

Survey of China

Revision Part 1-Chinese Society

Xiang Nan 相楠

Assessment

➤ **Class Attendance & Participation (20%)**

- Ask for leave: written notice with valid reasons.
- Absence over 1/3 classes: Fail

➤ **Final-term exam (50%)**

- Multiple Choice Question, Fill-in-the-blank, Short Essays

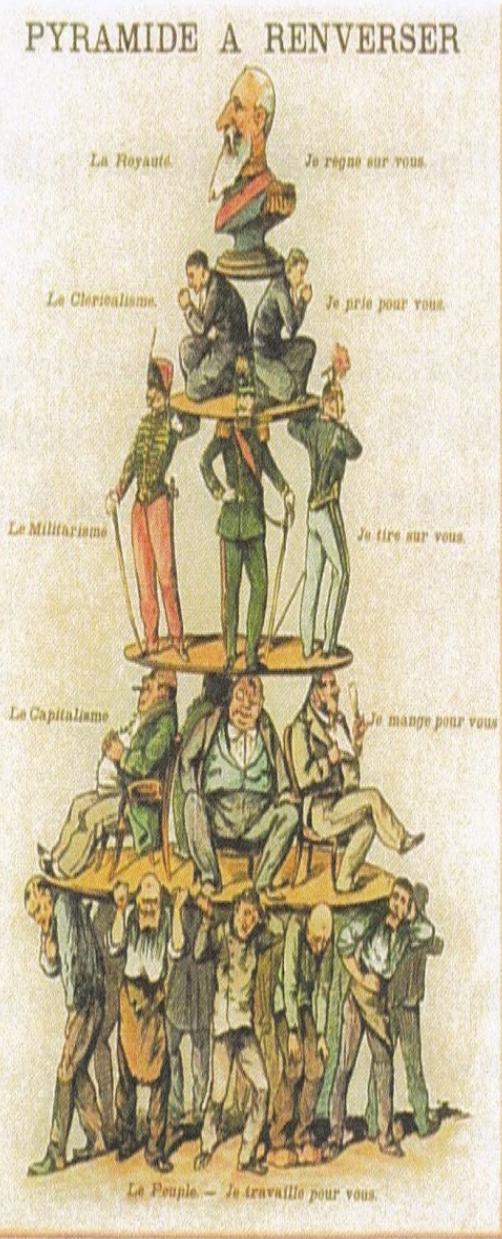
➤ **Group Presentation (30%)**

- Topics related to Chinese Society or the governing practices of the Chinese Communist Party and the government

Social Structure in China

Social Structure

(sociological concept)
stable structure of relations
formed by all elements
constituting a society



Structure of Social Status

Mapping China's Urban-Rural Divide



Urban-rural Structure

1. Structure of Social Status

(1) Planned Economy (Before 1978)

Social Status (Occupational) Structure

- Public ownership of production means
- Predominance of primary industry and secondary industry
- Equal Society: Division of labor
 - no hierarchical distinction between occupations
 - Small difference in income
- Inverted “丁”-shaped structure
 - Cadres (administrators and professionals)
 - Workers
 - Peasant

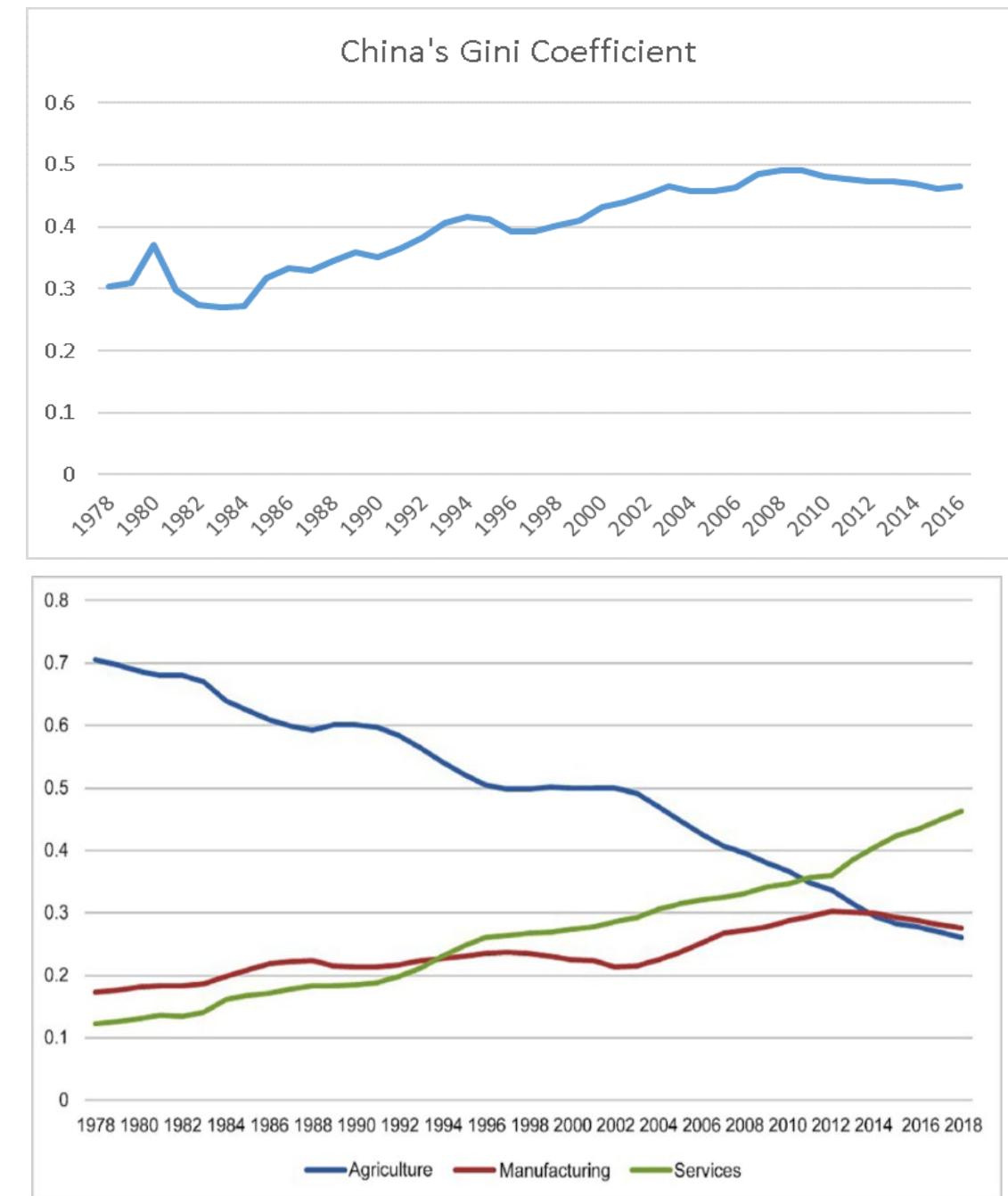
(2) After 1978 Economic Reform

- public ownership playing a dominant role
 - + diverse forms of ownership
 - “Allow some people to get rich first.”
- change in industrial structure



Social Status (Occupational) Structure

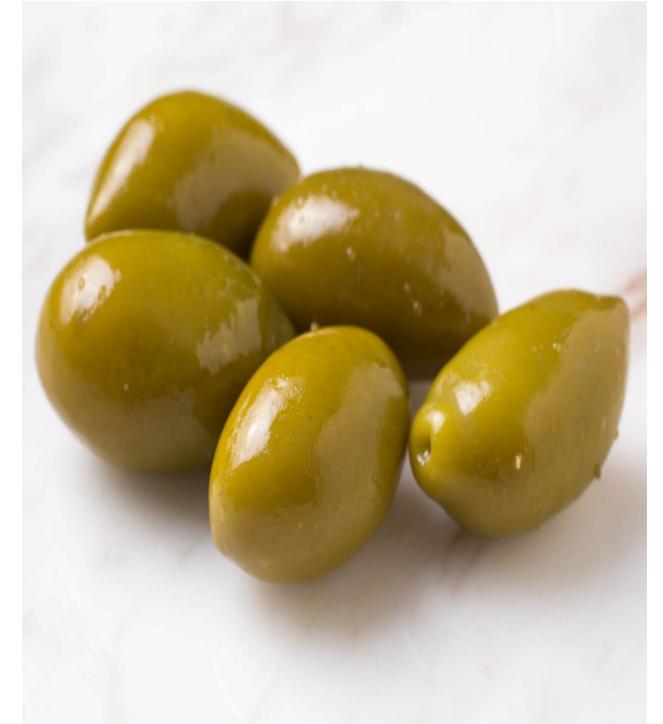
- Increasing social stratification
 - larger income gap
 - diversified social classes and occupations
- “土”-shaped structure:
 - Shrinking low-income peasant class (urbanization)
 - Increasing middle-class occupations



The shares of employment of China by three sectors, 1978-2018.

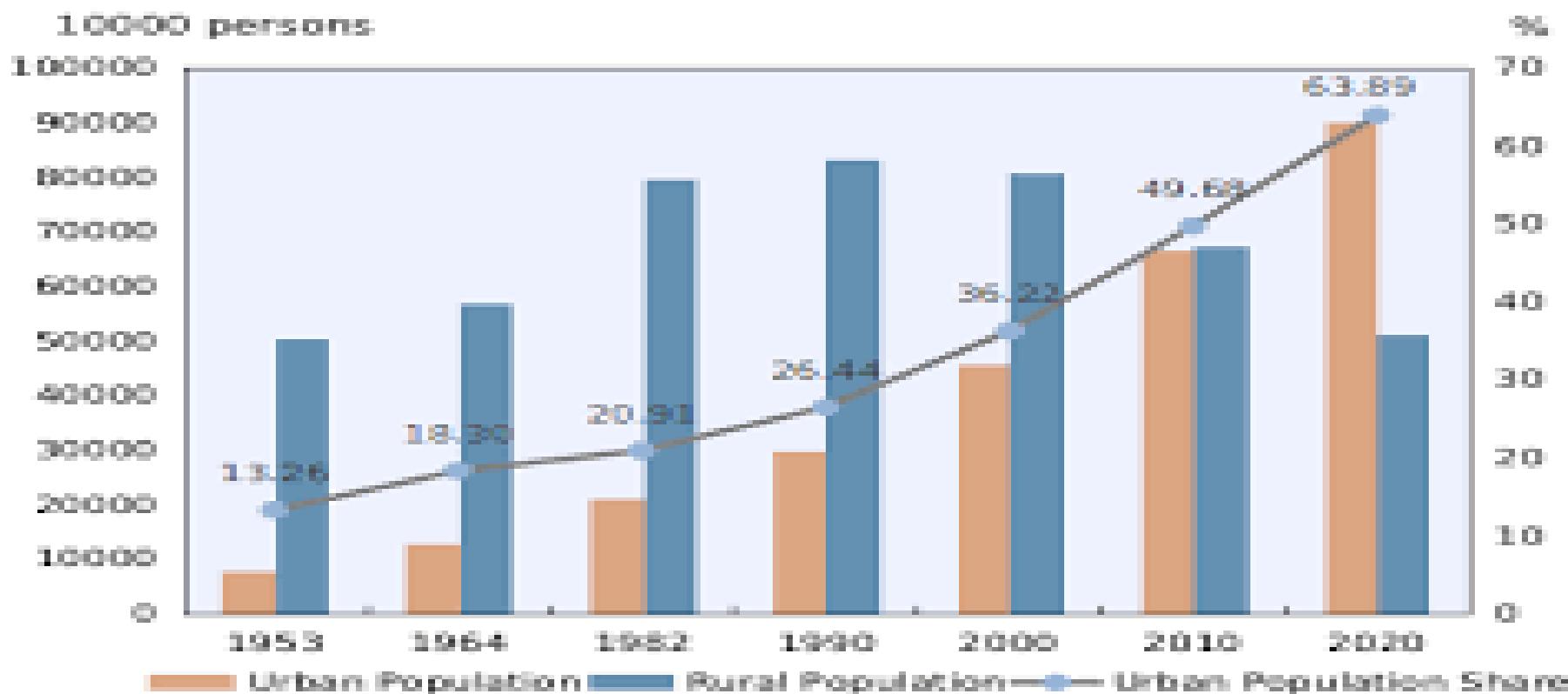
Target

- More equitable olive-shaped social status structure
 - Further increase the income of low-income class
 - Adjust the income of high-income group
 - Expand the scale of middle-income group

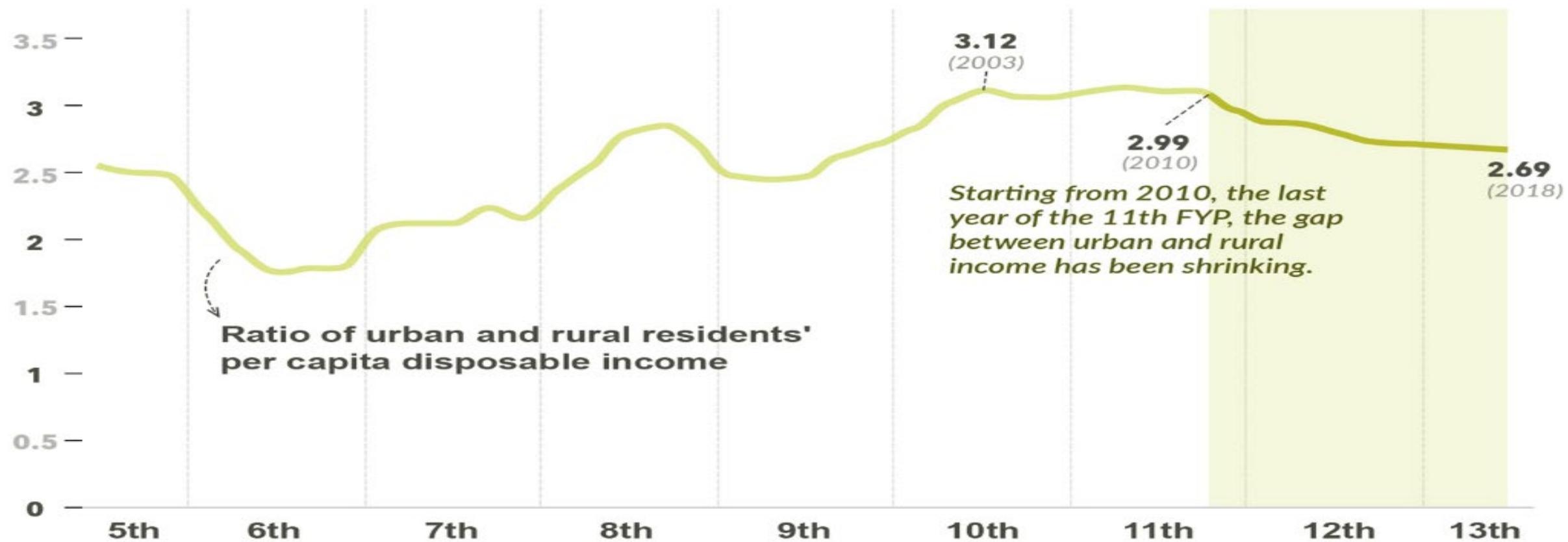


2. Urban-Rural Disparities

Urban-rural Population Distribution

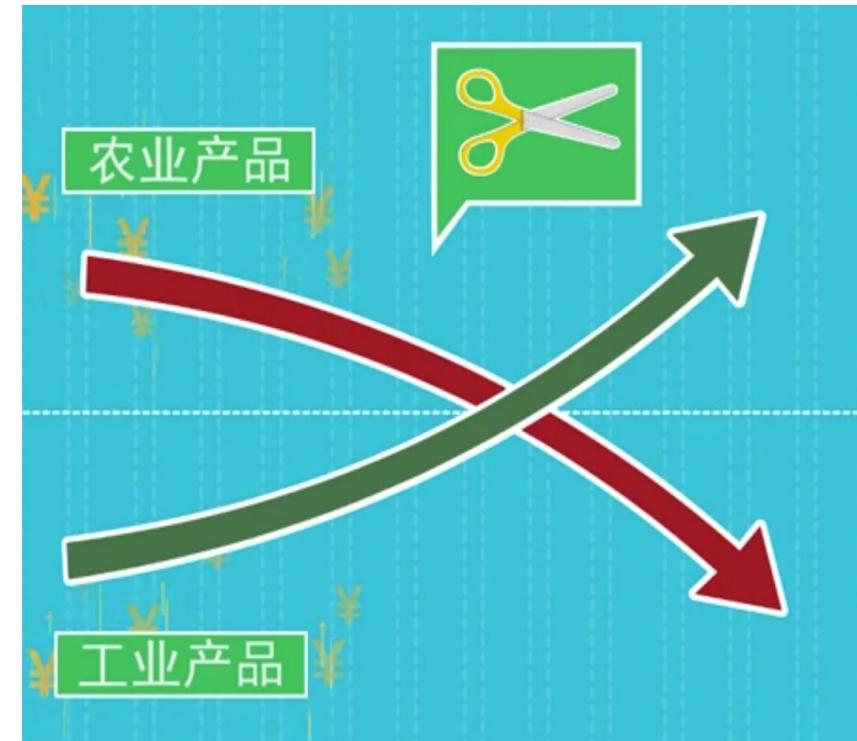


Urban-rural income disparity



Institutional Origin of Urban-rural Disparities

- (Before 1978) Socialist Planned Economy:
to achieve rapid (urban) industrialization
- “price scissors” policy
- “household registration (hukou)” policy
 - Restriction of migration
 - Provision of social welfare
- Urban-rural disparities
in economic development, income and welfare



After 1978: Emergence of A New Social Group --Rural Migrant Workers (农民工)

- Economic reforms to socialist market economy
 - Market allocation of labour force and resources
- Urban Area: Labour intensive industries
- Rural Area: Household responsibility system
 - Disbanding of Communes
 - Labour Surplus

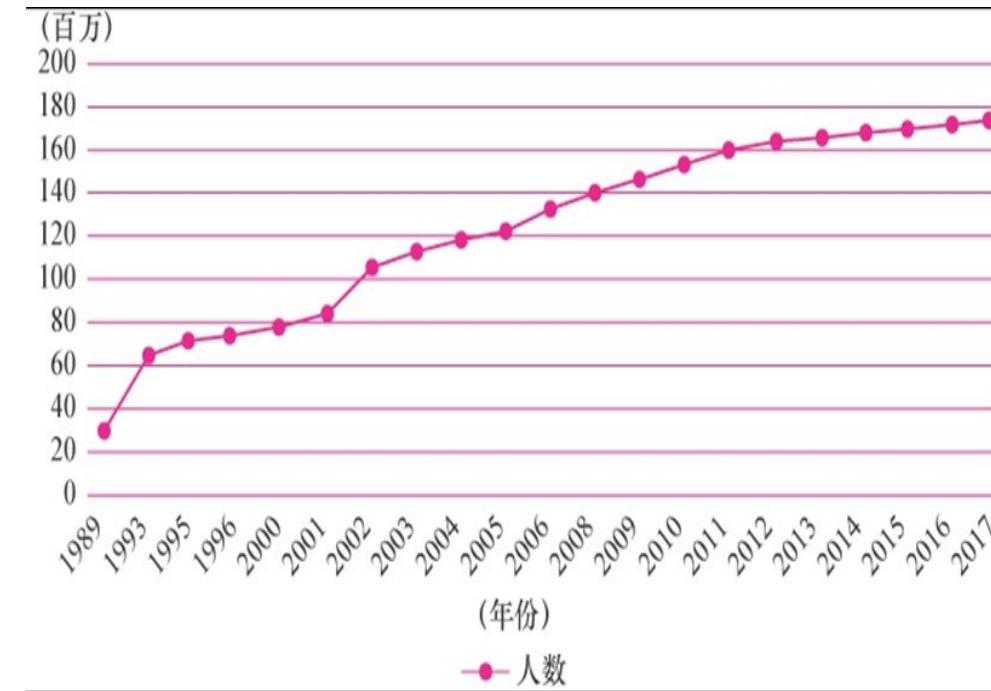
➤ **Definition:**

- rural hukou residents leaving the village and going to cities to pursue work in the secondary and tertiary industries

Gradual liberalization of
migration restriction

CHARACTERISTICS of Rural migrant workers

- China's largest segment of urban labour force
 - constituting about 60% urban labour force
- Rural hukou status
- Urban worker (occupation)
- High population mobility (e.g. rural-urban-urban-rural)
- **Precarious work/ welfare condition**
 - double disadvantages



21st Century: Incremental social inclusion of migrant workers

(1) Incremental/selective Hukou transfer

- **small towns/ cities** lifted their control (unattractive)
- **medium-/ large cities** to grant local hukou to rural migrants with stable employment and residence

- family reunification with a local hukou resident,
- buy high-end commercial flats,
- obtained higher education,
- role-models



Blue-seal hukou



Point-based hukou system

(2) Incremental inclusion to urban social welfare

➤ Social Welfare

- opening **contribution-based** social insurance programs to rural migrants

➤ Compulsory Education in Public Schools

Table 38.1 Participation in urban social insurance programmes (2017)

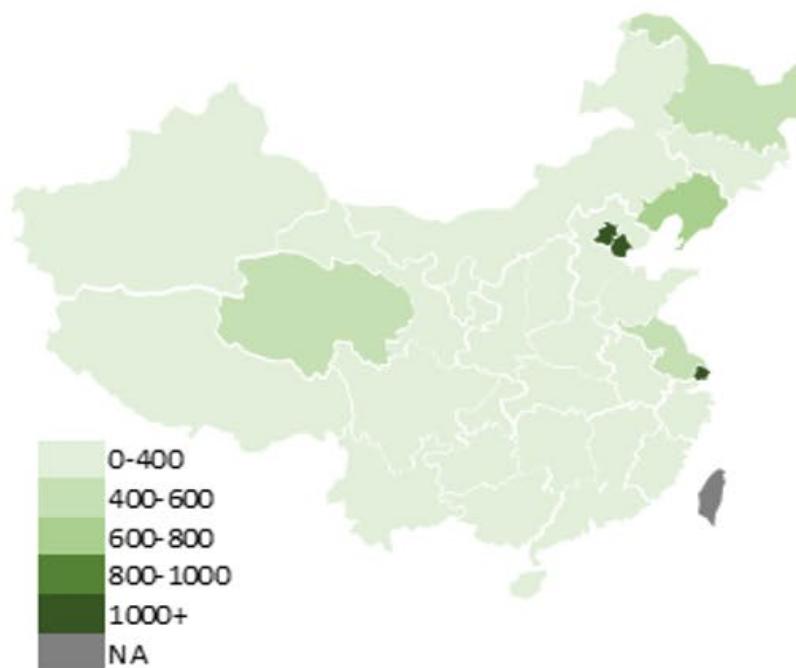
Social insurance programmes	Number of participants (urban employees) (million)	Proportion of urban employees (%)	Number of participating migrant workers (million)	Proportion of migrant workers (%)
Pension insurance for urban employees	292.68	69	62.02	22
Health insurance for urban employees	222.88	52	62.25	22
Unemployment insurance	187.84	44	48.97	17
Work accident insurance	227.24	54	78.07	27

Source: ILO. 2019. Improve China's floating population insurance system. <https://>

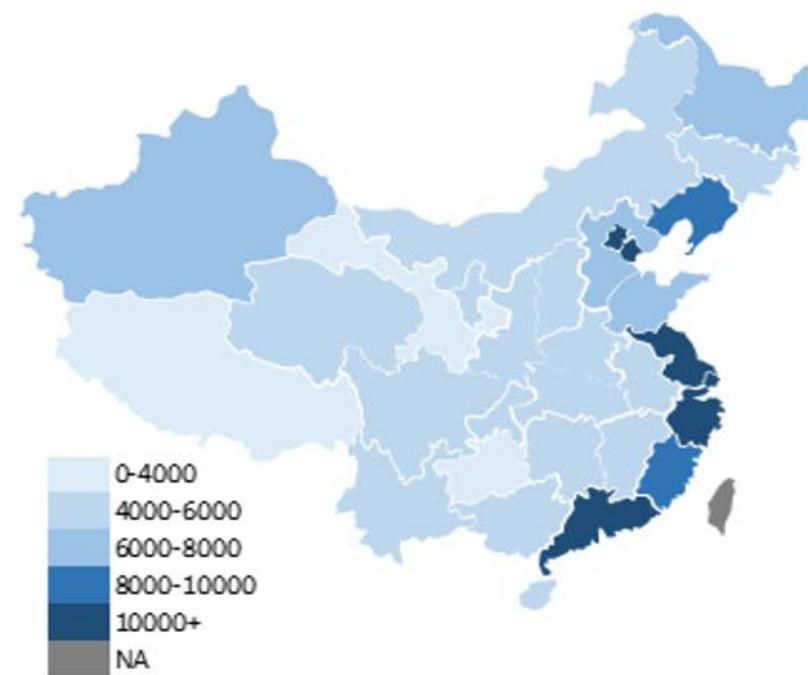
3. Regional Difference in Socio-economic Development

Figure: Provincial GDP Per Capita (RMB)

1978



1998



2017

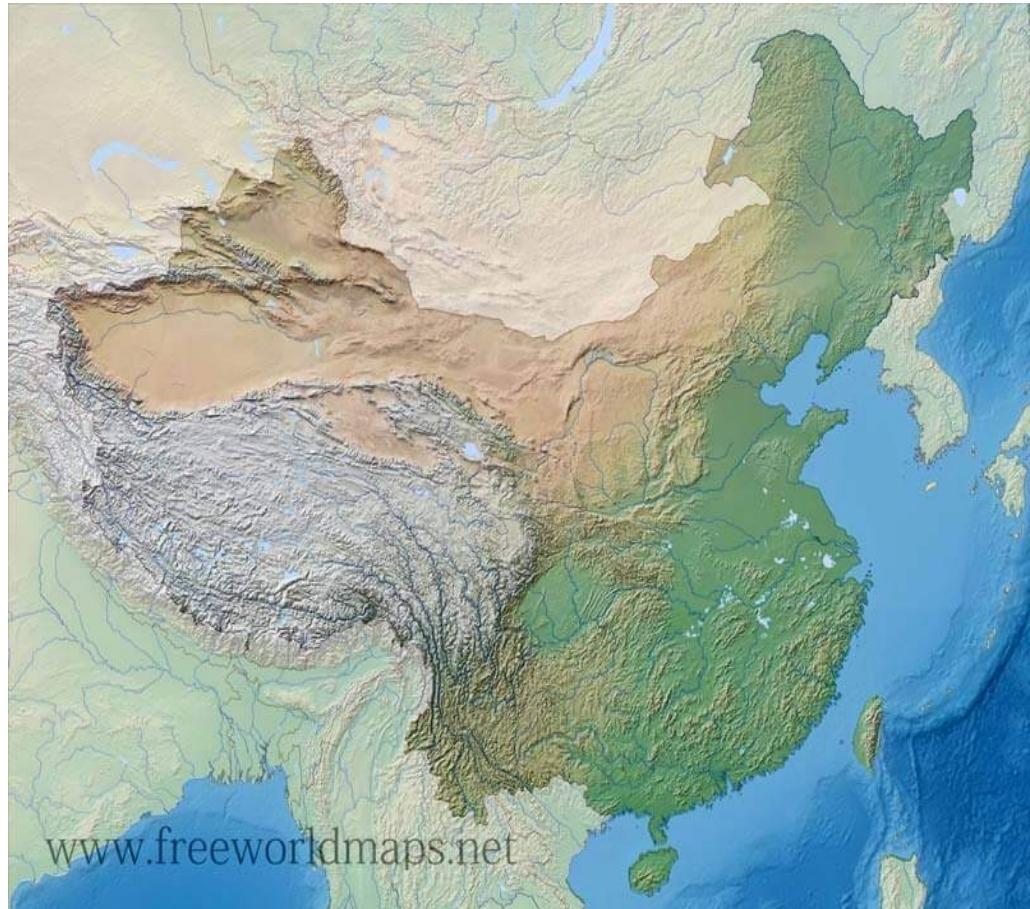


Underlying Factors of Regional Disparity

(1) geographic conditions

(2) governmental development strategy

- Prior development of the eastern coastal region
 - Special economic zones
- Eastern coastal area: export-oriented economy (foreign trade)



21st Century: Coordinative development between regions

- China's Western Development Strategy
- Rise of Central China Plan
 - Strengthen the infrastructure construction
 - Economic structure adjustment
 - Environmental protection



Summary

China's economic development, social status structure and urban-rural disparities

Time Period	Economic Background	Social Status Structure	Urban-rural Disparities
Pre- 1978	Socialist planned economy	Inverted- T-shaped	
1978-1990s	Socialist market economy	±-shaped	Increasing
Target of 21st Century	Balanced development of economy and society	Olive-shaped	Gradually decreasing

Social Welfare System of China

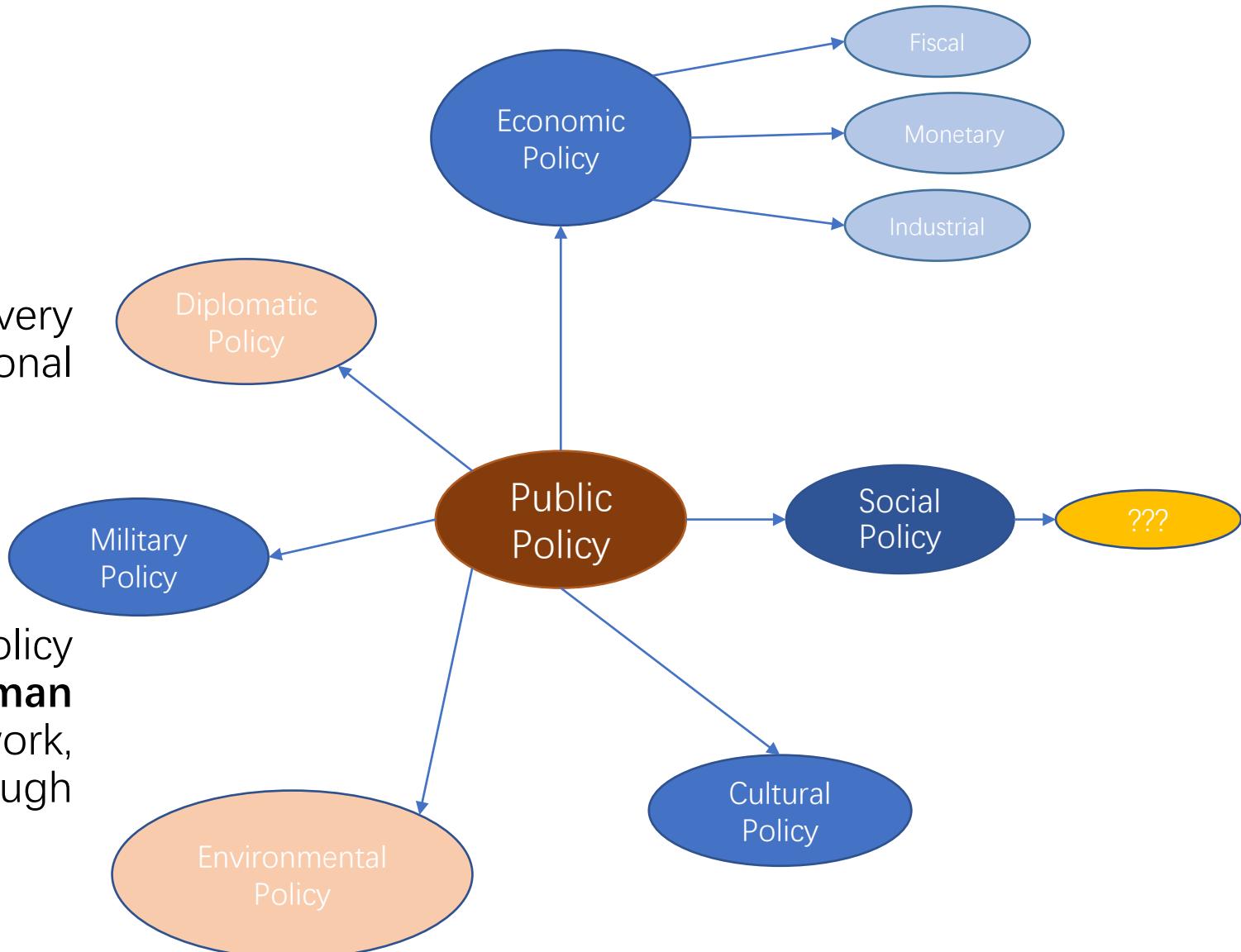
Social Welfare

- **Public Policy:**

government policies that affect every member of a nation-state or a subnational jurisdiction.

- **Social Policy :**

- an important **component** of public policy made by the government **to meet human needs** (for social security, education, work, health, housing, wellbeing, etc.) through **social welfare provision**.



Historical Development of China's Social Welfare System since 1949

1. Pre-1978: The Formation of China's Social Welfare System

- Rural Area: People's communes
- Urban Area: State-owned enterprises
 - ✓ Employment: work arrangement; lifetime employment
 - ✓ Mini-welfare state: **medical care**, housing, pension, childcare
- Characteristic:
 - ✓ collective/ egalitarian
 - ✓ urban-rural welfare difference
- Consequences:
 - ❑ Heavy fiscal burden for the government
 - ❑ Low productivity of state-owned enterprises



Characteristics of China's Health System before 1978

➤ Coverage for all social groups

- SOE worker: labour health insurance scheme
- Cadres: government health scheme
- Rural residents (90%): Cooperative Medical Scheme (1966)

➤ Multi-functional

- Medical Treatment
- Disease Prevention:
 - anti-epidemic stations,
 - patriotic health campaigns

➤ Public good

- Subsidized medical care and low medical cost



2. Retrenchment of Social Welfare (1978-1990s)

Economic Reforms

- To enhance productivity
- To reduce fiscal burden
- (1) Rural Area:
 - **Household responsibility system**
 - (gradual disbanding of communes)
- (2) Urban Area:
 - **State-owned enterprise reforms**
 - Employment contract + Bankruptcy law (1986)
(vs lifetime employment, laid-off workers)
 - Legalize the status of private sector (1999)
(non-standard/ temporary employment)

URBAN Social Welfare Reforms in Late 1990s

➤(1) “5 insurance + 1 fund” (五险一金) system first built in Cities for **urban employees**



Consequences:

- Urban-rural welfare segregation
- Regional welfare disparity
- Increasing social inequality: welfare dependent on occupation status

Basic medical insurance for urban employee (1998)

Finance (change since 2022)	<ul style="list-style-type: none">Employee + Employer, government subsidiesFund managed at city level:(1) social pooling account (reimbursement) (employer contribution + government subsidies): for inpatient treatment + outpatient treatment(2) individual account (individual contribution + 30% employer contribution)
Contribution	<ul style="list-style-type: none">Employer: about 6%,Employee: about 2% (monthly contributory wage)
Minimum/Maximum payments from the social pooling fund	<ul style="list-style-type: none">Yes

URBAN Social Welfare Reforms in Late 1990s

- (1) “5 insurance + 1 fund” (五险一金)
- (2) **Social Assistance System**
 - ◆ Safety net: supplement to social insurance
 - ◆ Component:
 - **Minimum standard of living scheme**
 - Supplementary assistance (education, medical care, housing, etc)
 - Temporary assistance (disasters)

3. The 21st Century: Expansion of Social Welfare in China

- **Socio-economic Background**

- Balanced economic and social development

- Scientific Outlook on Development (2003)

“To put people first, we should take people's interests as the starting point and foothold of all of our works, make continuous efforts to **meet various needs of the people** and promote an overall development of the people.”

- Harmonious Society (2004)

“fairness and justice” is one of the general requirement for building a harmonious socialist society.

- **Expansion of Social Welfare**

- Back of the State

- More comprehensive: increasing coverage/ fiscal support

- Promoting social equity (rural area, migrant workers)

Basic Medical Insurance Scheme for Urban-rural Resident (2016)

- New Rural Cooperative Medical Scheme (2003)
- Basic Urban Resident Medical Insurance Scheme (2007)

Table 1. Characteristics of the three social health insurance schemes in China.

Features of Each Scheme	Urban Employee Basic Medical Insurance (UEBMI)	Urban Resident Basic Medical Insurance (URBMI)	New Rural Cooperative Medical Scheme (NRCMS)
Year established	1998	2007	2003
Target population	Urban employees	Urban unemployed, elderly, students, children	Rural residents
Risk-pooling unit	Municipal level	Municipal level	County level
Number of people insured by 2015 (millions)	288.93	376.89	670.00
Benefit package (in 2015)	Outpatient and inpatient care Employer (6–8% of salary) Individual (2–3% of salary)	Outpatient and inpatient care Government subsidy about 2/3 Individual about 1/3	Outpatient and inpatient care Government subsidy about 2/3 Individual about 1/3
Financing			

- **Characteristics:**

- Universal Coverage
- Finance: individual + government (all goes to social pooling account)
- Lower level of assistance

Summary

China's socio-economic development and social welfare development

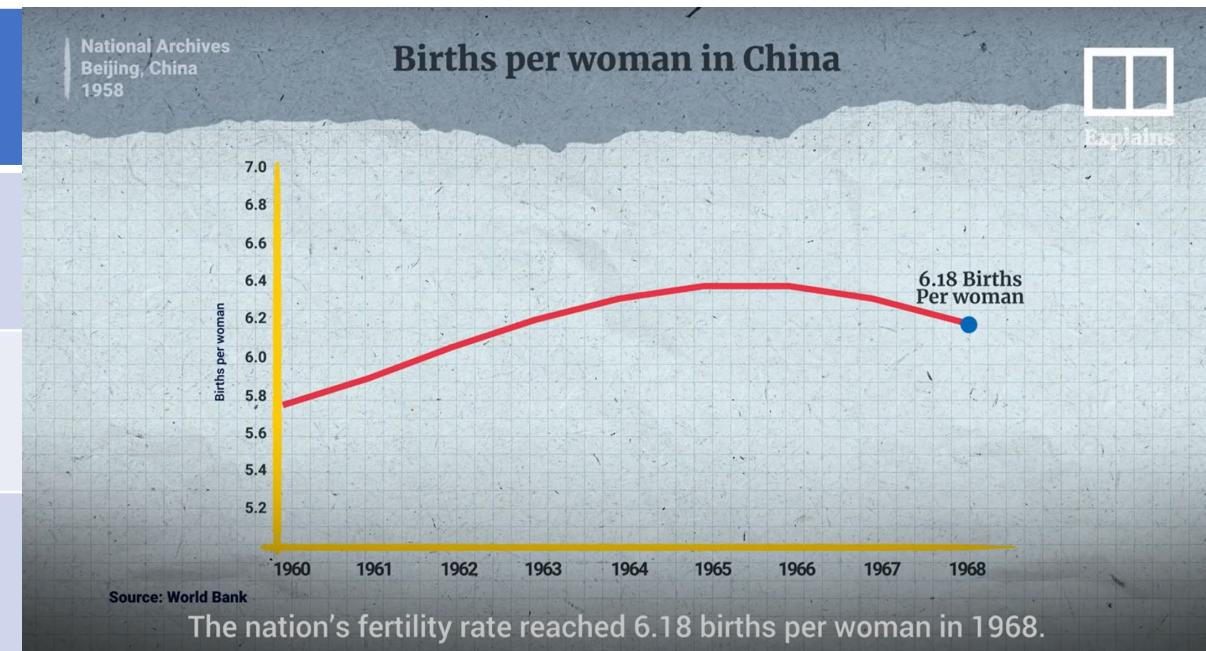
Time Period	Socio-economic Background	Social Welfare
Before 1978	socialist planned economy	collective welfare system/ state-dominated
1978-1990s	socialist market economy	market-oriented welfare reform/ retrenchment of state-welfare
After 2000s	Balanced socio-economic development	Welfare expansion/ Back of State

- Socio-economic development as foundation for social welfare development
- Social welfare as a strong support for socio-economic development

The Population in China: Family Planning Policy, Population Aging and "Three-Child" Policy

1. Background: Phases of China's Population Growth

Time Period	Population	Annual Growth Rate
1840-1949	429-526 million	0.3%
1950s-70s	526 million-1 billion	2.5%
1980s-	1 billion-	



Question



China's total population was about 1 billion in 1982 with the annual growth rate of 2.09%.

If the population continued to grow at this rate, what would be China's total population in 2015?

- A. 1.4 billion
- B. 1.6 billion
- C. 1.8 billion
- D. 2.0 billion

$$=1*(1+2.09\%)^{33}$$

Consequences of An Excessively Large Population

- social problems,
- ecological damage,
- unsustainable economic development/ industrial transformation



2. China's Family Planning Policy (1982-2015): One Child Policy

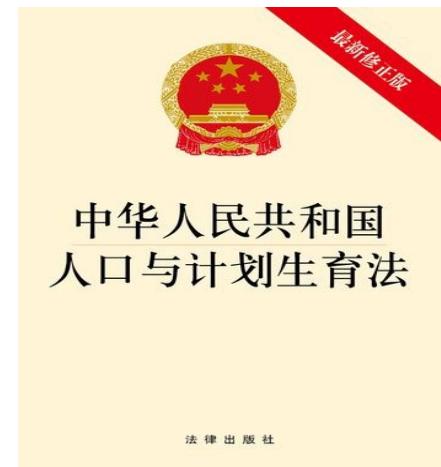
1982

- 12th National People's Congress of the Communist Party
Family Planning Policy as fundamental national policies
- National People's Congress
Family Planning Policy legalized in the Constitution of PRC (宪法)



2001

- 25th Session of the Standing Committee of the 9th National People's Congress
The Approval of PRC's Law on Population and Family Planning (comprehensive policy)



One Child Policy

One couple of urban residents:

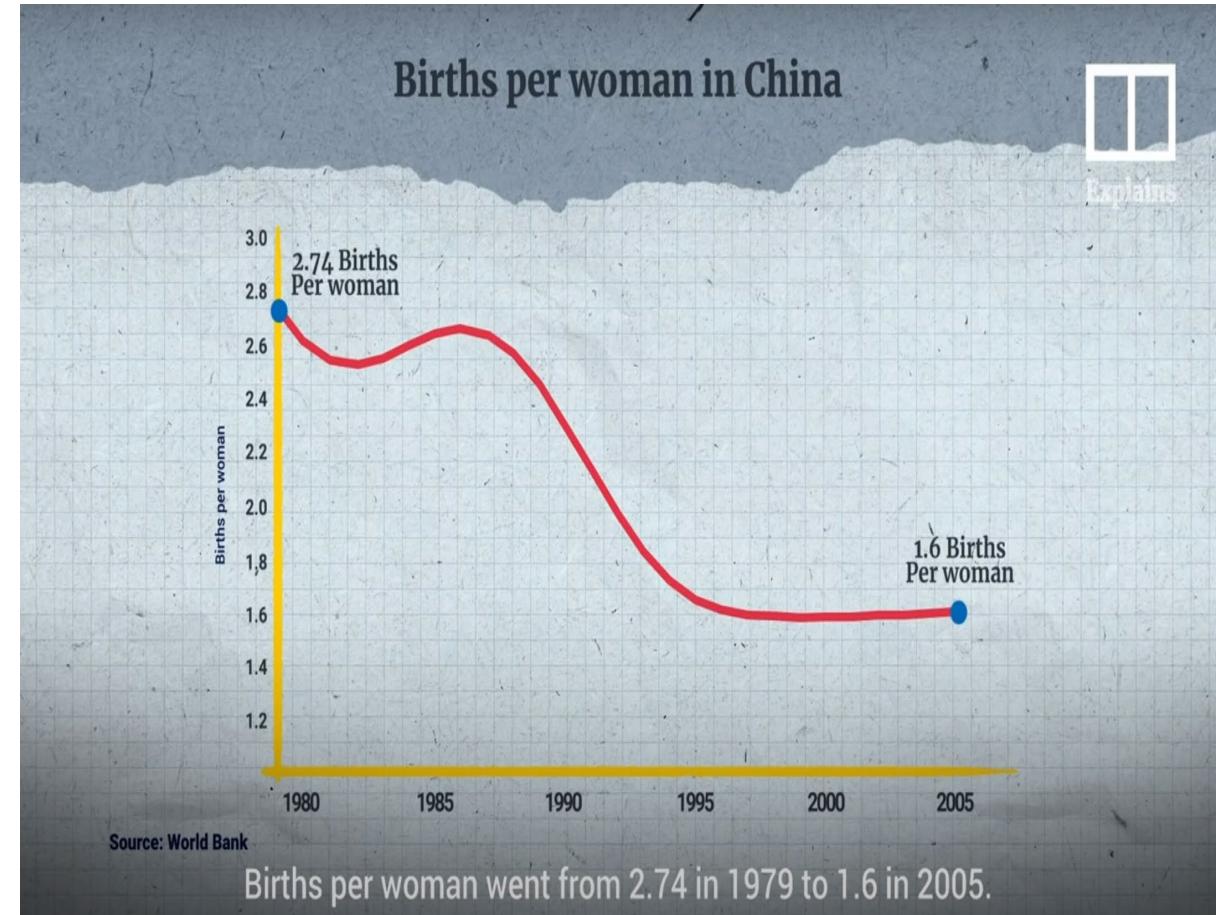
- One child
- Two Child only when:
 - ✓ minorities
 - ✓ both husband and wife from one-child family
 - ✓ other special circumstances

One couple of rural residents:

- One Child
- Two Child only when:
 - ✓ minorities,
 - ✓ family with one female child,
 - ✓ other special circumstances

3. Is One-Child Policy effective?

Time	Population	Annual Growth Rate
1982 (3 rd Census)	1.01 Billion	2.09%
1990 (4 th Census)	1.13 Billion	1.48%
2000 (5 th Census)	1.27 Billion	1.07%
2010 (6 th Census)	1.34 Billion	0.16%
2015	1.38 Billion (vs. 2 Billion)	



Benefits and Side-effects of One-Child Policy

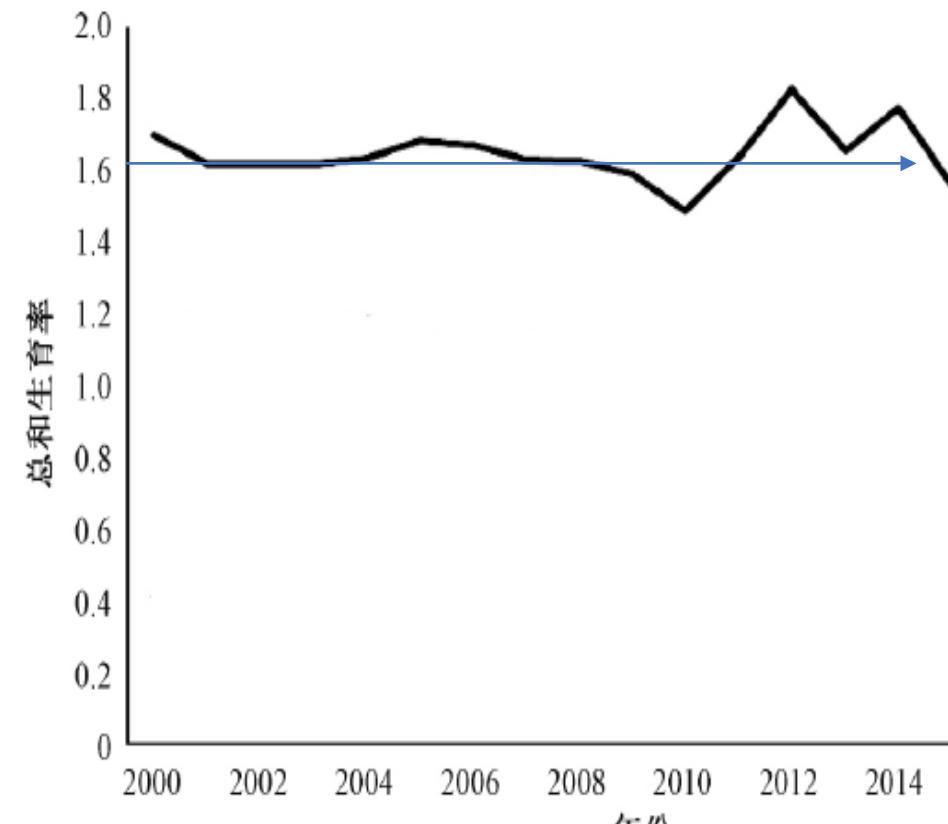
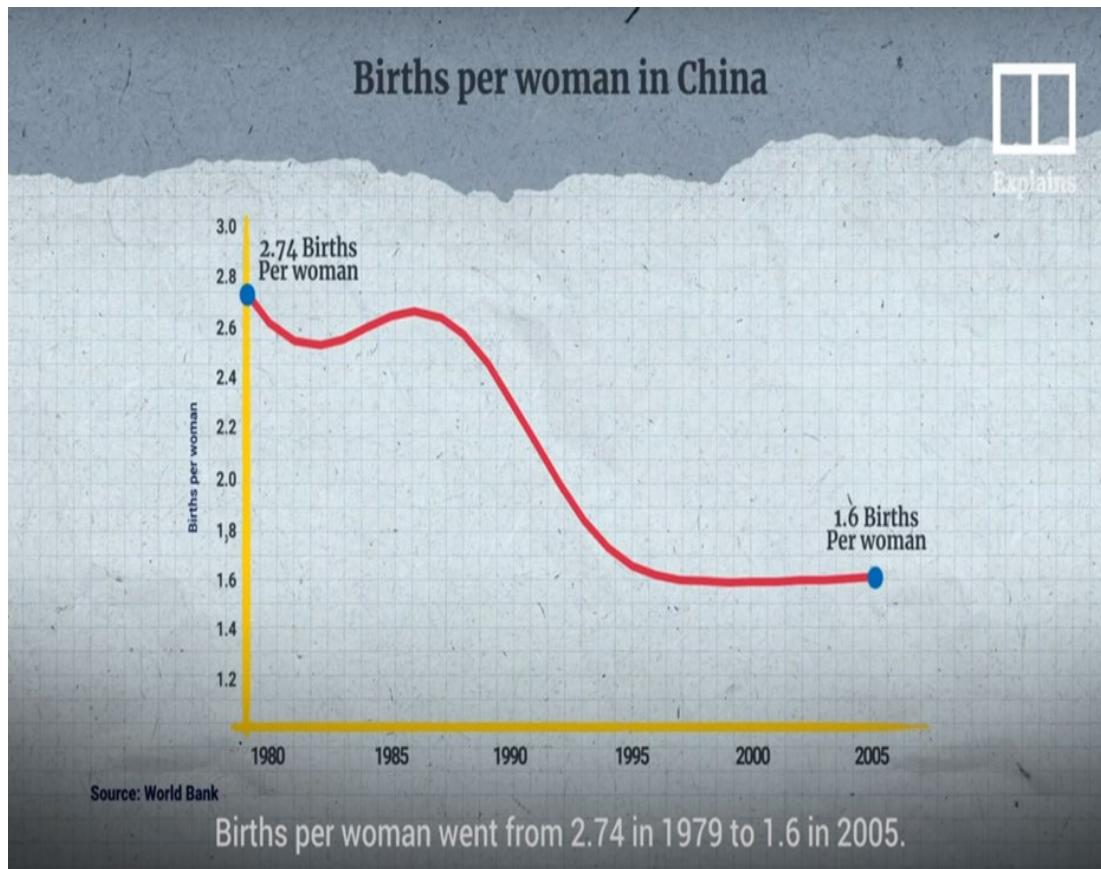
Benefits

- ✓ Curb the Rapid Population Growth
- ✓ Demographic Dividend (working-age Population)
- ✓ Economic Development and Social Savings
-

Side Effects on population structure



Side Effects of One-Child Policy: Low Fertility Rates



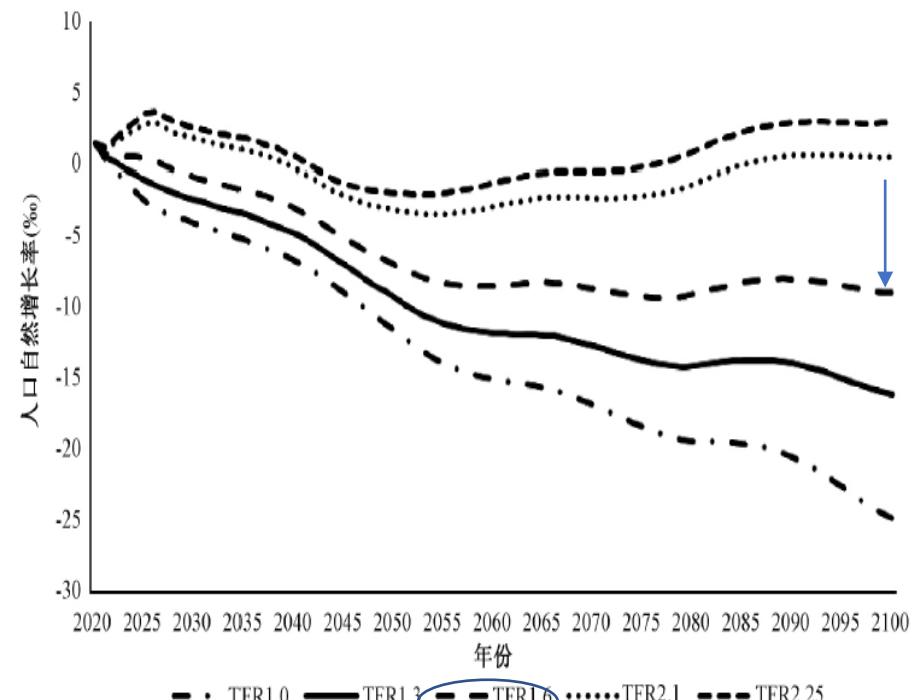
Source: Chen, W. (2021).

Population Replacement Rate/ Replacement Fertility Rate

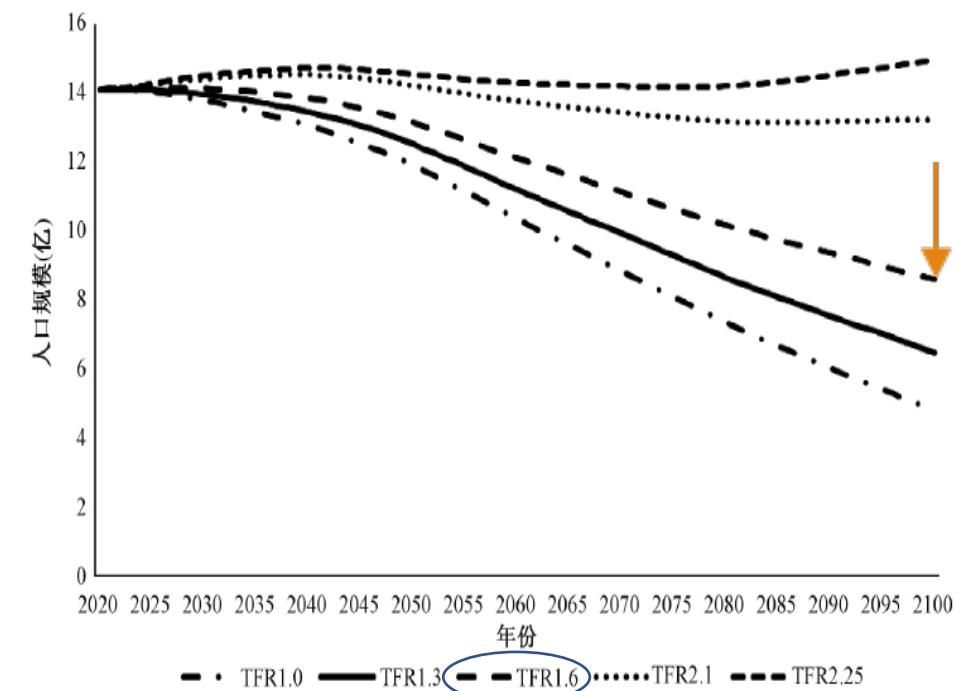
➤ Definition:

- the minimum fertility rate (i.e., the average births per woman) to maintain a society's population size.
- What is likely to be the population replacement rate in China?

How would the 1.6 fertility rate affect China's population growth and population size?

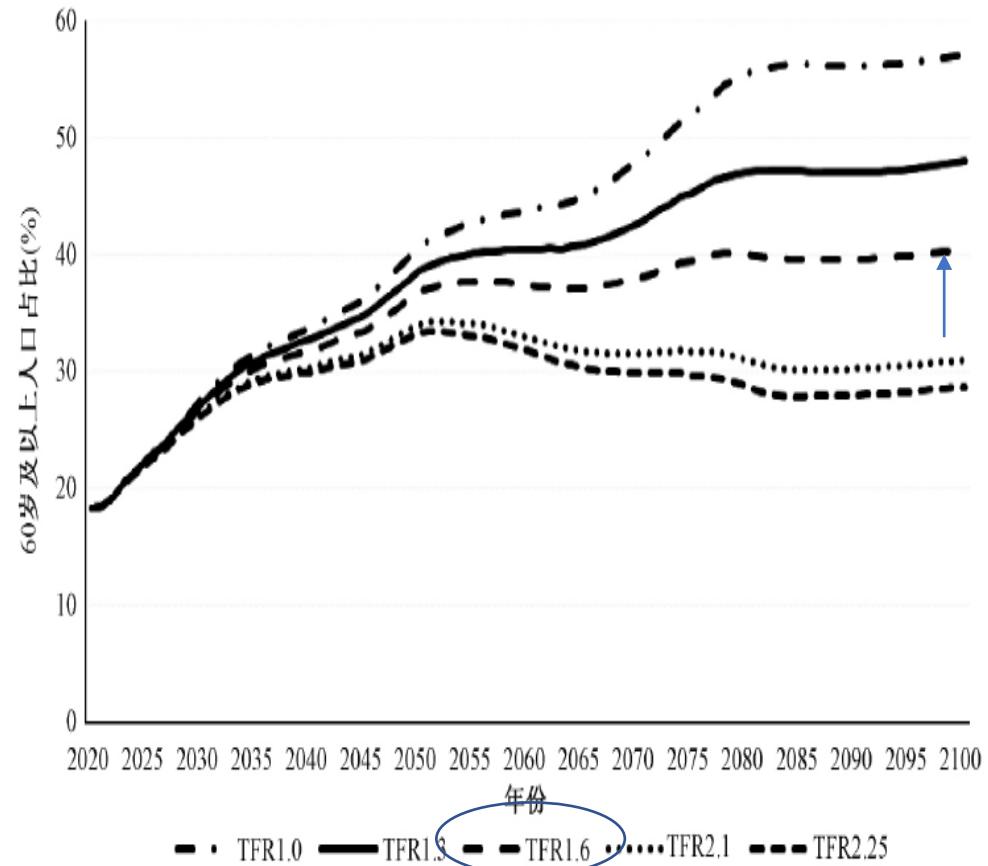


Population Growth



Population Size

How would the 1.6 fertility rate affect China's population structure?

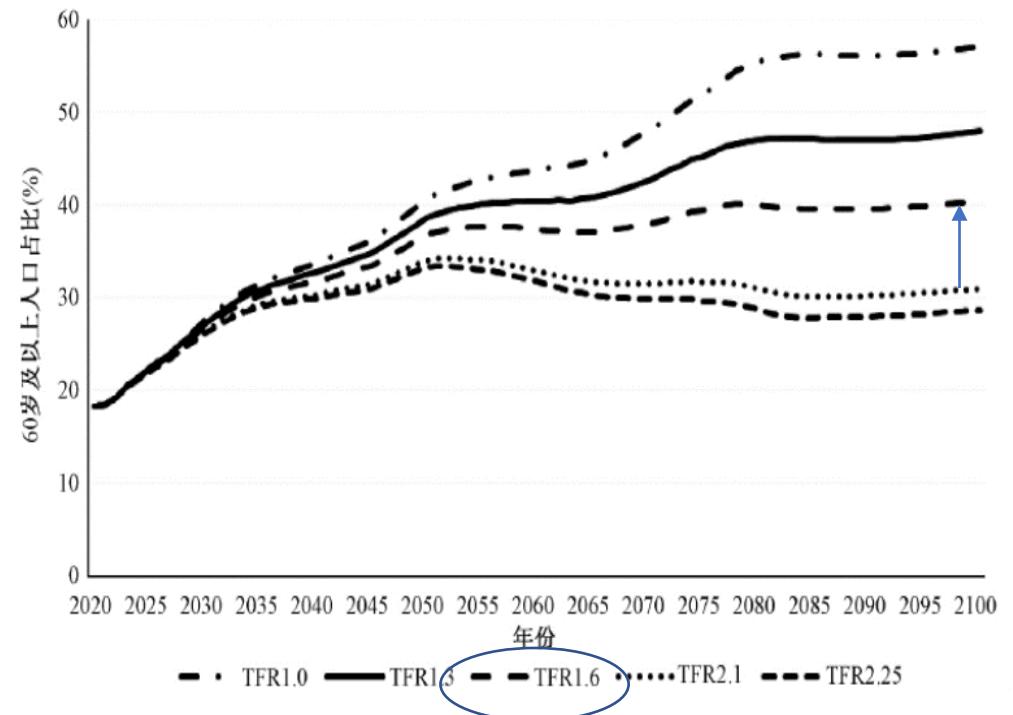


Population Structure

4. Population Ageing in China

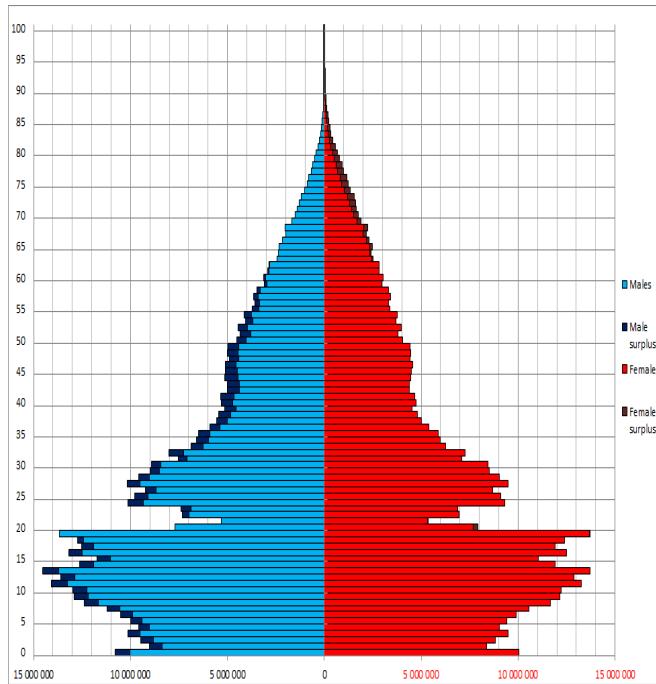
Ageing society

- UN definition: a society with over 10% elderly people above 60.

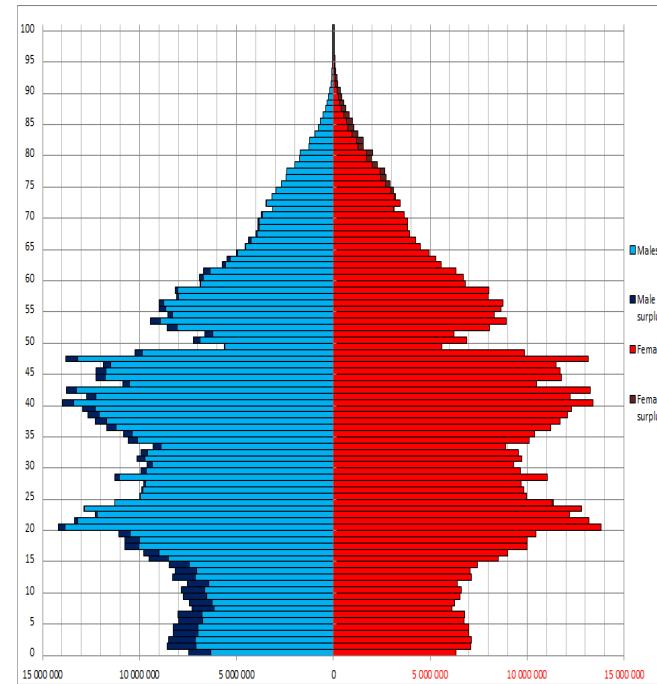


China's Population Structure as the population is ageing

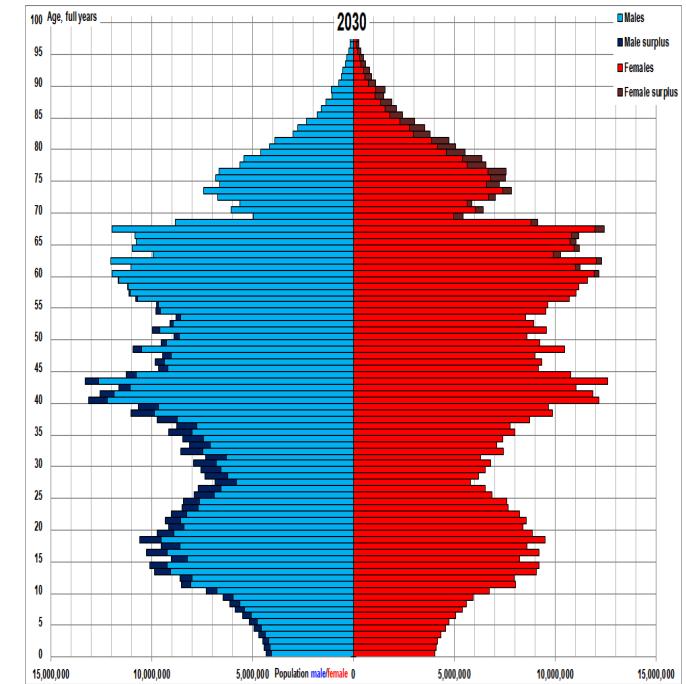
China's population pyramid in 1982
(3rd national census)



China's population pyramid in 2010
(6th national census)



Predicted China's population pyramid in 2030
(8th national census)



➤ Influences of Population Ageing

- curb economic development (labour shortage, wage increase, competitiveness)
- increase fiscal expenditure on social security (pension, public health, etc.)

Estimated proportion of fiscal expenditure on social security in China's gross fiscal revenue				
Year	Fiscal revenue /100 million yuan	Fiscal expenditure on social security /100 million yuan	Proportion of fiscal expenditure on social security/%	Aging population /100 million persons
2010	79 867.87	8 152.07	10.21	1.12
2015	141 845.2	14 991.19	10.57	1.32
2020	210 538.3	23 329.9	11.08	1.65
2025	267 121	30 968.29	11.59	1.87
2030	303 401.1	44 072.89	14.53	2.25
2035	323 073.09	52 555.13	16.27	2.67
2040	332 779	59 338.05	17.83	2.91
2045	337 344.9	58 365.31	17.30	2.87
2050	339 444.6	58 066.18	17.11	2.87

Source: Yang Shengli, Gao Xiangdong, Study of the Impact of Aging of Population on Fiscal Expenditure on Social Security, *Northwest Population Journal*, 2012 (3).

5. Gradual Adjustments of Family Planning Policy after 2015

(1) A Trial before 2015: Selective Two-Child Policy 单独二孩 (2013-15)

Definition:

- ✓ (1) “selective”: couples with either the husband or the wife coming from a single-child family can give birth to a second child
- ✓ (2) “two-child”: different from the second time of child-bearing

- Why “selective”?
- to avoid the possibility of population explosion
- to assess policy effectiveness before further adjustments

(2) Universal Two-Child Policy 全面二孩 (2016-21)

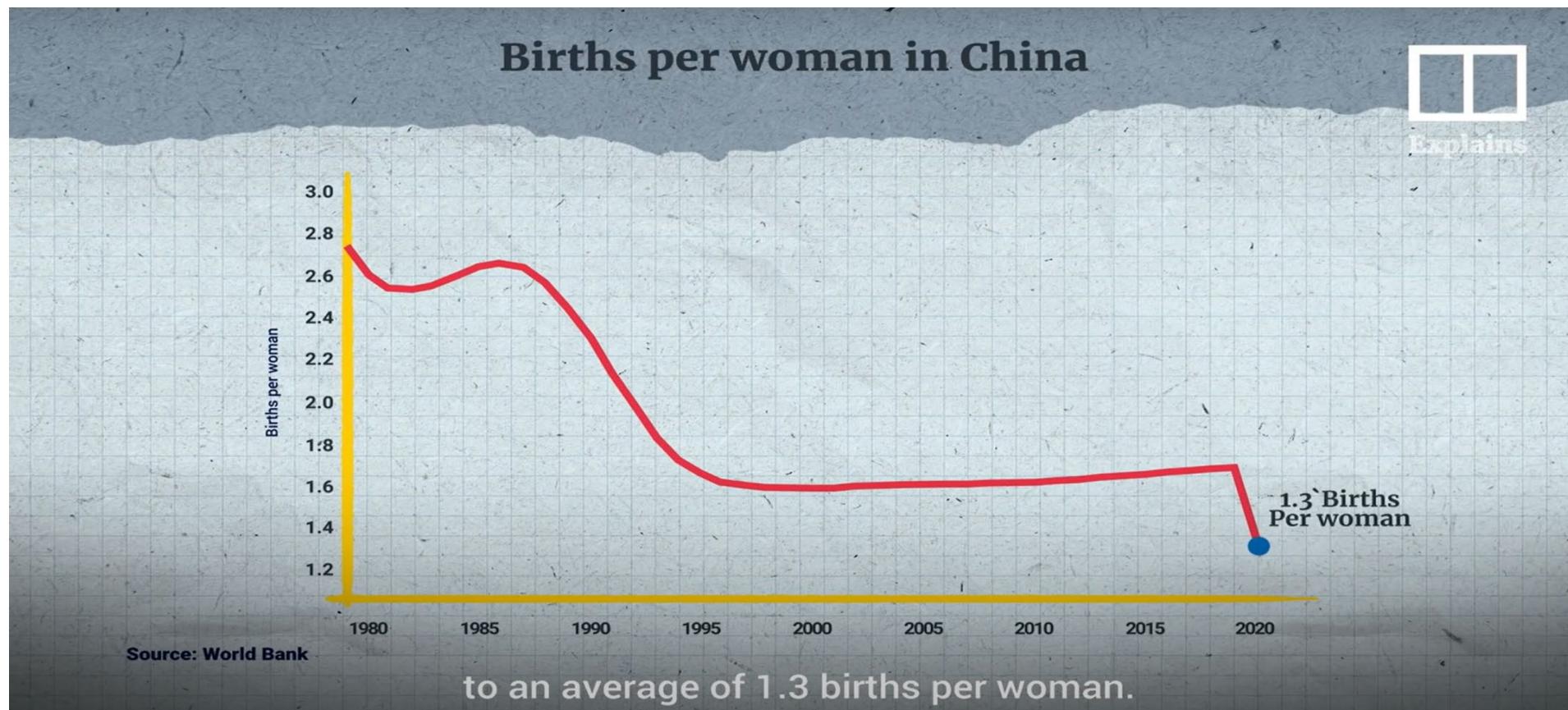
- ✓ In DEC 2015, National People's Congress passed the amendment of the Law of Population and Family Planning
- ✓ Implementation of Universal Two-Child Policy since 01 JAN, 2016.

Through increasing low fertility rates, the policy aims to:

- (1) Balancing the population structure: slowing down population ageing and increasing working-age population.
- (2) Reducing fiscal expenditure on social security.
- (3) Accommodating child-bearing needs, enhancing family supporting, reducing the risk of "loss of the only child", etc.



(2) Universal Two-Child Policy (2016-21)



(3) Three-Child Policy (2021-)

- ✓ 7th National Population Census: the number of new births in mainland China was only 12 million in 2020, the lowest since 1960.
- ✓ In 2021, National People's Congress passed a new amendment of the Law of Population and Family Planning.

Discussion

A package of social policies

- To support childbearing and raising
 - housing policies (property price limits)
 - childcaring centres
 - education policies (e.g., double reduction)
 - labour policies

- To reduce costs
 - taxation

Summary

- 1. Background: China's Population Growth in History before 1980s
- 2. China's Family Planning Policy (1982-2015): One Child Policy
- 3. Policy Evaluation: Benefits and Side-effects of One Child Policy
- 4. Population Ageing
- 5. Gradual Adjustments of Family Planning Policy in China after 2015

Survey of China

Revision Part 2-Chinese Government

Sun Tao 孙涛



Lecture one--The concept and characters of Chinese government

Instructor: Prof. SUN Tao

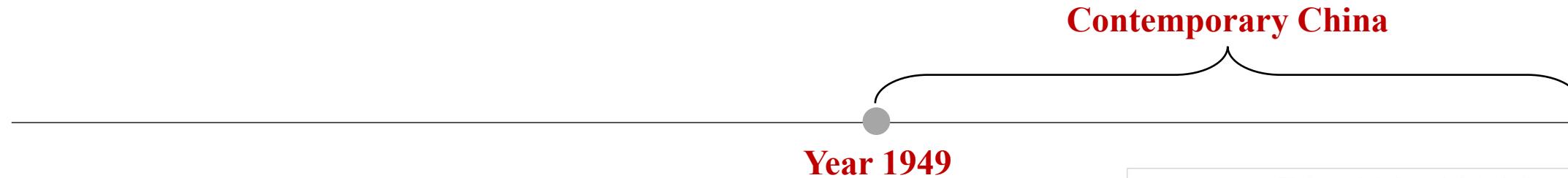




CONTENTS

- 1 Meaning of contemporary China**
- 2 Concept of Chinese government**
- 3 Characters of Chinese government**
- 4 China's political and government structure**

1. Meaning of contemporary China



1.1 Period: from 1949 until now.

1.2 The development of the Chinese government

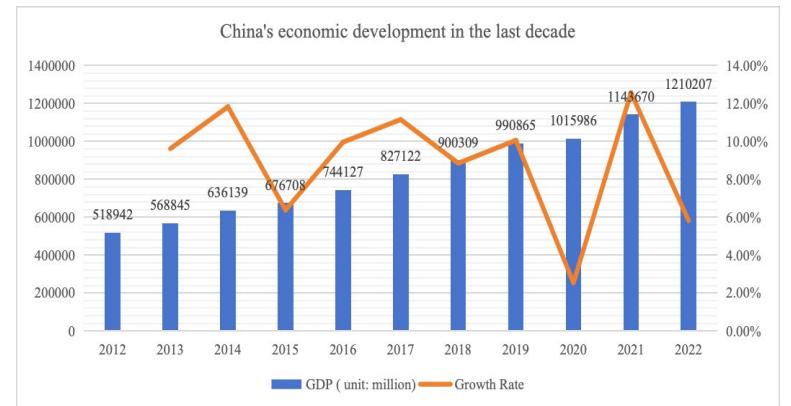
■ **Economic construction:** transforming into a market economy system.

■ **Political construction:**

- Improvement in the standards of the scientific, democratic and professional decision making.
- Improvement in the informatization and standardization of government operations.
- Local and grassroots political development achieves rapid progress.

■ **Social construction:**

- The number of social organizations is increasing rapidly.
- Social management and public service are gaining increasing weight in the functions of the government.



2.2 A "government in the broad sense": the concept of government used in China

In government process, a government is not a "government in the narrow sense", but a "government in the broad sense".

■ The sum of state organs / “the authorities”

Generally speaking, the whole or the sum of state organs, which equals to "the authorities", is commonly referred to government by the people in China.

Eg. When stats leaders or diplomatic representatives say "**I, on behalf of the government,**" the government here is the whole of the Chinese government that represents China's state sovereignty or the entire Chinese state institutions.

■ The sum of the whole of the state institutions and the ruling party

Sometimes, a "government in the broad sense" may refer to the sum of the whole of the state institutions and the ruling party.

3.1 Permeation of traditional factors

"Functional isomorphism" in vertical intergovernmental relations

■ The meaning of "Functional isomorphism":

The so-called functional isomorphism refers to the high uniformity and consistency in terms of function, duty and organization structuring in the vertical relations between government at various level.

- **Function & responsibility/duty:** Each level of government administers roughly the same things.
- **Organization structuring:** Exact engagement between superior and inferior levels & identical composition among units at the same levels

■ The setup of functional departments in various CPC committee is also isomorphic.

- This result in a political system with "two parallel lines" of the CPC and the government.

4. China's political and government structure

China's political and government structure is a "6+1+2" system with the CPC Central Committee at its center.

"6" refers to what are generally called the "six major leading groups"

- CPC Central Committee the CPC
- CPC Central Commission for Discipline Inspection
- Central Military Commission the military
- National People's Congress and its committee
- State Council
- National Committee of the Chinese People's Political Consultative Conference the government



"2" refers to:

- The Supreme People's Court
- The Supreme People's Procuratorate

the law

"1" refers to the State President



Lecture two -- Opinion expression and opinion collection in Chinese government process

Instructor: Prof. SUN Tao





CONTENTS

- 1 Opinion expression in Chinese government process**
- 2 Opinion collection in Chinese government process**
- 3 Classic case: Democratic dialogue in Wenling, Zhejiang Province**

1.1 Main parties in the expression of opinions

1.1.2 Opinion-Expressing Organizations

Institutional opinion-expressing parties

- Refer to social groups and political institutions that belong to the basic component parts of China's political system.

Eg. the non-Communist parties, trade unions, youth leagues, women's federations and the military.

- Undertake extensive social functions & possess the function of expressing opinion

Structural opinion-expressing parties

- Refer to people's organizations or social groups in general.

Eg. the China Federation of Literary and Art Circles, China Association for Science and Technology, and China Disabled Persons' Federation.....

- Main duties:
 - a) Represent certain areas of the Chinese society and some part of the masses
 - b) Reflect the specific interest and requirements of certain social interest groups

Functional opinion-expressing parties

- Refer to social groups that:
 - *Perform some opinion-expressing functions and have a certain social influence*
 - *Do not belong to component parts of the state political system*
 - *Do not specifically reflect the opinions and suggestions of a particular part of the people or certain social interest groups*
- The method of opinion expression: By appearing as "social public opinion"
- One relatively typical and mature type of such organization: The press

2.1 The meaning of opinion collection



A. Carried out on the basis of "opinion expression"

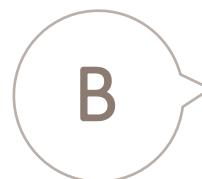
B. A process of gathering together the political opinions expressed by various circles.

C. Forming certain policy choices as a result of the interaction between various related political forces.

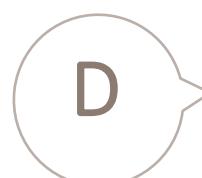
2.3 Opinion-collection process

Case: the drafting and deliberation of the report of the 14th CPC National Congress

450 modifications to the report and eight successive drafts were made after wide opinion solicitation before the meeting.



The ninth draft was discussed and 170 more modifications were made on the plenary session of the CPC Central Committee



The first session of the National People's Congress that was to follow the next spring

The revised version of the report was adopted at the meeting of the standing committee of the Political Bureau of the CPC Central Committee and the plenary meeting of the Political Bureau of the CPC Central Committee



The report was deliberated upon and officially adopted at the 14th CPC National Congress



P A R T

0 3

Classic case: Democratic dialogue in Wenling, Zhejiang Province



3.1 Overview of Wenling, Zhejiang Province

A. Geographical situation

- Located on the southeast coast of Zhejiang province & the southern wing of the Yangtze River Delta region.
- Has a land area of 926 square kilometers & a sea area of 1079 square kilometers
- With 170 islands of all sizes & a coastline of 317 kilometers



B. Administrative situation

- A county-level city & managed by Taizhou City.
- Covering 5 streets, 11 towns, 90 communities (neighborhoods), and 579 administrative villages



C. Economic & social situation *[By the end of 2022]*

- The total registered residence population was 1,211,900
- The per disposable income of the city's permanent residents throughout the year was 61,970 yuan.

3.2 The emergence and development of democratic dialogue

3.2.1 The emergence of democratic dialogue



- The democratic dialogue was born in June 1999 in Songmen Town, Wenling, Zhejiang Province.
- The original form of the democratic dialogue: "Agricultural and Rural Modernization Education Forum"
- Many people spontaneously participated and had an equal dialogue with the leaders of town.
 - The content discussed ranging from village planning to neighborhood disputes and trivial matters.
 - The town leaders also provided detailed on-site responses to the questions raised by villagers.

3.2 The emergence and development of democratic dialogue

3.2.2 Development history of democratic dialogue

Three phases of democratic dialogue

The first stage is "democratic dialogue" aiming at improving the relationship between cadres and the villagers.

- No specific policy objective
- The forms were relatively flexible
- Only serving as a channel for people to communicate with town leaders.
- Eg. town officials dialogued with the public in public places face to face.

The second stage is the emergence and development of the function about "decision-making consultation."

- Listening to people's opinions, paying attention to their thoughts, and understanding their concerns
- Exploring decision-making methods in response to policy issues related to the interests of the people
- On the basis of existing experience, the form of democratic dialogue became more formal
- Issued regulations
- The establishment of leading group specifically responsible for carrying out democratic dialogue.

The third stage is the transition from "democratic dialogue" to "democratic hearing".

- focuses on how to further promote the in-depth development of democratic dialogue
- Coordinating and integrating democratic dialogue with the existing systems.
- The feasibility and path of combining democratic dialogue with local people's congress was considered

3.3 Operating procedures of democratic dialogue



3.4 The Characteristics of democratic dialogue

A. Democratic dialogue is a form of participatory democracy that has developed from grassroots democracy.

- “Wenling Model” realizes democracy through sincere talk, which embodies a kind of participatory rationality.
- The participatory rationality requires policy makers to be open and honest, as well as the fair procedure.

B. The diversity of subjects and forms in democratic dialogue shapes its complex characteristics

- The diversity of subjects: the government and its functional departments, party committees, communities, villagers' autonomous organizations, social organizations, industry associations, and enterprises.
- The diversity of forms:
 - a) Political participation - Hearing the formulation of public policies & participating in soliciting opinions on major decisions & participating in the deliberation and consultation of public budgets.
 - b) Social participation - Resident autonomy & Participation in social affairs activities
 - c) Economic participation - Wage negotiation mechanism of sweater industry in Xinhe Town.

C. Democratic dialogue shows a trend towards legal legitimacy

- Developed a set of mechanisms for decision-making, governance and supervision through citizen participation and public deliberation.



Lecture three--Decision-making activities and decision-implementation process

Instructor: Prof. SUN Tao





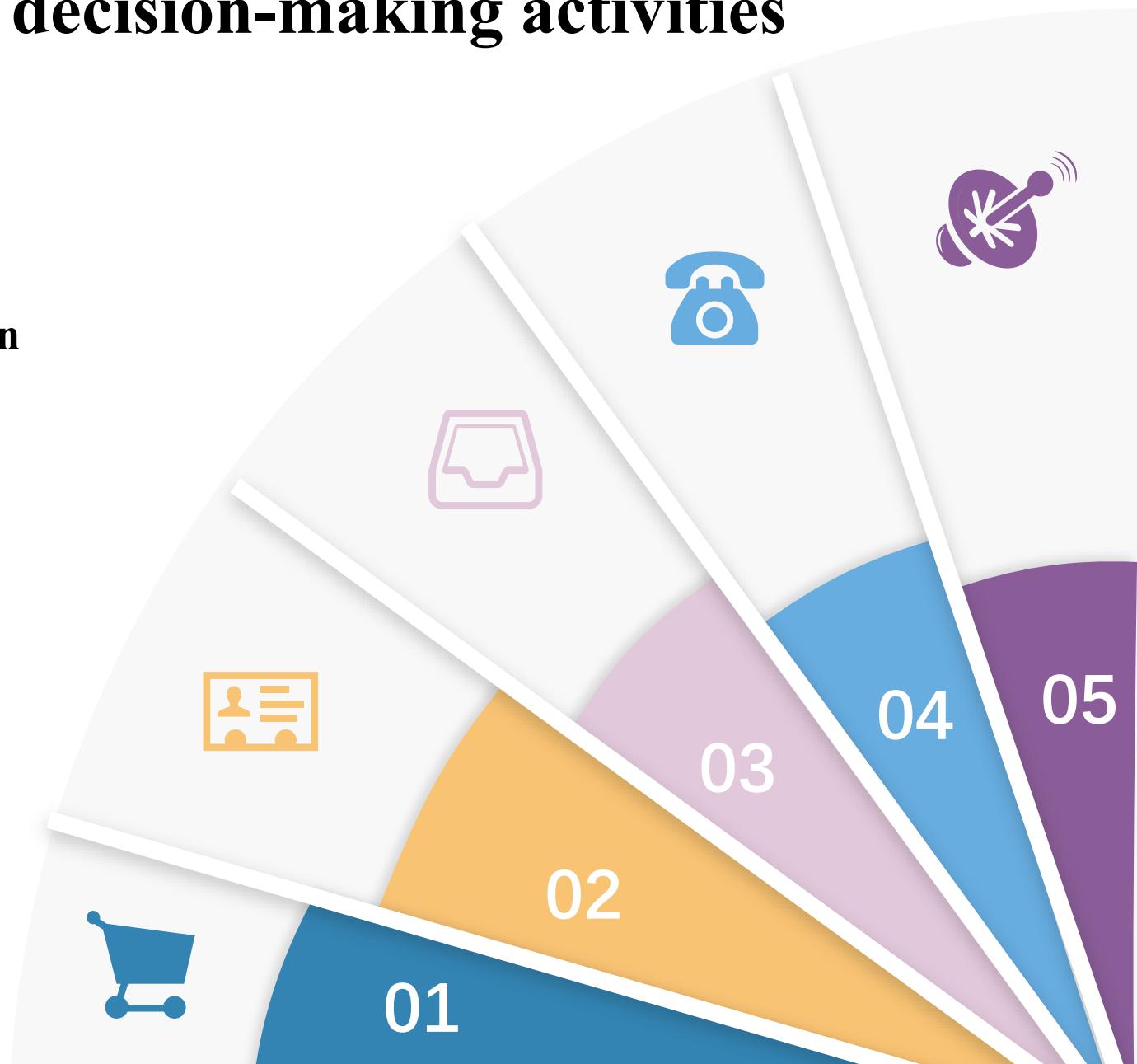
CONTENTS

- 1** Multileveled government decision-making activities

- 2** Government decision-implementation process

1. Multi-leveled government decision-making activities

- State legislative procedure
- Government Work Report formulation
- State decision-making on important matters
- Budget formulation and deliberation process
- State organ leader appointment and removal



1.1 Legislation process

The basic procedure of legislation process



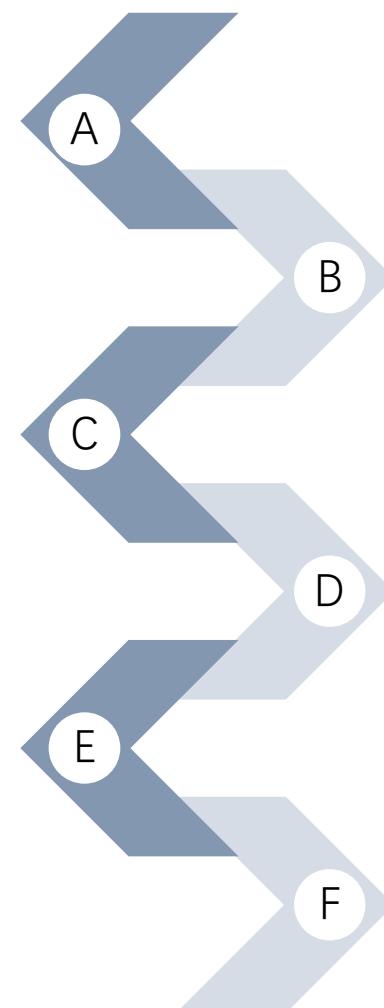
Particular state organs and individuals have the right to propose motions on laws to the NPC and its standing committee.

Carried out within a define scope and in various manners before or in the middle of deliberation.

Due to the complexity of the issues involved and the restriction of various factors, the time of deliberation is uncertain.

1.2 Administrative program - the process of formulating the Government Work Report

The basic process of formulating the government work report

- Determining the theme and main issue of the report.
 - Form "**a discussion draft**" of the report.
 - Opinion solicitation with a large range and multi circles
 - **The second revision**
 - Deliberation and adoption at the NPC plenary session
- 
- Initial deliberation at the executive meeting of the State Council & the discussion at the Political Bureau of the CPC Central Committee
 - Form "**a opinion solicitation draft**" of the report
 - **The first revision**
 - Draft finalization by the premier
 - **The final revision**
 - Premier's deployment and division of work inside the State Council for implementation

1.4 Budget formulation and deliberation process

1.4.2 Formulation method and range of income and expenditure of the state budget

■ The Development and Changes of China's Budget System

■ The function of dual budget system

1949

From 1949 to 1994, a single budget system

- Enhancing budget fund management, raising fund use efficiency
- Truly reflecting the balance of the budget
- Increases the transparency of financial work.

Since the first Budget Law was promulgated
in March 1994, dual budget system.

1994

1.5 Personnel decision-making process

1.5.1 Basic management mechanism of personnel arrangement



A. The core content of China's official system: "The CPC manages cadres"

- All government officials, judicial organ leaders and military officers have the dual status of "CPC cadres" and "state cadres."
- The CPC Central Committee and its organization system take the leading position in selecting and managing officials.

B. A legal framework for China's official system is taking shape.

2.1 Implementation system inside the CPC

2.1.1 Functional departments and working bodies of the CPC Central Committee

At the central level there are three major functional departments of all levels.

01 Organization Department of the CPC Central Committee

- **Responsibility:** in charge of the organization work of the entire party
- **Role:** the assistant and advisor of the CPC Central Committee in organization work
- **Main tasks:**
 - a) investigate and study the conditions of the CPC's organization work, organization work
 - b) propose specific, policies and measures for implementing the CPC's guiding principles organization, etc.

02 Publicity Department of the CPC Central Committee

- **Responsibility:** in charge of the publicity work of the entire party
- **Role:** the assistant and advisor of the CPC Central Committee in publicity work
- **Main tasks:**
 - a) organize and inspect the publicity of important thoughts
 - b) correctly and promptly publicize the CPC's lines, guiding principles and policies
 - c) learn about and study the trends of thought of various social groups, etc.

2.1 Implementation system inside the CPC

2.1.1 Functional departments and working bodies of the CPC Central Committee

At the central level there are three major functional departments of all levels.

03 **United Front Work Department** of the CPC Central Committee

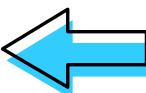
- **Responsibility:** in charge of the united frontwork of the entire CPC.
- **Role:** the assistant and advisor of the CPC Central Committee in united front work
- **Main tasks:**
 - a) publicize and carry out the guidelines and policies of the CPC Central Committee or united front work
 - b) inspect and guide subordinate united front work departments to implement the guidelines and policies of the CPC Central Committee on united front work, etc.

2.1 Implementation system inside the CPC

2.1.1 Functional departments and working bodies of the CPC Central Committee

One department unique to the central level: the International Liaison Department

- **Responsibility:** handles foreign affairs of the CPC Central Committee
- **Main tasks:**
 - a) support the undertakings of peace and progress, strengthen the status and role of the CPC and the state in the international community
 - b) endeavor to create a peaceful international environment favorable to the socialist modernization undertakings of the CPC and the state
 - c) promote economic and technological cooperation through the CPC and the channels of people's organizations, etc.



2.1 Implementation system inside the CPC

2.1.2 Main people's organization system

		Status	Special Status of the People's Organization System
		Function	• The bridges and links for the CPC to connect with the people
		Roles	• The trade unions, youth league and women's federation are, in fact, the workers' movement department, youth department and women's department of the CPC Central Committee.
A.	The All-China Federation of Trade Unions		<ul style="list-style-type: none">• The leading people's organizations in China• The fundamental social pillars of China's political setup.
B.	Communist Youth League of China		
C.	All-China Women's Federation		

2.2 Implementation system inside the State Council

2.2.5 Coordination

The State Council is responsible for

A. Coordinating the relations between:

- the central government & the local authorities
- departments & local authorities & ethnic minority groups

The relationship needs coordination the most frequently is that between "stripes" and "blocks "

B. Carries out technical coordination on the proportions of the various sectors of the national economy.

- Eg. The Ministry of Finance and the People's Bank of China have different opinions on the quantity and management of the issuance of state treasury bonds, due to the difference in their functions and duties

C. The deputy secretary-generals of the State Council can join in handling specific important coordination work with the entrustment of the leaders of the State Council.

Sample Question

PART I. Single-answer Questions (10 points=2 points*5)

Each question in this part has four answer choices. Read each question carefully and choose the **ONE** best answer from A, B, C, and D for each question. Write your answers on the answer sheet.

1. Which of the following groups can be counted as rural migrant workers in China?
 - i. Rural residents working as construction workers in urban state-owned enterprises.
 - ii. Rural residents working as take-away riders in urban restaurants.
 - iii. Urban residents engaged in non-agricultural work in township enterprises.
 - iv. Urban residents retired from urban electronic assembling factories.
 -

A. i.
B. i. and ii.
C. i., ii. and iii.
D. i., ii., iii. and iv.

PART II. Fill In the Blanks (10 points=2 points*5)

Read each statement or question below carefully and fill in the blank(s) with the correct answer. Answers may be more than one word. Write your answers on the answer sheet.

- 1. During the planned economy period in China, _____ were health workers who provided basic medical care and education in rural areas. These individuals typically received minimal formal medical training and were expected to continue their agricultural work while offering healthcare services. Their duties included treating common illnesses and injuries, promoting hygiene and preventive care, and providing family planning services. This initiative aimed to improve healthcare access and reduce the disparity between urban and rural health services.

PART III. Short Essays (30 points=10 points*3)

- Please write a short essay of 200-250 words for each of the following questions. It is advised to include relevant concepts and examples from the course to substantiate your answers. Write your answers on the answer sheet.
- General Topics:
 1. Historical development of contemporary China's social welfare system.
 2. Case Study of Democratic dialogue in Wenling.
 3. Enhancement of understanding of contemporary China through trips to BYD Company and the Reform and Opening-Up Exhibition Hall.