to place in the north of China. Like Inner Mongolia, climate is influenced to kind of agriculture products that more outstanding with dairy products.

Table 4.2 Basic Condition of Rural Grass root and Agriculture

Item	2000	2005	2006
Number of rural labor in agriculture, animal husbandry & fishery	32797.5	29975.5	-
Total Agricultural Machinery Power (10,000 kw)	52573.6	68397.8	
Number of Tractors (large & medium) (unit)	974547	1395981	
Farm Machinery (10,000 unit)	140.0	226.2	
Total Sown Area (1,000 hectares)	156300	155488	157021
Grain Crops	108463	104278	105489
Cereal	85264	81874	83126
Rice	29962	28847	29295
Wheat	26653	22793	22961
Corn	23056	26358	26971
Beans	12660	12901	12434
Tubers	10538	9503	9929
Oil bearing Crops	15400	14318	13736
Cotton	4041	5062	5409
Fiber crops	262	335	283
Sugar crops	1514	1564	1782
Tobacco	1437	1363	1338
Vegetables	15237	17721	18217

Sources: *China Statistical Year Book 2007*, p. 461

Decreasing number of labor year by year had drawn the government to increase the diversity, research and agricultural technology. Agricultural technology and quality of seeds are improved to boost agricultural products. Number of grain crops is increased to 2006. Nearly cultivated land used for food crops and vegetables. In the north areas, crop and some vegetables such as potatoes, have good prospect to grow, for example in Inner Mongolia that grain, white potatoes, and sugar can grow well.

Table 4.3 Output of Agriculture, Animal Husbandry, and Fishery

Item	2004	2005	2006
Output of Farm Products (10,000 tons)			
Grain	46946.9	48402.2	49747.9
Cereal	41157.2	42776.0	44237.3
Rice	17908.8	18058.8	18257.2
Wheat	9195.2	9744.5	10446.7
Corn	13028.7	13936.5	14548.2
Beans	2232.1	2157.7	2104.5
Tubers	3557.7	3468.5	3406.1
Oil-bearing Crops	3065.9	3077.1	3059.4
Peanuts	1434.2	1434.2	1466.6
Rapeseeds	1318.2	1305.2	1264.9
Sesame	70.4	62.5	66.5
Cotton	632.4	571.4	674.6
Sugarcane	8984.9	8663.8	9978.4
Fruits	83.5	93.5	102.8
Output of Meat (10,000 tons)	7244.8	7743.1	8051.4
Pork, Beef and Mutton	5776.8	6157.6	6416.8
Pork	4701.6	5010.6	5197.2
Beef	675.9	711.5	750.0
Mutton	399.3	435.5	469.7
Milk	2368.4	2864.8	3302.5
Cow Milk	2260.6	2753.4	3193.4
Total aquatic Products (10,000 tons)	4901.8	5107.6	5290.4
Seawater Aquatic Products	2767.8	2838.3	2887.7
Freshwater Aquatic Products	2134.0	2269.3	2402.7

Sources: *China Statistical Year Book 2007*, p. 462

China's agricultural products in 2006 were increased to meet demand from China's population. Output of grain increased from 2005 to 2006 by 13.5 percent. As well for output of meat and milk tend to rise. Wheat is grown in most parts of country, especially on the North China Plain and cereal is important in Inner Mongolia and Tibet. Other crops, like sweet potatoes are grown in the south, white potatoes in the north and also various other fruits and vegetables. North and Northeast China grows soybean that used for tofu and cooking oil. For oil seed, it is important for industrial oil.

Productivity of agriculture has been growing as fast as modern sector. The technology for agriculture has been highly effective in generating high value-added output. Greenhouse technology and new seeds have been instrumental in improving agricultural productivity (Xie, 2002). Productivity of agriculture tries to rise as modern sector and for it; Chinese tries to make better agriculture reform.

Table 4.4 Gross Output of Agriculture, Animal Husbandry, and Fishery (100 million Yuan)

Year, Region	Total	Farming	Forestry	Animal Husbandry	Fishery
1978	1397.0	1117.5	48.1	209.3	22.1
1980	1922.6	1454.1	81.4	354.2	32.9
1985	3619.5	2506.4	188.7	798.3	126.1
1990	7662.1	4954.3	330.3	1967.0	410.6
1995	20340.9	11884.6	709.9	6045.0	1701.3
1999	24519.1	14106.2	886.3	6997.6	2529.0
2000	24915.8	13873.6	936.5	7393.1	2712.6
2004	36239.0	18138.4	1327.1	12173.8	3605.6
2006	42424.4	21549.1	1602.0	13640.2	4433.0
Beijing	270.0	109.3	14.9	123.6	9.8
Inner Mongolia	1085.9	532.4	41.9	487.3	8.3
Shaanxi	818.7	531.6	28.9	21.9	5.6

Sources: *China Statistical Year Book 2007*, p. 465

Output of agriculture, animal husbandry, and fishery in Inner Mongolia is about 2.6 percent of national output in 2006 and for Shaanxi province is about 1.9 percent. Inner Mongolia and Shaanxi have farming that gives more output besides for animal husbandry for Inner Mongolia.

Table 4.5 Output of Major Farm Products

Year, Region	Grain						
		Cereal				Beans	Tubers
			Rice	Wheat	Corn		
1978	30476.5	-	13693.0	5384.0	5594.5	-	3174.0
1980	32055.5	-	13990.5	5520.5	6260.0	-	2872.5
1985	37910.8	-	16856.9	8580.5	6382.6	-	2603.6
1990	44624.3	-	18933.1	9822.9	9681.9	-	2743.3
1995	46661.8	41611.6	18522.6	10220.7	11198.6	1787.5	3262.6
1999	50838.6	45304.1	19848.7	11338.0	12808.6	1894.0	3640.6
2000	46217.5	40522.4	18790.8	9963.6	10600.0	2010.0	3685.2
2004	46946.9	41157.2	17908.8	9195.2	13028.7	2232.1	3557.7
2006	49747.9	44237.3	18257.2	10446.7	14548.2	2104.5	3406.1
Beijing	109.2	103.9	0.4	30.0	72.9	2.7	2.6
InnerMongolia	1704.9	1381.2	65.6	145.7	1091.7	143.2	180.6
Shaanxi	1087.0	958.9	86.3	415.7	443.5	48.0	80.1

Sources: *China Statistical Year Book 2007*, p. 478

For major farm products, Inner Mongolia tends to have more than Shaanxi province. Besides number of cultivated land in Inner Mongolia is wider, also some corn and cereal are grown well in the north of Inner Mongolia.

Chinese agricultural growth tends to decrease while agriculture's role is a foundation for national economy. There is no any circumstance but agriculture has to be strengthened (Jingwen, 2000). First, China's demand for farm productions tend to increase because of increasing Chinese population. In 2010, Chinese population will grow 1.4 billion that will pressure high demand of farm productions. Beside, demand comes from manufactures and other producers that depend on farm products for their production. Second, agriculture is an important sector for national economy and remains important source of employment and income for peasants for some long period. In 2000s, around 330 million people work in agriculture, 75 percent of the total rural workforce and 54.4 percent of the total workforce. Third, the supply of agricultural production resources is declining day by day. Farmland can decline approximately 15 million hectares by 2010 and the agricultural resources will be under supply.

Land reform has gone fast toward the top of the Communist Party of China's (CPC)'s agenda, which Party leaders are expected to review an amendment to the land management law. From 1978, China adopted collective land ownership for its 750 million rural dwellers, that households manage land mostly in small scale for 30-year periods through contractual agreements with village or township communities (China Daily, 2008). Today, land management needs reform. "The system had liberated rural households from the highly concentrated feudal land ownership system but today fails to meet residents' income and productivity requirements," experts said. Indirectly, reform of land contract policies is needed to ensure a stable land transaction market and to liberate farmers bound to their land, quoted Dang Guoying, a professor of rural studies with the Chinese Academy of Social Sciences (China Daily, 2008). It is expected, through the reform, farmers could trade, rent or they can use their land for profit. Then, it influence in accumulating quantity of products.

Actually, agricultural depends as well to weather condition. Temperature can give certain impact on food production based on real observation. "The evaluation of time series data from 1960 to 2000 for global temperature, precipitation, and world cereal production and yield respectively indicates that random variations have significantly increased since the 1970s and are more pronounced since the 1980s" (China Daily, 2008). Relationship between weather and production of agriculture is considered that if global climate is increasing, world cereal will become less stable.

China's climate ranges from the severe cold of North China, through areas of temperate winters and summers, then to the tropical heat of South China. The soil shows quite differences to make a considerable diversity of crops that possible in these varying climates. Large proportion of the potentially arable land is used for farming, because the necessary

for a food supply based on cereals is much greater than consumption for animal products (Buck, 1930).

The influence of global warming and climate change will affect the droughts and the world will experience food scarcity for its inhabitants. China also must pay attention and sustained effort to ensure its food supply and security through, to generally recognize water problems; to strict preservation of its good farmland; to the most efficient management of agricultural nitrogen-containing fertilizer; and to dangers of photochemical smog and greenhouse gas emissions causing climate change and global warming (Food first, China Daily, 2008).

For resolving agriculture problems, China have abroad consultant such as from Canada. Through its CIDA has initiated the Sino-Canadian Project on Sustainable Agriculture Development (SADP), and passed on its experiences in dealing with the widespread drought problem and drifting soil conditions in the Canadian western Prairie Provinces in 1930s that the situation of major land degradation at that time was very similar to the present-day conditions in Xinjiang and Inner Mongolia. They try to continue and promote sustainable agricultural development, bringing into balance the often competing economic growth and environmental for these provinces (China Daly, 2008).

Chinese government will spend 12.7 billion Yuan (\$1.85 billion) on upgrading lower-yield farmland this year, said the State Office for Comprehensive Agricultural Development (China to Invest, China Daily, 2008). This amount is 10.27 percent more than last year and it will transform 1.77 million hectares of lower-yield farmland into high-yield. As a consequence, three billion kilograms will be added to China's total annual grain production capacity. About 7.69 billion Yuan or more than 60 percent of the funds, will go to the 13 major grain producing regions of Heibei, Henan, Heilongjiang, Jilin, Liaoning, Hubei, Hunan, Jiangsu,

Jiangxi, Shandong, Sichuan and Anhui provinces and the Inner Mongolia Autonomous Region.

Lower-yield farmland is farmland that has an output less than 20 percent of the regional average, calculated on a three-year base (China to Invest, China Daily, 2008). The measures to upgrade lower-yield farmland varies from different places and the major means includes: (a) to improve the irrigation system and road system; (b) to transform mountainous farmland into terraces, making it easier for the machines to work; (c) improve the soil quality by increasing organic matter content in the soil; (d) to improve farming efficiency by training the farmers.

From 1988 to 2007, China invested 320.3 billion Yuan in comprehensive development of agriculture, including 99.2 billion Yuan by the central government and 76.8 billion by local governments. Of the total, 34.3 billion Yuan was bank loans, and 110 billion Yuan was raised by farmers and other sectors. China will see the fifth repeated plentiful harvest of summer grain. “Summer crops, which usually account for about 23 percent of the total annual grain output, would surpass the 115.34 billion kilograms produced in 2007” and China had approximately 500 billion kilograms of grain last year (China to Invest, China Daily, 2008).

4.4 Agriculture in Inner Mongolia and Shaanxi

4.4.1. Inner Mongolia

Inner Mongolia is one of region where need arable land for agriculture. Most of Inner Mongolia land is desert and grass land which about 78.8 million hectare or consists of 22 percent grassland. So that Inner Mongolia is suitable to develop animal husbandry. In 2005, Inner Mongolia was the number one region that contributed sheep and goat meat for China (16.6 percent). Number of sheep at the time was 5420.0 million (China

Agriculture, 2008). According to China's Sichuan New Hope Agribusiness Co, it has obtained a dairy producer in Inner Mongolia in a deal that a Chinese newspaper said was worth 100 million Yuan (\$14.7 million) (China Daily, 2008).

Inner Mongolia tries to develop technology of husbandry. Inner Mongolia's meat has good market in particularly in China and Russia. The weakness of animal husbandry in Inner Mongolia is that because it depends mainly on grass land and weather situation. Changing season will change the number of meat products for instant in winter, the number of meat will decrease than in summer. The desert wind like sand storm is also bad for animal husbandry.

For agriculture products, Inner Mongolia grows many kind of plants such as carrot, potato, chilli, sugar, and bean. Inner Mongolia uses mountain areas as agriculture land. Inner Mongolia tends to have problem about water in rural areas that become a problem for agriculture. The agricultural season in Inner Mongolia is short because the cold season, for example climate at Nasihan Township is located at cold northern latitude of 44 degree. The agricultural season is short, with only 130 to 150 frost-free days per year, and a yearly average of only 8 hours and 20 minutes of sunshine per day (Xu 1990:235 in Williams, 1997).

Geographically, Inner Mongolia is not adequate to develop massive agriculture. Inner Mongolia is situated at the northern frontier of the People's Republic of China. The geographical location of the province covers the Northern part, the Western-North of China. Inner Mongolia province covers a total of 1.18million square km of land, but only 0.0103 billion Mu of land are currently used for agricultural purposes. From the north to the south, the temperatures increase gradually, so is the humidity levels, from 3 to 9 degrees. The amount of days of agriculture products' activities in Inner Mongolia is 120-160 days and the amount of rainfall

in Inner Mongolia annually is 500 to as low as 100mm and below, the distribution of rainfall is also unbalance throughout the province. Droughts especially in the seasons of spring, summer and too much rainfall in autumn are the reasons for poor harvesting in province. Most of the farmers in Inner Mongolia only enjoy single harvesting production per year.

Wheat is the main agricultural product in Inner Mongolia province. There is also a long history recorded in books about planting of wheat. There are 12 cities in Inner Mongolia which oversee the production of wheat-related products. In 1980, the land used for wheat production is 0.903 million hectares, producing a total of 0.9985 million tons of wheat, giving an average of 0.737 kg per MU. The land used for wheat production in the Province is around 19.37% of the total arable land in Inner Mongolia. This means that other arable lands are for other agricultural planting.

Industry, agriculture and animal husbandry in the Inner Mongolia autonomous region grew 6.5 percent between 1978 and 1982, reaching a total value of 11.7 billion Yuan (From Our Archieve, China Daily, 2008). Principal crops are wheat, sorghum, millet, oats, corn, linseed, soybeans, sugar beets, and rice. Meat consumption and access for getting meat in Inner Mongolia, Hohhot city especially tend easily to obtain in numbers and prices. Most of Hohhot people consume pork as protein source, because it is cheaper and available in any time. People buy around 2 to 3 *jing* (1 *jing* is 1.5 kilogram).³⁶ Pork, beef, and lamb are meat that available in any markets in Huhhot and have high demands. The cheapest is pork (12 Yuan/*jing*), follows by beef (17 to 18 Yuan/*jing*), and lamb (18 up Yuan/*jing*).³⁷

In Inner Mongolia, access for vegetable and meat is likely enough, but the problem for the poor people in China is cash money to buy staple

³⁶ Interview with Ms. X, Meat Seller, Friday, June 20, 2008, Inner Mongolia.

³⁷ Ibid.

food. For example, in one special occasion, most Chinese can have the food, such as rice, vegetable, meat, fish, egg, flour, fruit, etc. But, high price when special occasion coming is a problem for the poor people to gain all the food they need. The high prices makes the poor people can reach several kinds of vegetables, meats, rice, fruits, etc, in limited number and variations only, based on amount of money they have. One of respondent as the bread seller said that most people can buy the food with the cheap price; because live in urban area means that they have to face with high prices of food and as the small trader with limited income, he can only buy kind of vegetables, meat, etc as many as his income as bread seller.³⁸ For food seller like noodle food in Inner Mongolia, the access to obtain is possible. Grain is available enough to find and the price of cooked noodle is still reasonable for society who buy it (4 to 5 Yuan).³⁹ Access to find and obtain fruit is also achievable both from big fruit sellers and in the market.

Staple food in Inner Mongolia is accessible, even though the price is a problem for the poor. The flow of food inside and into Inner Mongolia is stable enough. However, most staple food produce by its province is better to form stable price. There are many obstacles for Inner Mongolia. Number of population, migrant and industry which flows to main land caused the shortage of usable land for agriculture. Limited number of farmer, climate change, quantity and quality, are difficult to meet the increasing demand as a result of increasing population. Modernization and technology have been improved, hopefully they can strengthen food supply for China in years a head, especially in Inner Mongolia and some other China's provinces.

³⁸ Interview with Mr. Hui, he is a bread seller, street vendor. He comes from Hebei Province and he lives with his wife and 2 children in Huhhot city. Interview held in Saturday, 21 June 2008, at 10.30 – 11.30 China time.

³⁹ Interview with Ma Zhing Hai (50 years old), a noodle seller, Friday, June 21, 2008.

4.4.2. Shaanxi

Shaanxi is one of China's agricultural areas. Agriculture production is based on grains. Shaanxi has applied a balanced development of agriculture, forestry, animal husbandry and also other sectors. The province owns 3.36 million ha of cultivated land and 3.53 million ha of grassland. The major grain is rice with planted area of 80% of its total area. The other major grains include wheat, corn and sweet potato, etc. Shaanxi's temperature is around 8-16°C, its annual average precipitation is 300-700 mm and its frost-free period lasts 150-270 days.

Number of cultivated land in Shaanxi tends to decrease while number of population and industry increase. In 2000, number of Shaanxi population is about 401,64 million and in 2006 become 409.77 million with area 205,600 sq Km. Shaanxi has well developed agriculture and stockbreeding. In agriculture, the main products are wheat, cotton, silk cocoon, and tobacco, while flax is the important cash crop (China Culture, 2003).

Table 4.6 Area of Cultivated Land in Representative Year (1000 hectare)

Year	Cultivated Area	Paddy Field
2002	282.97	5.32
2003	275.89	4.43
2004	269.91	4.39
2005	266.78	3.70
2006	263.86	3.55

Sources: *Shaanxi Statistical Year Book 2007*, p. 219

Agricultural area in Shaanxi is in Lintong by its products wheat and corn. Most people in Xi'an eat wheat, rice, and maize.⁴⁰

⁴⁰ Interview with Mr. Liu, June 14, 2008.

Table 4.7 Sown Areas of Farm Corps (1000 hectare)

Year	Total sown area	Grain crops	Wheat	Corn	Vegetables
2002	500.73	437.06	233.76	181.30	45.34
2003	491.37	421.70	224.03	174.59	46.29
2004	502.55	420.42	207.68	191.00	51.36
2005	505.27	428.50	216.73	191.01	55.55
2006	499.89	423.54	213.43	191.73	55.68

Sources: *Shanxi Statistical Year Book 2007*, p. 228

In 2006, Shaanxi had 263,860 hectare cultivated area by 3,553 hectare for paddy field and 260,307 hectare was dried land with irrigable land about 175,827 hectare. By this number of land, Shaanxi is potential for agriculture system. However, as in the north area, Shaanxi has problem. The vegetation in the north is more dependent on climate variation, Shaanxi, than other parts, has more serious water limitation. The results suggest that the large-scale land-use policy implemented over the last decade will focus on northern Shaanxi that has possible impact on the overall vegetation (Inter Science, 2008).

Rapid development of Shaanxi as Xi'an as the one of industrial center in Northwest, make Shaanxi tries to focus the study on agriculture related to its concern to famine, besides attention to transportation, urbanization, industry, and intraregional in-equality. The Northwest Agricultural College, a provincial crop improvement and breeding station, and a number of experimental farms and popularization centers were established. By 1941 there was 30,000 hectares were sown to improved varieties of wheat. A striking success with wheat varieties occurred during 1942-1947. Superior varieties of cotton were imported after the famine and spread to 80% of the cotton area by 1947. The cooperative movement, with active government support, made a significant contribution to agricultural development and especially to grain and cotton production and the extension of irrigation (Vermeer, 1991).

Table 4.8 Gross Output Value of Farming, forestry, Animal Husbandry, and Fishery. (10.000 Yuan)

Year	Gross Output	Farming	Forestry	Animal husbandry	Fishery
2002	797444	539978	11378	238761	7321
2003	837857	551398	10550	269610	6299
2004	967946	580798	12773	314517	6728
2005	1065437	657262	13086	329856	7340
2006	1411483	695436	15188	359384	7017

Sources: *Shanxi Statistical Year Book 2007*, p. 222

Access for food in Xi'an is reachable. For poor people, access for food is possible even though its price is sometimes quite high. Many Xi'an people consume wheat in kind of *mantau* and porridge, which is quite cheap for annual consumption. The raw product for making *mantau* and kind of food from wheat is possible to gain.⁴¹ Because the price of wheat is cheaper than rice, the Xi'an people prefer to consume wheat frequently. However, the supply of rice and wheat is enough with stable prices and as well for the other staple food such as noodle, palm oil, egg, etc, even though sometimes the price increase because of the increasing of demand in the special occasion and limited supply from the market. Anyway, the cast money is also problem for Xi'an people in gaining the stable and standard food. Daily food that most poor people can obtain is the cheaper one and with the limited number. Nevertheless, they will consume variant food especially in the special occasion with the money collected in other days.

According to one respondent in Xi'an, Xi'an's agriculture has been developed in term of agriculture system and technology. Infrastructure has been made for agriculture products' transportation such as vegetables and beans. For stabilization of food product, Shaanxi government manages the agriculture system since planting to selling. In rainy season,

⁴¹ Interview with Ms. Liang, the seller of *mantau* and milk in Xi'an, June 14, 2008

Shaanxi government tries to store agriculture products for supply stability and sometimes, it imports also from other China areas.⁴² In the special occasion, Shaanxi government also tries to supply food from other regions, Henan for example, to supply the high demand at that time. Since 2005, agriculture tax has been abolished and completely eliminated in the 2007. In the 1949, tax was paid in harvest time by giving fixed amount of agriculture products to government and also for fruits and husbandry products.

In Shaanxi, the local government tries to increase the number and quality of agriculture by subsidizes them. For example, government gives incentive for fuel in agriculture machine. The Shaanxi government also supports the application of agriculture knowledge for society, which they can apply it their garden instead of their field. Annual output of farming is gradually increased as well for forestry, animal husbandry, and fishery. Officially, most of Shaanxi Province is mountainous regions and plateaus. Its mountainous region is wide and plains are few, so cultivated land is insufficient. Increasing gross output from 2005 to 2006 is vastly about 40 percent when the annual growth of population approximately 0.89 percent.

Sustainable agriculture in Shaanxi has been done through monitoring and measuring the trend of agricultural development with an effective method, because the sustainable agriculture should have unity with regional population and resources. The effort for sustainable agriculture is by creating agricultural environment much better by limitation land and water. Agriculture in Shaanxi becomes important as one of regional resources that need more attention for regional and national food supply.

⁴² Interview with Mr. Liu, a former of Shaanxi China communist Department, Xi'an - Sunday, 15 June 2008.

4.5 Conclusion

Most of Chinese, especially in Inner Mongolia and Shaanxi, can obtain the food or agriculture products annually. The problem for the poor people to gain the agriculture products is the cast money, especially when the prices increase in special occasion. There is hope that alleviation of poverty can be done by stepping up agricultural products to meet the demands. Increasing valuable agricultural products by dairying, livestock products, horticulture, diversification of agricultural products, etc is intended to create food security.

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Chapter 5

SOCIAL NETWORKING OF CHINESE URBAN POOR

(Paulus Rudölf Yuniarto)

Urban poor communities are often inferior institutionally and marginalized socially. The previous chapter shows that inferiority and marginalized situation is due to dualistic structure (*hukou* system and employment policy) that the urban poor stuck in a structure so that they experience difficulties to access welfare security. Study about urban poor communities in China shows that the dualistic structure embodied by the *hukou* system has reinforced the social and economic segregation of urban poor communities, fixated hierarchical statuses based on geographic origin, and segmented the urban labor market (Fan 2002; 16). Fan explains that the bulk of urban poor communities occupy the lowest social and occupational rungs of urban society, are treated as outsiders and have poor prospect of assimilation in cities. Under the dualistic structure, urban poor communities are shut out of a system of entitlements designed only for urbanites. Thus there is usually a strong demand for self-services in migrants' settlements, which can reduce their daily costs of living (Fan 2002; 16). From this problematic condition, we can say that urban poor communities are lack of access to normal housing, medical care, day care, retirement, jobs that prioritise urban residents, and the education of urban poor children, which is rapidly becoming a burning question in China's cities recently.

To have access to social welfare, especially on health and food access, urban poor community do not only rely on government or limited access that they have. They also develop a social networking as strategic for

survival. In their practice, social network become an important aspect in describing dynamic process of resource mobilization, which is a key mechanism to reach their need, for example in the case on health and food access and to overcome strive limitation. The characteristic of this relational analysis is to look beyond the position of urban poor community to their access for social welfare and to explore relationships and social distance with other groups or community due to their poor condition. I will elaborate this analysis through the cases of urban poor community from Xi'an, Huhhot and Beijing.

5.1 Introduction

Until recently, poverty had been a phenomenon in China. It is not only emerge in rural area, but also in urban area. Urban poverty emerged after significant reforms in the labor market and urban sectors. For both rural and urban resident, poverty relief was confined to the small section of the population characterized by condition that they do not have access to social welfare due to absence of social safety net (Chen and Wang, 2001; Husain, 2003). Related to urban poverty in China, poverty is not merely defined as limited to problem of getting income and consumption, but it is also related to healthcare, education, vulnerability, participation in social and political activities, etc. In the previous chapter it has been mentioned that poverty is related to structural problem which occurred due to the existing structure of the society.

In this paper I would like to describe the social networks of daily urban poor community lives such as their strategic survival to city life, work situation or their adaptation in new environment and how they respond or create strategic relationship with difficultness they faced. The focus of this study is social networking as one important factor on how the poor can reach all that have been mentioned. In this paper discourse of

social network connected to access to health or food by the poor as important factor in the process on their hard live in the cities⁴³. The purpose of this study is to view the way of the urban poor to solve the problem and to look at their coping mechanism, for instance when they try to cope with their limitations.

This study starts with two main questions; *first*, what kind the social networks that urban poor have built in urban area and their life? *Second*, related to health and food access, how the urban poor create their social network with others? To answer these questions, I employed qualitative method by observation of livelihood in their community and interviews. The respondents for interviews are the poor, lecturer, and social workers. Literature on urban poor is also used to get description of the poor's strategies to survive in urban area by other researchers or academia.

For data gathering, after first fieldwork in June 2008 by the other member of the team in Huhot and Xi'an city, I was doing fieldwork in urban migrants in Beijing by my self to complete the data. Beijing was chosen with simple reason, because in Beijing is easiest to get secondary data for my research and also an example of destinations for rural-migrants and similarity case on urban poor community lives⁴⁴. Before starting my fieldwork, first I seek data related to urban poor community and try to

⁴³ In traditional Chinese society, such relations are based on the tradition of Guanxi, or social networking. The Chinese consider ethical and moral values more important than laws. They feel justified if they behave properly according to their conscience, which comes from family education and social values. To the extent that orderly behavior based on such values is disturbed by a legalistic attitude, it may be harmful to society.

⁴⁴ Beijing is also like other capital city in the world. It represents a crowded metropolis city and has plenty of population. According to the census in the year 2005, population in Beijing has already reach 12 million people and experts are approximating that population in Beijing will reach up to 14 million people (<http://english.peopledaily.com.cn/english/>). As governance center, Beijing also represents one of economic center of Chinese country besides Shanghai or Hong Kong city. Base on my observation, I can see that Beijing city founded a lot of mal or shopping centre, office, school, and super market in every corner of the town. Every day street near my

find where the enclave of community from Xian and Huhot in Beijing, who are key persons for the smooth start of my fieldwork. In the field, I was helped by students and social workers for migrants when conducting interview with them. I use simple in-depth interview and participant observation. In this case I try to combine these methods of in-depth interview⁴⁵ with participant observation. The participant observation is very helpful to get the description of migrant situation and life.

This paper is structured as follows: The first part gives a brief review of relevant literature on poverty and discourse urban population in China. The second part discusses how urban poor strategically activate and create ties in order to adapt to their life in the city. In the last part it gives discussion and conclusion.

5.2 Poverty in Urban China

Speaking of poverty in urban China⁴⁶ we firstly should know their characteristic and how to describe their existence. According to Zhuo Xuejun, a researcher at the Chinese Agricultural University, the urban poor tend to have the following characteristics: 1) Lower than average

campus (Beijing Foreign Studies University) always passed by vehicle, such as bicycle, car, bus, cab and people who doing them business. And surely at the time of evening, entire of shopping centre and place full with people selling food or thing around the area so the area become more multitude. These describe showed that situation of cities who over a lot of job can be seen as pus factor from people to migrate beside Beijing as center of political economy business in Chinese.

⁴⁵ In-depth interview is a method for deeply discovering opinions held by people. Many anthropologist though in-depth interview is a good way to get the information of people's opinion on their fieldwork.

⁴⁶ Officially, the urban poor represent less than one percent of the poor in China. If, however, some recent estimates of the migrant population living below the poverty line are included in this figure, both the incidence and the share of urban poverty rise. Migrant workers constitute a larger proportion of the urban poor, and the share of the urban poor increases to 10–12 percent of the poor nationwide (Zhou, 2000).

incomes. On average, the incomes of the urban non poor are 2.3 times higher than those of the poor, 2) Lower than average levels of expenditure. On average, non poor households' expenditures are 2.9 times higher than those of poor households, 3) Unemployed or jobless. The proportion of the poor seeking for work is about three times that of the non poor, 4) Female. More women are living in poverty than men (12.1 percent of women and 11.7 percent of men), 5) Lower than average levels of educational attainment. 6) Poor health (Zhou, 2000). Meanwhile, if we look the number of poverty in China in 1990, the urban poor was estimated as only 1.3 million, or 0.4 percent of the urban population. In 2000, the ratio of urban and rural Chinese population was 36:64, changed from a ratio of 31:69 only a year earlier in 1999 (World Bank, 1992; Husain, 2003: 2). The five-percentage point jump in the share of the urban population in just one year was not caused by a massive surge in exodus from the countryside to cities but by a change in classification⁴⁷. This leads to the peculiarities of the urban-rural division in China (Husain, 2003: 2).

⁴⁷ One of the most significant social phenomena in contemporary China today is exodus people from the countryside to cities or in academic term is its large-scale internal migration, which well known as the 'floating population' (Guo Man, 2006). According to Guo Man, this term exactly depicts the temporary and circular nature of the massive internal migration in China. He said that most of the researches and academia describe the area of floating population are in rather big cities and coastal areas like Beijing, Shanghai, and Pearl River Delta. Beside, floating population is more concentrated in these areas. Base on national data census, migrants has share of in-flows into the six economically developed areas (Guangdong, Jiangsu, Zhejiang, Fujian, Shanghai and Beijing) accounted for over two-thirds of the total floating population from The National Statistic Bureau of China data in 2001. On the other hand, floating population in big cities is able to offer a more comprehensive picture of the life of rural-urban migrants in China (Guo Man, 2006). According to the 2006 national statistic data in China has reach number 153 million of internal migrants moving to all development cities in all around China. This fact showed migrant tide in China and situation where much rural people in China leave their village to city for changing better life or for other reason.

In China, characteristic of urban poor in China commonly refer three main groups of this population: the unemployed and laid-off workers; migrants; and, the chronic poor. However Asian Development Bank (ADB, 2004) mentions that there are several other groups to be considered as the poor. They are as follows;

Unemployed and laid-off workers

The official figure from ADB (2004) for registered China unemployed people for 2000 is only 5.95 million out of the total urban labor force of 212.74 million. It excludes laid-off employees who are formally still attached to their work units and unemployed rural migrants resident in urban districts. Using 2000 census data, a more inclusive unemployment rate has been calculated. The number calculate a rate of 11.6 percent or 29.9 million people. The figures include the officially unemployed, young job seekers, laid off and early-retired workers but exclude migrants. Among the figures, laid off workers were 14.5 million, of which 3.6 million had been reemployed. A balance of 10.9 million was still unemployed in 2000.

Migrants

It is difficult to obtain reliable data on migrants' incomes for which special surveys are required. ADB (2004) has made estimates of the poverty rates of migrants in urban areas for longer than six months, based on income rather than expenditure and using data from 1998 and 1999 surveys. They estimate a poverty rate of 15.2 percent, compared with 10.3 percent for urban residents.

Chronic poor

This category includes people with the three 'Nos': no ability to work; no savings; and, no relatives to depend on. It encompasses many elderly and disabled people without family support.

Displaced farmers

A fourth group of the urban poor has recently been identified and a number of the study called attention to this group, without being able to provide much detail. These are farmers (with urban *hukou*) who are displaced as a result of development which has changed land use in urban and peri-urban areas. Data from a Ministry of Land Resources survey estimates that there are 20 million such displaced farmers who have lost their rights to land (New Beijing, 10th March 2004). Little is known about what is happening to them, but it is recognised that any compensation they might receive is often inadequate; they have few skills for jobs in cities so they could become a particularly poor, landless group in the future. The Cities Alliance reports that as a result of urban sprawl around Chengdu, many rural people have lost their livelihoods in agriculture but have not yet been incorporated into urban employment or social welfare networks. There have been large numbers of rural to non-rural household registration transfers in satellite towns, but fewer in country towns. Some recently reclassified rural industrial workers are vulnerable if they lose their assigned jobs and only have a few years of social security contributions. They tend to be poorly skilled and they are often lack of help and support to recently reclassified workers, for example for training.

Non-farmer urban residents

Another group about which little is known is non-farmer residents who are displaced as a result of development and/or “urban renewal”. For example, in Chengdu, 4.3 million m³ of space is due to be redeveloped within three years, which means large-scale resettlement of residents. Over 30,000 families were scheduled to move in 2002 although in the event fewer were relocated. There are fears that the redevelopment is being carried out at too large scale and too rapidly. At least 20 percent of resettled residents are reported suffering hardship in relocation. Workers retired from SOEs may lose their housing if it is sold off by the SOE and compensation levels are inadequate to purchase housing in the same area. No estimates are available for the size of this group and while many have to move further away from the centre of the city, losing their previous livelihood sources and/or networks, little is known about what happens to them. In view of the large-scale urban renewal evident in many Chinese cities, this group may be larger than realised, and increasing.

Vulnerable and excluded groups

There is also a number of particular vulnerable groups associated with urbanization and poverty. These include street children, women and children who are trafficked, and beggars. Vulnerability is associated with migration, gender and age, with nonregistered recruitment agencies and entrepreneurs exploiting the fact that girls and young women are ill informed, less educated and willing to work for lower wages. People living with long-term medical conditions such as HIV/AIDS constitute another vulnerable and excluded group. The number of people living with HIV/AIDS was between 850,000 and 1.5 million at the end of 2001. From 1990-1995, the ratio was 1 woman to 9 men. In 2001, this had risen to 1 woman to 3.4 men. Unsanitary practices during paid blood

plasma collection and sharing needles among IDUs (Intravenous Drug Users) have been stated as the most frequent modes of transmission in 2001. The floating population is considered to be one of the most vulnerable groups (Jolly and Ying, 2003).

Waiting for work

An emerging group of urban poor is that of newly graduated students, who have been highlighted as a group of concern. These are young people who spend several years under the classification of *daigang* (waiting for work). The growth of this group, a possible new group of long-term un- or underemployed, also has implications for social stability.

The urban population of China from explanation above can be defined in various ways and both the headcount of the poor and poverty rate implied by an estimate can vary widely depends on the definition. According to Husain (2003: 2) definition of urban population also depend on whether the urban population is equated with the population in urban districts or the official definition of “urban”. Both definitions of the urban population have their particular deficiencies and both exclude a large number of migrants working and living in cities who face a greater risk of falling below the urban poverty line than permanent residents.

5.3 China Internal Migration

Issue on internal migration is also related to creating of urban poor community in China. As mention above, main characteristic urban poor population in China is migrants, especially from rural area. In this chapter I describe this phenomenon as subject that need consideration related to data on the urban poor and some migrant from other country that move to cities to look for jobs and stay in cities for a relatively long time.

Category of internal migration in China is unique. From literature review, there are many definitions and meaning about this term, but internal migration is more or less always related with moving people. The definition about internal migration as many expert said can be describe as; some move from rural to urban areas; some move in a reverse direction; some move to cities to look for jobs; some move for the purpose of tour or visiting family. Among those who intend to obtain employment in urban areas, some settle down with official household registration (*hukou*) location changed to cities; some move without transferring *hukou* location. Some stay in cities for comparatively long time, some stay just for a couple of months and return to rural areas frequently. This all diverse and dissimilar makes the categorization and depiction of the internal migration as experts suggested is quite important and should be addressed as subject focus.

In china, basically discussion about internal migration is related with the legal concept which is often mentioned by scholars. As mentioned by Guo Man, the official and commonly used criteria for categorizing internal migration in China is based on household registration (*hukou*) transfer⁴⁸. He cited the standard of Public Security Bureau, those who move with changed *hukou* location is classified as permanent migrant,

⁴⁸ It is interesting to notice that, China's categorization depends on the official transfer of hukou system. Many of the temporary migrants in China would undoubtedly be considered as permanent migrants if such a status were dependent on duration of residence, rather than on holding urban registration. Partly due to the strict control over one's hukou transfer, the majority of rural-to-urban population mobility assumes the form of temporary movement, and it is reported that the permanent and temporary migrants differ from each other to a great extent with respect to their demographic characteristics, their occupational attainment, and their socioeconomic features (Goldstein & Goldstein, 1994; Yang & Guo, 1996; Fan, 2002). The dual classification of hukou registration. In mainland China, all PRC nationals' personal hukou status is classified by two related parts: residential location and socio-economic eligibility. The first classification is the hukou suozaidi (the place of hukou registration), based on a person's presumed regular residence. Each citizen is required to register in one and only one place of regular

while the temporary migrant refers to all those residing away from the locations of their official household registration (Guo Man, 2003). Permanent migrant and temporary migrant are also distinguished as “migrant” (*qianyi renkou*) and ‘floating population’ (*liudong renkou*) (Cai, 2002). Cai gave more explanation that this classification implies the legal status of the migrants beyond its verbal meaning. Accordingly, only the movement which is accompanied by the transfer of *hukou* with permission of the household registration authorities at either the place of origin and the place or destination or both is regarded as the ordinary, formal, and fully legal form of migration. In contrast, ‘floating population’ covers all those whose current residential place is different from their household registration place, and it often implies to the population movement of an informal and abnormal state (Guo Man, 2003).

A study about China’s internal migrations, particularly from rural to urban migration, can be seen from situation underemployment in agricultural sectors in poor village as one major contributing factor to migration to cities. The common perception about migrant population especially in Chinese cities is that more or less they are economically active and the unemployment rate is low (Fei Guo, 2003). In this case I can say that, poverty encourages poor people, especially from rural or undeveloped area, in peripheral to migrate to more developed area. The migration of poor people from rural area I think is not only because economic gap but also their desire to obtain social or welfare support, to get benefit from public service and infrastructure that available in the areas. When they move to the cities, migrant workers used to work in

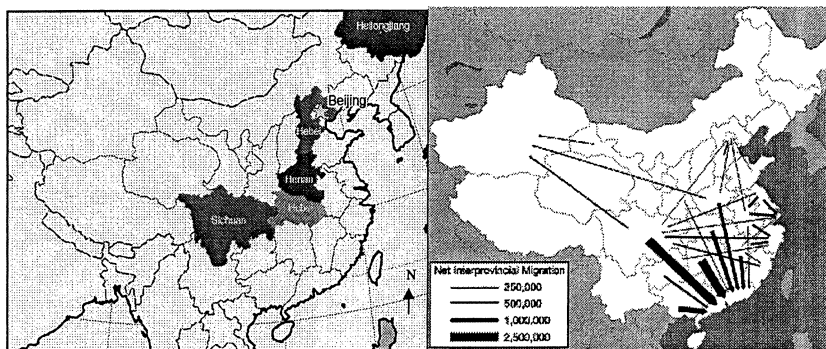
residence. The most common categories of the place of *hukou* registration are urban centres (cities or towns, or industrial and mining areas) or rural settlements (villages or state farms). The local regular *hukou* registration defines a person’s rights for many activities in a specified locality. The supply of staple food and meats, for example, was based on the local *hukou* in the period when major daily necessities were rationed. Many types of urban types of urban jobs, even in the present day of reforms, are still limited to local *hukou* holders only (Kam Wing Chan & Li Zhang, 1999)

the dangerous sector for healthy and safety. The job that they get is usually unskilled job. Low rate education constraint the migrants to get better position or job. Limited employment opportunity is one of the factors for the migration. According to Human Development Report 2005, the reason why they migrate is because less employment opportunity that suits their education. Migration occurs in internal and external area, from rural to urban area. They try to seek another job particularly on agricultural sector. Unfortunately, they only have low education and no skill. So, they encounter problems to enter labor market. They just obtain the jobs that do not required special skill.

From explanation above, internal migration mainly refers to the voluntary movement of rural labors who leave their home villages to urban areas (Huang Ping explore this home villages in the form; ranging from townships, county towns and other small cities within or outside the province of original residence, provincial capitals and major cities), seeking for non agricultural work opportunities, usually temporary or seasonal, at least three months a year, sometimes together with their family members (Huang Ping & Zhan Shaohua, 2005). According to Huang Ping, internal migration in China has two important features: *first*, most migrants left their farmlands for urban areas and/or for non-agricultural activities; *second*, such labor flows are basically directed from the interior to coastal areas, and/or from central and western regions to eastern areas. These two features overlap, and are closely interrelated with the macro socio-economic structure (Huang Ping & Zhan Shaohua, 2005; 3-4). However, in 2003, China's floating population, people who are not permanently registered in their current place of residence, reached 140 million. Most of them are rural labors moving from the countryside to cities and coastal areas. For instance, there are 114 million rural laborers participated in internal migration in 2003. Such internal rural labor migration and related issues, especially regarding poverty reduction, has become one of most significant research and policy concerns in China in recent years ((Huang Ping & Zhan Shaohua, 2005; 2).

In the advanced, despite many employment opportunities and apparently higher salaries in developed regions, the migrants are not always move from rural to urban. There still a high proportion of rural migrants who have sought jobs within their own counties, prefectures or provinces. Most migrants did not move directly to metropolitan areas or large cities, but they move to middle-sized ones area if they find a job. So it depend their resources in finding jobs. For this situation, rural laborers are also rational in their decisions, tending to reduce their economic, social and cultural costs when they decide to leave agriculture for urban or non-agricultural sectors (Huang Ping & Zhan Shaohua, 2005).

Figure 5. 1 The Five Most Common Provinces for Out-Migration and Interprovincial Net Migration Flows in China



Sources: Deland Chan, 2006

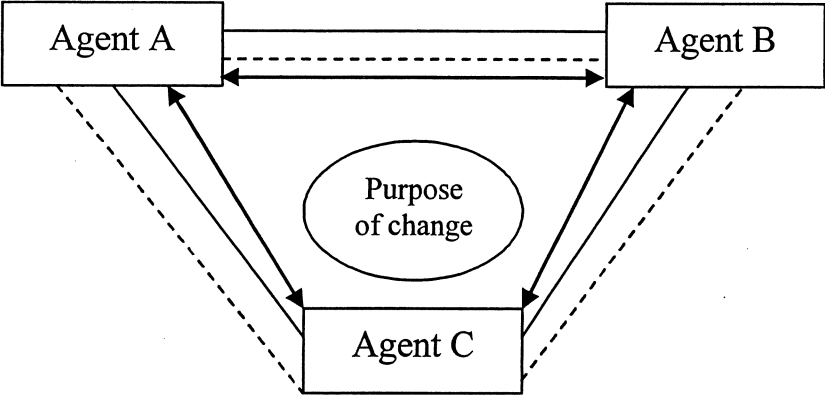
5.4 The Pattern of Social Networking

In this part I state briefly the concepts of social network which can be use in this paper. Study of social relationships among actors—whether individual human beings or animal of other species, small groups or economic organizations, occupations or social classes, or world military alliances—is fundamental to the social sciences (Breiger 2004: 3). Social

network analysis may be defined as an inquiry of patterning relations among social actors, as well as the patterning of relationships among actors at different levels of analysis (such as persons and groups) (Breiger 2004: 3). From Breiger explanation, I think the people, especially poor people, who are live or employed in urban areas do not live independently in the metropolises, but in a certain social network.

For the simple definition, the topic of social network analysis commonly all model incorporate into two basic network properties, those are nodes and connection. According to Bagchi (2004: 24-25), the figure below illustrates the core component of social network.

Figure 5.2 Basic Social Networks



Source: Bagchi, 2001: 25

The boxes represent actors in the network with their connection depicted as either solid or dashes lines. The basic features define the general shape of the network with the thickness of the line signifying the strength of ties between actors. A solid line indicates a strong tie, such as marital relationship characterized by a great deal of temporal, emotional and

intimacy investment. A dashed line represents a weak tie (e.g., the relationship between two strangers seated next to each other on a flight). If there is no line connected between actors mean that those particular members of the network do not have any direct relationship.

Directional arrows and the central purpose of the exchange represent the resource component of the network. Arrows on the lines indicate the relative power of the one network member over another and the exchange of resources from another. The purpose of the social system, in conjunction with the direction of the exchange, informs the relative magnitude of resources. One may deduce the norm operating within a system through the interplay of actors and resources but they do not lend themselves to pictorial representation. Similarly, a single figure cannot capture network dynamics. Comparison of series of diagrams constructed over the course of time would indicate the changes occurred to the network, its members and its overall structure.

Meanwhile, social relations involved in seeking jobs in urban areas can be divided into four types: The *first* type is family relations; The *second* is kinship relations centered around a clan; The *third* is geographical and occupation related relations based on previous association and emotional attachment developed among classmates, comrades-in-arms, fellow villagers and co-workers; The *fourth* is newly established occupation-related connections among friends, classmates and fellow workers (Zhang Jijiao, 2005). The intensity, utilization and their functions as social capital of the four types of relations are shown in the following table.

Table 5.1 Social Networks in Seeking Employment in Urban Areas

<i>Serial No.</i>	<i>Types of Relations</i>	<i>Intensity of the network</i>
Type 1	Family relations	The strongest
Type 2	Clan kinship relations	Fairly strong
Type 3	Geographically and occupationally related connections	Strong or weak
Type 4	Newly acquired occupationally-related connections and friend-to-friend relations	Fairly weak

Sources: Zhang Jijiao, 2005

Such network is firstly built around the kernels of families of blood relations extends to various levels of kinship relations (such as conjugal relations, distant relatives), then to geographically-related connections due to concentration of residences (such as the same village, the same hometowns, etc), and further to a personified identification among classmates, friends, comrades-in-arms, fellow townsmen, all being “members of the same family”. The mechanisms for such connections are “dependence upon mutual help, mutual trust and mutually unpaid favours” (Zhang Jijiao, 2005; 3).

In internal migration process social networking works throughout several step and precisely showed strong character. According to Cox analysis (Cox, 1987, pp.17-24), the whole migration process is divided into three stages according to the nature of the migration and the identifiable factors in each stage. These three stages are: pre-migration stage, transit stage and post-migration stage. Push factor or reasons for migration which always said by migrant can be divided into several factor; economic stimuli, desires for different life, more gendered reasons and household decision. To all migrants, social network established with former migrants from the home village plays a significant role in their pre-migration stage. All informants have had one or more established relationship with their

town fellows who work in Beijing before the movement. In other words, no one risked in a strange and uncertain migration adventure until they were assured of some supports in the destination place. The social network established with former migrants is found to be one of the most influential factors in the decision-making for individual migrants. It exerts tremendous influence on one's migration decision by helping one to locate the destination place and to enter a specific industry.

In the transit stage for domestic workers, in general, compared to the migration across a country's boundary the duration of the transit stage for floating population in China is relatively short and the process is comparatively simple. Especially, the social network of newly arrived migrants greatly facilitates their initial settlement by providing temporary accommodations and helping one to secure a job, or at least introducing a familiar job agency. However, it is also noticed that the function of social network gradually decreases after one's each movement. Experienced migrants tend to choose their own job agencies, housing and employers without the help from their friends.

Furthermore, social network established with the former migrants in the destination place is supposed to exert the strongest influence on individual's migration experience in this phase. The help from town fellowship or relatives is a major resource for newly arrived migrant labors in the strange destination. For those who find a job through the connections with former migrants, the transit process can be very short and the migrant may arrive in a city with a job already arranged. However, for those who go to cities without established relationships and available supports from acquaintance, the transit process could be tough and last for months.

In the post-migration stage, the relationship between a worker and others is more intense. Findings show that migrant workers sometime have confrontation in work place because limited resources and they fight for

that. In other words, there are power and control between employers and workers in both their work and daily lives. Sometime, the control of employers may also extend to worker's personal lives and private domains. In addition, some typical conflicts developed between worker and their employers, and workers are always in disadvantages. Although some workers did not like their employers or others, most of them are not controversial fight. The family-like relationship between migrant worker and other is still far from typical.

5.5 Social Networking of China Urban Poor Communities

1. Social Networking in Seeking a Job

When someone decided to work in a city, he/she must find a person who can help him/her to work in the city. Migrants must say good bye (it means physical breaks) to their families and original places, and then move to destination places and it last until the migrants find an initial accommodation and a job in the new place. In this process, they have to find a shelter to live and to secure a job as a mean of regular support for themselves and their families⁴⁹. According to Cox (1987), situating migration process into a recurring stage framework in which the whole migration process is regarded as an on-going procedure consist of a series of identifiable and readily understood stages and sub-stages⁵⁰.

⁵⁰ In this part Cox (1987) state academic view about migration state. He saw that migration and the following integration as essentially one process which proceeded through three stages of Pre-movement, Transition and Post-arrival. He further identified five sub-stages under the main three stages. These five stages were Pre-decision situation, Decision-making process, Transition, Reception and initial resettlement, and finally, Longer-term adjustment and integration. The first two sub-stages were components under the stage of Pre-movement while the last two were under the stage of Post-arrival. One of significance of Cox's work is his fairly comprehensive enumeration and explanation of variables affecting the migration-integration process. According to Cox, there are seven sets of variables that can be identified throughout the migration-integration process, and all the variables impose significant influences on specific stage. The seven variable clusters are

Most of the migrant that I interview said that social network in finding jobs are established with former migrants or information in the destination place, such as from newspaper, and also the help from town fellowship or relatives is a major resource for migrant in the cities destination. According to my interview with several migrant in Beijing, migrant seeking employment in Beijing province is keenly conscious of the familial and geographical connections. In specific explanation from migrant from Ningxia province near Shanxi province, they said that this connections model is characterized from they origin culture by the Ningxia ethnic group, every members group offer mutual help and benefit from each other in their economic activities, between two familial sections, give protection to members of the same origin, in their association inside ethnic groups or sometime with other groups because as migrant sometime they live unsecure⁵¹. My informant said that there is a little bit attacks can always come directly from outsiders (other migrant) in any kinds of disputes regardless of which side is in the wrong position. The situation is clearer with an example below;

1) Background variables; 2) Migration decision-making and goals of migration; 3) Migration experiences and nature of program; 4) Reception and resettlement policies and experiences; 5) Host society variables; 6) Group interaction variables (Cox, 1987, p. 17). The first variable cluster refers to migrant's social, economic, political and cultural background that exert tremendous influence on the options available to migrants and ultimately on the way that they will handle the total migration experience. The second cluster relates to the decision to migrate, such as the motivation for migration, the goal of individual migrant, etc. The third cluster is the actual migration experience (is it easy or difficult, whether it provokes insecurity or is reassuring, and so on). The fourth cluster relates to the arrival and reception stage, where government's migration policies impose influence on migration experiences of individual and groups. The fifth and sixth variable clusters relate to the integration stage, at which point a range of variables relating to the host society and to the type of relationship that form at various levels become significant. The last variable cluster is the person of the migration, his or her personality, strengths and weakness, level of education, and the like (Cox, 1987, pp.17-24).

⁵¹ Most people from Ningxia are Moslem, as minority in China and also in Beijing group cohesion develop by nature as survive demand in the city. Maybe because they are minority so this model becomes relative special.

Case 1: Guardian officer Universities of Nationalities (Male, Ma Ji Qian (29))

I am from the Hui nationality autonomous prefecture in Ningxia province. I was recruited by the campus and came here in June 2004. My home was in the agricultural areas. When the campus started to recruit campus guardian, I was already working at the county as farmer. Actually I live in a small town in Ningxia, half day's way from Xi'an city (the capital city of Ningxia province). There are six people in my house, and we had small farmer land. In 1998, when I was student at Senior High School, we always get a big harvest and we earned four to five thousands. In my opinion benefit from farmer harvest is very good. We can live economically well. But after my brother and sister married, the land harvests did not sufficient for our family anymore. In other years, my friends from Beijing come and told a story about living in Beijing. I ask them if they have a job for me. One of my friend was then offering a job in Beijing, but he did not tell exactly what kind job. He just tell me that he can find a work in campus like guardian. He then told me about Beijing. He said that Beijing is great and modern. I thought that going to Beijing would be great; otherwise I would live in my small village for the rest of my life being just a peasant. I wanted to change my live and to get better life in the future. I then worked in Beijing as guardian officer in campus museum; I have a dream to earn much more money from my job now. But if I can find a better job in Beijing, I wish to earn several thousands per year. In my opinion, in home country, even though you have much land, sometimes you work depend on weather, if the weather good so the harvest also good too. It is not like in Beijing, now I have a stable income every month. Even if I earn only eight hundred in Beijing per month, but it is still better than in my home village. But that's all depend on your life style and how we spend our money.

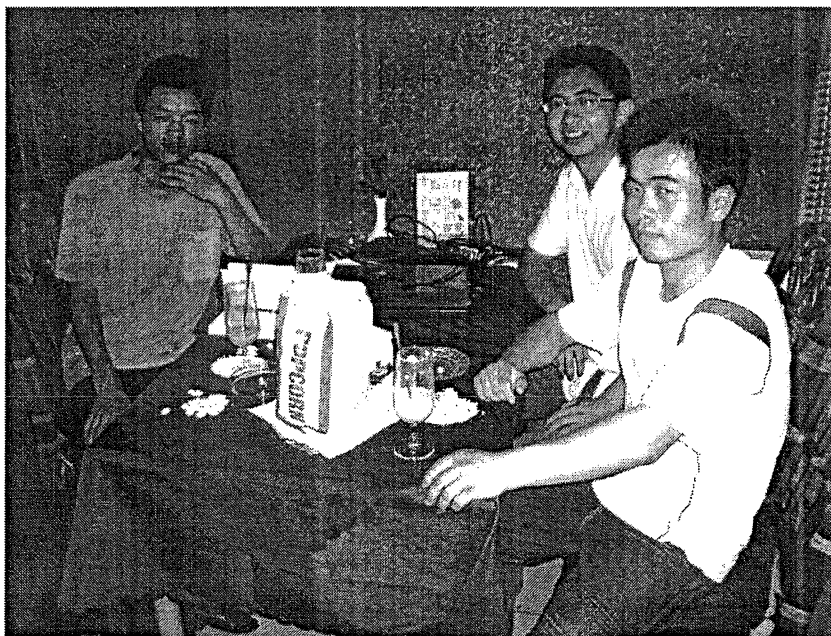


Figure 5. 3 Campus Guardian

Case two : Recycling collector and broker agent for migrant worker at Qinghe district (Male, Jiang Ji)

These men were waiting for customers to approach them with a price for the collected recycling materials when I met them in the street near Qinghe (migrant enclave area in peripheral Beijing). What they do is collecting recycling materials and at the end of the day, they will transport to the central recycling facility in exchange for cash. The location of central recycling is in Qinghe, outside Beijing. Qinghe is a center of the migrant worker from all China and the centre of the recycling product. When I ask my guide why so many people like to work as a recycling man, my guide said that it because recycling is a profitable and well-accepted occupation in

Beijing. They can work day or night. My guide said that normally in Beijing in the middle of the night, drivers (presumably from large recycling firms) make their rounds to restaurants and shops to collect bulky packages of compressed boxes in their open-air trucks. More independent recyclers, such as Jiang Ji, travel around the neighbourhood in their tricycle cart throughout the day to collect recycling material they could sell. He came several years ago, as he explained. He remember that his neighbour in his place (Henan Province) offered him a job as recycling man in Beijing. There are people in village who has been working in Beijing. He was introduced himself to him and they chatted, and then ask may be he have job in Beijing. He said, ok he will help him to find a job. In Beijing they all went to find recycling things and sell it. They are first group from his village that came to Beijing. He got to learn Beijing from people who have already migrated in here. From the first time came to Beijing he already stay in this area (Qinghe). They said that in Beijing, everything can earn money if they are creative. Every time when he returned home, sometime many people came to ask him if he had a job in Beijing. He always tell his story and he will help them as he can. They are all neighbours. Sometime he came to Beijing with friend come to Beijing. If he can not to find a job, he will ask his friend to find a job.



Figure 5.4 Recycling Goods Before Classify.

**Case 3: Construction Workers at Beijing Foreign Studies University
(Male, Zhu)**

Inside Beijing Foreign Studies University, I saw several large construction had been build and placed surrounds the campus. I came with my local interpreter who helps me entering this site. After they recognise me as foreigner firstly they do not want to talk. But after being explained by my interpreter they welcome me for a discussion. Before talk I toured the construction site, I found that not only man worker in this construction but also women, and they works the same jobs as picture below. The workers live in temporary housing that was built not too long ago by their own hands. One typical room was about 10 square meters large, consisting of six beds arranged on three sides of the room. The beds consisted of thin

plywood and simple linens. All of the construction workers' mere possessions were located at the foot of each bed. The common areas were more spacious, consisting of a canteen, a convenience store, and an outdoor field with a television. The migrant workers take their meals together, eliminating the need for a private kitchen. This particular construction site had communal washroom facilities within the complex, but many sites offer access to a public restroom outside of the site. After dinner, the workers would gather around to watch television and chat amongst each other before to sleep if they do not have a night shift. The overwhelmingly majority of individuals in this site were male construction workers. The stereotype construction workers are not always young males but there are migrant construction workers in their late 40's or more. It appears that age and a low level of education may have stifled their ability to explore other career paths. Today, younger migrants have had more of a chance to benefit from China's economic reforms, compared to the older generation who lived through the end of the Cultural Revolution where the older generation may have simply missed the opportunity to receive a continuous education.



Figure 5.5 Construction Workers in Campus BFSU

Case 4: Prof Xinna, activist and Lecturer in Inner Mongolia Province (50 years)

Economic disparities between rural and urban area in Inner Mongolia is relatively unbalance. This factor because poor people in Inner Mongolia did not have economic, social and politic resources. They must have enough money to get resources they need, and more and more to find a lot of money. A good example for this case is situation in Inner Mongolia. People who want to have business in cities commonly bribe the local government to launch its business in town. Police become the entrepreneur personnel resources because they have power. Bribe money equal to 1.5 million Yuan given to governor but governor do not keep a promise so that he was murdered by local police. This incident was in a spring

festival, Chinese festival. Bribe money to governor reach at least 1 million per day. The bribe money is happened not only in Huhot, the capital of Inner Mongolia province, but also happened in other town like Ordos. Having money mean in command. Graft in the kind of business makse access of the poor society in economy to be limited. Special business in Inner Mongolia is coal-mine, but the development of business is sacrificing the poor community of Inner Mongolian. The workers in mining commonly are Han people. Worker in top level of company usually keep to Han ethnic. Inner Mongolian only work as herdsmen, and they do not know how to work the other job. Construction worker and mining workers are commonly Han people also. So, Inner Mongolian do not get beneficiaries from economic development in Inner Mongolia. Much of grassland becomes mining area like in Ordos cities, The biggest company of mining develop by prime minister. Inner Mongolia Herdsmen go to other cities and they work as craftsman and laborer. Their job is basically in the low level. Government only gave small allowance to Inner Mongolia poor people that are 10.000 Yuan per year, only 20-30% from benefit if they carry out they own land. So right now their salary is very small. Autonomous region just in paper but in fact and practice mastered by Han people. Actually base in law, ethnic minority in Inner Mongolia had priority to get the job but in fact they become unemployed, construction worker, etc. they come from poor family in rural area. So, to get the fine job especially in government office, bank or business they must have and create relation. The relation is developed with bribe money and with government agent. They can use their social network like family or friends but in Inner Mongolia they still have to give money to agent. To get a work they must pay at least 50 thousand Yuan. For the work of at hospital they have to pay up to 3 million Yuan. Some people decide to work in Japan because they do not have relationship in company or in government office. But to get work in Japan, they have to pay 30 - 50 thousand

Yuan; this is to get the permission work. People who work in Japan are mostly poor people and do not have a relationship in Inner Mongolia. Therefore, even unwilling, they go to Japan..

In the explanation above, the network of connections is neither uniform nor unchangeable, but combinational and developable, and that different social network is utilized at different job-seeking stages for the urban poor and urban migrant workers. Similar to Zhang explanation (Zhang Jijiao, 2005), the pattern of social networking for the majority of the migrant people, no matter they fall into the dominant Han, or other ethnic minorities, seeking employment is not purely individual behaviour, nor the result of solo effort. Seeking jobs and finding temporary accommodation in big cities is a step-by-step process involving the intermediary (strong or weak connections) in the social network. When employment-seeking by migrant job-seekers becomes a practice followed by a sufficient number of people, social capital associated with various social connections will be available. Clearer picture of the seemingly disorganized job-seeking situation can be seen if we look all in framework where actor who is involved as a member of the social network, migration situation as part of the networking, and the structure and function of the network.

2. Social Networking in Health Access

Data from the Beijing University School of Public Health and the Ministry of Health Maternal and Child Surveillance Network Reports indicate that 80.9 percent of urban children under the age of seven received health care in 2002. The infant mortality rate was 15.4 deaths per 1,000 live births nationally and 11.1 in urban areas. The rate of under-five mortality was 19.3 deaths per 1,000 live births nationally and 13.8 in urban areas. The maternal mortality rate has decreased gradually in urban areas, from 43.1 deaths per 100,000 live births in 1996 to 28.7 in

2002, with the largest percentage decrease (12.5 percent) occurred between 2000 and 2002. Over the same period, the rural maternal mortality rate fell from 62.4 to 47.8 deaths per 100,000 live births.

A baseline study carried out for the DFID-supported Urban Health and Poverty Project in several China cities clearly illustrates the inter-relationship between poverty and ill health (DFID, 2002). Interviews and focus group discussions were held with 95 residents, comprising the beneficiaries of the Minimum Living Allowance (MLA), laid-off workers and the unemployed, disabled and elderly people, migrants and single parents. Interviewees reported that they have insufficient resources to cover basic needs, and “most try to supplement their income by gathering rubbish and selling blood”. They are unable to improve their financial situation because of poor health, disability, age and lack of job skills; they avoid seeking health care because it is unaffordable, and if they do seek care they become further in debt because of the high cost of services (DFID, 2002). The illustration from our field note may give a complete picture.

Case 1: Mr. Ma, a rickshaw driver at Buahi Moslem street Xian city (38 years)

This man has a family in Xian. In his house he lives with his wife and 12 years old daughter. His wife work at a restaurant as a stewardess. 12 years ago he works also in a restaurant, but he works in a government restaurant. Unfortunately he gets serious disease that is diabetes so he cannot work anymore. In 2000 he then stops working and after that time he work as part timer worker. With connection from friends that he have so he can work as footman in friends restaurant. But it is not for long time. He moved from one restaurant to other restaurant. In 2006 he starts work as rickshaw driver until now. He is a Moslem and has a lot of Muslim friend; he told that in Buahi Moslem street Xian city, there are many Muslim

restaurant that provide works for migrant from rural as they are Moslem. He also has family doing the same restaurant business. So, for him it is not difficult to find a job as stewardess in a Muslim restaurant. If they work in offices usually they work as cleaner. As a rickshaw his salary is not enough for one month family requirement, even his salary is already added with his wife salary. The biggest expenditure usually for his daughter's education and for medicine. If he really does not have money he asks his family, especially his parent, for help. His parent is retired from government officer and has good income. To earn additional income he sometimes works as supervisor in many friends' family wedding. He is good to maintain Muslim wedding ceremonial, so sometime people ask him to help them ceremonial. His work is to maintain and to control his staff such as cooking or else. For cooking, he has good experience when he works as stewardess. In this time mean 1 times party in one month. The busiest is after spring festival, March- May and between Sept and November. In every celebration he will get 500-600Yuan. As a resident who lives in Xian he has hukou. Even government launch subsidy money for poor people he does not get it but he did not wish to get that government subsidy. He though that subsidy is allotment for poor people and he will find another way to get money for his family. Since he has diabetes disease he must spend money for his medicine. He does not go to hospital (he think that go to hospital is too expensive since he must pay 300-400Yuan for one visit and medicine). So he goes to modern doctor for his medicine or goes to traditional medicine if he need to. He chose western medicine because the medicine is cheap and not only that because he recognise the doctor so he can get cheap treatment and also consultation. The price both western doctor and traditional doctor is cheap, around 100Yuan. If he goes to clinic or hospital, so he just buys medicine or injected.

Case 2: Mrs. He, a street vendor at Buahi Moslem street Xian city (40 years)

Mrs He is a maize seller in Xi'an cities. She has been working as maize seller for years. She gets 260 Yuan subsidy from government per month and also subsidy for education. She gets education subsidy just from this year for his third son. The amount is 50 Yuan per semester. This subsidy helps her a little bit since school tuition fee is expensive. Mrs He has health insurance even he did not work anymore. This insurance she gets from her friend from her workplace before and now as supervisor in the same company so her friend gave her insurance letter. The motivation why her friend gave her insurance because the unstable economic condition of Mrs He's family but that insurance only valid for her not to other family like husband or kids. However, in practice she felt it is difficult to use her insurance letter and medicine for someone who has insurance letter is more expensive. Mrs He often got help from her friend, in time when his kid sick when he 3 years old, she brought the kids to hospital but the hospital and doctor ask her to pay deposit 1000-3000 Yuan, she though it is too expensive and took him back home. Then she met her friend and showed her to the doctor who she know that is company doctor. And then her kids get medicine. Thanks to her friend's help.

The explanation above shows that children of urban poor population experienced systematic barriers to access education. In the case of Mrs Ma, her child is permitted to attend public schools, but without urban *hukou*⁵², they have to pay higher tuition fees, which is difficult for them. Normally urban poor people are unable to afford these fees. Many migrant families leave their children in their villages of origin to get education

⁵² An urban hukou was needed to stay in cities and gain preferential access to city services such as education, health, and social security.

or send them to informal school such as school for migrant or poor people that is equivalent with formal school. Meanwhile, in developing health insurance schemes, the issue of mobility, urban poverty, and migrant or poor people election to subsidy right needs to be addressed squarely. This is related to recognizing that people need access to health supports whenever and wherever they need them. From the above explanation, the problem is, in order to make benefits transferable, social security contributions and expenditures need to be pooled, and it is not yet clear how this ought to be done. Networks of friends and family from near home location or workplace provide crucial support systems for urban poor population. Urban poor from particular rural origins and friendship tend to be concentrate in certain cities, in which social networking provides the back-up systems for them. This is facilitated through their extensive networks.

3. Social Networking in Food Access

Experts state that many government officers in China persist in thinking about urban food insecurity primarily in terms of aggregate food supply to the cities, rather than the ability of poor households in urban areas to purchase food. Previous chapter explain this effort by increasing agricultural products to meet the demands. Increasing valuable agricultural products by dairying, livestock products, horticulture, diversification of agricultural products, etc intend to create food security. This program actually is standard poverty alleviation by creating food security system which launched by government.

In everyday practice urban poor people rely on social connection that they have. A sample below illustrates that urban poor depend on family relations and social relations to get food sufficiency in urban areas. Family relations are without doubt the most fundamental social relations as well as the most essential social capital, and the clan or social relations derived

from friendship are also a social capital with strong connections. To get food access, one has to go beyond family and kinship networks. They have to include wider social network, to exploit extended social capital. Therefore, in addition to the kinship relations with families at the core which can provide food access, other common utilized network and social capital are mainly geographically and occupationally-related connections outside families developed among friends (fellow villagers, etc.)

Case 1: Mrs. He, a street vendor at Buahi Moslem street Xian city (40 years)

As already mentioned above Mrs He is maize seller in Xi'an cities. She works as maize seller for years. Every morning she sells maize at three junctions near her house. Sometimes government security officer chase away all street vendor in that area, so she often move to another place to avoid government security officer. Her husband do not sells maize, because if he catches by officer he will send out to jail and must pay fine money. But if women sell normally the officer only ask to the street vendor to move to other place, but usually they come back after several days. Except sell maize, in the afternoon until night Mrs He also sell noodle which she rent 300Yuan per month. The customers who buys maize and noodle are her neighbour and people who live around the store. They must pay in cash because to make noodle need expensive material and help from her family. But if someone who does not have money to buy her noodle she will let them to take a noodle and give someday to pay it. Every body can get noodle loan not only her family if need it. I think she can be someone who can ask the help for poor people if they do not have food to eat. She can be a centre for poor people as help for the poor people around her to get food access. As long as they will pay for their loan. In the maize season on May and June, he sells a lot of maize and gets enough money. But if it is not maize season and she does not have money, she will ask from close neighbour or

relative to get a loan. Normally money use to buy maize or noodle material. She and her husband did not have hukou but they get subsidy from government 260 Yuan per month. Social network that is normally used to get another selling benefit is Muslim festival like Idul Fitri and Idul Adha. She usually gets order to make a lot of noodle for that festival. In this time she did not go to work. Other rich Muslim will give food such as beef or mutton or vegetables to poor people, including her. Beef and Mutton is expensive, at least 15-20 Yuan per kilogram. If she got a lot of beef or mutton and all family cannot consume all, beef or mutton will be shared to other poor neighbours.

5. 6 Conclusion

Social networks are important, even crucial assets to enable migration and mechanism for poor people to get what they want. It is possible through kinship or other kinds of social affiliations and identities such as caste solidarity. In the former, dependency, patronage and other kinds of support (e.g. business partnership) can lead to upward mobility. For the latter, the village community can be a good source of information and help with alternatives. How the respondent heard about his or her current residence? Most respondents indicate that they found their job, housing, and health and food access through their social networks, which refers to channels such as real estate brokers and newspaper advertisements than information from family, Boss, village friends, city friends.

From explanation above, social network strain is expressed in three kinds of network reconfigurations. A) Diversification: an egocentric network is expanded by making new contacts, entering into new networks, either by attempting to assert possible claims to belonging, create claims by

entering on a favor-exchange ring, or by redefining which kind of membership is being claimed. B) Resizing: the extent of active links within the network is expanded or contracted through the activation or deactivation of latent claims to network membership. C) Reorganization: the internal configuration changes as the informal hierarchies and rules of interaction and deference are modified. These three dimensions of change are interrelated modes of reconfiguration that may occur simultaneously or independently according to circumstances.

But after work in the cities, I did not mention in paragraph that it is hard for urban poor population to enlarge their network across the border of social division between outsiders and local insiders. Such segmentation of social life reinforces urbanities' stereotyped opinion on the 'insiders' and 'outsiders', leading to further discrimination toward migrants. With all the institutional and informal barriers mentioned above, one could expect an unfavourable social environment for urban poor population to settle down in cities.

In addition to the social network, the active involvement of job agencies and recruitment person, friendship and kinship in the urban poor population area can be another valuable recourse of employment and access to their need, especially health and food access. They may somewhat replace the role of informal network and help urban poor to smooth their process of initial settlement. The social network with former friend in workplace for instance indicates that urban poor established relationship with his or her relatives or town-fellows in the home places; it also suggests the amount of informal social support that the urban poor could draw help from throughout the traditional festival process etc. The variable of social network is crucial throughout the whole process because it assists migrant to obtain access to employment, informal welfare provision and social support of various kinds.

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Chapter 6

CONCLUSION

(Cahyo Pamungkas)

Based on description in the previous chapters, we can find out a set of empirical propositions in relation to the rising urban poverty in the contemporary China as follows. First, annual average economic growth of China in the post economic reform is relatively high (10%). However, it was accompanied by the rising poverty in the same period. Also, generally speaking, the inequality in capital distribution is getting worse in China post-economic reform compared to the time of Mao Ze Dong. Second, economic reform that has been implemented since 1978, characterized by private ownership, privatization of state enterprises, and opening to the foreign investment, has resulted into the development of cities as center of economic growth, mainly in the eastern part of China and in the capitals of provinces. It has become general fact that China has become one of the superpower in the economic world.

Third, the development of these cities as centers of economic growth have been accompanied by urbanization from rural to cities areas or from undeveloped cities to developed cities. It is in line with the Harold Domar's proposition that urbanization take place as consequence of economic development. Fourth, the development of economy, the rising of developed cities, and urbanization have been assumed as causes of urban poverty in the post economic reform. However this research did not address to measure quantitatively to what extent the influence of economic growth for the rising of urban poverty in China. Fifth, the urban poverty in this study is defined as a certain social community,

mainly urban community that has no access to health and agricultural product services. It means that this study discusses poverty not from economic perspective but from social perspective.

As have been described in Chapter One, theoretically, poverty in this research is identified as certain social groups without capital and occupying lower or subordinate position in the mode of economic production. The situation of no access is enabled in China as a logical consequence of the implementation of free market in which the private ownership is allowed. Currently, China is in economic transition from central planning into free market economy, although it cannot be considered as pure free market system. It is noted that current China economic development is related to a long central planning, or it can be called as “planned capitalist economic.” In the central planning period, we could see that productive resources or capitals were owned collectively by society that represented by Communist Party of China (CPC). However, in the free market system, those capitals are gradually removed into private ownership or individual, so that certain social groups do not have access to the capitals and the mode of production.

Conceptually, we can not find out a term of poverty in the central planning economy because the mode of production is characterized by collective ownership, production, consumption, and distribution of capital, although there is poverty in real every day life. Structurally, free market economy that characterized by inequality of capital distribution creates inequality in ownership, allocation, and distribution of capital. Generally speaking, the free market oriented mode of production contains and allow the concept of poverty and make the poverty possible live in the society.

Strategy of survival is the key word to explain how certain social groups that we construct as (urban) poor that are those without access to health and agricultural resources, can maintain their life. A case study in this

research point out how minority groups in Beijing use their social relation, which can be considered as social capital in the certain level. Meanwhile in the Xian and Huhot case, the urban poor minimize their expenditure in health and agricultural product, and also using social relation (guan xi). The social relation and kinship system are very important to keep common live in the field of economic. It proves that free market economic system characterized by social and cultural aspect is logic for rational economic. Nevertheless, it does not mean that government does not provide access to the poor in these cities. The access is provided but it contains aspect of inequality. It means that only certain groups in society can enjoy the access. Those near to government officer or local party leadership are the one that can get the access.

Finally, we end up to research recommendations than policy recommendation. This research is not addressed to propose policy recommendations and the data is not enough to create such recommendations. However, this study brings several research recommendations that can be developed further in the future as follows:

1. This study does not discuss about changing social relation of migrant. In Beijing that there are many types of migrant with their specific social relations. For example, migrants change their work from a certain sector to other sector shall bring about changes of their social relation. Further researches on how the changing social relations of migrant that is resulted from the changing of environment are needed.
2. This research does not explore further the term of access of the urban poor in Xian and Huhot that being analyzed from social and cultural perspective. It is written that the poverty is not caused by the lack of cash of money, but it is just a few an explanations how social relation of the urban poor in those cities being used to overcome the poverty problem. So it is needed to research further the social and cultural perspective of urban poor in Xian and Huhot.

3. The study case of Huhot (Inner Mongolia) does not explain a relation of social and political backgrounds of the society to the poverty problem. As we know in previous study (Budiwanti et.al 2004) that Inner Mongolia is a conflict arena between the NGO activist and the government. It is possible to see a situation of no access is influenced by the political conflict in this region. So, it is needed to research further the access from social and political background of the community.

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Executive Summary

THE IMPACT OF MARKET ECONOMY ON POVERTY IN CHINA: ACCESS ON FOOD AND HEALTH SERVICES

DAMPAK EKONOMI PASAR TERHADAP KEMISKINAN DI RRC:

**Akses terhadap Sektor Pangan dan
Layanan Kesehatan**

DAMPAK EKONOMI PASAR TERHADAP KEMISKINAN DI RRC:

Akses terhadap Sektor Pangan dan Layanan Kesehatan

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1. Latar belakang

Penelitian ini memfokuskan pada pengaruh sistem ekonomi pasar terhadap kemiskinan perkotaan di China. Studi ini berusaha untuk memahami bagaimana penetapan harga dan distribusi dari berbagai produk pertanian dan layanan kesehatan yang didapatkan oleh berbagai kategori kelompok masyarakat kota dari tingkat pendapatan tertentu di Provinsi Shaanxi, Inner Mongolia, dan Beijing. Studi ini juga ingin mengetahui bagaimana kelompok pengangguran dan masyarakat yang berpenghasilan tidak tetap di Kota Xi'an dan Hohhot dalam mendapatkan produk-produk makanan hasil pertanian dan bagaimana mereka mempertimbangkan faktor jarak, biaya dan kualitas dari penyediaan layanan kesehatan yang disediakan pemerintah.

Sejak pemerintah China menetapkan sistem ekonomi pasar, terjadi pertumbuhan ekonomi China yang cukup tinggi di hampir semua daerah. Namun sejak tahun 1980an, disparitas/kesenjangan antar daerah juga menjadi semakin tinggi. Penyerapan investasi yang berfokus pada daerah pantai timur, menyebabkan pertumbuhan ekonomi di pantai timur jauh lebih tinggi dibandingkan daerah pedalaman, yang hanya sekitar 20% dari total nilai investasi (Stockwell 2002: 237). Kesenjangan ekonomi tidak hanya mencakup kesenjangan antara daerah timur dan barat, namun juga daerah-daerah perdesaan dengan kota-kota dan antar stratifikasi

dalam masyarakat. Menurut UNDP (2005), sejak tiga tahun terakhir Indeks Koefisien Gini terus meningkat dari 0,30 di tahun 1982 menjadi 0,40 pada tahun 2005. Menurut data kantor statistik Beijing, pendapatan antara kelompok yang tertinggi dan terendah pada tahun 2004 adalah 5,8:1, dari tahun sebelumnya 4.7:1.

Ketidakmerataan pendapatan masyarakat di tingkat perkotaan merupakan suatu fenomena baru, yang muncul di tahun 1990an. Beberapa penyebabnya antara lain karena reformasi harga di awal tahun 1990an sehingga meningkatkan harga bahan pangan, reformasi social welfare di akhir tahun 1980an yang telah mengubah sistem pemberian subsidi perumahan murah, pendidikan gratis dan layanan kesehatan gratis kepada masyarakat. Restrukturisasi BUMN juga menyebabkan tingginya tingkat pengangguran dari 6% tahun 1993 menjadi 12 % tahun 2000 (Giles, Park, dan Zhang, 2004; Knight dan Xue, 2004). Ketiga faktor tersebut memberikan pengaruh terutama kepada kelompok berpenghasilan rendah dalam mengakses berbagai kebutuhan. Meningkatnya jumlah migrasi rural-urban ikut mendorong tingginya tingkat kemiskinan di perkotaan (Gustafsson and Wei (2000), Khan and Riskin (2001), Xue and Wei (2003), dan Meng, Gregory, and Wang (2005)).

Penelitian lapangan dilakukan di Xi'an (ibu kota Provinsi Shaanxi), Hohhot (ibu kota daerah otonomi Inner Mongolia), dan Beijing. Hohhot dan Xi'an merupakan dua provinsi yang memiliki tingkat kemiskinan yang tinggi. Namun dalam perkembangannya Xi'an telah berhasil mengurangi tingkat kemiskinannya sehingga dengan mengambil kedua daerah diharapkan dapat memberikan gambaran atas akses masyarakat miskin perkotaan. Selain itu, Beijing dipilih sebagai lokasi penelitian untuk bahan perbandingan dengan kedua daerah tersebut. Informan yang diwawancarai berasal dari tiga kategori besar, yaitu pengambil kebijakan, pengamat dan masyarakat. Pengambil kebijakan meliputi staf pemerintah, yaitu dari departemen labor and security dari bagian health insurance

kota Beijing, dokter umum, dokter puskesmas, serta pemilik apotik. Wawancara dengan sumber dari kategori pengamat dilakukan dengan dosen antropologi, sosiologi, dan ekonomi. Kategori masyarakat yang kami wawancarai adalah kelompok pedagang, yaitu pedagang bahan makanan pokok dan masyarakat miskin perkotaan. Mereka yang tergolong masyarakat miskin perkotaan adalah yang tidak memiliki pendapatan tetap (seperti buruh bangunan, tukang ojek, pengemis dan penjual jasa seperti tukang ramal) dan pengangguran. Sumber data sekunder diperoleh melalui studi pustaka di beberapa perpustakaan di Jakarta, Beijing, Shaanxi dan Inner Mongolia dan Singapura, serta berbagai artikel dan jurnal dari internet. Untuk memanfaatkan sumber dari dalam negeri, maka dilakukan *focus group discussion* dengan beberapa ahli terkait.

Penelitian ini menggunakan konsep akses dalam hal pendekatan struktural dan budaya.⁵³ Pendekatan struktural terkait dengan ketidakmampuan

⁵³ Dalam perspektif Marxian, akses didefinisikan sebagai sebuah situasi yang dialami oleh kelompok pelaku sosial yang tidak memiliki sumber daya dalam proses produksi, misalnya dalam memproduksi barang dan jasa termasuk layanan kesehatan dan produk pertanian. Mereka yang tidak memiliki sumber daya disebut sebagai kelompok proletariat sementara yang memiliki sumber daya disebut superordinat, dan mereka itulah yang bisa mengeksploitasi kelompok yang tidak memiliki sumber daya. Dalam rangka mempertahankan hidupnya, kelompok subordinate bergantung pada sistem ini. Di dalam sistem ekonomi pasar, akses merupakan masalah sampai seberapa jauh konsumen dapat memperoleh barang dan jasa, yang mana harganya ditentukan oleh pasar, sehingga, mereka yang tidak mampu membelinya akibat permainan harga di pasar tidak dapat memperolehnya. Produsen menentukan jenis barang yang akan diproduksi, bagaimana memproduksinya. Dalam hal ini, sektor swasta yang lebih banyak berperan. Sebaliknya, peranan pemerintah menjadi minimal. Selain itu, aliran modal ditentukan oleh mekanisme harga dan stok komoditas juga dikontrol oleh mekanisme harga. Namun, China belum menggunakan konsep yang menyeluruh mengenai sistem ekonomi pasar ala barat. Tetapi, China sudah menerapkan beberapa prinsip dalam ekonomi pasar, termasuk sistem harga di mana 95% dari produk yang dikonsumsi ditentukan oleh pasar (Lü Zheng, 1999, hlm. 292). Sementara itu reformasi ekonomi di china berubah dari sistem produksi komune menjadi individual responsibility system yang dipercaya sebagai suatu tindakan yang tepat (Singh, 1991).

pelaku sosial dalam memenuhi kebutuhan dasarnya akibat proses produksi yang menyulitkan mereka untuk mendapatkan akses. Dengan pendekatan budaya, akses terkait dengan modal sosial, yang pada gilirannya membuat mereka mampu untuk mendapatkan akses. Untuk itu, mereka yang secara ekonomi tidak dapat memperoleh akses barang dan jasa, melalui modal sosial dapat membantu mereka mendapatkan akses.⁵⁴ Konsep ekonomi pasar yang digunakan oleh para ekonom pemerintah China. Industri yang dipilih adalah industri pertanian dan kesehatan, yang merupakan dua industri utama yang terkait dengan kebutuhan pokok masyarakat China.

2. Kebijakan Anti Kemiskinan Perkotaan (urban) di Cina

Kemiskinan urban adalah topik baru di Cina. Sebelum reformasi, karena karakteristik-karakteristik ekonomi dan sosial pada “sistem ekonomi sosialis terencana”, kemiskinan tidak dipandang sebagai masalah besar di perkotaan Cina. Pertama dan terpenting dari karakteristik tersebut adalah kebijakan memberikan pekerjaan di mana hampir semua buruh urban diberi pekerjaan, baik di badan usaha negara maupun perusahaan

⁵⁴ Nan Lin (2001, p. 19) mendefinisikan modal sosial sebagai “investment in social relations with expected returns in the marketplace.” sementara Hasbullah (2006) menyebutkan, modal sosial merujuk kepada potensi suatu kelompok, hubungan antar individu dalam kelompok tersebut atau hubungan antar kelompok dalam sebuah network, norma-norma, nilai-nilai dan kepercayaan yang muncul dari kelompok dan kemudian menjadi norma yang dianutnya. Modal sosial juga merujuk pada keeratn network, saling memberikan dukungan, menggunakan bahasa, norma, kepercayaan sosial secara bersama, dan perasaan akan kewajiban bersama di mana masyarakat atau anggota masyarakat dapat mengambil nilai-nilai darinya (Wulf, 2004). Chen dan Chen (2004:308) membagi guanxi dalam tiga kelompok berdasarkan bagaimana guanxi dibangun: 1) kekeluargaan 2) orang yang dikenal (kesamaan almamater, teman kerja/sekolah), dan 3) orang asing. Perbedaan ini kemudian cenderung melahirkan dasar-dasar interaksi yang berbeda, yang akan menghasilkan outcome yang berbeda. Di China, prinsip guanxi telah meningkatkan kontribusi bagi pengembangan perusahaan berskala kecil dan menengah. Prinsip tersebut berhasil telah membangun kepercayaan dalam memberikan dana pinjaman (Tantri, 2007).

kolektif. Mereka menikmati kestabilan meskipun secara relatif bekerja dengan upah rendah. Yang kedua adalah sistem penghitungan gaji setara, yang mencegah penduduk urban merasakan ketidakadilan. Ketiga adalah sistem umum kesejahteraan sosial di kawasan urban yang menyediakan untuk warga kota keuntungan-keuntungan mendasar jaminan sosial. Ini meliputi jaminan pensiun dan jaminan medis untuk pegawai negara, pendidikan umum, perawatan kesehatan, dan perumahan, bantuan kemiskinan untuk orang-orang miskin yang tidak bisa mendapatkan sokongan dari sumber-sumber lain. Kebijakan ekonomi dan sosial yang terlembaga tersebut berfungsi sangat baik di bawah “sistem ekonomi sosialis terencana”, dan mencegah kemiskinan secara efektif pada warga kota.

Program anti kemiskinan tercemin pada tujuan dasar ekonomi sistem sosialis dan tujuan utama politik dan ideologis Partai Komunis. Terkait dengan aspirasi ideologi, Partai Komunis mengungkapkan bahwa kemiskinan adalah hantu pada masyarakat lama. Namun kemudian, masyarakat sosialis baru dipimpin Partai Komunis, mampu untuk menyelesaikannya. Untuk mencapai maksud tersebut, Partai dan pemerintah berusaha dengan segala cara yang ada untuk menyeimbangkan strategi industrialisasi dengan kebijakan pengawasan kesenjangan sosial dan penghapusan kemiskinan. Lebih lanjut, dalam dokumen-dokumen resmi istilah “kemiskinan” tidak pernah disebut. Konsep-konsep seperti “kesulitan hidup” dan “rumah tangga yang sulit” biasa menggantikan istilah “kemiskinan.”

Pada pertengahan 1980-an, kemiskinan di pedesaan dipandang sebagai masalah serius. Ini karena beberapa kawasan masih belum berkembang meskipun banyak wilayah di negara itu telah memperlihatkan prestasi ekonomi gemilang hasil dari Reformasi tahap pertama. Namun demikian, sejak akhir 1980-an, “medan perjuangan” Reformasi beralih dari kawasan desa ke kota, dan khususnya sesudah strategi Reformasi dan Pintu

Terbuka memasuki tahap kedua pada awal 1990-an, kemiskinan urban menjadi masalah besar. Maka, sejak pertengahan 1990, karena situasi yang memburuk, pemerintah secara bertahap mengakui bahwa kemiskinan urban menjadi masalah sosial yang besar di kota-kota. Terminologi resmi kemiskinan pun berubah. Konsep-konsep seperti “kemiskinan urban”, “keluarga miskin”, dan “masalah kemiskinan”, muncul dalam publikasi akademis dan dokumen-dokumen resmi.

Karena isu-isu kemiskinan urban dan anti kemiskinan urban merupakan topik baru bagi pemerintah maupun intelektual-intelektual di Cina, maka belum ada strategi anti kemiskinan jangka panjang dan lebih terencana. Namun demikian, beberapa program anti kemiskinan secara khusus di kawasan urban di Cina telah dimulai sepanjang tahun 1990-an dan telah diperkuat kembali dewasa ini. Lebih jauh, tindakan-tindakan anti kemiskinan secara khusus telah diambil terutama dalam bidang layanan mencarikan pekerjaan, asuransi sosial, dan bidang-bidang terkait lainnya.

Pertama adalah Jasa Mencarikan Pekerjaan. Meskipun kebijakan lama pemerintah untuk membantu semua buruh urban mendapatkan pekerjaan dihapus sejak 1980an, pemerintah masih punya kebijakan membantu buruh-buruh yang dipecat, yakni memberikan jaminan pekerjaan. Pemerintah mendirikan kantor layanan informasi kerja pada mereka. Ada berbagai program di kota-kota meliputi menciptakan lebih banyak pusat lapangan kerja di kawasan urban dan menanamkan investasi dalam sistem informasi, menyediakan program-program pelatihan untuk para pekerja yang dipecat, mendorong para pekerja yang dipecat untuk menerima pekerjaan informal, wiraswasta, dan bekerja dalam “jasa-jasa komunitas” dan sebagainya. Namun, hasil-hasilnya masih terbatas khususnya terkait dengan penyediaan program-program pelatihan kerja untuk para pekerja yang dipecat. Meskipun tingkat mendapatkan pekerjaan kembali adalah sangat tinggi di kota-kota dengan boom ekonomi terutama hasil dari tingkat pertumbuhan ekonomi lebih tinggi, para pekerja yang dipecat masih sangat sulit mendapatkan pekerjaan di kota-kota lainnya.

Kedua adalah Program Tiga “Garis Pengaman” (The Three Security Lines). Guna menanggulangi kemiskinan urban, beberapa proyek pengaman sosial telah dijalankan di mana “tiga garis pengaman” terdiri dari : Pertama, Asuransi Pengangguran. Diprakarsai pada 1980an proyek ini dibentuk untuk memberikan keuntungan kepada para penganggur terdaftar. Dengan berbasis pada kontribusi pekerja maupun majikan, penganggur sekali mendaftarkan diri pada kantor asuransi sosial akan mendapatkan keuntungan menganggur (karena dipecat) mulai dari 3 hingga 24 bulan, sesuai dengan jumlah tahun di mana klaim asuransi telah dibayarkan. Namun karena warga urban yang kehilangan pekerjaan memilih tidak mendaftarkan diri sebagai pengangguran, jumlah resmi pengangguran terdaftar adalah sangat rendah dan lingkup aktual asuransi semacam ini sejauh ini masih sangat kecil.

Ketiga yaitu Biaya Hidup untuk para pekerja yang dipecat. Program ini membawa keuntungan sementara bagi para pekerja yang dipecat terutama yang dipecat oleh perusahaan negara. Setelah dipecat sebagian besar pekerja tergabung ke dalam “pusat jasa lowongan pekerjaan” yang membantu mereka menjamin pekerjaan-pekerjaan baru dengan memberikan informasi pekerjaan dan pelatihan dan juga menyediakan mereka suatu biaya hidup mendasar. Namun, karena perusahaan diminta untuk berbagi membayar ongkos biaya hidup, beberapa perusahaan yang kurang bagus jelas mustahil untuk memberikan kontribusi kepada “pusat jasa lowongan pekerjaan” atau gagal memberikan kepada semua pekerja yang dipecat ongkos biaya hidup. Menurut statistik resmi kira-kira 95 % pekerja yang dipecat yang mendaftarkan diri pada pusat jasa tersebut menerima dana untuk biaya hidup rata-rata 323 Yuan per bulan pada pertengahan tahun 2000. Data terbaru menunjukkan bahwa 6,32 juta pekerja yang dipecat pada pertengahan pertama tahun 2001 di mana 5,79 juta terdaftar di pusat jasa lowongan pekerjaan, dan 93,5% menerima biaya hidup mendasar dalam bentuk kas. Namun, menurut beberapa peneliti jumlah riil uang yang diterima jauh lebih sedikit ketimbang jumlah uang menurut data statistik resmi. Misalnya, menurut laporan

Kantor Berita Xinhua, beberapa pekerja yang dipecat di sebuah kota di Propinsi Anhui hanya menerima 100 Yuan per bulan, yang berarti kurang dari setengah standar resmi lokal 207 Yuan

Keempat, Jaminan Hidup Layak. Sistem Jaminan Hidup Layak ini memberikan bantuan uang tunai kepada semua rumah tangga urban yang terdaftar yang pendapatan per kapitanya berada di bawah garis standar. Diprakarsai di beberapa kota besar seperti Shanghai pada awal 1990an, program baru anti kemiskinan ini dibentuk di semua 668 kota sebelum akhir tahun 1999. Namun, karena program ini disokong secara finansial oleh pemerintah lokal, cakupannya sangatlah kecil oleh karena adanya kesulitan keuangan di tingkat lokal dan banyak kaum miskin urban belum menerima bantuan ini. Pada tahun 2000, jumlah total penerima bantuan di semua kota di Cina hanya sekitar 3,82 juta atau kurang dari 1% dari seluruh warga kota. Pada tahun 2001, berkat partisipasi pemerintah pusat dan pemerintah propinsi, jumlah penerima bantuan meningkat. Pada akhir Oktober 2001, penerima bantuan berjumlah 7,15 juta atau 1,6% dari jumlah populasi total warga kota. Jumlah ini barangkali mencapai 11,89 juta pada akhir 2001, atau sekitar 2,7% dari populasi total warga kota. Standar rata-rata Jaminan Hidup Layak adalah 146 Yuan per kapita. Namun, tidak ada rencana untuk meningkatkan standar Jaminan Hidup Layak di kota-kota di Cina. Sebenarnya, Jaminan Hidup Layak tidak banyak menolong orang miskin karena hanya memberikan standar hidup sangat sederhana bagi orang miskin yakni makanan dan pakaian.

3. Akses Masyarakat Miskin terhadap Sektor Kesehatan

Reformasi system kesehatan dilaksanakan seiring dengan dilaksanakannya reformasi ekonomi. *Health care system* adalah system yang digunakan oleh negara untuk menyalurkan layanan kesehatan termasuk pencegahan dan pengobatan penyakit serta mempromosikan kesehatan fisik dan mental. Selain itu health care system juga mencakup

pihak yang menyediakan layanan kesehatan (dokter, perawat, spesialis) dan bagaimana mereka praktik secara individu, dalam kelompok kecil, dalam kelompok besar dan organisasi massa. Pembiayaan merupakan aspek penting dalam health care system yakni pihak yang akan membayar biaya layanan medis (self pay, insurance or government institution). Aspek penting lainnya adalah bagaimana dan dimana layanan kesehatan disediakan apakah di rumah sakit, tempat praktek dokter, di perdesaan atau diperkotaan).⁵⁵

Sebelum reformasi, layanan kesehatan diselenggarakan oleh pemerintah dan tidak melibatkan pihak swasta. Biaya layanan kesehatan di tanggung oleh pemerintah pusat sehingga masyarakat dapat mengakses kesehatan dengan biaya rendah. Di daerah perdesaan layanan kesehatan dilaksanakan dalam tiga tingkatan. Pertama, *partime barfoot doctor* yakni layanan kesehatan yang dilakukan oleh doctor muda yang masuk ke *commune* sehingga jarak tidak menjadi masalah bagi masyarakat untuk mengakses layanan kesehatan. Kedua, pasien yang menderita penyakit yang agak serius akan dirujuk ke *commune health center* yang memiliki kurang lebih 10-30 tempat tidur, melayani pasien rawat jalan yang ditangani oleh dokter yunior dan mampu melayani sekitar 10-25 ribu pasien. Tingkatan yang ketiga adalah *county hospital* tempat dirawatnya pasien yang menderita penyakit serius dan yang mendapat rujukan dari *commune health center*. Pasien yang di rawat di *county hospital* akan ditangani oleh dokter senior. Di perkotaan penduduk mendapatkan asuransi kesehatan dari pemerintah yakni Government Insurance System (GIS) yang mencakup pegawai pemerintah, pensiun, veteran, dosen, staff pendidikan dan siswa; dan Labor Insurance Scheme (LIS) yang mencakup pekerja perusahaan negara, pensiun dan keluarganya. Kedua asuransi tersebut ditanggung oleh negara.⁵⁶

⁵⁵ US History Encyclopedia, "Health Care". Website :<http://www.answers.com/topic/health-care>. (Diakses tanggal 8 Agustus 2008).

⁵⁶ Weizhen, Dong, 2001. "Health care Reform in Urban China". Working Paper 2001/2. Comparative Program on Health Studies at the University of Toronto. Website: Health care reform in Urban China: http://www.utoronto.ca/cphs/WORKINGPAPERS/CPHS2001_Weizhen_Dong.pdf

Setelah reformasi dilaksanakan penyelenggaraan kesehatan menjadi tanggung jawab pemerintah lokal seperti gaji pegawai rumah sakit, fasilitas rumah sakit dan manajemen rumah sakit. Menurut Weizhen (2001) ada tiga perubahan terkait dengan pendanaan healthcare di China.

1. Pemerintah hanya menyediakan dana untuk gaji pokok dan investasi modal baru kurang lebih sebesar 25-30% pengeluaran rumah sakit.
2. Pemerintah memberikan kebebasan dalam hal keuangan kepada rumah sakit dan pusat kesehatan lainnya.
3. Pemerintah mengizinkan pihak swasta memiliki fasilitas kesehatan dan menyelenggarakan layanan kesehatan. Pendirian rumah sakit swasta didorong dengan mengizinkan penetapan biaya layanan yang lebih tinggi dibandingkan dengan rumah sakit umum.

Asuransi kesehatan hanya dimiliki oleh sebagian kecil penduduk perkotaan yakni penduduk yang bekerja di sektor pemerintah dan di sektor swasta atau perusahaan yang cukup besar. Sebagian masyarakat tidak mendapat asuransi kesehatan atau jaminan kesehatan yakni kelompok masyarakat yang bekerja di sektor informal, wiraswasta dan para migran yang berada di perkotaan. Kelompok ini yang mendapat pengaruh besar dari reformasi kesehatan. karena biaya layanan kesehatan semakin besar dan mereka tidak memiliki asuransi.

Studi kasus di Kota Huhot para migran yang bekerja di daerah tersebut tidak pernah melakukan pemeriksaan kesehatan secara rutin dan merasa tidak pernah sakit. Mereka hanya pergi ke rumah sakit bila penyakitnya parah dan hanya akan membeli obat di apotik dan toko obat. Hal tersebut dilakukan karena biaya rumah sakit mahal. Apabila mereka menderita sakit yang cukup parah, mereka memilih untuk kembali ke daerah asal untuk mendapatkan layanan kesehatan dan mereka akan mendapat keringanan biaya pengobatan. Hal tersebut dikarenakan para pekerja

migran yang berada di Kota Huhot tidak mendapat jaminan social karena mereka tidak memiliki Hukou⁵⁷ sebagai salah satu syarat bagi masyarakat yang akan mendapatkan jaminan social dari pemerintah lokal. Apabila mereka berobat di daerah asal, mereka akan mendapatkan keringanan biaya hingga 30 % dari biaya total pengobatan.

Pada sisi lain, reformasi kesehatan memberikan kebebasan bagi rumah sakit untuk mengelola sendiri manajemen rumah sakit. Meskipun pihak pemerintah tidak memiliki program memberikan keringanan biaya pengobatan bagi para migrant, pihak rumah sakit bersedia memberikan keringanan biaya pengobatan bagi kelompok masyarakat yang miskin yang tidak mempunyai sumber daya uang untuk membayar biaya pengobatan meskipun pasien tidak memiliki hukou di kota Huhot. Keputusan bahwa pasien akan mendapatkan keringanan biaya atau tidak ditentukan oleh dokter yang menanganinya. Pasien akan lebih mudah mendapatkan keringanan biaya apabila dokter mengenal pasien tersebut, sehingga dapat dikatakan bahwa jaringan social menjadi hal yang sangat penting yang mempengaruhi keputusan dokter tersebut.

Pengajuan untuk mendapatkan jaminan social termasuk asuransi kesehatan didalamnya yang dilakukan oleh kelompok masyarakat miskin tidak semudah yang ditetapkan oleh pemerintah. Informasi yang diperoleh dari informan menunjukkan adanya politik uang untuk mendapatkan bantuan tersebut. informan yang berhasil kami wawancarai di Kota Xian menyatakan bahwa dia layak untuk mendapatkan bantuan tetapi oleh pemerintah lokal ditolak meskipun sudah menyerahkan sejumlah uang

⁵⁷ Hukou System adalah system yang mengatur penduduk China untuk bertempat tinggal disuatu tempat, dan terkait dengan perolehan hak-hak social ekonomi sebagai anggota suatu daerah. Hukou system diberlakukan sejak tahun 1950an yang bertujuan untuk distribusi sumber daya, mengontrol terjadinya migrasi dan memonitoring targeted groups of people. Mulai tahun 1984 dilaksanakan relaksasi hukou system yang bertujuan memudahkan perpindahan penduduk dari desa ke kota sehingga kekurangan tenaga kerja di kota dapat teratasi.

yang diminta oleh komite. Hal ini dapat dilihat sebagai upaya masyarakat yang tidak mempunyai sumber daya untuk dapat mengakses fasilitas kesehatan. Pada sisi lain, komite sebagai pemegang kekuasaan menggunakan kekuasaannya untuk mendapatkan keuntungan. Sejak reformasi kesehatan dilaksanakan, masyarakat yang tidak memiliki sumber daya mengalami kesulitan untuk mengakses fasilitas kesehatan. Akan tetapi, kesulitan tersebut dapat diatasi apabila masyarakat tersebut memiliki jaringan social dengan penyedia fasilitas layanan kesehatan.

4. Jaringan Sosial Komunitas Urban Migran Cina

Kemiskinan dan internal migrasi adalah gejala yang cukup berkembang di Cina⁵⁸. Seiring dengan pesatnya laju pertumbuhan ekonomi Cina terutama di daerah perkotaan, kemudian memunculkan fenomena baru yang bercorak kapitalistik, yaitu pasar tenaga kerja. Pada kurun waktu setelah reformasi ekonomi 1978 dijalankan, banyak para warga desa berbondong-bondong pergi ke kota untuk mencari penghasilan yang lebih baik ini. Pasar tenaga kerja tidak lagi diatur oleh negara, tetapi ditentukan berdasarkan konsep kebutuhan melalui mekanisme pasar. Para petani, dengan tidak mempedulikan larangan migrasi, mulai pergi mencari kerja ke kota-kota demi mendapatkan kehidupan yang lebih baik. Kehadiran para pencari kerja di kota-kota ini memunculkan fenomena baru dengan apa yang disebut penduduk terapung (*Mangliu* atau *Mingong*), yaitu

⁵⁸ Latar belakang terjadinya internal migrasi yang besar di Cina, bisa dilihat penyebabnya pada masa setelah era reformasi ekonomi 1978 dijalankan. Pasca reformasi, pemerintah Cina mengembangkan kebijakan pembangunan bidang industri secara besar-besaran untuk memacu tingkat perekonomian rakyat. Salah satu upaya mempercepat laju perkembangan ekonomi adalah menggenjot sektor manufaktur yang mampu menyerap tenaga kerja cukup banyak dipertkotaan. Industrialisasi tersebut tentunya menyerap banyak tenaga kerja yang sebagian besar berasal dari pedesaan. Namun dalam perkembangannya tidak semua terserap pada sektor industri ini. Ketika kebutuhan tenaga kerja industri terpenuhi, hal yang tetap berlangsung adalah proses migrasi itu sendiri. Penyebabnya adalah faktor kemiskinan yang masih membayang-bayangi sebagian besar penduduk pedesaan Cina.

mereka yang tidak memiliki *hukou* kota namun bekerja di kota⁵⁹. Antara 1978 hingga tahun 2006 diperkirakan sebanyak 153 juta orang telah berpindah dari desa ke kota, dan sebanyak 100 juta perpindahan terjadi antara 1995-2000⁶⁰. Kebanyakan mereka bekerja di sektor informal sebagai buruh kontrak bangunan, buruh pabrik, pedagang, pembantu namun ada juga yang bekerja sebagai pekerja kantor.

Konsekuensi dari terbatasnya lapangan pekerjaan sektor formal dan juga ketiadaan *hukou* kota mengakibatkan kerentanan pada kelompok migran ini, diantaranya tiadanya akses terhadap berbagai tunjangan dan perlindungan pemerintah seperti pangan, pendidikan, kesehatan dan lain-lain. Sebagai dampaknya, para kaum migran yang berasal dari desa dipaksa untuk melakukan strategi bertahan hidup untuk dapat melangsungkan kehidupan mereka di kota. Membentuk suatu komunitas tersendiri yang terdiri atas penduduk dari daerah asal yang sama dan kemudian menyelenggarakan pendidikan bagi anak-anak mereka, menyediakan sarana kesehatan, atau saling melindungi satu sama lain adalah salah satu upaya mereka bertahan dari kerasnya kehidupan sebagai migran tanpa *hukou*.

Dalam upaya mempertahankan kelangsungan hidup (*strategic survival*), komunitas urban migrant miskin di perkotaan lantas mengembangkan strategi jaringan sosial diantara kelompok mereka dengan kelompok yang lainnya. Bentuk jaringan sosial yang dibentuk bisa berupa jaringan horisontal maupun vertikal. Praktek jaringan sosial horizontal yang

⁵⁹Yang dimaksud dengan penerapan sistem hukou adalah penerapan sistem registrasi kependudukan berdasarkan pekerjaan “pertanian” dan “non-pertanian”. Sistem yang diterapkan melanjutkan kebijakan pemerintah jaman Mao Zedong, dimaksudkan sebagai alat kontrol negara terhadap masyarakat khususnya menyangkut pembatasan mobilitas penduduk dari desa ke kota. Salah satu keuntungan migran yang memiliki hukou adalah mereka mendapat beberapa fasilitas yang diberikan oleh pemerintah maupun tempat kerja seperti jaminan kesehatan, pendidikan atau perumahan yang mana keuntungan ini tidak di dapatkan oleh migran yang tidak memiliki hukou.

⁶⁰ National statistic year in China, 2006

terdapat dalam kehidupan kumintas urban ini misalnya muncul ketika ada diantara para anggota kelompok mendapat musibah lantas mereka meminta pertolongan pada kerabat mereka atau kawan satu kelompok atau yang berasal dari satu desa. Hubungan-hubungan kekerabatan atau jaringan sosial horizontal pada kelompok urban migran ini pada umumnya sering muncul ditengah-tengah kehidupan mereka. Istilah yang sering digunakan oleh mereka adalah model *guanxi* atau relasi yang dimiliki oleh individu. Tidak hanya berlaku pada keadaan kesusahan namun juga berlaku pada situasi dimana urban migran memerlukan untuk kegiatan lain semisal; mencari pekerjaan, merekrut tenaga kerja untuk dibawa ke kota, hingga berbagi rasa afeksi seperti bersenang-senang dan lain-lain. Dengan tidak menghilangkan sama sekali hubungan-hubungan lain yang lebih berorientasi pada kepentingan ekonomi mereka, bagi kelompok urban migran jaringan sosial tersebut merupakan sarana yang paling banyak dikembangkan.

Disamping jaringan sosial horisontal, jaringan vertikal juga tidak kalah penting. Dari apa yang sempat diamati pada kelompok urban migran ini, jaringan vertikal lebih menggambarkan relasi yang sifatnya menarik benang jaringan kelompok atas dan kelompok bawah. Jaringan ini lebih banyak terdapat di kelompok migran dengan pekerjaan yang mengikat seperti buruh bangunan, pengumpul barang bekas, pedagang atau pekerja pabrik rumahan. Kelompok bawah tergantung pada kelompok atas, artinya kelompok bawah merupakan subordinat/pekerja yang posisinya dibawah perintah kelompok atas yang sudah mapan. Situasi ini dalam prakteknya sebenarnya tidak secara tegas dilaksanakan dimana kelompok atas/superordinat memiliki kekuasaan yang berlebih terhadap kelompok subordinat, karena dalam kehidupan sehari-hari keduanya memiliki ketergantungan satu sama lain. Di kalangan migrant pedagang atau pengumpul barang bekas, kelompok atas dan kelompok bawah saling bertukar berkepentingan. Yaitu untuk membeli atau menampung barang yang dibeli oleh pedagang atau si pengumpul barang bekas. Kepentingan

lain kelompok atas perlu mengikat pedagang dan pengumpul barang bekas dengan cara meminjamkan modal agar mereka selalu membeli barang dari mereka atau menjual barang-barang bekas yang mereka kumpulkan.

Secara sederhana gambaran mengenai jaringan sosial kelompok urban migran di perkotaan dapat di gambarkan dalam matriks berikut ini:

Jaringan sosial kelompok urban migran Beijing

	<i>Tipe hubungan</i>	<i>Intensitas jaringan</i>
Type 1	Hubungan kekerabatan	Paling kuat
Type 2	Klan hubungan kekerabatan	Cukup kuat
Type 3	Hubungan kesamaan geografis dan kesamaan pekerjaan	Kuat dan Lemah
Type 4	Hubungan pekerjaan dan hubungan antar teman dalam pekerjaan	Lemah

5. Penutup

Berdasarkan paparan di muka dapat diketahui beberapa hal sebagai berikut. Pertama, pertumbuhan ekonomi di Cina pasca reformasi telah tumbuh rata-rata 10% per tahun, namun tingkat kemiskinan secara umum juga meningkat pada periode tersebut. Kedua, Reformasi ekonomi yang ditandai dengan diterapkannya ekonomi pasar bebas diduga telah menyebabkan berkembangnya kota-kota sebagai pusat pertumbuhan ekonomi terutama di kawasan pantai timur. Ketiga, perkembangan kota-kota tersebut sebagai pusat perekonomian disertai oleh meningkatnya pendatang dari pedesaan atau dari kota-kota lain yang lebih miskin. Keempat, perkembangan ekonomi, pertumbuhan kota, dan urbanisasi diduga telah menyebabkan munculnya fenomena kemiskinan perkotaan yang muncul pasca reformasi ekonomi. Kelima, kemiskinan perkotaan yang dimaksud adalah tidak adanya akses bagi kalangan pendatang di perkotaan terhadap sector kesehatan dan pertanian.

Secara teoritik, kemiskinan dalam studi ini didefinisikan sebagai ketiadaan akses bagi sebagian kelompok social tertentu dalam masyarakat yang tidak memiliki sumberdaya produktif baik secara ekonomi, politik, budaya, dan simbolik. Ketiadaan akses ini dimungkinkan terjadi di Cina yang sedang mengalami transisi dari ekonomi perencanaan terpusat ke ekonomi pasar. Pada system ekonomi terpusat, sumberdaya produktif dimiliki secara kolektif oleh masyarakat yang direpresentasikan oleh Partai Komunis Cina. Namun, dalam ekonomi pasar, factor-faktor produksi tersebut secara bertahap dimiliki oleh perorangan atau swasta sehingga kalangan masyarakat tertentu tidak memiliki akses terhadap sumberdaya tersebut. Pada system ekonomi terpusat tidak ditemukan konsepsi kemiskinan karena sifat dasar dari modus produksi dan relasi produksi memungkinkan masyarakat memiliki akses yang sama. Secara structural, ekonomi pasar menciptakan ketiakteraturan dalam kepemilikan, alokasi dan distribusi factor-faktor produksi dalam masyarakat yang memungkinkan terciptanya ketidakmerataan dan kemiskinan.

Strategi untuk bertahan hidup merupakan kata kunci untuk menjelaskan bagaimana kelompok masyarakat miskin atau mereka yang tidak memiliki akses terhadap sumber daya dapat bertahan mempertahankan hidupnya. Studi kasus dalam studi ini menunjukkan bagaimana orang-orang dari etnik minoritas tertentu yang dianggap miskin di Beijing menggunakan jaringan social-nya yang dalam tingkatan tertentu dapat dianggap sebagai modal social. Mereka memanfaatkan system kekerabatan dalam etniknya untuk melindungi satu saling membantu dan melindungi satu sama lain dalam ruang social ekonomi. Sementara dalam kasus masyarakat miskin di Xian dan Huhot ialah dengan meminimumkan pengeluaran dalam urusan kesehatan. Hal tersebut tidak berarti bahwa Pemerintah tidak memberikan akses dalam wilayah pangan dan kesehatan terhadap masyarakat miskin di ketiga kota itu. Namun, seringkali akses tersebut hanya dapat dinikmati oleh kalangan tertentu, misalnya penduduk asli ataupun orang-orang yang dekat dengan pengurus PKC.

Research Center for Regional Resources

INDONESIAN INSTITUTE OF SCIENCE

BACKGROUND

Based on the dearth of interdisciplinary studies focused on other nation, the Indonesian Institute of Sciences (LIPI) decided to establish a Research Center For Regional Resources (PSDR) in July 2001. The embryo of this Center was the program of Southeast Asia Studies, founded by Prof. Dr. Taufik Abdullah in 1993. The research center undertakes comprehensive and comparative studies on the dynamics of society, culture, politics and economy in the region of Southeast Asia, the Asia-Pacific and Europe. The objective of research center to develop long term, in depth studies on Southeast Asia, the Pacific regions and Europe.

OBJECTIVE

To develop long-term, in depth studies on Southeast Asia, the Asia Pacific regions and Europe.

AIMS

- To supplement the existing body of social theories with ideas from an Indonesian perspective.
- To prepare and contribute materials for policy makers.

PROGRAM

- Interdisciplinary studies; Research themes from 2002 to 2007 (Economic Crisis, Tourism, Impact of Globalization, Labor Movement, Ethnicity and Nationalism, Transnational problem, Immigration policies and social Conflict
- Discussions/ Seminar/ Workshops
- Publications and Documentation
- National and International Cooperation's

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