The role of community support for the rural aged during the transition

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CSP Research Report 02
January 2011
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Acknowledgements

This CSP Research Report series presents findings from 11 research projects conducted over the last two years, 2008–2010, for the Social Protection in Asia (SPA) policy-research and network-building programme, funded by the Ford Foundation and the International Development Research Centre (IDRC). The programme was managed by the Centre for Social Protection (CSP) at the Institute of Development Studies (IDS), Sussex, UK, and the Institute for Human Development (IHD), New Delhi, India, with projects and partners in China, Vietnam, Indonesia, India, Pakistan and Bangladesh.

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Abstract

This study examines the potential for rural communities to generate and allocate resources for rural old age support in the context of decreasing family resources and inadequate state provision. In-depth interviews with elderly people, their families, community leaders and government officials of three villages respectively, located in three provinces, provide us with clear insights into existing local institutional arrangements for rural old age support and the role of both government and community in organising such programmes. They confirm that rural communities are able to generate and distribute resources for old age support, to offer community opportunities for social inclusion through fair flows of resources to promote social harmony and stability, and to accelerate economic growth. The findings of the study imply that there is a need for policymakers to link state efforts towards old age protection to rural community development, and to encourage grassroots efforts in old age support.

Keywords
old age support; rural development; resource distribution; community organisation.
1 Introduction

China has been challenged by the same difficulties of providing social protection for the rural aged population that are often found in developing societies. It has experienced a dramatic demographic transition, indicated by the rapid increase in the number of the aged since the 1980s. By the end of 2008, the total number of those aged 60 and above reached 169 million, making this group 12.8 per cent of the total population (National Bureau of Statistics 2009). Of the elderly in China, nearly 70 per cent currently reside in rural areas, and very few are covered by existing state old age insurance programmes (Xinhua News Net, 2009). At the same time, rural communities in China have experienced a profound social and economic transition, during which family resources for old age support have been substantially undermined.

China’s old age security system is fragmented, and the benefits are delivered unevenly between rural and urban residents. While old age insurance schemes for urban residents are compulsory, employment-based, and state subsidised, the schemes for the rural residents are voluntary, contribution-based, and until 2010 as discussed below received no subsidy from the state (Xinhua News Agency 2006). A national survey in 2005 indicated that, despite the existence of a national and some local social insurance programmes, the distribution of insurance coverage among the Chinese elderly is geographically highly uneven. In urban areas, 57.5 per cent of the elderly are covered by old age insurance or retirement pensions, while in township areas, the proportion covered is 24.8 per cent. In contrast, beneficiaries in rural areas make up only 4.6 per cent of the rural aged. At present, 54.1 per cent of the rural elderly have to rely on their family and 37.9 per cent of them still work to support themselves (National Bureau of Statistics 2005).

The Chinese government first tried to organise a voluntary old age insurance programme for the rural elderly at county level in the early 1990s. However, the lack of a stable income was a barrier to farmers’ continued contributions. As a result, a very limited number of such programmes in rural areas have been sustained throughout the rapid industrial transition. By the end of 2000, only 61 million rural people, 11 per cent of the rural population, were still participating. The number of elderly benefiting from this insurance was even smaller, and the average level of yearly benefits from the insurance was even lower than that received from social relief programmes for people in poverty. As a result, at the beginning of the new century the programme was stagnating (Ding and Chen 2005).

Several reasons have been identified for the failure of this rural old age insurance programme. First, it was based on the idea of commercial insurance, with a flat rate contribution required from individual peasants. However, farmers did not have a stable income like urban workers. Moreover, their income was so low that they had difficulty finding extra money to contribute to the old age insurance fund. Even if they joined the programme, they tended to keep the insurance at the minimum level. Second, the programme was organised so that only those who were wealthier and younger could be included, and those who were relatively poor and older tended to be excluded. Third, even in places where farmers could make contributions, there was a lack of experience among programme organisers in managing the funds, and problems of inappropriate fund management were widespread. Last but not least was the lack of a legislative basis for organising such a programme, which led to competition among government sectors for control over the funds, without effective systems for monitoring (Qiao 1998; Gao 2003; Huang 2004).

In the face of these unresolved problems, the Chinese government has recently made efforts to establish a national rural pension supported by public finance, with the aim of meeting the needs of the rural aged population for income protection. The scheme was piloted in 2009 and is being introduced progressively as a component of the nation’s old age security system starting from 2010. The scheme provides rural residents of aged 60 and above with a minimum monthly income of 55 yuan. Although it is designed as an insurance scheme, this basic minimum is guaranteed by the state, with contributions from both central and local government. It is still early to evaluate the impact of this scheme on the rural elderly. However, existing studies of the experience of social pension schemes in some developing countries uniformly confirm the positive impact of such programmes on poverty reduction among the aged (Barrientos 2005; HelpAge International 2006; Johnson and Williamson 2006; Samson, van Niekerk and MacQuen 2006). Public opinion also regards the scheme as a positive step toward institutionalised rural old age security.

On the other hand, the low rate of benefit makes it reasonable to question the programme’s adequacy. Although old age insurance schemes are established for the purpose of income provision, old age support is also about coverage of health care and opportunities for social inclusion. There is an increasing public awareness of the existence of multiple needs of the rural aged for social...
assistance and the importance of a fair redistribution of resources at local and community level to supplement the state’s efforts. The encouragement of the involvement of old people and organisations in the community becomes increasingly critical for the effectiveness and sustainability of any programme of support.

In searching for potential mechanisms for rural community involvement in the organisation of support for the elderly, there is a need to answer the following questions. How does the local institutional and cultural environment affect the elderly? How are community resources mobilised and distributed? What is the relationship between various stakeholders in the community? How do the existing community programmes for old age protection operate? This study of three cases of rural aged support practices in different geographical locations in China, generates first-hand knowledge about the reality of rural old age protection in transitional China, and enhances our understanding of the above questions.

This paper will start with a brief introduction of the sociodemographic characteristics of the aged in the three case communities. The introduction will be followed by a detailed review of the three cases, respectively, focusing on their efforts to provide community old age support and on how their practice is shaped by local social and economic transitions. Evidence drawn from the review demonstrates the influence of leadership, organisational legitimacy, shared values of fairness, the involvement of the aged themselves in community affairs, and the possibility of integrating community efforts with the local or state schemes on the levels and sustainability of community provision for the aged community members. The implications of these findings for understanding the development of social provision schemes for the rural aged in societies experiencing rapid economic development will also be explored.
2 Methodology

2.1 Methods of data collection
This exploratory study used qualitative methods of field observation and in-depth interviews with community residents to collect information on the daily lives of elderly villagers and their living environment, on the principles and mechanisms of community resource mobilisation and distribution, and on the organisation of community efforts for old age support. The selection of villages was deliberate, and designed to take into account the different levels of development across the Chinese countryside. Among the three villages chosen, one is a case located in a more economically developed area where community life remains relatively collective. The second is located in a region where the level of development is about the national average, and the third case is located in a region that is relatively under-developed. As China has a large territory and is so geographically diverse, instead of random sampling we selected cases to represent different conditions as a result of the different levels of socioeconomic development of different regions. We are fully aware of the limitations of the method used. Rather than making any generalisations, however, the purpose of the study was to generate meaningful questions about rural aged support.

Our research team, the project leader and five research assistants, made three visits to three case villages to conduct field research between July, 2008 and May, 2009, spending in total between six weeks and two months in each village. First-hand information was gathered through field observations, in-depth interviews and focus group discussions. The research team conducted 93 interviews with the villagers and held 12 focus group discussions. The content and textual analysis of the information collected helped us to understand the channels through which community resources flow to individual elderly persons, the effects of the flows on individuals and households, the relations of flows to community development, and the economic and social positions of the elderly in the family and community. We refer to these villages as Case A, Case B, and Case C.

2.2 The status of aged persons in the three villages under observation
Although over half of all Chinese still live in rural areas, it is very difficult to make generalisations about their living standards because huge inequalities exist between those who live in relatively developed areas and those in under-developed areas, between those who live along coastal areas in the east and those inland in the west. These differences are also reflected in the status of the elderly. We can see from Table 1 that demographic differences among the three cases are obvious. While the elderly make up 17 per cent of the total population in Case A and 18 per cent in Case B, respectively, the same age group only makes up 9 per cent in Case C. Another obvious difference is in income status. In Case A, all the aged villagers are covered by local and community old age insurance programmes. However, the majority of the aged in Case B and Case C are not protected by any old age insurance programmes. In the absence of a stable income from social security, old people in these two villages had to rely on income generated from work, where they were capable of it, along with cash and in-kind provision from adult children. In Case B there were well organised paid labour opportunities for the old and subsidies were provided by the village’s Association for Old Persons to those in poverty. In Case C, there were no organised efforts to support the aged.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Case A</th>
<th>Case B</th>
<th>Case C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Villagers aged 60 and over</td>
<td>142 (17% of the total population of 822)</td>
<td>479 (18% of the total population of 2,668)</td>
<td>166 (11% of the total population of 1,524)</td>
</tr>
<tr>
<td>Living arrangement</td>
<td>Almost all live independently</td>
<td>Most independently</td>
<td>Some independently; some with children</td>
</tr>
<tr>
<td>Income</td>
<td>Stable and multiple sources</td>
<td>Less stable but multiple sources</td>
<td>Unstable and limited sources</td>
</tr>
<tr>
<td>Labour participation</td>
<td>General participation in paid labour</td>
<td>General participation in paid labour</td>
<td>General participation in agricultural labour</td>
</tr>
</tbody>
</table>

This study found that children’s resources for supporting their aged parents were limited. They usually had no problem with providing food, clothes and daily necessities to those aged parents in need of support. However, providing cash to pay for their parents’ medical bills and other expenses for their social activities could become a burden hard to bear. This finding has also been confirmed by a survey of the New Rural Cooperative Medical Scheme (NRCMS) in China, where it was found that even
with the NRCMS in place, about 20 per cent of the elderly had to pay the bills out of pocket and nearly 38 per cent of them had the NRCMS reimburse only small proportions of the bills, with reimbursement rates declining along with the increase in expenditures (Zhang, Yi and Rozelle 2010).

Despite these differences in the proportion of the aged and their income status, old persons across the three villages shared similarities in living arrangements and labour participation. Contrary to beliefs regarding the living arrangements of old rural people with large families, the elderly in these three villages tended to live in a separate household from their adult children. Moreover, whether they were protected by income maintenance programmes or not, they tended to participate in productive labour as long as they were physically capable.
3 Review of the communities studied

The three communities in this study vary in terms of size and resources for old age provision. Table 2 illustrates the variations in community provision, coverage, funding, and resources generation for old age support. A review of the development of each case in the following sections is intended to provide a contextual background.

Table 2 Old age support in the three villages studied

<table>
<thead>
<tr>
<th>Support</th>
<th>Case A</th>
<th>Case B</th>
<th>Case C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions</td>
<td>Pension/medical care/long term care subsidies</td>
<td>Paid job opportunities/living subsidies</td>
<td>Occasional subsidies for organised entertainment activities</td>
</tr>
<tr>
<td>Coverage</td>
<td>All members of the village</td>
<td>Those physically capable, those in poverty</td>
<td>Those socially active</td>
</tr>
<tr>
<td>Funding</td>
<td>Budget by village committee</td>
<td>Budget by Association for Old Persons</td>
<td>No budget</td>
</tr>
<tr>
<td>Community resources</td>
<td>Profits from village-owned industrial output</td>
<td>Profits from collectively owned and NGO-managed businesses</td>
<td>Profits from farmland leasing</td>
</tr>
</tbody>
</table>

3.1 Case A – Integrating old age provision into community development

Our first case was located in an area where manufacturing industry had developed rapidly over the past three decades. It was a village of 822 residents, 17 percent of them aged 60 and over. In the previous three decades, the village had quickly accumulated collective resources through the successful organisation and operation of four collectively owned enterprises. In 2008, the village’s total GDP was 200 million yuan, the average annual income per capita was 19.3 thousand yuan, and the total income of the village was 10 million yuan.

With the funds generated from industrial production, the community leader and his decision-making group developed a collective welfare system that ensured a secure later life for villagers. The village welfare provisions for the aged included pension income, free medical care, a free retirement apartment with furniture, subsidies to families caring for frail elderly members, and opportunities for paid work. Villagers started to benefit from these village provisions at the age of 55. The elderly had a monthly pension income of 300–600 yuan according to age. They could choose to live with children or independently in an apartment in the retirement housing area, which was located within the same village. If they were healthy and willing to do some work, they would have the opportunity to get a paid job as a gardener, a street cleaner, or cafeteria helper. If they were sick, they could get free medical care at the village clinic and reimbursement for medical expenses on hospital visits.

Case A seems to confirm the argument that the community provisions for old age support only happen where substantial resources are accumulated through economic development. However, a further examination of the history of the village showed that the development of community old age provisions started long before the resources were accumulated. In the early 1980s, when the village’s resources were very limited, the community leaders prioritised pension provision to aged community members in their development agenda. At that time, they believed that this was the right approach to the implementation of state policy on family planning. Unlike most of the rural villages in the area, where land and other community resources were privatised, the village had maintained collective production and organisation. At first, the pension benefit level was small and coverage was relatively low. With economic growth and an increase in the amount of resources had come a gradual rise of pension benefit levels and the expansion of old age welfare coverage. This was based on giving priority to a fair distribution of the products of economic growth among the villagers. In 2007, community expenditure on pension payments reached 611,400 yuan, about 6 per cent of the total collective income that year.

The focus on welfare provisions for the aged as part of the village development in Case A benefited from the political determination of the community leaders who played a critical role in constructing community welfare programmes. To ensure ‘wealth for all’ since the 1980s, the village leader, a charismatic figure, has persistently held a belief in collective ownership of the land and other production materials as an approach to collective prosperity. Under his leadership, the village experienced rapid growth in industrial and agricultural production and a collective distribution of the wealth accumulated through economic development. As a result of this welfare provision, the distribution of income and material...
resources among villagers was relatively even. Case A also demonstrated a coordination of government and community support. As mentioned above, the village is located in a relatively well-developed area compared with other parts of the country. In 1992, the local government started to organise a pension programme for farmers, funded by insurance contributions from farmers and subsidies from the local government. The pension from the old age insurance provided elderly people with an income that was stable but relatively small. The organisation of the community pension provision in Case A funded by resources generated from collective production effectively supplemented the local government insurance programmes. As a result, the individual income of the aged persons in Case A was substantially higher than that of the aged in the surrounding villages, which enabled them to maintain an independent status in their community and families. When the state rural medical insurance programme started in 2006, the contribution of the individual villagers to the medical insurance was paid by the collective fund.

### 3.2 Case B – Empowering the elderly through community organization

Case B illustrates a self-organised effort by elderly community members to create resources for community welfare provisions as part of their effort to contribute to the economic growth of the village. The village had a population of 2,668 people and the average income of the villagers in 2008 was 7,506 yuan, 20 per cent higher than the average in the surrounding villages. Farmers there were generally involved in vegetable growing and generated income mainly from selling vegetables and other farm products. As a result, their income level had remained low and the community had very limited resources for old age support. Unlike other villages nearby, Case B had a senior citizen organisation, the Association for Old Persons (AOP), which sought opportunities for older villagers to live independently while contributing substantially to local economic development. The AOP was initiated and led by a group of people who had retired either from teaching or from commercial institutions in 1992. The village AOP was owned collectively by its members and registered as a non-government organisation to promote community welfare for the aged. In order to generate resources for community welfare provisions, the village AOP was involved in managing and regulating the village-based wholesale vegetable market. After 16 years of development, the market has become one of the largest vegetable trading centres in the region, providing commercial services to a population of over 100,000 vegetable growers from about 1,000 villages. The market also created about 1,400 jobs for local people, and an elderly person who was willing and physically capable in the village usually had an opportunity for a paid job.

The market became the major source of income for the community. Along with the development of the market, the AOP generated funds for starting up 13 service business entities such as vegetable storage, oil supply, inns and restaurants, two trial programmes for vegetable growers – vegetable planting and tropical fruit growing demonstrations – and three workfare programmes particularly for old people involved in gardening, freshwater aquiculture and courtyard production. By 2008, this self-organised association had accumulated assets of over 10 million yuan, paid total tax of 17 million yuan to the state and contributed over 5 million yuan to the village collective. In 2008 alone, AOP generated an income of 13 million yuan.

Older people in Case B benefit from the efforts of the AOP in terms of opportunities for flexible employment and related income, which enhances their ability to be financially independent and secure. They also benefit from the village welfare programmes funded by an increasingly sound collective income source. These programmes include collective contributions to the state rural medical insurance, known as NRCMS, for all the villagers, welfare subsidy provision to the AOP’s 528 members (including elderly people in the surrounding villages), the operation of the old age school and the seniors’ centre. In general, the AOP acts as a significant resource for community old age support and other welfare provisions.

The overall increase in villagers’ living standards and the specific empowerment of the elderly through organised efforts has led to changes in intergenerational relationships in village families. A village manager described the gradual formation of a more positive intergenerational relationship within families since the 1990s. It has been noted that many elderly people still lived together with one of their adult children. However, more and more old people chose, and were able, to live independently of their children in a separate household. Like the elderly living in old age apartments in Case A, this independent living arrangement has promoted more positive interaction between generations, since it enables the elderly to relate to their children on a more equal basis.
In Case B, we see how old people can be empowered to maintain an independent life, how a community can develop with the resources contributed by its older members, and how the aged can benefit from their community. In the absence of pension coverage for the majority of elderly villagers, grassroots efforts to mobilise collective resources for old age support by the aged themselves appeared to be especially valuable and effective.

3.3 Case C – Creating an opportunity for independence
Case C presents a less organised effort by the rural elderly and a lack of community incentives for old age provision. Here, individual efforts were made to seek opportunities for economic independence and living autonomy. Case C is located along the Yellow River in the northwest of China, an area much less developed than coastal areas. Currently, its main economic output comes from agricultural produce, specifically asparagus and apples. The area was the largest base for asparagus growing in China and had eight asparagus processing businesses. This village had a population of 1,524 people, with an average income of 4,000 yuan in 2008. It had very limited community welfare provision. About 60 per cent of the elderly lived separately from their adult children and family support was also limited. The elderly generally made a living by working in the fields as long as they were capable.

The unique phenomenon about Case C was the choice of some aged villagers who lived and laboured on the bank of the Yellow River about three miles from the village4. Encouraged by local policy, some villagers started to cultivate the land on the bank in the 1980s. The land was productive and income was better than working on the land in the village. They built houses on the river bank and lived there for over two decades. We noticed at the time of the study that these villagers were between the ages of 63 and 80. The elderly on the river bank believed that this was a more appropriate place for them to live. They said the air was cleaner and the water softer in comparison to the village. They lived in very modest houses of 20 to 30 square metres with two or three furnished rooms. Some had a TV set while some did not. The houses tended to be surrounded by cultivated land or orchards. All the old people living on the river bank had remained physically and functionally independent. While living independently in their own houses, they have formed a neighbourhood that allows for close communication.

Not all the elderly of the village lived on the river bank. About two-thirds still lived inside the village, and the majority of them were actively involved in farming production, including some 25 people aged 80 or over. As the income generated from agricultural production was unstable, the elderly villagers were living very modestly. Old couples tended to live independently in a house of their own. Those who had lost a spouse tended to continue living independently or with one of their children, depending on whether they had adult children in the village, and on their own financial situation and that of their children. Older people had to rely on children for a living when they were no longer able to work. There were problems for those who did not have any income, who were too old to work or whose children were not in a financially sound situation. Many of these people were elderly women. Even if they lived under the same roof, they tended to be neglected by other members of the family.

Community organisations, such as the village Association for Old Persons, limited their role to mediating in family conflicts and liaising between individuals who were in need of help and the village administration. Unlike the AOP in Case B, which remained economically productive, the AOP in Case C engaged no efforts in economic production and, therefore, had no resources for welfare provisions for the elderly villagers.
4 Findings

The three cases above provide us with a sample picture of old age support in rural China. With variations in terms of geography, history, and level of development, the three cases show a clear inclination towards independent living among the majority of the aged population. A growing number of elderly choose to live separately from their children when they have a stable income of their own, especially when income can be maintained from social insurance programmes. But this separate living within the community does not disengage the old people from their families. On the contrary, it gives both the elderly and the younger generation more free space and more equal status, promoting harmonious generational interaction.

It is well recognised that historically the ethic of filial piety has served as a moral basis for intergenerational relations in Chinese families. The tradition still functions in contemporary Chinese families, with adult children being obliged to provide material support to aged parents without resources. The government or community provision of old age income in Case A and B relieved part of the obligation from the children. In Case A, when the aged persons become independent with the support of community resources, there is a change of style in intergenerational contact. Along with an increase in emotional exchange and a decrease in financial exchange, was a change of expectations of their children for support. As one old person in Case A stated: ‘Filial piety means that children make frequent visits to the aged parents, spend time chatting with them, and provide care in times when they fall ill’. In contrast, those who do not have support, either from governments or from the community, like the elderly in Case C, expressed clearly their expectation of financial support in old age from their children.

Although social security provision from the state and local government are critical to ensure independence for the elderly, the community’s role is also important in enhancing their independence through generating and distributing resources, organising welfare benefit delivery, creating opportunities for social and economic participation, and coordinating state and local efforts. Some evidence for the potential of communities for old age provision has been identified from the case studies above and is summarised in the following sections.

4.1 The critical role of leadership

We see clearly that grassroots organisations with trusted leadership are crucial for community old age provision. Both Case A and Case B provide evidence for the impact of organised efforts on community welfare provision.

While Case A relied heavily on a formal administrative organisation in building a community welfare system, Case B was found to have an organisation run by old people themselves. Both organisations worked effectively under leadership that was trusted by community members, and that was coherent so that organisational efforts could be sustained for a relatively long time. In contrast, a lack of organised old age provision in Case C has been found to be closely related to the dysfunction of the village administrative body as a result of distrust among the villagers. The distrust was caused directly by a lack of accountability of the community leaders in managing collective affairs and the difficulty of the villagers to participate in community decision-making processes. The comparison between these cases makes clear the important role of effective community organisations in mobilising resources for old age provision.

4.2 Community organisation and its legitimacy

We have found a positive relationship between community old age provision and community development in Case A and Case B, which suggests that resources for old age provision can be created and mobilised in communities where organisational efforts have been made. The two villages started to work on community welfare provision when community resources were still very limited, in the early 1980s and 1990s respectively. Collective provision for the elderly has been seen by village leaders as part of community development and as a way to share the products of growth. When old age provision is put on the community development agenda, it is in the context of the accumulation of community resources. The impact of old age provision on community development has been reflected in the active involvement and contribution of the protected aged population to the economic activities of the village, as valuable human resources. Thus, a positive interaction between the elderly and the community has been formed. In Case C, we see the opposite occurring: where there is a lack of community protection for the aged, there is also an absence of organised efforts for community development. Disengagement between the village administration and the villagers was obvious and the elderly villagers were left with little support from the community.

We have noticed that organised collective activities in rural communities were legitimised in contemporary China by the reality that land has been owned collectively, rather than privately, by villagers. Collective ownership
provided a legal basis for the organisation of collective production and consumption. In the last three decades, there has been a shift towards a market environment for rural communities. Our study shows that rural villages have responded to the change differently. Case A and B responded to the external market through active involvement as an integrated collective entity. Compared to the individuals, collective entities tended to be more powerful in market bargaining, and the profits generated by collective trading were higher than individuals could achieve. The result is that they generated resources from their market activities and made welfare funding available to the villagers.

Here we see the benefit of collective organised action in coping with the economic transition. There is a positive relationship between resource accumulation and collective welfare development in which the aged are protected. On the other hand, we see from Case C that a lack of internal organisation in responding to the market environment led not only to a relatively weak position of the individuals in the marketplace in accumulating private resources but also to the inability of the village to accumulate collective resources for the welfare of the community members. These cases underline the importance of community organisation for the welfare of the rural aged Chinese in a time of economic transition.

**4.3 A fair distribution of collective resources**

A comparison of the three cases has led us to see that a fair distribution of community resources is more important than the amount of resources available in the development of community provision for the aged. In fact, it is not difficult to find wealthy communities in contemporary China without social provision for the aged. Obviously the availability of resources does not necessarily lead to this provision. The cases studied here have identified community values regarding distribution as an important variable in old age provision. We see in Case A a principle of sharing in resource distribution. One of the community leaders said: ‘Funds are always limited and there are always many places where funds are requested. We need to prioritise enough funds for the most vulnerable, and the aged persons are among them.’ In Case B, we also see that the contribution of the aged to the economic growth of the village has been well recognised, and such recognition justifies the community’s efforts regarding old age provision. In contrast, the absence of shared values for fair distribution and negligence toward the aged among community members were found in Case C.

**4.4 The aged being a stakeholder in community development**

We have found that the aged are a valuable resource for rural development in general and for community old age provision in particular. We see in Case A the active involvement of aged villagers in various productive positions and community political activities, such as participating in various meetings for community affairs. In Case B, major economic entities have been developed and managed by the village under the leadership of the Association for Old Persons. These village enterprises generated tremendous interest in the village collective and created job opportunities for both community members and the people from surrounding communities. Along with community development is the expansion of old age provision. In fact, we see here that old age support has been provided by the aged community members themselves. Instead of being a burden, the elderly are valuable contributors to the community. Even in Case C, where few organised efforts have been made, many individual old people maintain a productive life. It seems that, if effectively organised, these individual efforts could become a force in collective development.

Creating job opportunities for the aged in the community required a change of attitude among community members towards their aged members, especially among the community leaders. Previously the elderly tended to be treated as vulnerable and dependent. Continuing involvement in productive labour proved the value of the elderly as a resource for the family and community. A close look at the phenomenon would reveal again the factor of community organisation to the elderly’s realisation of their value for community development. In Case A and B, the village organisation provided relatively appropriate conditions under which the elderly could find a job in a collective setting. As a result, the value of the elderly as resources and their awareness of contributing to the community tended to be maximised. In Case C where the elderly proved their value through independent labour, lack of organisational support limited their ability to contribute to community development.

**4.5 The potential for integration of support**

Evidence has been found that integration of community old age provision with state and local government efforts appears to be effective in meeting the needs of the rural aged. We see that in the area where Case A is located, the local government started to implement an old age
insurance programme for the local elderly in 1992. Nevertheless, the benefit level has been too low for beneficiaries to maintain a basic living. The provision of community pensions as an important supplement in Case A effectively addresses the inadequacy of the local programme. A sense of security among the elderly villagers has increased along with their sources of income. In Case B, we see an active coordination between the Association for Old Persons and the related district government offices, which leads to collaborative efforts of the community and the local government in building a nursing facility for those aged who need care.

4.6 The personalised cultural environment for community provision

This study of three rural communities in contemporary China provides some clear evidence on the potential of community organisations in delivering social support for aged community members. The realisation of this potential is conditioned not only by availability of collective resources, but also by shared principles for resource distribution and organisational leadership. In this sense, communities are having an increasing impact on local welfare provision. At the same time, we also see some limits to community efforts. There is generally a lack of an institutional basis for old age provision even in communities where current provision is relatively comprehensive. Where community decisions on old age provision rely heavily on charismatic leadership rather than on institutional procedures, the sustainability of this provision can be questioned.

While community old age provision reduces the level of dependency of the aged on their adult children, the practice intensifies the dependency of the elderly on community leaders. In Case A, we found that the elderly villagers were more likely than the younger people to express their gratitude to the leader of the village committee. They almost uniformly believed that they owed their welfare to the morality and ability of this leader. In Case B, we found a similar phenomenon of a high level of trust in one community leader by the aged population. Obviously, even in those relatively well organised rural communities, the connection between the elderly and community leaders was still based on traditional ethics and the moral standards of individual leaders. Thus, a charismatic leader, rather than institutional arrangements, had become the guarantee of welfare provision for the aged. As a result, in these villages, we have found a change in the position of the aged from relying on adult children to relying on community leaders for old age support.

If the community organisation of provision for the aged found in Cases A and B could be viewed as a model for welfare provision, it appears to be interest-based, rather than rights-based. Decisions on provision were made by the leader, the aged persons as the beneficiaries then displayed gratitude and loyalty, thus strengthening the authority of the leader's authority. In terms of community provision, the model is fragile when a change of leadership happens. Nevertheless, despite the question of sustainability of community provision resulting from a lack of formal institutional arrangements, one should keep in mind that relations in rural communities in contemporary China are still personal rather than institutional. As it takes time to build institutions, how to cope with the cultural environment in organising community provision for the aged poses a challenge to the policymakers.

In summary, what we have found from the three cases are some obvious factors that affect community efforts to organise old age provision. A trusted community leadership and a well-functioning community organisation seem to be crucial factors for community old age provision. Moreover, a shared sense of fair distribution is more important than the level of development in allocating resources for old age provision. It is important to realise that the aged themselves can also act as a valuable resource for community welfare provision, when they are given the opportunity to participate in resource production. In terms of the national organisation of old age provision, there exists the potential to integrate community provision into local and state old age insurance schemes to make social support mechanisms more effective. On the other hand, we also identify an obvious lack of institutional arrangements under a legal framework, which challenges the sustainability of existing community efforts.
5 Policy implications

This discussion of the role of the community in support of the rural aged has important implications for rural policy development in China. It leads to an understanding of the impact of the local institutional and cultural environment on the life of the rural aged. It also delineates the mechanisms for resource generation and distribution of old age support in rural communities, in which the relationship among some stakeholders is revealed. These findings show that the development of social policies in rural China in the future should at least include the coordination of available resources from various sources, the encouragement of community efforts through funding and information dissemination, and the institutional building of welfare provision to make old age security programmes sustainable.

5.1 The importance of a fair distribution of resources

The importance of fair resource distribution for state policymaking is also revealed by our study. Recent decades have witnessed a rapid accumulation of resources by the state, along with rapid economic growth. If a fair distribution can occur at the community level, it should also be possible at the state level. Obviously the policy issue should be one of distributive justice, rather than that of the availability of resources.

In the cases where community provision for the aged is organised, we have found the existence of a relationship based on interest exchange between the elderly and community leaders. The lack of clarification of rights and obligations in the life of rural communities in China is prevalent. As a result, the distribution of collective resources to the aged is highly reliant on personal leadership and fair distribution could be problematic from time to time, as indicated in Case C.

A critical issue lies in the problem of ownership. It appears that community provision for the aged is based upon a shared ownership of community resources. Shared ownership is in fact indicated by the reality that all the villagers are owners in name, and community leaders are empowered to act as the agent of the shared owners to manage resources. In a sense, the individual villagers, although being the owners of collective resources, do not have rights in deciding the distribution of collective resources. They rely heavily on their agent in distribution, and whether it is a fair distribution or not entirely depends on the moral ethics of the agent. In pursuit of a fair distribution of collective resources, it is a matter of urgency to introduce the concept of rights-obligation-based relationships into the rural community.

5.2 Geographic variation in institutional planning for welfare provision

Our study provides evidence of a lack of institutional basis for existing provision for the elderly in cases where community efforts have been made. This concern also leads to questions about the sustainability of existing community efforts. To make community efforts sustainable, there is a need for policymakers to build institutions for funding support and information dissemination.

This study confirms previous studies (Na 2007; Wang 2007; Wang, 2004; Xu 2001) of the variations of local institutions in rural China. The living conditions of the rural elderly also vary greatly as a result of the differing impacts of local institutions on them. As the concept of institution may include a wide range of social arrangements, attention should be given to the impact of market development and of government financial systems. This approach would be helpful in institutional building for community old age provisions. The impact of market development on the welfare of the rural aged can be seen in the fact that the elderly in rural areas obtain direct opportunities for accumulating resources through participation in the market. At the same time, they can share the results of development through collective redistribution. Case A represents a situation of positive impact for the rural elderly. Located in a rich area along the east coast, the development of businesses provided the local people, including the aged, with employment opportunities. This significantly raised the living standards of the local elderly population. However, elderly people in general are marginalised in the market and the very old have lost their ability to participate in market activities. Perhaps the importance of market development lies not in the work opportunities for the elderly as indicated by Case B, but in the opportunities for organised efforts to accumulate resources for redistribution, as represented by Case A.

Geographic variation is also reflected in the local government financial system that is related to public funding for local old age provision, such as poverty relief and insurance schemes. As levels of economic development are so uneven, with some areas developing much faster than others, local governments vary in their ability, willingness and approach to fund local provision for the aged. In relatively under-developed areas, such as the village where Case C is located, the local government provide only minimum funds for assisting the poor. The area where Case B is located represents an average level.
of development. Local government is believed to be in a better shape to generate funds for old age support. However, there is no action from the local government in organising such provision. In the absence of local funding, community provision for the aged in Case B is organised in a relatively fragmented manner, supportive as it seems to be. In the area where relatively rapid economic growth has been achieved, old age provision is more easily accommodated on the local government agenda. In fact, community provision alone is not enough to secure a financially sound status for the aged in Case A, and the local old age insurance scheme makes a critical contribution to it. Generally speaking, local institutional arrangements have an impact on the wellbeing of the rural aged. Institutional planning for rural community welfare provision should take market and government forces into consideration.

5.3 Coordination of resources for welfare provision in plans for development

Finally, the findings of this study also echo the argument for the importance of welfare provision as an integral part of rural development (Hall and Midgley 2004). It appears that rural communities are as active as the state in searching for ways to meet the challenge of old age support, and local efforts predate state action. The experience accumulated by some rural communities is extremely valuable to state and local governments in building welfare for the aged. To meet the growing support needs of the rural aged, the state should incorporate community organised efforts into its plans. For example, the state social pension programme is expected to extend coverage to all the aged in rural China by the end of 2010. The monthly income of 55 yuan for an elderly person would be very helpful but not enough to maintain a decent living in many areas in China. Community provision would not only provide the aged person with more sources of income, but also serve as a supplement to share responsibility with the state.

In recent years, the state has been transferring funds to local governments to help the economic transition of rural communities through a movement called ‘New Rural Construction’. Policymakers should seriously consider supporting rural communities to incorporate old age programmes into development through funding and information dissemination so that community provisions can be sustained and developed.

The findings from this study also have implications for other developing societies undergoing rapid demographic transition. It is well known that old age support as a policy issue has increasingly attracted public attention as a result of the rapid ageing of many societies. However, the issue presents different challenges for developed and less developed societies. While in the former the elderly are usually covered by relatively comprehensive social security programmes, the majority of the aged in developing societies still rely on family resources, which are significantly undermined by economic transitions locally as well as globally. While social pensions offered in some transitional societies are viewed as an effective way to address the need for old age support, relatively low levels of benefits and sustainability of funding are always issues in the adequacy of such provision. If this evidence from community organised efforts in rural China can offer any suggestions for policy development for old age provision in developing countries, it is that they can form a relatively effective and supplemental approach to government action.
References


