

# Governance and social citizenship

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## Outline

- Introduction to research project `Governance, Citizenship and Social Policy in East Asia: Beijing, Hong Kong, Taipei and Seoul.
- Team from Department of Applied Social Sciences, The Hong Kong Polytechnic University, Hong Kong.





- Relationship between globalisation, social policy and well-being has generated enormous debate
- Narratives of neo-liberalism, new public management, residual welfare and active citizenship have become global discourses influencing both national, and particularly international, programmes and policies.



## Emerging concerns

In both Hong Kong and China the context one of:

- Rapid economic growth
- New forms of stratification and exclusion
- Increasing levels of inequality and the emergence of the 'New Poor'.

## Growth rate of GDP (% per year)



	China	HK	South Korea		
2003	10	3	3.1		
2004	10.1	8.5	4.7		
2005	10.4	7.1	4.2		
2006	11.1	7	5.1		
2007	11.4	6.3	5		
2008	10	4.5	5		
2009	9.8	4.8	5.2		

Source: Asian Development Bank, Asian Development Outlook 2008

## Growth rate of per capita GDP (% per year)



	China	HK	South Korea		
2003	9.4	3.2	2.6		
2004	9.4	7.6	4.3		
2005	9.6	6.6	4		
2006	10.4	6.3	4.8		
2007	10.8	5.2	4.6		
2008	9.4	3.6	4.7		
2009	9.2	4	4.9		

Source: Asian Development Bank, Asian Development Outlook 2008

## Increasing concerns about



- Social cohesion and social harmony
- Legitimacy
- Sustainability

## Governance and citizenship



- Concepts of governance and citizenship useful for understanding the dynamics of inclusion and inclusion, and the changing boundaries of citizenship
- For incorporating scales and sites 'beyond the state' (but not 'without' the state)
- Reterritorialisation of the state not deterritorialisation (De- and re-statisation Jessop 2004).

## Governance in a transnational world



- Modes of governance in a transnational world are being shaped and reshaped in constellations of public and private actors
- Include states, international organisations, professional associations, expert groups, civil society groups and business corporations, as well as informal institutions, practices and processes
- Not isolated groups but overlapping networks
- Incorporate actors often involved at different spatial scales, adopting different roles and identities

- Beeson (2001) has argued that  
`...the concept of governance often seems as little more than a normatively loaded shorthand for market-oriented reforms designed to fundamentally reconfigure East Asia's political economies' (p482)



## Governance as analytical tool



- Governance as an analytical rather than a normative framework
- `...an analytical tool that helps unpack the complex way in which political, economic, and social activities are organized...'  
(Beeson 2001 p482).

## Making the connections



- Contested and interlinked concepts of governance and citizenship means of interpreting and analysing different layers and tiers through which citizenship is contested, organised and practiced.
- Citizenship and governance processes interact with, impact upon and effect the construction of the boundaries of citizenship

## Interpreting governance



- Governance refers to a form of social steering that is not just about hierarchy and command through a central authority
- Interaction of a plurality of actors, at different spatial scales, often with different interests, values, cognitive orientations, and power (and financial) resources
- Facilitates an understanding of the ways in which power penetrates the spaces, processes and practices of citizenship.

Formal and informal institutional arrangements which contribute to

- Matrix of governance (Lieberthal 1995)
- Choreographies of governance (Swyngedouw (2001))





- New forms of relationship and interaction between state and society, governments and citizens, and state and non-state institutions have emerged
- Referred to by Jessop (2004) as an arena of 'unstructured complexity'
- Characterised by Rhodes as 'a differentiated polity' (Rhodes 1997).



## **Social rights of citizenship**

- Citizenship characterized by novel forms and channels for participation and resistance as well as new forms of stratification and exclusion
- '...citizenship is both the means for and the effect of governance' (Ho p19)



## Hong Kong as World or Global City



- Often characterised as World City integrated into the global economy relatively early
- Spectacular post-war economic growth ensured its ranking among the first-tier East Asian Newly Industrialised Economies.
- Hong Kong characterised as an `administrative state' and `small city-state' (Chiu et al 1997)
- Never been an independent polity

## Citizenship in Hong Kong



- Civic rights and limited political rights
- 1980s spaces of participation opened up
- Hierarchy of control (Ho 2005) - residency
- No formal recognition of social welfare as a social right
- British Colonial Administration focus on residual welfare and family support
- Imperatives of economic expansion, maintenance of social order, legitimacy creation
- Charity and benevolence

## Hong Kong SAR



- Extensive intervention in housing, health, education
- No formal recognition of social welfare as a social right of citizenship
- Retained, and strengthened, emphasis on family, neighbourhood, voluntary agencies, market for welfare needs
- Self-reliance and self-help, self-organisation, community building and social capital

## Social Security in Hong Kong



- Comprehensive Social Security Assistance (CSSA)
- Old Age Allowance
- Disability allowance
- Mandatory Provident Fund – relatively ‘young’, contributory personal account

## Characteristics of CSSA

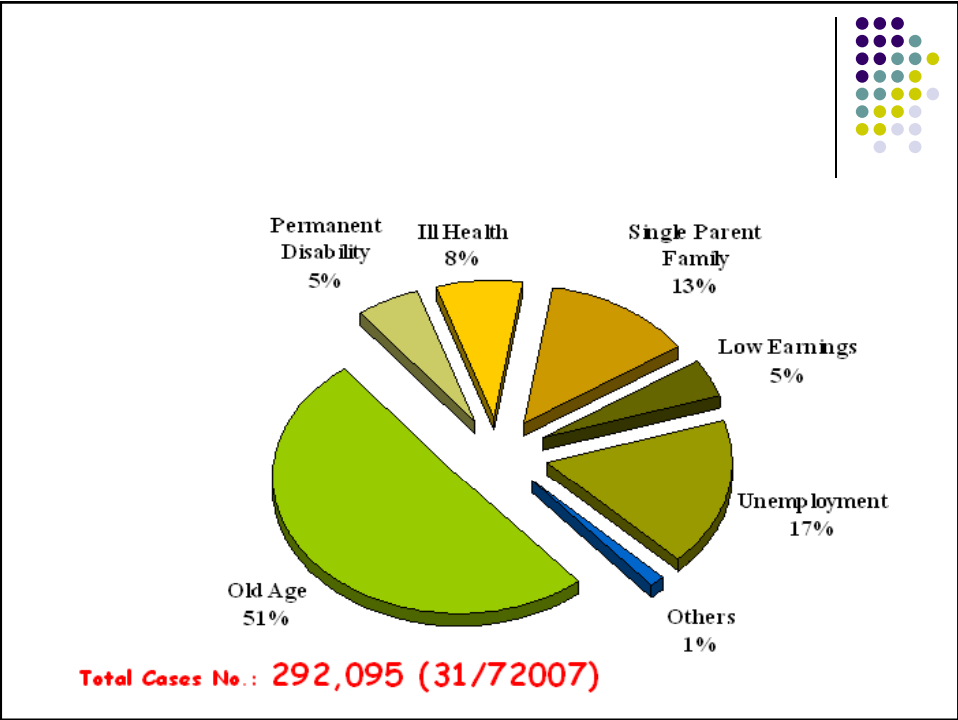


- Non-contributory
- Minimal benefits
- Temporary and transitional
- Only for those who are 'least able to help themselves'

## Emergence of the 'New Poor'



	1993/94	08/2005	07/2007	% changed	
				1993-2005	1993-2007
Low Earnings	947	17788	17721	+1778.35%	+1771.28%
Unemployment	4866	43039	35343	+784.48%	+626.33%
Single Parent	6048	40221	38062	+565.03%	+529.33%
Old Age	69927	151268	152393	+116.32%	+117.93%
Ill Health	10886	23747	24438	+118.14%	+124.49%
Disability	7990	17318	18003	+116.75%	+125.32%
Other	4143	5338	6135	+28.84%	+48.08%
<b>Total</b>	<b>104807</b>	<b>298719</b>	<b>292095</b>	<b>+185.02%</b>	<b>+178.70%</b>



### Poverty in Affluent HK

**Gini Coefficient: Worsening Trends**

Year	Gini Coefficient		Low Income Population	
		Adjusted*	No.	% of total
1981	0.451	---	---	---
1986	0.453	---	631,158	(11.9%)
1991	0.476	---	790,106	(14.5%)
1996	0.518	0.466	1,073,540	(17.5%)
2001	0.525	0.470	1,207,972	(18.5%)
2006	0.533	0.475	1,336,873	(20.1%)

## Social citizenship in China



- Major transformation from planned economy to market economy
- Pre-1979 low income, welfare society operating large scale social programmes in both urban and rural area
- Urban areas wide range of social welfare provided through work unit system and state-owned enterprises

## China and globalisation



- China strongly committed to globalization
- Active participant in institutions of global governance
- More open to foreign trade and investment than India or most other developing countries (OECD 2007)
- Said to have created a much better investment climate



## Institutions

- Market transformation and external openness has been accompanied by institutional transformation and in relation between 'citizen' and state
- Good investment environment:
  - erosion of urban welfare of workers
  - deterioration of labour standards in state owned enterprises
  - labour costs kept low
  - strengthening of market mechanisms and individual consumers



## Economic development

- FDI and export growth concentrated on the Eastern coastal region, moving slowly inward
- 1990 – greater focus on western regions but overall disparities have not narrowed
- Advanced East
- Lagging Central
- Backward West
- 'Fourth World'

## Fourth World



- Consisting mostly of the poorest, minority-concentrated, rural and peripheral areas in central and western China
- Time differences in provinces and provincial level cities being “modernised” is as large as 70 years
- Shanghai and Beijing the first by 2015 and 2018 respectively
- Guizhou and Tibet being the last in 2070 and 2090, more than 50-70 years later

## Fragmented social citizenship



- Dismantling of work unit system and introduction of social-insurance based social protection system
- Introduction of Minimum Living Standard Scheme (MLSS) – Basic social assistance
- Localisation of financial responsibility
- Urban welfare regimes vs rural welfare regimes (Ngok, 2008)

## Growing income inequality



- Propelled by rural-urban income gap
- Zones and non-zones
- Growing disparity between highly educated urban professional and the urban working class (OECD 2007)
- Between 'citizen's' and 'non-citizen's' (household registration system)
- In relation to household consumption Gini measure of inequality increased from 0.31 at the beginning of reform to 0.45

## The gender dimension



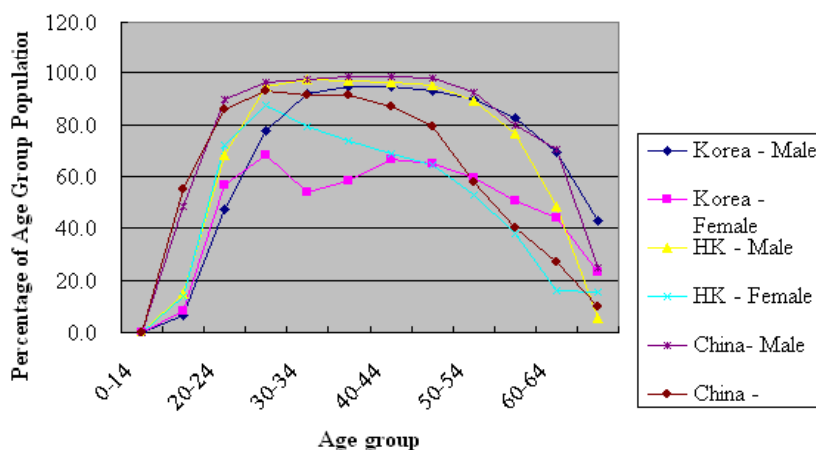
- 1949 equality between men and women became official state policy
- Communist revolution has strong "gender dimension"
- Against "husband-turned-master", antipatriarchal; "women-friendly" state (Hernes 1987; Chun 1996)
- PRC embraced the principle of gender equality
- State Women's Federation developed local branches in every factory and village





- Focus on men's participation in the workplace and a dual role for women in both workplace and domestic sphere
- Men's work and world as the standard for women
- Substantial progress for women in terms of educational achievements, health status, labour market participation, political participation.

### Economic Activity by Age and Gender in 2007 – South Korea, HK and China



## Growing concerns



- Increasing gender inequality
- Rising unemployment of women
- Increase in sexual exploitation and violation of women increasingly evident (prostitution, abduction of women)
- Deterioration in conditions female migrants
- 2001-2002 Domestic violence occurs in between 23% and 35% of families
- Increasing inequality between urban and rural women
- Erosion of status and citizenship of women

## Communicative Public Sphere



- Gender equality already on the public and policy agenda
- Fourth UN Women's Conference in Beijing (1995) provided platform and momentum
- Institutional framework already established
- Created a "communicative public sphere" with increasing political presence and visibility
- State sponsored institutional support is still critical (eg NGO registration) thus not "autonomous space"
- Nevertheless, key ingredient of governance and citizenship matrix

## Fragmented citizenship



- Locality
- Status/class
- Gender
- Rural/urban
- Ethnicity

## Progress



- Enormous progress made in reduction of absolute poverty
- In improving general indicators of social well-being
- China one of the few societies expected to meet the Millennium Development Goals it signed up to

## Decentralization and fragmentation



- Enormous fiscal disparities among sub-national governments
- Local governments primarily responsible for funding basic health and education and, until recently, social assistance
- Poor localities have not been able to fund these services
- Poor households have difficulty with costs of healthcare and education
- Informal practices
- Lack of compliance
- Lag behind social conditions
- Implementation gap
- Fragmented governance – fragmented citizenship

## General comments



- China:
- hierarchical but decentralised state
- Highly integrated into global governance
- Dilution/dispersion of state monopoly
- Informal institutions at local level
- Ngo's and "communicative public sphere"
- Active citizenship and participation
- Social right to a minimum standard of living
- Implementation gap

## Hong Kong



- Hierarchy of governance – ‘One country-two systems’
- PRC, Hong Kong SAR Central Administration, capital (First order)
- Participation, ‘communicative public sphere’, civic rights, limited political rights, monitorial citizenship
- Family, neighbourhood, community (second order)

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