

CHINA'S SOCIAL ASSISTANCE AND POVERTY REDUCTION POLICY: DEVELOPMENT, MAIN MEASURES, AND INSPIRATION TO GLOBAL POVERTY ALLEVIATION*

POLÍTICA DE ASISTENCIA SOCIAL Y REDUCCIÓN DE LA POBREZA DE CHINA: DESARROLLO, PRINCIPALES MEDIDAS, E INSPIRACIÓN PARA EL ALIVIO DE LA POBREZA MUNDIAL

POLÍTICA DE ASSISTÊNCIA SOCIAL E REDUÇÃO DA POBREZA DA CHINA: DESENVOLVIMENTO, PRINCIPAIS MEDIDAS E INSPIRAÇÃO PARA O ALÍVIO DA POBREZA MUNDIAL

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Abstract

China's Social Assistance and Poverty Reduction Policy is an essential requirement for alleviating poverty and guaranteeing the basic needs of people who live at the bottom of society and are unable to obtain a source of livelihood through their own means. This paper summarizes the development of China's policy and its social assistance main measures aimed at fighting poverty and analyzes its possible contributions to alleviating global poverty. The main findings of the study are that: social assistance is a key factor within the poverty reduction policy and such policy is the foundation of the poverty reduction policy; an exemplary institutional synergy has resulted from the multi-tiered poverty reduction policy system; the comprehensive poverty reduction policy and the poverty alleviation and development policy have been connected effectively; the grass-roots services and supervision mechanisms have also been continuously improved. Additionally, sustained economic development has provided stable financial support for implementing its policy and its government has committed to improve the system, adding importance to building a security net for people's livelihood, and establishing a comprehensive policy system for poverty reduction. Forming a responsibility

mechanism led by the government and supplemented by social forces1, China has constructed a policy adjustment mechanism compatible with social development, to innovate grassroots social governance, aimed at continuously improving the performance of poverty reduction. A look at China's poverty reduction historical process can inspire the world's poverty governance.

Keywords: Social assistance; Poverty reduction policy; Global poverty governance.

Resumen

La política de asistencia social y reducción de la pobreza de China es un requisito esencial para aliviar la pobreza y satisfacer las necesidades básicas de las personas que viven en la base de la sociedad y no pueden obtener una fuente de sustento por sus propios medios. Este artículo resume el desarrollo de la política de China y sus principales medidas de asistencia social dirigidas a combatir la pobreza y analiza sus posibles contribuciones para aliviar la pobreza global. Los principales hallazgos del estudio son que: la asistencia social es un factor clave dentro de la política de reducción de la pobreza y dicha política es la base del sistema perfecto de seguridad social; el sistema multinivel de políticas para la reducción de la pobreza ha logrado que se desarrolle una sinergia institucional ejemplar; la política integral de reducción de la pobreza y la política de alivio de la pobreza y desarrollo se han conectado eficazmente; y los servicios de base y los mecanismos de supervisión también han sido mejorados de manera continua. Adicionalmente, el sostenido desarrollo económico de China ha brindado un apovo financiero estable para implementar su política y su gobierno se ha comprometido a mejorar el sistema, añadiéndole importancia a la construcción de una red de seguridad para el sustento de las personas, y estableciendo un sistema integral de políticas para la reducción de la pobreza. Al formar un mecanismo de responsabilidad liderado por el gobierno y complementado por fuerzas sociales, China ha construido un mecanismo de ajuste de las políticas compatible con el desarrollo social, para innovar la gobernanza social de base, con el objetivo de mejorar continuamente el desempeño de la reducción de la pobreza. Una mirada al proceso histórico de reducción de la pobreza de China puede inspirar la gobernanza de la pobreza en el mundo.

Palabras clave: China; Orden Liberal Internacional; Emociones; Comunidad de Futuro Compartido para la Humanidad; narrativa.

Resumo

A política de assistência social e redução da pobreza da China é um requisito para diminuir a pobreza e satisfazer as necessidades básicas das pessoas que vivem na base da sociedade e não podem obter uma fonte de ingresso por seus próprios meios. Neste artigo, é resumido o desenvolvimento da política da China e suas principais medidas de assistência social dirigidas a combater a pobreza e analisa suas possíveis contribuições para diminuir a pobreza global. Os principais achados do estudo são que a assistência social é um fator-chave dentro da política de redução da pobreza e essa política é a base do sistema perfeito de seguridade social; o sistema multinível de políticas para reduzir a pobreza vem conseguindo que uma sinergia institucional exemplar seja desenvolvida; a política integral de redução da pobreza e a política de diminuição da pobreza e de desenvolvimento vêm se conectando de

¹ "Social forces" refers to those who are involved in advancing social development, including natural persons and juridical persons (social organizations, public institutions affiliated with Party and government offices, non-governmental organizations, Party-mass communities, non-profit organization, enterprises, etc.).

forma eficaz; os serviços de base e os mecanismos de supervisão também melhoraram de maneira constante. Além disso, o contínuo desenvolvimento econômico da China vem oferecendo apoio financeiro estável para implementar sua política, e seu governo vem se comprometendo a melhorar o sistema, dando importância à construção de uma rede de segurança para o sustento das pessoas, e estabelecendo um sistema integral de políticas para reduzir a pobreza. Ao formar um mecanismo de responsabilidade liderado pelo governo e complementado por forças sociais, a China vem construindo um mecanismo de ajuste das políticas compatível com o desenvolvimento social, para inovar a governança social de base a fim de melhorar continuamente o desempenho da redução da pobreza. Um olhar no processo histórico de redução da pobreza da China pode inspirar a governança da pobreza no mundo. **Palavras-chave:** assistência social; política de redução da pobreza; governança mundial da pobreza.

Introduction

Poverty and poverty reduction are eternal struggles in the development of human society. Progress and civilization have continuously faced the arduous task of combatting the scarcity of resources. National governments bear the responsibility of providing social assistance, delivering basic material or spiritual assistance to the most vulnerable population groups as well as offering comprehensive security for those who are completely or partially unable to work and cannot rely on industry or employment to help them overcome poverty (Lan, 2018; Gao, 2019). As the basic system of ensuring subsistence, providing emergency relief, and guaranteeing people's well-being (Han, 2018), the social assistance and poverty reduction policy plays an irreplaceable role in China's poverty alleviation strategy².

Eliminating poverty, improving people's livelihood, and achieving common prosperity are the essential goals of socialism. That is why China has improved its social security system through its continuous economic development and has gradually established and improved it to make it comprehensive. Nowadays China's security system is composed of social insurance, social assistance, and social welfare as its main body, and social assistance and social work as its auxiliaries. China's security system has notably promoted its transformation from traditional "social relief" to a comprehensive and modern social assistance system and has constructed a "safety net" of social assistance that can better serve the basic needs of the poor population.

It can be said that the rapid and comprehensive development of the poverty reduction system of China's social assistance has played an extremely important role in solving the survival problems of the most vulnerable population groups. It has also helped to maintain social stability by completely eradicating absolute poverty in 2020 (Huang, 2018). After years of policy development and system construction, some successful practices, and experiences of China's social assistance in poverty reduction are of great value and inspiration to other countries in the world to accelerate anti-poverty processes.

² The strategy of getting rid of poverty meant that from November 29, 2015, when the Chinese government issued *The Decision on Winning the Fight against Poverty*, to the end of the 13th Five-Year Plan in 2020, absolute and overall regional poverty would be eliminated. 98.99 million rural poor people would be lifted out of poverty, and all 832 poverty-stricken counties would be uncapped.

Policy Evolution of Social Assistance Aimed at Reducing Poverty in China since 1978

The Traditional Social Relief Stage in the Early Stage of Reform and Opening Up

In the early stages of reform and opening up (1978-1993)³, the main objective of China's social assistance system was to further restore the relief pattern of the planned economy, and to establish the Ministry of Civil Affairs, the Department of Urban Social Welfare -in charge of urban social assistance— and the Department of Rural Social Assistance—in charge of rural social assistance. Although the social relief system at that stage had been restored and developed in terms of its scope, methods, and fund investment, the policy at this stage had not made a breakthrough. That meant that the overall investment of relief funds was small, the relief standard was very low, the identification of relief targets was arbitrary, and the relief procedures were unreasonable. According to statistics, in 1992 only 0.06% of the urban population received regular quantitative relief, and its expenditure accounted only to 0.005% of that year's GDP (Zheng, 1992). China's rescue idea in the early stage of reform and opening up still followed the tradition under the planned economic system, which was supplementing the security system unit. The scope of the rescue was relatively narrow and mainly limited to the "three nos" objects⁴. Clearly, there was a large gap with the actual needs of the most vulnerable population groups in system design, capital investment and grass-roots operation, and the "bottom-up utility" was not fully reflected.

Exploration Stage of the Pilot for Establishing a Urban Minimum Living Security System

In the early 1990s, with the development of the urban economic system reform, the "unit system" welfare security, formed in the long-term planned economy period, was forced to disintegrate. Under the market economy, the life-long urban workers known as "iron rice bowl" went broke. Factors such as the reform of state-owned enterprises and the economic transformation led to a large number of laid-off workers in urban areas and, consequently, urban poverty became increasingly prominent. Unfortunately, the traditional relief system, with its small scope and low standard of assistance, failed to meet the needs of the rapidly increasing urban poor.

In order to cope with the challenges faced by urban society, created by extreme poverty, Shanghai took the lead in piloting the minimum living security system on June 1st, 1993 (Duoji, 2001). Since then, Xiamen, Qingdao, Fuzhou, Dalian, and other cities in China followed its example and gradually implemented similar systems. The Ministry of Civil Affairs made the establishment of urban minimum living security systems the top priority of its work and consequently, in March 1997, the State Council officially issued *The Notice on Establishing the Minimum Living Security System for Urban Residents Throughout the Country* (State Council [1997] No. 29). Such notice required all cities and towns to establish minimum living security

³ It refers to the policy of internal reform and opening to the outside world that China began to implement at the Third Plenary Session of the Eleventh Central Committee of the Communist Party of China in December 1978.

⁴ Refers to: people without a source of livelihood, people without ability to work, people who have no legal guardian or whose legal guardian is incapacitated and unable to support them.

systems and included the datelines and guidelines to set them in motion by the end of 1999 (Lin, 2018).

In 1999, *The Promulgation of the Regulations on Minimum Living Standard Security for Urban Residents* (Order of the State Council No. 271) marked the full establishment of the urban minimum living security systems in all cities and towns across the country. The Order of Council essentially defined the basic living security rights and interests of citizens. The legal responsibility of the government to help the poorest population was outlined through laws and regulations. However, at that stage urban subsistence allowances and the operation and implementation of relevant systems was not standardized yet, and the rescue standard was still relatively low. For example, in the practice, the regulation related to the living patterns of the families covered was not entirely clear and the level of protection was very low due to financial constraints. In addition, the Promulgation ignored the rural minimum living security systems and its overall progress was slow.

Establishment Stage of the Comprehensive Social Assistance System

The establishment of a comprehensive social assistance system, on the one hand, was the further development of the minimum living security system. On the other hand, it was the result of implementing other special assistance systems. In 2001, the General Office of the State Council issued *The Notice on Further Strengthening the Minimum Living Guarantee for Urban Residents* (State Council [2001] No. 187) which required all eligible poor people to be included in the guaranteed minimum living coverage as soon as possible. The system and the policy further improved and gradually established a rural minimum living security coverage. In 2007, the promulgation of the notice of the State Council on establishing *The Rural Minimum Living Security System Throughout the Country* (State Council [2007] No. 19) rapidly spread the rural minimum living security system and fully established the national urban and rural minimum living security system.

The further development of the subsistence allowance system solved the basic survival problems of the poorest population. However, it did not cover other life risks that seriously affected their livelihoods. Simple basic life security was not the answer to the crisis in which they lived. For example, the special needs of the poor in terms of medical care, schooling, housing, and employment were not met.

Subsequently, as the minimum living security system improved, the special assistance support system was proposed and implemented in order to solve the special difficulties of the poorest population groups. Based on the minimum living security system principles, all localities actively developed and established special systems, which included assistance for medical care, employment, housing, and temporary aid. The traditional and decentralized relief system was gradually integrated into four categories: basic life assistance, special assistance, temporary assistance, and charitable assistance. This way, a comprehensive system was initially formed.

At this stage, the level of assistance had been steadily improved, its scope was rapidly expanding, and more attention was being paid to the needs of the population who lived in difficult housing conditions. Also, education, medical treatment, and employment was being

provided. Based on the minimum living security system, various special assistance systems were formed.

Stage of Building a Modern Development Oriented Social Assistance System

As a basic social security system, social assistance shoulders the arduous task of guaranteeing the basic life conditions of the poorest population and maintaining bottom line equity and social stability. Since 2007, with the comprehensive establishment of urban and rural subsistence allowances and the implementation of other special assistance systems, a comprehensive social assistance system was basically formed. The central government successively promulgated a series of laws and regulations, which set clearer guidelines defining the scope of the protection, the recognition of the qualification, the procedures for rescue and the management and the investment of capital in several rescue systems. Local governments also determined more detailed implementation rules based on their local conditions. The social assistance system steadily became a key player in providing minimum standards of life conditions to the bottom line and promoting stability.

In 2014, the State Council promulgated *The Interim Measures for social assistance* (Order of the State Council No. 649), which defined an "8 + 1" social assistance pattern, namely: minimum living security, support for the extremely poor, assistance for the affected, medical care, education, housing, employment, temporary aid, and social assistance through the social forces participating. Such measures indicated that China's social assistance system entered a new stage of development: in 2020, the poverty alleviation strategy that was conducted intensively since 2013 successfully solved the problem of absolute poverty that plagued the Chinese nation for thousands of years. The urban and rural poverty conditions changed significantly and the situation, which in the past had been dominated by absolute poverty, shifted to relative poverty. Relative and multi-dimensional poverty have now become the main issues.

Relative poverty and multidimensional poverty not only mean material scarcity and difficult conditions for survival, but also mean a lack of developable resources, capabilities, and opportunities for the poorest population. Subsequently, the social assistance system needs now to pay more attention to the multidimensional poverty phenomenon of poor beneficiaries. The system needs to move from simply ensuring basic survival to focus on providing development opportunities and promoting sustainable development to solve relative poverty.

Key Practices of China's Social Assistance to Reduce Poverty

A Basically Perfect Social Security System to Lay a Good Foundation for Anti-Poverty

For the Chinese government, building a social security system has always been of great importance and it is actively committed to establish and improve a social security system aligned with the level of economic development. Since the reform and opening up, with the transition from a planned economy to a market economy, and because of the new requirements coming from the socialist market economy, the Chinese government reformed and adjusted the social security system started during the planned economy period, and gradually established a social security system with a comprehensive coverage and a commonly distributed burden

among the state, the enterprises, and the individuals. For that, a framework for a social security system was built based mainly on social insurance aimed at covering social assistance, social welfare, preferential treatment, resettlement, housing security and social philanthropy. Among those policies, social assistance is the one that has the most direct anti-poverty effect, given that it ensures that the basic needs of the poorest population are covered, and their survival is guaranteed. Social insurance plays a key role in reducing the risk of poverty because of its system design of mutual assistance, and social welfare directly reduces the risk of poverty by providing inclusive assistance to the socially vulnerable population. These three types of policies guarantee the basic livelihood of the poor, forming a synergy within the anti-poverty system (Huang, 2018).

China's current social security systems for retirement plans, medical care, unemployment, work-related injuries, and maternity insurance was universally implemented, and the security system turned from a single level system to a multi-tier one. The urban and rural medical care and retirement plans insurance systems have been integrated and improved, and the funding mechanism has changed from a single responsibility of the state to a shared responsibility among the government and the social forces. The urban and rural minimum living security system has transformed also from ensuring universal security to only specific groups of population, to guaranteeing both urban and rural residents who apply for assistance in accordance with the procedures. As long as they meet the conditions and are approved by the government, they will receive a minimum living security subsidy.

In the vast rural areas of China, the government provides a pension to the elderly who have reached the age of 60. Although the amount is small, usually in the range of a few dozen to a few hundred yuan, it can provide a certain amount of financial help and psychological relief to the rural elderly. Moreover, this is the minimum pension paid by the Chinese government to the majority of the rural elderly who do not contribute to the retirement plans insurance system. For those residents who have contributed to their retirement plans since they were young (until they reach the age of 60), according to the policies and regulations, the government will grant them higher pensions in accordance with the principle of the higher your contributions, the higher payment you will receive.

So far, China has built a sound basic social security system within the institutional framework and has achieved the main objectives of comprehensive coverage and extensive levels of security. This basic security system helps to improve people's livelihoods and has become an important part of "targeted poverty alleviation" and "targeted poverty eradication", playing a pivotal role in guaranteeing that China wins the battle against poverty.

Great Progress of the Comprehensive Security Policy System Led by Social Assistance

Social assistance is a matter of the basic living conditions of the poorest population. The social assistance policy was established with the purpose of serving as a bottom-up and fundamental institutional arrangement to safeguard livelihoods, promoting social equity and maintaining social stability. Given that people are fundamental to the nation, the establishment of a sound social assistance system not only served as an important step in China's "five

batches" of poverty eradication, but it was a major institutional arrangement that helped to consolidate the eradication of poverty and connected with the Rural Revitalization Strategy.

To that end, first, China established a new type of social assistance system, with urban and rural basic living allowances as the core, covering a number of special assistance systems. In 2014, the State Council promulgated *The Provisional Measures on Social Assistance* which, for the first time, comprehensively constructed the social assistance system in the form of administrative regulations. Such provisional measures specified the "8 + 1" pattern of the social assistance system, covering mainly the minimum living security conditions: supporting exceptional poverty, assisting disaster victims, providing medical care, education, housing, employment, and temporary aid, as well as covering the participation of social forces. This indicated that China initially formed a multi-layered, broad-coverage, basic and three-dimensional comprehensive security network that instituted a social safety net for the poorest population, so that their basic livelihood conditions were guaranteed. In particular, three types of assistance measures –medical care, housing, and education—were improved so that children could also have guaranteed access to them.

Second, the social assistance system was made to comply with the principle of "guaranteeing that all people in need are covered", that is, securing the access of all people to assistance and benefits at their level. For example, the urban and rural minimum living security at the beginning had a very limited scope and minimum level of security. After continuous adjustments and reforms the minimum living security system was established nationwide in all urban and rural areas, and the level of relief payment also increased year by year to meet the basic survival needs of the poorest population. At the same time, social forces were included in the process of social assistance as a way to stimulate the vitality of the market through participation. Social forces mobilized widely to guide social organizations and volunteers in their involvement in the poverty alleviation work to promote the diversification of the sources of social security funds.

The Effective Connection between Poverty Reduction Policies and Poverty Alleviation and Development

The poverty reduction policy, dominated by social assistance, and the poverty alleviation and development policy are the two main anti-poverty regulations in rural China, but there are some differences in their implementation and focus (He, 2018). In terms of its implementation, the poverty reduction policy is led by the Ministry of Civil Affairs and other departments involved in special assistance, while the poverty alleviation and development policy is implemented by poverty alleviation and development departments at all levels. In terms of the target population, the former focuses on the "blood transfusion" type of assistance aiming mainly at those who are completely or partially incapacitated for work, whose families have no economic income, and cannot be helped out of poverty through industries and employment. The latter focuses on "blood-making" assistance, which mainly targets poor villages and households. Poverty-stricken villages (poor villages) are those approved as such by the competent department of poverty alleviation and development under the provincial people's government and announced to the society after being reviewed by the people's government of a township, county, or prefecture-level or above; poor households are rural families whose annual per capita net income is lower than the rural poverty alleviation

standard and who have the ability and willingness to work, including those who are beneficiaries of the rural minimum living security (Yao, 2018). To promote the connection between the two policies, the following measures have been taken:

First, providing guidance to lower and grassroots levels to promote the interface between the two systems through superior instruction documents. Since 2016, the Ministry of Civil Affairs has issued three annual specific consecutive documents that define the measures aimed at strengthening the convergence of the policies between the rural minimum living security system and the poverty alleviation and development policy. For example, *The Guiding Opinions on the Effective Connection Between the Rural Minimum Living Security System and Poverty Alleviation and Development Policies* were issued in 2016 by the Ministry of Civil Affairs and other departments, and all localities promoted the connection of the two systems in accordance with the spirit of the instructions in the document.

Second, effectively connecting the security systems with its object population. All the population eligible for the rural minimum living security system and the low-income people living below the poverty alleviation standard line had to be included in the scope of the poverty alleviation policy. Low-income farmers who could not rely on industry or employment to help them overcome poverty and meet the conditions had to be included timely in the minimum living security system for the policy-based bottom-up security to be implemented. However, in some places, only registered poor households were included in the minimum living standard security system, which deviated from the regulations for the selection of subsistence allowances. The relevant documents clearly stipulated that the practice of "one out of two" between rural minimum living security beneficiaries and establishing a record in work had to be resolutely eliminated (Liu & Han, 2016).

Third, strengthening the convergence of the two systems. This was mainly achieved through the following procedures:

- (1) Strengthening the convergence of standards: by the end of 2017, the rural minimum living standard of all counties (municipalities and districts) across the country had to have reached or exceeded the national poverty alleviation standard.
- (2) Strengthening data sharing: the Ministry of Civil Affairs and the Poverty Alleviation Office of the State Council established a regular comparison mechanism for completing an information system comprised of a household card data (registered household) and rural minimum living security data and conducts quarterly timely analysis and data comparisons to detect irregularities in their work⁵.
- (3) Promoting the effective connection between medical care and poverty alleviation policies. The rural poor population, the population with special needs and difficulties, urban and rural low-income beneficiaries and other people in need were included in the scope of the subsidized health insurance, so that all rural residents were guaranteed universal coverage of basic medical care, had access to better basic medical comprehensive insurance treatment, and to preferential and strengthened insurance coverage for serious illnesses. Preferential payment

⁵ In 2013, to effectively continue the work of the targeted poverty alleviation policy, governments at the grassroots level created an information system consisting of a file for every poor household. The file includes poverty causes, support measures, approximated time for overcoming poverty, etc. Those households that have updated files are "registered poor households".

was implemented for the poorest population who were included in the information system, and, subsequently, the system's ability to provide basic support for medical assistance was enhanced.

(4) Promoting the effective connection between social assistance and employment assistance. The Ministry of Human Resources and Social Security has continuously increased the support provided through employment subsidy funds, prioritizing the population groups who have the greatest difficulties to find employment, such as the elderly or people with disabilities. In this case, they are provided with minimum living security and continuous unemployment subsidies for over a year. Those who meet the conditions and have difficulty to find work in the traditional labor market can be placed in public welfare jobs and enjoy public welfare job subsidies and social insurance subsidies in accordance with the regulations. At the same time, the government has the obligation of optimizing employment services, organizing targeted vocational training, implementing training subsidy policies continuously, so that the most vulnerable population groups, such as people with disabilities, improve their ability to find better employment. The government also provides job recommendations, matches supply and demand, and provides other employment services for social assistance beneficiaries such as the registered households.

Fourth, continuously assessing the connection between the two systems. All localities consider the "missing evaluation rate" and "wrong evaluation rate" as important indicators that estimate the effectiveness of the poverty alleviation measures and incorporate them into the performance evaluation system of the poverty alleviation and development policy. The superior Civil Affairs Department arranges inspection teams that conduct random checks on the twoway connection between the two types of targets at the grassroots level. Meanwhile, the government strictly enforces the provisions for the period of gradual retirement of low-income farmers who have been included into the poor population granted within the minimum living guarantee subsidies, strengthens the identification of rural minimum living security beneficiaries and poverty alleviation and development beneficiaries, deals with the situation of not calculating income and implements the income deduction system of low-income farmers who belong to registered households, improves the normal working mechanisms such as household investigation, neighborhood visits, democratic evaluation and public advertising, and keeps abreast of the actual living conditions of the population in need. Furthermore, the relevant departments guarantee that the implementation of the poverty alleviation assistance is precise through daily dynamic supervisions conducted via a system of verification of the financial situation of the families applying for assistance. When a violation of laws and regulations in the connection is encountered, the relevant leaders and staff are held accountable for their responsibilities in accordance with the laws and regulations.

Continuous Improvement of the Service and Supervision Mechanism for Poverty Reduction

Focusing on achieving the "last meter" of guaranteeing the security of people's livelihoods, the government comprehensively strengthened its capacity to reduce poverty with the help of grass-roots society, and ensured that it is possible for all the poor population to access the many relief policy measures:

First, the government comprehensively promoted the "one door acceptance and collaborative" mechanism for grass-roots communities. The Civil Affairs Department coordinated the health, education, housing, human resources, and social security departments and specified the division of responsibilities for the different departments, arranged the fulltime liaison personnel in each department, coordinated the transfer procedures, set up the "comprehensive service counter for social assistance" and built the platform that applicants would use to submit their assistance applications. Moreover, the government further simplified the links for the application, the review, the evaluation, the advertising, and others, and encouraged the creation of qualified offices delegated to deal with approving social assistance and subsistence allowances to manage cases of exceptional poverty in villages and towns directly. Second, the government widened its scope by launching online services on the internet. Websites to share governmental information, maintain it up-to-date and, and facilitate its exchange between the Civil Affairs Department and the Poverty Alleviation Department were established. Beneficiaries can apply on the Internet or through the WeChat mobile app for relief projects such as subsistence allowances for the poor and special poverty subsidies for the disabled.

At the same time, a long-term supervision and inspection mechanism for poverty reduction through social security was established to prevent and reduce all kinds of violations, manage, and make good use of poverty reduction funds, and ensure the standardized operation of all the work. As early as 2013, the Ministry of Civil Affairs had already issued The Notice on Establishing and Improving the Long-Term Mechanism for Supervision and Inspection of Social Assistance, urging local governments to strengthen the standardized management and requiring them to safeguard the accuracy of the beneficiary conditions, promote the safety of the funds, strengthen capacity building, and achieve integrity and efficiency. Since then, all localities are required to toughen the prior and in-process supervisions of social assistance and establish a level-by-level regular reporting system. To ensure the implementation of policies, check-lists supervisions for poverty reduction are implemented at the grass-roots level through different types of visits (scheduled and unscheduled) and accompaniment to households and beneficiaries. In addition, the government implemented strict procedures for the application, the review, the approval, the advertising, and the distribution of social assistance; the government also implemented supporting funds and special management for special purposes and to maintain the safe operation; it established social assistance supervision, inspection, incentive and restraint mechanisms to comprehensively evaluate the implementation process and the effect of the social assistance system as well; and granted rewards to the areas with outstanding work performance so that the social assistance responsibility investigation system is improved. Following the principle of "whoever is in charge is accountable", the investigation of responsibility was strengthened.

Implications of China's social assistance policy for Global Poverty Governance

Economic Development Empowerment to Implement the Policy to Ensure People's Livelihood

Economic development is important, but sustainable economic development is essential to provide a stable source of funds for the implementation of poverty reduction policies on the basis of ensuring adequate financial security (government financial funds are

the main source for poverty reduction). Xi Jinping, President of the People's Republic of China, pointed out that China should firmly undertake the central task of economic construction, promoting the sustained and healthy development of the national economy, further expanding the "cake" —the achievements brought by economic and social development— and laying a solid foundation to safeguard social fairness and justice. Over the past four decades, the Chinese government has prioritized economic construction and made it its core. That is why the mechanisms for innovation have constantly increased, the way in which the economy develops has been transformed, the economic structure has been optimized, the endogenous driving force of growth has been renovated, and the vitality of the economic and social development has been fully activated.

According to preliminary estimates, the GDP in 2020 was 101.6 trillion yuan, equivalent to about \$14.7 trillion in U.S. dollars. In terms of the size of the economy, the GDP in 2020 was 2.5 times larger than in 2010 and 10.1 times larger than in 2000. In terms of economic increment, the GDP in 2020 increased by 2.95 trillion yuan over 2019. The increment was affected by the COVID-19 pandemic, and it was significantly lower than that of the previous year, but still exceeded the annual GDP in 1992. In 2020, China's economy grew by 2.3%, making it the only country among the world's major economies to achieve economic growth, and its economic size is expected to increase to over 17% of the world, demonstrating its strong vitality and resilience. In 2019 and 2020, GDP per capita exceeded 10,000 dollars for two consecutive years, and the national per capita disposable income for the whole year of 2020 was 32,189 yuan, 43,834 yuan for urban residents and 17,131 yuan for rural residents, with the goal of doubling the per capita income of China's urban and rural residents compared with that of 2010 being achieved as scheduled. In 2021 China ranked second in the world in terms of GDP and will continue to grow.

Making economic construction the center of its economy has greatly improved China's science, technology, and productivity, vigorously developed the social and cultural sectors, and continuously enhanced its comprehensive national strength. Likewise, only by vigorously developing the productive forces, constantly meeting the growing material and cultural needs of the people, promoting all-round social progress, and providing stable financial security, can China guarantee that the poorest population are timely provided with basic living conditions.

A Solid Security Net for People's Livelihood through System Construction

In the past few decades, China has effectively connected the improvement of people's livelihoods with the country's economic development. The Chinese government is committed to strengthen urban and rural social security systems, constantly improving its capacity to provide public services, eliminating hidden dangers, paying attention to the combination and connection of policies, and building a solid security network to consolidate inclusive and comprehensive people's livelihoods that guarantee their basic living conditions. In China, protecting the fundamental rights of citizens has become the basic principle to formulate and implement social policies. The social assistance and social welfare systems within the social policy system have always been the "last gateway" to guarantee the survival and improve the living conditions of people.

Then, from the perspective of the security scope and fundamental rights of all its beneficiaries, those poorest population groups who are weak and even unable to participate in social competition due to physiological, psychological, and social limitations are also prioritized and made recipients of policies and assistance (Hong, 2019). Furthermore, from a bottom-up perspective and a bottom-up system, the bottom line of poverty alleviation was clearly defined in order to effectively provide minimum living conditions for all people. All vulnerable population groups who have a difficulty maintaining their basic survival conditions access the basic living standard through social security (Jiang, 2018). At the same time, from a development perspective, the basics of life are guaranteed: compulsory education, medical coverage, housing, and the expansion and accumulation of human capital.

Prioritizing the Social Assistance System of the Comprehensive Security Role

The social assistance system has been gradually improved, so that the basic living security, special assistance, emergency relief and other systems can play their role in comprehensively protecting the poorest population. First, we described how the minimum living security system first solved the basic survival problems of the poorest, which is its most essential function. For example, *The Decision of the Central Committee of the Communist Party of China and the State Council on Winning the Fight against Poverty* proposed the "five batches" of poverty alleviation paths, which clarified the role of rural minimum living security in the fight against poverty. The key targets of rural subsistence allowances were rural residents who had endured years of hardship due to illness, disability, loss of working capacity, and poor production conditions.

Second, the government made the comprehensive security role of the social assistance system a priority at different levels (Wang & Wang , 2015). Often, the poorest population encounter huge difficulties to access steady incomes, medical care, education, housing, and retirement plans. Therefore, the Chinese government established and improved relevant special assistance systems to meet their needs because it is possible that "blood-production" measures, such as industry or employment, fail to effectively help them overcome poverty. These systems can prevent the deterioration of the alleviation measures and avoid their return to poverty.

Third, the support at the levels of old-age retirement plans, medical coverage and education has been strengthened. For example, poor people who are unable to pay for retirement plans and medical insurance are generally supported by the government. The Chinese government has continuously improved and reformed the relevant security system to build a comprehensive poverty reduction system that covers incomes, retirement plans, medical care, housing, education and other aspects useful to leverage the combined forces of the systems to reduce poverty (Zhang & Zhong, 2020).

Formation of a Poverty Reduction Responsibility Mechanism Led by the Government and Supplemented by Social Force

In the process of implementing the policy aimed at the reduction of poverty, a mechanism of accountability has been set in place with the central government as the overall guide, local governments taking specific responsibilities and social forces participating

extensively. First, the Central People's Government provides detailed guidance on the implementation, adjustment, and improvement of the security policy. For example, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council issued *The Opinions on Reforming and Improving the Social Assistance System* in 2020, which required the assistance resources to be coordinated –in accordance with the general idea of preserving the fundamental rights and meeting the basic and urgent needs of the bottom line— in order to enhance their function and improve the service capacity of the regulations, the systems, the institutional mechanisms, and strengthen the implementation of policies. Thus, the sense of accessibility, happiness, and security of the population in need are constantly enhanced. The overall idea is to meet the basic needs of the masses and provide sustainable assistance; the focus of the work is to reasonably arrange resources, enhance the function of ensuring basic life conditions, and improve service capabilities.

Second, the central ministries and commissions work together to specifically implement and supervise the social security policies aimed at the reduction of poverty. For example, the Ministry of Civil Affairs has strengthened guidance and supervision mechanisms, promoted the accurate implementation of comprehensive security policies, improved the monitoring, early warning, comparison, and verification instruments, and guided local governments to include all eligible poor population into the scope of assistance and support for rural subsistence allowances. In 2018, the Ministry of civil affairs, the Ministry of Finance and the Poverty Alleviation Office of the State Council issued *The Implementation Opinions on Earnestly Doing a Good Job in Social Assistance and Bottom-up Guarantee in the Three-year Action to Combat Poverty*, which required officials to comply with the basic strategy of targeted poverty alleviation following the principle of ensuring all possible guarantees, bottom-up assistance, unified financing, correct guidance, optimizing policy supply and improving indemnificatory poverty alleviation measures, giving full priority to the role of social assistance to win the battle against poverty.

Third, local governments at all levels implement the instructions from their superiors. They design corresponding, specific, and highly operational policy implementation methods, optimize, and improve the various relief policies, improve the monitoring and early warning mechanisms, roll out the detailed relief policy, and strengthen the care and assistance for the population with special difficulties, to give full play to the joint force of social security poverty reduction policies.

Fourth, local governments stimulate social forces to participate in poverty reduction, strengthen public welfare and charity law advertising. They also encourage and support social organizations, enterprises, and individuals to participate in poverty reduction by donating property, setting up assistance projects, establishing service institutions, providing services, and improving relevant policies such as financial subsidies, tax incentives and relief fees. Thus, they encourage the enthusiasm of social forces to participate.

Construction of a Mechanism to Adjust the Policy in Line with Social Development

From the perspective of the development of social assistance and poverty reduction policies, in accordance with changes in economic and social development, the Chinese

government has established the goal of promptly adjusting and improving its various security policies to guarantee the basic needs of the poorest population. First, the government set in motion various protection policies. In the process of transitioning from a planned economy to a market economy, the "unit" welfare system gradually collapsed, productivity and social relations underwent profound changes, and a large number of laid-off workers emerged as cities developed rapidly. In order to alleviate the problems of the poor, China proposed the establishment of a minimum living standard security system, as well as special assistance systems in the fields of healthcare, education, and housing, and continues to adjust, reform, and improve them. From the perspective of institutional construction, the Chinese government pays attention to the "broad coverage" of institutions, and then continuously improves their construction capacity. For example, the minimum living security system was piloted in Shanghai, and then gradually extended to other urban areas, followed by its implementation in rural areas. After the system was established, it has continuously been adjusted to improve its security standards and enhance the process to select accurately the beneficiaries of the assistance.

Second, the government promptly reforms and improves all policies aimed at guaranteeing basic needs. The focus of the poverty reduction policy in each stage is different, and the policy development path always matches the needs of social development and people's development. The introduction of *The Interim Measures for Social Assistance* in the early 1990s marked the initial establishment of a comprehensive security policy system dominated by social assistance policies. Thereafter, the relevant responsible departments have timely adjusted and reformed various security policies, especially when there have been issues or problems in their implementation. For example, within the temporary assistance system, for issues such as untimely assistance, low amount of assistance, and tardiness of the assistance, continuous documents were issued to adjust the policy. Additionally, The Notice on the Comprehensive Establishment of the Temporary Assistance System issued by the State Council in 2014 standardized the scope of the beneficiaries of temporary assistance, the acceptance of the applications, their examination and approval, and the assistance methods and other system contents. Furthermore, The Opinions on Further Strengthening and Improving Temporary Assistance issued jointly by the Ministry of civil affairs and the Ministry of Finance in 2018 set in motion reform and improvement measures related to problems in some regions, such as tardiness of the assistance, low level of assistance, inefficiency of the system and inadequate work guarantee.

Third, the level of policy development is continuously improved. Take the subsistence allowance as an example. According to the changes of living costs and prices, the subsistence allowance standard is regularly adjusted. The adjustment rate is basically consistent with the CPI growth rate, so as to ensure the basic survival of the recipients. From the perspective of the development level of special systems such as medical treatment, education, housing and temporary assistance, the investment capital increases year-by-year, and the assistance level is adjusted continuously to match the needs of the people (Gao, 2019).

The adjustments and reforms to the policy described above show how the problems are first discovered, then the central or higher-level governments offer suggestions of ways to adjust and reform the policies, and finally the lower-level governments and grass-roots governments implement them. This bottom-up and top-down policy adjustment mechanism

enables China's bottom-up security policy to be timely adjusted and continuously improved, it also makes the policy play an increasingly important role within the anti-poverty fight.

Innovative Grass-Roots Social Governance to Continuously Improve the Effectiveness of Poverty Reduction

Social governance methods were strengthened and innovated taking into account social equity and efficiency with the aim of improving the grassroots social governance pattern and the performance of poverty reduction through multiple measures. The purpose of such measures was to achieve an effective interaction between social governance, economic development, and the improvement of people's livelihoods. It is possible to innovate the grassroots governance system from the following aspects.

First, reforming and improving the social governance system. For example, the grid management mechanism can be innovated in many aspects by relying on a unified digital management platform and the grassroots management area can be divided into a unit grid according to certain standards. This way, grid members can collect and manage comprehensively information on people within their jurisdictions, to strengthen inspections of units and the four-level service network of districts, streets, and communities, to offer full coverage, solving the problems reported.

Second, building an active identification mechanism to protect beneficiaries. Mobilize grass-roots forces (such as village committees, neighborhood committees, and the masses), create grass-roots social patterns of co-governance and improve the network of active identification and rapid response to problems, to recognize them early and earnestly, intervene them, and offer appropriate and timely assistance.

Third, innovating poverty identification methods and improving gradually the accuracy of assistance. For example, a household audit and an investigation system have been established to verify and approve the beneficiaries of the protection. Indicators, such as number of family members, income, land, housing, motor vehicles, sickness, and disability of family members, are mainly used to evaluate comprehensively the economic status of the family and combine the evaluation results with the results of household surveys, neighbor visits, and democratic evaluations to achieve accuracy.

Fourth, strengthening information construction. Many provinces and cities have established information systems for the beneficiaries of security. Thus, they gradually interconnect users and information.

Fifth, strengthening the construction of a "comprehensive service counter" platform for grass-roots social assistance. A "comprehensive service counter and collaborative handling" mechanism was established and the practice of "General Administration acceptance and general social work handling" was implemented to effectively integrate grass-roots work forces and policy resources, to improve grass-roots social assistance handling capacity, and to provide "one-stop" convenience services for people in need.

Conclusion

In the past 40 years, China has made continuous explorations and adjustments to its poverty reduction policies, established an innovative minimum living security system, established special assistance systems such as healthcare, education, housing, and employment, and built a multi-tiered social security network. It can be said that the poverty reduction policy, led by rural social assistance, has successfully improved the living conditions of 20 million people who lived in total poverty in rural areas, and played a decisive role in successfully eradicating absolute poverty and completing the strategic goal of poverty alleviation on schedule. This is mainly due to the following facts:

- (1) While pursuing economic growth, China actively established a social security system in accordance with its level of economic development. It successfully established a social security system with social insurance as its core, covering social assistance, social welfare, subsidies, resettlement, housing support, and social charity. Various policies were adopted to guarantee the basic living conditions for the poorest population in different ways, creating an institutional force fighting against poverty.
- (2) China has established an "8 + 1" social assistance system, which mainly covers basic survival needs security, special needs security, emergency assistance security, and the participation of non-government actors. A multi-tiered, comprehensive coverage, basic and three-dimensional social security network was developed to ensure that the poorest population have access to healthcare, housing support and education.
- (3) The comprehensive poverty reduction policy led by social assistance and the poverty alleviation and development policy have been promoted parallelly in China's rural areas. Such implementation has been useful to connect effectively the institutional level, the target population of the poverty reduction and development policies (entitle groups), the assessments and evaluations, and to combine "blood transfusion" assistance with "hematopoietic" assistance to help poor areas and poor populations jointly (Zuo & He, 2017).
- (4) China has comprehensively strengthened its capacity-building for handling services for grass-roots social assistance and poverty reduction, such as the "comprehensive service counter and coordinated handling" mechanism and the provision of online services based on the internet to ensure that the poor can easily access various assistance policies. At the same time, China has strengthened the supervision processes of the implementation of the policy. Some successful practices and experiences of China's social assistance and poverty reduction can provide inspiration and be of very important value for other countries to accelerate the anti-poverty work. The following aspects can serve as inspiration:

First, while the economy is developing continuously, it is necessary to consider the implementation of social policies, promote the sustainable development of the economy, and provide stable funding sources for the implementation of poverty reduction policies. Second, promote the effective connection between the improvement of people's living conditions and the economic development, focusing on the construction of inclusive and comprehensive people's livelihoods that meet their basic needs, and take care of their fundamental rights and their minimum living standards. Third, prioritize the joint efforts of the system, and guarantee the comprehensive bottom-up effect for the poorest population through the construction of a multi-tiered and three-dimensional social assistance security network. Fourth, government departments at all levels must work together to form multi-tiered and diversified methods to

ensure the effective implementation of various policies. Fifth, make continuous and timely adjustments and improvements to the various security policies according to the economic and social changes and development. For example, adjust the security standards according to the changes of living costs and accelerate the adjustment of the orientation of policy construction to match the changes of the needs of the poor population. Sixth, strengthen and innovate social governance methods, create a grass-roots social governance pattern through co-construction and co-governance, innovate and promote grid management and household survey systems, strengthen information construction, take multiple measures simultaneously, and continuously improve the process of poverty reduction.

China's poverty reduction policy, led by social assistance, has been continuously improving and plays an increasingly important role in combating poverty. Whether in the critical period of poverty eradication or after completing the task, some poor people will still remain in China who might have a difficult time overcoming poverty by relying on their own strength, and industry development. In the post- eradication of poverty era, China's rural areas will enter a new stage of poverty governance characterized by relative poverty and multidimensional poverty. However, a large number of low-income people will also still remain trapped on the edge of poverty due to force majeure (Han & Xin, 2021). At this stage, social assistance must also firmly guarantee the basic living standards of the poorest population to ensure their basic livelihood while continuously consolidating the results of poverty alleviation. Additionally, the connection between the rural social security, the poverty alleviation and development, and the Rural Revitalization strategies should be strengthened. Likewise, the construction level of old-age retirement plans and medical insurance, the social assistance system of stratification and classification and overall urban and rural planning should be improved. And finally, China's experience in eradicating poverty should be promoted to contribute to the field of international poverty reduction cooperation.

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