

Banish the Impoverished Past:
The Predicament of the Abandoned Urban Poor

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Aside from the tale of the miraculous “Rise of China” marveled over ceaselessly in popular media, the country’s pulling of millions up from poverty is yet another oft-mouthed piece of rhetoric rehearsed when that nation is the subject. But to be clear about it, these stories of success generally have one of two sorts of foci: if the tale is of “rise,” then the [domestic] locus of attention is the urban middle and rich classes; if the point is to look at poverty, it is just the peasants, the rural people. Besides, most investigation of Chinese privation has focused on the phenomenon of poverty itself (and often on rural poverty in particular), or else on the efficacy of particular efforts at eliminating or reducing indigence.¹ Thus, all we get, in the main, is about positive, upward trajectories.

Perhaps the regime has willed it so. For this has been a government—much like its predecessors going back some 200 years—that aims for progress, prosperity, and productivity, not just to display to its own populace, but also to present to the world-at-large. Indeed, much of the legitimacy of the current political order has been tethered to achievements in amassing wealth, stimulating national pride and fabricating a new, so-called “high-quality” citizenry, all aimed at permitting China to

¹Albert Park, Sangui Wang and Guobao Wu, “Regional poverty targeting in China,” *Journal of Public Economics*, 86, 1 (2002), 123-53; Cheng Fang, Xiaobo Zhang, Shenggen Fan, “Emergence of urban poverty and inequality in China; evidence from household survey,” *China Economic Review* 13 (2002), 430-43; Azizur Rahman Khan and Carl Riskin, *Inequality and Poverty in China in the Age of Globalization* (NY: Oxford University Press, 2001); and Xin Meng, Robert Gregory, and Youjuan Wang, “Inequality and Growth in Urban China, 1996-2000, IZA Discussion paper series, No. 1452, 2005. Qin Gao has written extensively on the topic; a few of her relevant pieces are: Qin Gao, S. Yang, and S. Li, “Welfare, targeting, and anti-poverty effectiveness: The case of urban China,” *Quarterly Review of Economics and Finance*, 56(2015), 30-42; Qin Gao, “Public assistance and poverty reduction: The case of Shanghai,” *Global Social Policy*, 13(2) (2013): 193-215; and Qin Gao, “Redistributive nature of the Chinese social benefit system: Progressive or regressive?” *The China Quarterly*, No. 201 (2010): 1-19.

be conceived, finally, as fully “modern.” What does not—most likely cannot—be forced into that mold is best cast aside, pitched out of the range of watching gazes. China is proud but it is also self-conscious; its dreams must be glorious, its path seen as ever pushing onward, toward modernity.

In such a context, poverty in the cities is simply out of place. It is not to be available for viewing. And yet, the poverty-stricken in the urban areas, much of their condition of penury manufactured by the leadership itself in and after the late 1990s, cannot be merely left to expire in situ immediately. So the Party has devised a mode of maintaining these indigents. But in doing so it employs a method that more or less clamps the cities’ poor into a space of exclusion from which they cannot escape.

Fashioned as the “other” side of the “modern,” I submit, these unfortunate thus must be shucked away.² I ground my argument in some comparative statistics, setting the urban poor of today (and of the past decade) alongside three social segments that are—or have been—officially treated differently from how the current impecunious are served: China’s city-based unemployed of the late 1990s and early 2000s; the destitute in the Chinese countryside in recent years; and the impoverished in other countries, whether “developing” or “developed.”

I pose the question: why are the ill-off in the urban places of China now managed so much more meagerly, in relative terms, than are or were these groups with which they can be contrasted? I make the case that China’s municipally-situated needy have been shunted away because of the state’s obsession with forging the stability and the appearances its political elite deems necessary for attaining their own

² See Lisa Rofel, *Other Modernities: Gendered Yearnings in China After Socialism* (Berkeley: University of California Press, 1999), xiii, 3 and Ann Anagnost, *National Past-Times: Narrative, Representation and Power in Modern China* (Durham: Duke University Press, 1997), 77.

vision of modernity. This form of modernity is a site of aspiration regarded by the powerful as suitable for realizing their own illusions and imaginaries of rejuvenation, regeneration, and renovation.

The crux of this claim of mine lies in a sorry appraisal of the state's Minimum Livelihood Guarantee (*zuidishenghuobaozhang*, 最低生活保障, for short, *dibao*), a program initiated in 1999, at a time of crisis for the prior working class—many of whose members were turned into the recipients of this welfare, the *dibaohu* ([低保户] or, *dibao* households). This guarantee is a social assistance scheme that has been steadily downgraded in the past several years, a topic for inquiry in itself.

I begin by tracing the early days and the rules of the program, and consider how it has changed of late. I then draw some comparisons with the way these other three sets of subjects have been dealt with. I finish with a cultural explanation about the motivating drivers that have left the *dibaotakers* for most purposes out of the metropolitan picture. My basic question is this: why is social assistance in Chinese cities so stingy, especially at present, compared with comparable projects?

Background of the *Dibao* Program

Urban social assistance in PRC cities goes back to the 1950s, when a program entitled the “three withouts” [*san wu* (三无)]--which referred to those with no source of livelihood, no legal supporter and no work ability--was instituted. That scheme satisfied for an era in which most other urban dwellers were employed and serviced by their firms [*danwei*(单位)]. This set of destitute-in-three-ways, to whom an

embarrassingly tiny pittance was doled out, has not been forgotten, despite an entirely new platform devised in the 1990s, the Minimum Livelihood Guarantee. That new (1990s) plan was meant to supplant all these indigents' (both the old "three-withouts" and the newly impoverished) source of sustenance, extending allowances to larger classes of recipients.

As—in the 1980s and '90s--the country's political economy shifted from state planning, the plants that made up the industrial portion of that economy were forced to cope with an unaccustomed market. And as the planned model of business arrangement began to falter and crumble under the onset of rivalry between state-owned (on the one hand) and private, collective and foreign (on the other) factories that had no welfare responsibilities, the state-funded-enterprise social security system cracked apart, completely unable to cope³, such that tens of millions of workers were abruptly cast aside, making a new welfare model a necessity. According to Athar Hussain, as many as 68.9 million jobs were "sacrificed" to the economic marketization project between 1994-2003, if one adds up all those in state- and collectively-owned sectors in enterprises, public institutions and the government.⁴

Besides introducing competition, market economics increased both the price level and the scale of fees that beset the public.⁵The chief effort to handle the extremities of the people who had been pushed from their workposts--such as the 'Reemployment Project' of 1998-2001, with its 'basic living allowances' for laid-off

³X. Shang and X. Wu, 'Changing Approaches of Social Protection', *Social Policy and Society* 3 (3) (2014), pp. 260, 265.

⁴Athar Hussain, 'Urban Poverty in China' Ms. Geneva: International Labour Office, 2003, p. 107.

⁵ Bjorn A. Gustafsson and Deng Quheng, "Di Bao Receipt and Its Importance for Combating Poverty in Urban China," *Poverty & Public Policy* 3, 1 (2011), p.2.

state workers--failed to assemble the required resources to meet the need, even as the numbers of the urban poor far outpaced the capabilities of the old "three-withouts" program.⁶ By 2001, in 21 of China's 31 provinces, the official *People's Daily* announced, the 'reemployment rate' (percentage of the laid-off who found new jobs) had plunged to under 19 percent.⁷ This statistic in itself must be an exaggeration, for untold numbers of those who achieved placement quickly discovered that the jobs were short-term and quite irregular.

As of the early 1990s, Shanghai 's leaders had become aware of the protest upheaval against job losses going on in the Northeast where, as the core of the outdated heavy industrial base of the country, by far the greatest number of dismissals were occurring.⁸ Hoping to forestall such disorder in their own metropolis, Shanghai's politicians developed the *dibao* to tend to their city's discarded labor.⁹ By the mid-'90s, many cities nationwide were following suit, and in 1997 the State Council issued a draft document setting up a national urban residents' Minimum Livelihood Guarantee System.¹⁰ Two years later, that draft became the formal set of regulations specifying the program's rules and procedures.¹¹

⁶Daniel Hammond, 'Explaining Policy Making in the People's Republic of China,' Ph.D. dissertation, Department of Politics, Faculty of Law, Business and Social Sciences, University of Glasgow, pp. 33-48, 71, 76; C. K. Chan, "Re-thinking the Incrementalist Thesis in China," *Journal of Social Policy* 39 (4) (2010), p. 633.

⁷Fulong Wu and Ningying Huang, "New urban poverty in China: Economic restructuring and transformation of welfare provision," *Asia Pacific Viewpoint*, 48, 2 (2007), p. 173.

⁸ Hammond, *op. cit.*, 71; William Hurst, "The Chinese Worker After Socialism (New York: Cambridge University Press, 2009); Ching Kwan Lee, *Against the Law* (Berkeley: University of California Press, 2007).

⁹Linda Wong, *Marginalization and Social Welfare in China* (London: Routledge, 1998), p. 200; Hammond, *op. cit.*

¹⁰Guowuyuan [State Council], *Guowuyuanguanyuzaiquanguojianli*

The program¹²

This program's stated aims were to "maintain the basic living standard for urban residents," defined as meeting the "necessary costs of food, clothes, and housing, giv[ing] reasonable consideration to water and power and fuel bills, and [providing for] the educational costs for children."¹³ Soon after then-Premier Zhu Rongji had signed the authorizing order, a Ministry of Civil Affairs official referred to the 1997 Fifteenth Party Congress as having authorized the project to "perfect the traditional social relief system [a reference to the "three-withouts" program], establish a wholesome modern social welfare system, and guarantee that the economic system reform, especially the state enterprise reform, could progress without incident [*shunlijinbu*顺利]." ¹⁴

chengshijuminzuidishenghuobaozhangzhidu de tongzhi' [Circular of the State Council on the national establishment of the urban residents' minimum livelihood guarantee system], Guofa [1997] 29 hao [State Council Document No. 29], dbs.mca.gov.cn/article/csdb/cvfg/200711/20071100003522.shtml, accessed August 13, 2013.

¹¹"Chengshijuminzuidishenghuobaozhangtiaoli" [Urban residents minimum livelihood guarantee regulations], dbs.mca.gov.cn/article/csdb/cvfg/200711/20071100003522.shtml, (accessed on August 13, 2013).

¹² What follows draws upon Dorothy J. Solinger, 'Dibaohu in Distress', in Jane Duckett and Beatriz Carrillo (eds), *China's Changing Welfare Mix* (London: Routledge, 2011), pp. 36-63; *idem.*, "The Urban Dibaohu," in Fulong Wu and Chris Webster, eds., *Marginalization in Urban China* (Houndmills, Basingstoke: Palgrave/Macmillan, 2010), pp. 253-77; Dorothy J. Solinger, "The minimum livelihood guarantee: social assistance (just) to stave off starvation," prepared for Beatriz Carrillo Garcia, Johanna Hood, and Paul Kadetz, eds., *Handbook of Welfare in China* (Edward Elgar, forthcoming); and *idem.* and Ting Jiang, "When Central Orders and Promotion Criteria Conflict: Implementation Decisions on the Destitute in Poor vs. Prosperous Cities," *Modern China*, forthcoming).

¹³Shang and Wu, *op. cit.*, 261.

¹⁴Z. Wang, "Chengshijuminzuidishenghuobaozhang" [Urban residents' minimum livelihood guarantee], *Zhongguominzheng* [Chinese Civil Affairs] (hereafter ZGMZ), 11 (1999), p. 18.

These hopes revealed that—in addition to (or, better put, on the foundation of) sustaining the needy, the paired objectives of securing “stability” in the cities and facilitating the firms’ restructuring lay at the core of the program. One Chinese writer went so far as to refer to the *dibao* as a “tranquilizer,” which, it was hoped, would permit the state enterprises in Shenyang’s Tiexi district (a site of massive layoffs) to go forward without obstruction. For without it, this essayist unabashedly wrote, “these people must become a burden that the enterprises would find it hard to throw off...even to possibly arousing even larger social contradictions.”¹⁵ Thus, the *dibao* had not just a goal of preserving livelihood; it was also meant to “ensure no threats to social order”...even while its “benefit levels were set low so as not to be a disincentive to work.”¹⁶

But the program failed to fulfill its goals within its first two years in operation.¹⁷ Besides, at that point China was soon to join the World Trade Organization, which it did in December 2001. Many Chinese policy analysts expected that this accession would lead to millions more workers being thrown from their plants, as international competition overcame their employers’ ability to stay afloat.¹⁸

¹⁵L. Ding, “Cong danweifulidaoshehuibaozhang--jizhongguochengshijuminzuidi shenghuobaozhangzhidu de dansheng” [From unit welfare to social security--recording the emergence of Chinese urban residents’ minimum livelihood guarantee system], *Zhongguominzheng* [Chinese civil policy], 11, (1999), p. 7.

¹⁶Lindqvist, R., J. Tang and J. Li (2013), ‘Social assistance in China and Sweden’, *China Journal of social Work* 6(3) (2013), pp. 313, 316.

¹⁷ Shang and Wu, *op. cit.*, p. 261; Hammond, *op. cit.*, pp. 120-123.

¹⁸ Dorothy J. Solinger, “Urban Jobs and The World Trade Organization,” *The China Journal*, (January 2003), pp. 61-87.

At its early stage, the undertaking called for municipalities to design and then finance their own programs by creating a local means test, which was to define eligibility by establishing a local poverty line or norm [*dibaobiaozhun* (低保标准)]. Households whose members' average per capita income fell below that line were to be accorded monthly allowances to lift per-person income up to the norm in their city. Dependence on localities let each city work out a "scientific determination" of the norm, based on its economic conditions, comprising included: its residents' basic livelihood needs; its price level; its degree of development; and its financial ability to contribute to the program.

This reliance on cities' calculations and decisions, however, opened a loophole for municipal officials to contrive 'local conditions' or 'local policies' limiting eligibility and excluding some needy individuals.¹⁹ Thus, significant disparities grew up among cities in the way the program was managed; for instance, poorer urban jurisdictions set their norm low to minimize the numbers they had to serve, whereas in cities with more revenue and where, often, the numbers of the poverty-stricken were fewer, the line was pegged at a higher level.²⁰ In an endeavor to iron out such disparities, in 1999 the

¹⁹ Shang and Wu, *op. cit.*, p, 265; D. Hong, 'Recent Developments in the Minimum Living Standard Assistance Policy for Urban Residents', in *Poverty and the Minimum Living Standard Assistance Policy in Urban China*, Chapter 3 (Beijing: Social Policy Research Center, Chinese Academy of Social Sciences, 2005, accessed [in Chinese] at http://www.chinasocialpolicy.org/Paper_Show.asp?Paper_ID=38, p. 12.

²⁰ Du, Y. and A. Park (2006), "The Effects of Social Assistance on Poverty Reduction," Second draft, 7 September, 2006, p. 4; S. Zhang S. and J. Tang, 'Chengxiangzuidishenghuobaozhangzhidujibenxingcheng' [Urban and rural minimum livelihood guarantee system has basically taken form], in X. Ru, X. Lu, P. Li, *zhubian* [chief eds], *2008nian: Zhongguoshehuixingshifenyuyuce* [2008: Analysis and forecast of China's social situation] (Beijing: Social Sciences Academic Press, 2008), p. 62. This appears to be

central government stepped in to subsidize the more indigent cities, such that the portion born by localities varied significantly.

Yet, alarmed by ongoing demonstrations by the laid-off even after that boost, in 2001 Premier Zhu called for an enormous on-the-ground survey of the plight of the furloughed throughout the country, involving some 800,000 officials, in which he himself participated.²¹ The insufficiencies uncovered (both in the size of the allowances and in the miniscule number of the recipients) led him to order a massive increase in the funding for and the numbers served by the *diba* program, with investment leaping from 1.5 billion yuan in 1999 up to 10.5 billion by 2002, as beneficiaries ballooned from 2.8 million in 1999 to 19.3 million in the latter year. Despite these boosts, the program as implemented far from succored the needy (neither did it manage to reach all those who were eligible--nor could it meet even the basic needs of those it did “cover”). So, in the early 2000s, large-scale central governmental transfers began to reverse an initial reliance on often inadequate local budgets.²²

But one team of scholars found that as early as the mid-2000's, as many as 7.7 percent of the total urban-registered population had a net income below the relevant *diba* line in their cities of registration. And yet the program was serving just about 22.5 million people at the time, which amounted to under four percent of the

consistent with global norms: according to Armando Barrientos, *Social Assistance in Developing Countries* (New York: Cambridge University Press, 2013), 169, “High-income countries with low poverty incidence show relatively high levels of social assistance expenditure compared with low-income countries with high poverty incidence.”

²¹D. Ge and T. Yang, ‘Minimum income schemes for the unemployed’ *International Social Science Journal* (2004) 5 (179), pp. 47-56; Hammond, *op. cit.*, pp. 86ff.

²²Joe Leung and Yuebin Xu, *China's Social Welfare*, Cambridge: Polity Press, draft ms., 2014 (Joe Leung and Yuebin Xu, *China's Social Welfare* (Cambridge: Polity Press, forthcoming, 2015). I have not seen any data specifying the amount of central transfers in the various localities.

country's then-current city population. Thus, the researchers discovered, only about half of those eligible to do so was receiving the *dibao*. Besides that malfunction, "leakage" had resulted in an absurd situation in which "about 40 percent of the [program's actual] recipients [were people who were in fact] ineligible to get it." The team also noted that "29 percent of all poor urban people [without specifying how a figure for the total poor was derived] were getting the *dibao*."²³ It is important to clarify here that there is no official urban poverty line.

Martin Ravallion did discover some improvement by 2007, when 39 percent of the *dibao* eligible poor were recipients, and when just 1.2 percent of the non-poor were.²⁴ Thereafter, the number of urban recipients climbed up to 23.5 million at the program's peak in 2009; within six years, however, at year end 2015, the number had fallen to just 17.216 million in the cities.²⁵ Adding up the beneficiaries in urban and rural areas together, the total amounted to a national sum of 66.55 million,²⁶ a significant decline of from 2011's peak of 75.86 million.²⁷(See Table 5).

Comparing today's treatment of *dibaohu* with three comparison groups

The evolution of the dibao over time

²³Chen S., M. Ravallion and Y. Wang, "Does the Di Bao Program Guarantee a Minimum Income in China's Cities?" in Jiwei Lou and Shuilin Wang (eds), *Public Finance in China*, (Washington, D.C.: World Bank, 2006), p. 18.

²⁴ Martin Ravallion, "A Guaranteed Minimum Income: China's Di Bao Program." Ppt., n.d. Draws on research with Shaohua Chen and collaborators in China's National Bureau of Statistics (obtained from the author)

²⁵<http://www.askci.com/news/finance/2015/12/30/163331xfkf.shtml>, accessed April 28, 2016.

²⁶<http://finance.people.com.cn/n/2015/0611/c> (accessed August 5, 2015).

²⁷*Ibid.* and <http://cws.mca.gov.cn/article/tjkb/201102/20110200133593.shtml> (accessed August 10, 2015). The program was extended from the cities to the countryside in 2006.

True, local administrations have been finding make-work positions for the unemployed in recent years, such as sweeping the lanes of community courtyards, standing “guard” at the gates of these quarters, and peeling shreds of old notices from the common walls. And yet, even if some of the originally poverty-stricken have seen their incomes go up, there is evidence that this drop did not necessarily signify that indigence was disappearing. For the poverty expert Peter Townsend estimated in 2009, at the height of the program’s generosity, that, “If the poverty line were drawn 50 percent higher than the very stringent threshold in fact adopted, the figure of 4.7 % [of the urban population] in poverty becomes 20 percent of the city population, or nearly 90 million in urban areas.”²⁸

In another analysis, two social scientists estimated that as of early 2013, over 30 million urbanites should have been counted in the category of the poor as a conservative estimate,²⁹ at a time when just 21.23 million city people were receiving the welfare, i.e., only about 70 percent of those who should have been on the rolls.³⁰ (See Table 5)

Besides, over the years the average urban *diba* norm has come to represent a steadily declining percentage of the average disposable income of ordinary (non-*dibaohu*) cityfolk nationwide. Similarly, that average norm has

²⁸ Peter Townsend, “Social Security in Developing Countries: a Brief Overview,” in Peter Townsend, ed., *Building Decent Societies: Rethinking the Role of Social Security in Development* (Houndmills: Palgrave Macmillan 2009, pp. 245-52. (this quotation is on p.250.)

²⁹ Zhang Ruli and Peng Qing, “Zhongguochengshigaigezhongpinkunquntizhengce de zhuanxingji qi tedian” [In China’s urban reform, the transformation of policy for the poor masses and its characteristics], *Shehuikexuejikan* [Social science journal], No. 4 (2014), pp. 44-50.

³⁰ <http://files2.mca.gov.cn/cws/201304/20130424180247244.htm> (accessed August 7, 2015).

also amounted to a falling percentage of the average state factory wage: In 2002 the mean *dibao* norm (or poverty line) across urban China represented 28 percent of the average monthly per capita disposable income in large cities, (See Table 2). By November 2011, however, that proportion stood at a mere 15.8 percent (See Table 3.) And in 1998, the average *dibao* norm nationally equaled 20.5 percent of the mean wage in the largest cities. But by 2007 that proportion had sunk by a full 50 percent, down to 10.3 percent. In 2011, the norm amounted to a tiny 7.8 percent of the mean wage in state firms.³¹

Another kind of calculation reveals a second way the *dibao* appears to have diminished significance for budget writers: In 2007, urban *dibao* expenditures accounted for .113 percent of GDP, a proportion that rose in 2008, but up to just .128 percent (during the Great Recession). In 2012, however, the percentage dropped down to just .108 percent. By 2015, it was back down to 2007's .113 percent. (See Table 1-A.) One could argue that GDP was rising, along with average incomes. But this exercise draws attention not to absolute figures but rather to how relative allocations were figured.

Thus, it does seem that the scheme (as well as its initial target and objective—to keep the laid-off quiet in order to avoid wrecking enterprise restructuring) constitutes a lesser concern for central-level decision-makers in recent years than it did a decade-plus in the past, when raucous discharged

³¹ Calculations are from various editions of the *Zhongguotongjiniannianjian* (China statistical yearbook).

workers thronged the roads. This is in line with Lynette Ong's work that shows that, whereas protests related to state-owned enterprise labor disputes accounted for over 37 percent of 18 different grievance types in 2003, in the years 2010 to 2012 these disturbances amounted to between a mere 6.3 and 8.4 percent.³² The work of Eli Friedman also charts a drop-off in labor disputes from 2008-2011.³³

Perhaps along these same lines, a slew of new restrictions and regulations, already brewing for several years, have become formal policy. The initial official sign was a State Council "Opinion" published in late September 2012, containing several mandates that were either novel to the program at that time or that had been present in practice but much less accentuated earlier. The first of these was that the emphasis in social assistance changed to demanding that local workers arrange employment, not offer allowances, for the able-bodied impecunious. Secondly, it urged localities to take the seriously/chronically diseased and disabled, the totally destitute and the deserted, in short, those who amounted to the recipients of the former "three-withouts" policy, as the "keypoint" of assistance.

Also, this September 2012 Opinion for the first time ordered that household assets, including bank savings, securities and other financial assets, vehicles and housing, be taken into account in assessing a family's eligibility to receive the *dibao*. The upshot was that now one's local residence registration,

³² Lynette H. Ong, "Reports of Social Unrest: basic characteristics, trends and patterns, 2003-2012," in David S.G. Goodman, *Handbook of the Politics of China* (Cheltenham: Edward Elgar, 2016), 352.

³³ Eli Friedman, *Insurgency Trap: Labor Politics in Postsocialist China* (Ithaca: Cornell University Press, 2014), p. 4.

his/her family income, and, in addition, the amount of his/her household assets have become the new three basic conditions for obtaining the allowance.³⁴

Fieldwork supports this altered slant. In Wuhan interviews in summer 2012, community officials mentioned a new stringency greeting applications. As one leader explained,

A person who is under 50 years of age and has work ability can't get the *dibao* now; the policy has become very strict. If s/he can't find work, that's not a condition for getting the *dibao*. We encourage them to go work.³⁵

In a different Wuhan community the same summer, the *dibao* manager asserted that,

Now, it's almost impossible for a healthy laid-off person to get the *dibao*. Only the seriously ill and disabled can get it. Getting the allowance depends on age and ability to work; it's only for the old, weak, those with ill health and the disabled. If one has working ability, he's unlikely to get it. In the past, the policy was more relaxed and there were lots of laid-off people [receiving it].³⁶

³⁴Guowuyuan [State Council] (2012), 'Guowuyuanguananyujinyibujiqiang he gaijin zuidishenghuobaozhanggongcuo de yijian' [State Council's Opinions on Progressively Strengthening and Improving the Minimum Livelihood Guarantee Work], *Guofa* [2012] [State Council Document No. 45], No. 45 www.gov.cn/zwggk/2012-09/26/content_2233209.htm (accessed 15 September 2012). See also a commentary on that decision issued by the Ministry of Finance: Caizhengbu, minzhengbutongzhi [Ministry of Finance, Ministry of Civil Affairs Circular, "Guanyuyinfa 'Chengxiangzuidishenghuobaozhangzijinguanlibanfa' de tongzhi"] [On issuance of the circular on the management of for urban and rural minimum livelihood funds], *Caishe* [2012] 171 hao [Finance and society 2012, No. 171], baike.baidu.com/view/9452029.htm (accessed in October 2012).

³⁵Interview, Huazhongshifandaxue community, June 26, 2012.

³⁶Interview, Wuhan, Hongshan district, June 30, 2012.

And In Shanghai in 2013, a 72-year-old woman with two grown daughters explained that, “If you have work ability you have to work, unless you’re a veteran, child, or disabled.”³⁷

By late 2014, the views of informants in Beijing, Wuhan, Lanzhou and from a small Heilongjiang city all concurred with this information. In Beijing, Tang Jun, the foremost *dibao* scholar in China, noted that, “Around 2010 the policy got tighter with regard to the able-bodied.” Scholars in Wuhan related that, “Recently we especially care about work ability.” More confirmation comes from a street committee cadre in Lanzhou, who held that, “Policy has gotten stricter...if you have work ability you should work.” And an interviewee from Heilongjiang observed that, “At first the qualifications for the *dibao* were easier [to meet], but it’s gotten harder now.”³⁸

Nailing this trend down even more securely, a State Council Document, No. 649, issued in early 2014, decreed that even for households in which every adult member was without employment, if all had labor ability, the responsible locality was to guarantee that at least one person become employed, and not that the family should be given an allowance.³⁹

To illustrate the change that has taken place since the end of the last decade, we can compare the percentages of two kinds of recipients over the years—the needy and the unemployed able-bodied. Near the start of the program, in 2002, *sanwu* (“three-withouts”) people constituted just 4.5 percent of the total beneficiaries

³⁷ Interview, June 25, 2013, Shanghai.

³⁸ Interviews, Beijing, October 10, 2014, Wuhan, November 3, 2014, Lanzhou, November 21, 2014, and with a resident from Heilongjiang, in Hong Kong, November 14, 2014.

³⁹ www.sourcejuice.com/.../People-Republic-China-State-Council-Order-64... (accessed August 2015).

of the *dibao*.⁴⁰ There was no separate category for the “disabled” listed then; perhaps such people were sorted with the *sanwu*. By 2009, though, the disabled and the *sanwu*, added together, had jumped up to 11.7 percent of the national total of recipients (2.6 times as large a percentage as seven years before).⁴¹ That percentage dropped just a bit, to 11 percent in the first half of 2015.⁴² Perhaps illuminating this trend is a remark of a scholar of social work, who explained in Shanghai in June 2013, “The government fears that the *sanwus*’ hearts are unbalanced, so it uses the *dibaoto* keep them quiet.”⁴³

Meanwhile, the percentage occupied by the registered and unregistered unemployed, added together, constituted just 38 percent in 2009. These data appear to bolster a claim that the totally pauperized and bereft, plus those physically incompetent to work, began to get a boost, perhaps at the expense of the able-bodied non-working, who, for the most part, have more and more been shunted off to depend on their own devices in what interviews have suggested to be an unfriendly labor market.

As conveyed in the words of a nearly 50-year-old Guangzhou recipient, half-paralyzed and suffering from high blood pressure and diabetes, but still yearning to somehow be gainfully at work: “Because I’m too old and sick, if you were a boss you wouldn’t look for a 40+-year-old sick person, it’s this simple.” As a one-time state-owned oil depot employee, later laid off, he summed up the general situation of the *xiagang* thusly:

⁴⁰ Through 2006, “disabled” was not a separate accounting category.

⁴¹ Zhonghuarenmingongheguo, 2010.

⁴² Zhonghuarenmingongheguominzhwengbu, bian, [Ministry of Civil Affairs of the People’s Republic of China, ed.], Zhongguominzhengtongjinnianjian [China Civil Affairs’ Statistical Yearbook] 2012 (Beijing: China Statistic Press, 2012), pp. 478-79.

⁴³ Interview, June 24, 2013, Shanghai.

Everything requires a high educational background, I only have primary school education, naturally they won't hire me, talented people are numerous, so they won't take me. You say go sell things, that needs start-up money [capital, 本钱], private businesspeople wouldn't invite us, private bosses have no reason to ask a both sick and old person to work, right? I've already tried to find work, but it's no use, no one hired me, I'm too old, and I'm sick. The main reason is sickness, when the boss hears you're sick he wouldn't want you; being young is much better, this is the way it is."⁴⁴

The Rural Poor: A Shift to the Countryside

A recent switch to prioritizing poor residents in the agricultural regions may well be a move to shore up the government (and Party)'s legitimacy in these localities, as clashes between farmers and authorities have been rife. Indeed, an attempt to placate the restive rural areas has been official policy for some time, one associated mainly with the tenure of leaders Hu Jintao and Wen Jiabao in the first decade of the century--as seen in moves to terminate rural taxes and fees, in the institution of new cheap and free health and schooling services, and in the creation of pension schemes.⁴⁵ So, quite possibly in line with this effort, in 2006-07 what had been just an urban minimal livelihood scheme for many years was extended to the villages after a brief trial period.

An unequivocal bent to the countryside with respect to the *dibao*, however, began only in the period I am chronicling here.⁴⁶ Back in 2008, when the rural *dibao* was just being extended nationally, the urban pot of outlays far, far surpassed that for

⁴⁴ Guangzhou, June 30, 2010.

⁴⁵ Jeremy Wallace, *Cities and Stability: Urbanization, Redistribution, & Regime Survival in China* (NY: Oxford University Press, 2014), Chapter Five.

⁴⁶ It is worth noting here that over the past two decades there has been a significant fall in the size of the rural population, so the rapid increase in the numbers of rural recipients is especially important in this context.

the countryside (23.34 million urbanites got 38.5 billion yuan, an average of 1,650 yuan per person per year, while in the countryside, 42.84 million people shared 22.23 billion yuan, an average of just 520 yuan per person per year, a mere 31.5 percent of what an urban recipient was given), an imbalance that obtained through 2010. In 2011, the sums for the rural and urban areas were nearly equal, with 66.77 billion yuan going to the rural areas and 66 billion yuan to the urban poor, a big improvement, despite that the numbers of recipients in the two regions were vastly different, with 22.8 million in the cities and 53.06 in the countryside.

In 2012, however, 67.43 billion yuan was split up among 21.43 million urban dwellers, an average of 3,146 yuan per person per year, while the 53.44 million rural residents got 71.8 billion yuan, or 1,340 yuan per person per year.⁴⁷ This means that the ratio changed substantially, since a rural beneficiary thereby received 43 percent of what an urban one did. And in both 2013 and 2014 the rural areas got larger amounts of funding than did the urban (86.69 billion yuan and 87 billion for 53.82 million rural people and 52.07 million farmer recipients in 2013 and 2014, respectively—an increase from one year to the next).

Meanwhile in the cities, 75.7 billion yuan was allocated in 2013 for 20.6 million people, a figure that dropped to 72.2 billion yuan in the next year (2014) for 18.77 million beneficiaries. This means that in 2014 an average urban recipient—presuming s/he remained on the allowance for the entire year, which may not have been the case—got 3,846 yuan per year, while an average rural *dibaohu* got 1,670 yuan per year, again about 43 percent of the urban indigent's take. That is by no

⁴⁷*Minzhengbufabu 2012 nianshehui fuwufazhantongjigongbao* [Ministry of Civil Affairs announces 2012's social services development statistical bulletin], June 19, 2013, Renminwang. For the year 2011, the sums for the two sort of regions were closer, with the rural pot slightly greater for the first time.

means an equalizing allocation, but it is a significant relative improvement for rural recipients. (See Tables 4 and 5.)

One last type of indicator compares the rate of annual increase in allocations to urban and rural poor residents, respectively. In 2013, for instance, the total funds issued to the urban *dibaohu* amounted to an increase of 12.2 percent over the year before, while in the countryside, the total sum increased by 20.7 percent over the one in 2012.⁴⁸ For another recent example, in 2015, the average urban per person monthly norm rose by 9.5 percent, while the rural one went up by 14.7 percent; the monthly subsidy level for urbanites rose by 12 percent, but in the countryside that payout went up by 15.8 percent.⁴⁹

At the March 2015 National People's Congress meeting, Premier Li's speech indicated the rise in importance of the rural *dibao* program, in his pledge to "continue to raise subsistence allowances for rural and urban residents," notably naming those in the countryside first. Li also announced projected increases in subsistence allowances [which refers to the *dibao*] per person by 9.97 percent for the urban impoverished but by as much as 14.1 percent for the rural needy.⁵⁰ This emphasis was echoed by the Beijing city government, which publicized in June that year that, "We will put emphasis on the rural areas, pay attention to strengthening the readjustment of the rural *dibao* norm, to reduce the gap between the cities and the countryside."⁵¹ Even if

⁴⁸Zhonghuarenmingongheguominzhengbu [Ministry of Civil Affairs of the People's Republic of China], *Minzhengbufabu 2013nian shehuifuwufazhantongjigongbao* [Ministry of Civil Affairs announces social services development communique].

⁴⁹See <http://www.askci.com/news/finance/2015/12/30/163331xfkf.shtml>.

⁵⁰Li Keqiang, "Report on the Work of the Government," Delivered at the Third Session of the 12th National People's Congress on March 5, 2015, 29 and 2-6 at <http://blogs.wsj.com/chinarealtime/2015/03/05/china-npc-2015-the-reports> (accessed March 6, 2015).

⁵¹Beijing chengxiangdibaobiaozhun tongyizhimeiyue 710 yuan [Beijing's urban and rural *dibao* norm unified to 710 yuan per month], *Xinjingbao*, June 27, 2015.

this shift is aimed purely at moving to narrow the benefit gap across types of areas, it still embodies a tilt to the rural areas.

In July 2015, another striking sign emerged that (at least some of) the rural areas were to be served in a new way: the Chinese News Network broadcast that many places had equalized the *dibao* norm in their urban and rural areas, that is, they had raised both their city and country poverty lines to the same level. Though only a handful of major cities, including Beijing, Shanghai, Nanjing, Hangzhou, Changsha, Chengdu and Hefei, had fulfilled the plan as of mid-year, other cities were said to be considering the move as they carried out their own trials or set up experimental districts. Others, such as Guangzhou, were still collecting opinions from the public as of early July. As one case, Beijing raised its urban level from 2011's 480 yuan per person per month to 710 yuan, an increase of about 50 percent, while its rural standard over the same years went from 300 up to 710 yuan, a rise of over 233 percent.

It is likely that the "rural areas" that received this hefty increment were suburban places on the outskirts of the large cities. But the reform is still substantial, even if for a rather limited clientele. This new measure was specifically touted as a means of cutting back the much criticized income chasm between urban and rural areas. Perhaps the subtext of the move was that it amounted to a way of addressing the larger issue of gross inequality in the country that has attracted such censure at home and abroad--and maybe too of trying to tackle the anger over the large-scale dispossession that is attacking farmers.

Nonetheless, it should still be pointed out that in the past couple of years even the rural component of the program is declining: After the initial rise, the numbers of

recipients dropped off in the countryside with time, as well: Just before the program's official extension into the agricultural regions in 2007, figures of beneficiaries there stood at just 15.9 million. (According to Ministry of Civil Affairs yearbooks, some ruralites got a *dibao* allowance before 2007, presumably in trial programs, but the formal roll-out of the program in the countryside was not until 2007).⁵² But rural *dibaohu* increased speedily once the scheme was in place, going from 35.66 million in 2007 up to 53.8 million in 2013. They fell to 52 million in the following year (2014), and down to 49.3 in 2015, however.⁵³ (See Table 5.)

Comparisons with Social Assistance Elsewhere

That the *dibao* program is ungenerous in comparative terms becomes evident when considering the percentage of GDP devoted to the scheme, a statistic significant because it symbolizes the level of largesse a government is willing to shower on its poor. In China that percentage for the urban *dibao* has wavered around 0.12 percent⁵⁴ (reaching a high of .14 percent in 2009, during the financial crisis) after rising from under 0.1 percent, where it stood before 2003. Even with the funds for the

⁵² Huawei Han, Qin Gao and Yuebin Xu, "Welfare Participation and Family Consumption Choices in Rural China," (under review) notes that local experiments with rural *dibao* began in the early 1990s.

⁵³It should be noted here that cost of living in rural areas is far lower than in the cities. Thus, a certain level of inequity in *dibao* norms between city and countryside is reasonable.

⁵⁴ Alfred M. Wu and M. Ramesh, "Poverty Reduction in Urban China: The Impact of Cash Transfers," *Social Policy and Society* 13, 2 (2014): 285-99, (this quotation is on p. 291) write that the average spending on the urban allowance from 2000 to 2009 amounted to .12 percent of GDP, "considerably below other countries in East Asia."

rural *dibao* added in, the two allowances together amounted to just .25 percent of GDP in 2014.⁵⁵ In 2015, the percentage dropped to .20 percent of GDP.⁵⁶ (See Table 3.)

By contrast, the percent for targeted poverty programs elsewhere spanned from 0.5 to 1 percent in Latin America in the early 2000s⁵⁷ to an average 2.5 percent of GDP spent on cash transfer programs. According to Armando Barrientos, expenditures on anti-poverty programs typically range between one and two percent of GDP.⁵⁸ Mexico fell below this proportion, but still was investing 0.3 percent of GDP in its poverty reduction programs as of 2008, and Indonesia's similar program cost 0.5 percent of its GDP in 2005.⁵⁹

Besides this, in China in 2015, the average *dibao* handout was a mere 439 yuan per person per month in the cities, or 5,268 yuan per year. Urban average disposable income that year was 31,195 yuan per year, so that *dibao* represented just 16.88 percent of China's average urban disposable income last year, a drop from the previous year's 17.1 percent, not to mention a long-term drop from the 28 percent among the major cities of 2002⁶⁰ (See Tables 2 and 3).⁶¹ And, whereas Barrientos's

⁵⁵ Calculated from *Renminribao*, June 11, 2015, <http://finance.people.com.cn/2015/0611/c109117704.shtml> (accessed August 10, 2015).

⁵⁶ Calculated from http://www.360doc.com/content/16/0119/16/502486_529117704.shtml (for GDP) and <http://www.askci.com/news/finance/2015/12/30/1633331xfkf.shtml> (for total national expenditure on the *dibao*).

⁵⁷ Stephan Haggard and R. R. Kaufman, *Development, Democracy, and Welfare States* (Princeton: Princeton University Press, 2008), p. 217.

⁵⁸ Armando Barrientos, *Social Assistance in Developing Countries* (New York: Cambridge University Press, 2013), 5, 168, 221.

⁵⁹ J. A. Hanlon, A. Barrientos and D. Hulme, *Just Give Money to the Poor* (Sterling, VA: Kumarian Press, 2010), pp. 22, 40, 42.

⁶⁰ A list of China's 30 major cities in 2015 shows that their *dibao* distributions averaged .165 of the national average disposal income in cities. The table displaying these *dibao* norms is at <http://www.566job.com/shebao/zhengce-1877.html>

study, published in 2013, reports a rising trend in social assistance budgets as a proportion of GDP in most countries over the past decade and a half,⁶² in China the percentage has steadily fallen since 2011 (when it was .274 percent of GDP) to 2015's .20 percent, with the exception of the year 2013, when it rose, but just to .277 percent (See Table Three).

Another critical way in which at least the urban portion of China's program suffers by comparison with social assistance around the world is in its failure to essay to raise its recipients out of poverty. As a general rule, Barrientos reports, "anti-poverty transfer programs [which] provide direct transfers in cash and/or in kind" ..carry the "aim of facilitating [their targets'] permanent exit from poverty," he adds.⁶³ By upgrading household consumption, and, correspondingly, productive capacity, such programs "lead to poverty reduction and, over time, facilitate exit from poverty."⁶⁴

Crucial components of these efforts entail a bargain according to which parents must see to the primary health care, nutrition, and education of their young; a work requirement for the parents is often a part of obtaining the benefit. In all, the schemes entail investments in human development, even as they lessen the social exclusion that all too often accompanies poverty.⁶⁵

But in China, neither is there an effort to encourage indigent parents to improve the endowments--whether physical or cultural--of their offspring, nor is there a work requirement for the adults. Rather, as noted earlier, there is a push to remove the

⁶¹ For average *dibao* per person per month, see http://news.xinhuanet.com/politics/2016-01/25/c_128666296.htm; for average disposable income in 2015, see http://www.stats.gov.cn/tjsj/zxfb/201602/t20160229_1323991.html.

⁶² Barrientos, *op. cit.*, 221.

⁶³ *Ibid.*, 1.

⁶⁴ *Ibid.*, 14.

⁶⁵ *Ibid.*, 85, 104.

labor-capable from the rolls. These are telling contrasts, suggesting that perhaps the Chinese leadership has no real intention of bettering the long-run lot of its urban poor.

Why, after all, is this the case? Can we create a larger commentary on the reason for the Chinese urban destitute not doing as well as they did a decade past, for their being sidelined, at least relatively, as compared to funding for their rural counterparts, and for getting less attention than do impoverished people elsewhere in the world?

A Cultural Explanation for China's Different Approach to its Indigent

A bevy of Chinese intelligentsia, from political figures and thinkers going back to the early nineteenth century⁶⁶ through the 1919 May Fourth Movement harbored a “faith in a march from backwardness to modernity,” penned Gail Hershatter.⁶⁷ This aspiration animated national leaders of the twentieth century too, with both Mao Zedong and Deng Xiaoping sustaining an ardent, unquenchable vision, what Ruth Rogaski has labeled an “intense longing for modernity,” which she claims informed a “struggle to achieve what seems to be an ever-elusive state of modernity.”⁶⁸

⁶⁶ Orville Schell and John Delury, *Wealth and Power: China's Long March to the Twentieth Century* (New York: Random House, 2013), 18 on Wei Yuan in 1826; 50, on Feng Guifen in 1860; 97 on Liang Qichao in 1897; and 98 on Yan Fu, also in the late 1890s. These thinkers wanted to ground China's future in wealth and power (Wei) ; warned that “those who confine themselves to the old will...become weak” (Liang); appealed to social Darwinism notion of “survival of the fittest for understanding China's plight (Yan); and pointed to shame as a possible catalyst to strengthen the nation (Feng).

⁶⁷ Gail Hershatter, *Dangerous Pleasures: Prostitution and Modernity in Twentieth-Century China* (Berkeley: University of California Press, 1997), 255.

⁶⁸ Ruth Rogaski, *Hygienic Modernity: Meanings of Health and Disease in Treaty-Port China* (Berkeley: University of California Press, 2004), 250, 2.

Even before the Western colonial powers and Japan came onto their soil from the 1840s,⁶⁹ Chinese people have striven for a formula that would transform the nation from its relative “backwardness” (relative to the “advanced” West) into a “modern” place that could become one of the colonial countries’ peers. The colonials’ coming, of course, intensified that striving immeasurably, as those foreigners perceived the country as behind, delayed, and thereby deficient and arrested in development, resulting in a severe rattling of the country’s ancient sense of superiority.

A century later, the Guomindang government—despite its highest hopes—managed to induce just the more southern portions of the coast into the then-contemporary world, with that regime’s thrust for progress to be propelled by productivism.⁷⁰ In his time, Mao—both in unacknowledged awe of the West but also heatedly determined to catch up with and surpass it—imagined that ever-higher productive output, to be attained by corralling peasants and workers into a gigantic state-driven industrial project, could “propel [the nation] into the modern world.”⁷¹ The obsession with being a courtier in the world likewise galvanized Mao’s successor, Deng Xiaoping, who also battled to position the nation for strength and affluence, and was probably the influence behind amending the state constitution in 1993 to this effect.⁷²

⁶⁹ *Ibid.*, 9, 168.

⁷⁰ Janet Y. Chen, *Guilty of Indigence: The Urban Poor in China, 1900-1953* (Princeton: Princeton University Press, 2012), 90.

⁷¹ Hershatter, *op. cit.*, 324; Schell and Delury, *op. cit.*, 238; Rofel, *op. cit.*, 27.

⁷² Borge Bakke, *The Exemplary Society: Human Improvement, Social Control, and the Dangers of Modernity in China* (Oxford: Oxford University Press, 2000), 60.

Global recognition, what Ann Anagnost has termed “the evaluative gaze of global capital,” along with the push lent by what she characterized as “the rigorous norms of discipline and skill of the global market,” the unquenchable urge to match up to the guidelines of global competition, with its “sophisticated products,” have been among the most potent drivers of this demanding drumbeat to remake the place.⁷³ This has been especially the situation once China entered the global economy in force in the 1990s and thereafter. But how best to accomplish this phantasmagoric future?

There has been broad agreement in China that human improvement and industrialization—perhaps rooted in the writings of Karl Marx—lie at the root of the quest for modernization. Thus, according to a 1988 piece in the Chinese (as of that era, intellectual) daily, *Guangmingribao*, that modernization had to include human modernization.⁷⁴ In recent decades, this notion has been translated into a preoccupation with *sushi* [quality], its rough translation.⁷⁵ Most critically, this often has to do with elevating the quality of the workforce.⁷⁶ So state power, economic growth, and nation-building were to grow on the backs of an imagined “bettered” people.

⁷³ Joseph W. Esherick, “Modernity and Nation in the Chinese City,” in Joseph W. Esherick, ed., *Remaking the Chinese City: Modernity and National Identity, 1900-1950* (Honolulu: University of Hawai‘i Press, 1999), 4; Anagnost, *op. cit.*, 123; Chen, *op. cit.*, 22; David Strand, “New Chinese Cities,” in Esherick, *op. cit.*, 216; and Markus Eberhardt and John Thoburn, “China, the World Trade organization and the End of the Agreement on Textiles and Clothing: Impacts on Workers,” in Heather Xiaoquan Zhang, Bin Wu, and Richard Sanders, eds., *Marginalisation in China: Perspectives on Transition and Globalisation* (Aldershot, England: Ashgate, 2007), 180-81.

⁷⁴ Bakke, *op. cit.*, 3, 60; Lee McLissac, “The City as Nation, Creating a Wartime Capital in Chongqing,” in Esherick, *op. cit.*, 185.

⁷⁵ *Ibid.*, 1.

⁷⁶ *Ibid.*, 62,

There have been over the past century or so at least three models for engendering a transformation of this human quality at the level of the populace as a whole: by eradicating signs of human social decay, that is, by removing, marginalizing and confining, putting out of sight, in short, excluding those whose being evokes backwardness—and who, thereby, must hold back the nation’s onward momentum⁷⁷; mandating labor, even from the less qualified, in the interest of transforming unproductive persons for the benefit of the nation⁷⁸; and remodeling, educating, uplifting the less endowed, in order to upgrade the nation collectively by way of elevating all of the populace.

Sometimes an amalgam of these approaches has obtained: for example, an urge to remake “useless” people into ones “useful,” especially for production purposes,⁷⁹ characterized Guomintang state policy in the main. But the state at that juncture varied its tactics, trying to empty major cities of those considered derelicts or the otherwise unsightly, thereby at best marginalizing the poor, and yet also, at times, endeavoring to raise up those deemed capable of improvement.⁸⁰

I propose that this long-term Chinese bent toward contriving contemporaneity through elevating its slice of humanity has been responsible

• ⁷⁷ Bakke, *op. cit.*, 3; McLissac, *op. cit.*, 183, 186; Lipkin, Zvia Lipkin, *Useless to the State: “Social Problems” and Social Engineering in Nationalist Nanjing, 1927-1937* (Cambridge, MA: Harvard University Asia Center, 2000), 18.

⁷⁸ Janet Chen records that this was the strategy used by the Guomintang government, *op. cit.*, 90, 92.

• ⁷⁹ Lipkin, *op. cit.*, 16, 54.

⁸⁰ *Ibid.*, 60, 87.

for neglecting the urban poor in the present, and not essaying to include them. Such a method today appears to obviate endeavoring to include or advance such persons, or, indeed, to seriously bestow financial and administrative resources on bringing them and their offspring within the general fold. Their presence, it would appear, could threaten to derail the track to modernity along which the nation is racing, especially now, when the goal would seem so near.

Conclusion

I have presented three contrasts with regard to how social assistance, that is, the *dibao* allowance, is handled these days in China as compared with three other “spaces” where such assistance is (or was) given: to the laid-off workers in China as of a decade and a half or so ago (1999-2004); to China’s rural poor; and to the impoverished in other countries. I am now in a position to use these comparisons to account for the circumstances surrounding urban poor policy today. By underlining the connection, or, better put, the lack of a link, between the destitute and China’s dreams, I can build my conclusion.

The crux of the issue is that the indigent in China today cannot have a place, cannot conceptually be present in the grand “dream” that President Xi has proposed. For whatever else that dream might embody, it—as did the fancies of thinkers and political figures of the past—must surely embrace modernity and not the searing destitution of the days long gone, whether

under Chairman Mao or before him. If anything, these people, the impoverished of the present, stand as a kind of metaphor for Maoist society, which, along with themselves, is viewed now as best obliterated, both mentally as well as physically. The imaginaries in these visions were surely of wealth and power, always, and, now, more specifically of the marketplace (at which, presumably—true or not—anyone of fit body can find a posting), of a thriving middle class, whose members alone stroll along trim and tidy, clean avenues, and of stability and order.

Though, in fact, modernity with its markets, as the world has witnessed, can also mean inequality, layoffs, bankruptcies and impecunity, exclusion and marginalization for many, such features are decidedly *not* the stuff of forward-oriented aspiration. Those phenomena are the underside of the current drama, the portion that dredges up memories of the past and that must be purged. They are the makings of bad, black dreams; China's reverie is instead to shine with bright dreams, the glorious ones.

Indeed, the poor are the very antithesis of all the Chinese dream consists of domestically—the inversion, one might say, of the market (for they were fostered under the state plan, and it is plans that cast them away), the opposite of the modern, of economic growth and prosperity, of productivity, of progress; as such, neither poverty nor the poor can be “modern.”

So, first, today's *dibaohu* are, or, in the main were, yesteryears' *xiagang*, or laid-off staff and workers, in one account as of the early 2000s amounting to some 70 to 90 percent of the total urban poor (probably this

figure obtained if the affected members of the furloughed families were included).⁸¹ The training they received and the old daily practices they lived, along with the machinery and technology they managed to master, marked them as obsolete in today's terms.⁸² As such, they emblemize a past best put to rest and banished.

Not as a surprise, multitudes of those thrown from their positions raged in the roads, severely jarring the political elite of the turn of the century. But once the *dibaow* was devised and distributed, trifling as its sums amounted to, it seemed to calm them down. A policy designed for stability has appeared to wane as its beneficiaries wandered back to their homes, more or less placated. My supposition is that a project meant for forging peacefulness lost its prominence once it had achieved its purpose. This, to me, is why the funds allocated to the program are in steady decline.

As for the seeming preference for the rural needy over the urban *dibaohu*, those from whom land confiscations have resulted in the highest levels of protests in the nation nowadays--could it be that the farmers are meant to be mollified by the meager monies of this social assistance, as once the urban poor were in their turn?

Finally, it is notable that most welfare allotments around the world (outside of China) are aimed at improving household consumption and productive capacity, to reduce poverty and facilitate exit therefrom; they are geared to enhancing the human development of households and individuals and hence their productive

⁸¹ According to Ka Lin, "Institutional Responses to the Changing Patterns of Poverty and Marginalisation in China Since 1949," in Zhang, Wu and Sanders, *op. cit.*, 122.

⁸² Eberhardt and Thoburn, *op. cit.*, 178, found that as of the beginning of the 1990's, only one percent of China's textile machinery met international standards!

capacity and not just (as in China) to keeping these people from perishing outright.⁸³ In Latin American, for instance, there is an affirmed objective of breaking the inter-generational cycle of poverty,⁸⁴ an aim never mentioned in the “People’s Republic.” Might it be, then, that the Chinese government, even as it advocates throwing the labor-able from the welfare rolls, is not seriously concerned with lifting up the employability of the indigent, with seeing them depart from destitution? If the state truly is concerned about these matters, there needs to be a fundamental revamping of the allowance scheme, as well as an upgrading in its funding.

These musings--none of which can be nailed down by locating them in official documents or by confirming them in interviews with bureaucrats, or even with most scholars in China—are meant only to be suppositional, hypotheses. Nonetheless, I venture, they do fit and also illuminate the bare facts we have at hand. The impoverished poor of Chinese cities have been abandoned, and when their generation finally passes, the Chinese nation, its leaders believe, will finally more fully have “stood up.”

⁸³ Barrientos, *op.cit.*, 14, 84, 104, 129, 151.

⁸⁴ *Ibid.*, 123.

TABLE 1: DB EXPENDITURES, GDP, DB EXPDTR. as % OF GDP, 1999-2014 (billion 元)			
YEAR	GDP	DB EXPDTR	DB EXPDTR. AS % OF GDP
1999	9,018.70	1.5	0.016
2000	9,977.60	2.7	0.03
2001	11,027.00	5.4	0.038
2002	12,100	10.9	0.0875
2003	13,656	15.1	0.1106
2004	16,071	17.3	0.107
2005	18,590	21.73	0.117
2006	21,766	26.7	0.123
2007	26,802	37.9	0.141
2008	31,675.20	61.5	0.194
2009	34,563	82.7	0.239
2010	40890.3	97	0.237
2011	48,412.40	132.77	0.274
2012	53,412	139.2	0.261
2013	58,802.00	162.39	0.277
2014	63,646.30	159.2	0.25
2015	67,670.08	141.47	0.20

Sources: For government expenditures and GDP: *Zhonghuarenmingongheguoguojiatongjijubian* [Chinese People's Republic National Statistical Bureau, ed.], *Zhongguotongjinnianjian* [China Statistical Yearbook] (Beijing:

Zhongguotongjichubanshe[China Statistics Press], various years, CHINA DATA ONLINE, Selected years. Retrieved from <http://chinadataonline.org>. For *dibao* expenditures: Ministry of Civil Affairs Yearbook, online, CHINA DATA ONLINE, Selected years. Retrieved from <http://chinadataonline.org> For 2015, Calculated from http://www.360doc.com/content/16/0119/16/502486_529117704.shtml (for GDP) and <http://www.askci.com/news/finance/2015/12/30/163331xfkf.shtml> (for total national expenditure on the *dibao*).

TABLE 1-A: URBAN *DIBAO* AS % OF GDP

YEAR	% of GDP
1999	0.016
2000	0.03
2001	0.038
2002	0.087
2003	0.11
2004	0.107
2005	0.106
2006	0.096
2007	0.113
2008	0.128
2009	0.144
2010	0.128
2011	0.139
2012	0.108
2013	0.129
2014	0.113

Source: Calculated from Tables 1 and 4.

TABLE 2: Dibao Norm as % of Average Disposable Income, Various Cities, July 2002

City Name	Dibao Norm	Dibao Norm Avg. Disp. Inc.	Dibao as % of Avg. disp.inc.
Beijing	290	1038.67	28
Tianjin	241	778.17	31
Shenyang	205	587.50	35
Dalian	221	683.33	32
Changchun	169	575.00	29
Harbin	200	583.67	34
Taiyuan	156	614.67	25
Jinan	208	748.42	28
Qingdao	205	726.75	28
Shanghai	280	1104.17	25
Hangzhou	285	981.5	29
Nanjing	220	763.08	29
Wuhan	210	651.67	32
Changsha	190	751.75	25
Chongqing	185	603.17	31
Chengdu	178	747.67	24
Xi'an	156	598.67	26
Lanzhou	172	n.a	n.a
Shenzhen	317	2078.42	15
Xiamen	290	980.67	30
Guangzhou	300	1115.00	27

AVERAGE: 28%

Sources: For the dibao norm, “Quanguo 36ge chengshizuidibaozhangbiaozhunyan [General survey of 36 cities’ minimum livelihood guarantee norm], http://china.com.cn/city/txt/2006-11/25/content_7406758_2.htm, accessed August 17, 2007; for disposable income, Chengdu Statistical Yearbook 2003, China data online, accessed May 29, 2008.

TABLE 3: AVG. URB. DISPOSABLE INC., URB DB. EXPDTRS., URB. DB AS % OF AVG.DIS.INC., 2003-14

Year	Urban Nationwide Avg. Dispos. Inc	NAT’I URBAN Avg. DIBAO NORM	AVG. URB. DB. NORM AS % OF AVG. DISPOSABLE INCOME
2003	8,472	1,788	21
2004	9,422	1,824	19
2005	10,493	1,872	18
2006	11,760	2,035	17
2007	13,786	2,189	16
2008	15,781	2,464	15.6
2009	17,175	2,734	16
2010	19,190	3,014	15.8
2011	21,810	3,451	15.8
2012	24,565	3,961	16
2013	26,955	4,476	16.6
2014	28,844	4,932	17
2015	31,195	5,268	16.88

Sources: For average disposable income, *Zhongguotongjijianjian*, various years, online from CHINA DATA ONLINE, Selected years. Retrieved from <http://chinadataonline.org> For

dibao expenditures, Table Two. For 2015, For average *dibao* per person per month, see http://news.xinhuanet.com/politics/2016-01/25/c_128666296.htm; for average disposable income in 2015, see http://www.stats.gov.cn/tjsj/zxfb/201602/t20160229_1323991.html.

TABLE 4: GOVERNMENT EXPENDITURE ON THE DIBAO, URBAN AND RURAL, 1999-2014 (billion yuan)

YEAR	URBAN	RURAL	TOTAL (billion 元)
1999	1.5	n.a.	1.5
2000	2.7	n.a.	2.7
2001	5.4	n.a.	5.4
2002	10.9	n.a.	10.9
2003	15.1	n.a.	15.1
2004	17.3	n.a.	17.3
2005	19.2	2.53	21.73
2006	22.4	4.3	26.7
2007	27.5	10.41	37.9
2008	39.3	22.23	61.5
2009	48.2	34.5	82.7
2010	52.5	44.5	97
2011	66	66.77	132.77
2012	67.4	71.8	139.2
2013	75.7	86.69	162.39
2014	72.2	87.03	159.23

TABLE 5: NUMBER OF *DIBAO* PARTICIPANTS, URBAN AND RURAL, 1999-2015 (in millions)

YEAR	URBAN	RURAL	TOTAL
1999	2.8	n.a.	2.8
2000	3.24	n.a.	3.24
2001	11.7	n.a.	11.7
Jul-02	19.3	n.a.	19.3
2-Dec	20.6	4.08	24.68
2003	22.5	3.7	26.2
2004	22.1	4.9	27
2005	22.3	8.25	30.55
2006	22.4	15.93	38.33
2007	22.7	35.66	58.36
2008	23.3	42.84	66.14
2009	23.5	47.6	70.6
2010	22.9	52.28	75.18
2011	22.8	53.06	75.86
2012	21.4	53.45	74.85
2013	20.6	53.82	73.88
2014	18.77	52.07	70.84
2015	17.22	49.33	66.5

Sources: Zhongguominzhengtongjinianjian [China Civil Affairs Statistical Yearbook] (Beijing: Zhongguotongjichubanshe), various years; for 2011, 2012: Minzhengbuwangzhan (cws.mca.gov.cn/article/tjbg/2011210/20121000362598.shtml, accessed January 2013. For 2015, <http://www.askci.com/news/finance/2015/12/30/163331xfkf.shtml>