

India and China: A Comparative Study of Social Welfare Policies for Better Future

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Abstract

India and China emerged in new look (one after 1947 and other after 1949) decided to uplift its Social-Economic condition through proper plan in order to eliminate existing as well as emerging weakness and challenges. Therefore, they formulated and implemented Five Year Plan. India implemented its Five Year Plan in 1951 while China just after 2 years of it but surprisingly People Republic of China accelerated its Socio-Economic growth in better way while India seems same in theoretical aspects but in practical it is far behind China in both the context. In 21st century though both the countries has registered themselves as superpower in term of 'Population'. If one analytically compares the impact of its Social welfare policies, he finds that human development bank of China is better than India and also its trade growth is comparatively faster. Therefore, it has been observed that there are some loopholes in the implementation methodology as well as its strategy regarding social welfare policies of India. India will supersede China in term of population very soon. So, it becomes an important issue before government how to formulate and execute social welfare policies for diverse population of the nation so that maximum Indian could get benefit of it. This paper comparatively analysis important factors which are responsible for human development and tried to find out major weakness specially focusing on India and try to learn something from China for betterment. For this purpose observation methodology and secondary data from different sources were used. The collected data and information then processed and analyzed to present the findings in a logical and objective manner.

Keywords: Socio-economic; Implemented five year plan; Republic.

Introduction

The concept of Social policy was trace in 16th century in the reign of Umar-ibn-n who ordered to utilized 'ZAAH' collection for social welfare. Later, when the concept of welfare state came into existence, social policy became more importance task for state. In the capitalists age, observing the bad result of non-intervention of state in human life created hue and cry in Europe. Then Political thinkers:

Carley , Rusin, J.S. Mill , T. Green, Prof. Barer, G.D.H. Cole, MacIver and Hobhouse advocated the functions of state and were in favour to give more and more welfare function to the state. The famous sociologist August Comte, Charles Bouth also discussed in their writing about social policies in the first industrialist countries. Nigerian sociologist Tade Ain Aina, Social Policy refers to the "systematic and deliberate interventions in the social life of a country to ensure the satisfaction of the basic needs and the well being of the majority of its citizens. This is seen as expression of socially desirable goals through legislation, institution and administrative programs and practices..."[1]

In the 21st century, most of the nations of the world have been adopted the concept of welfare state and state has been working on the principles of democracy. Besides exercising significant duties i.e. to protect of sovereignty

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and integrity of nation, it is also efforting for food, education, health, housing and social security etc. I believe, before going to do comparative study of the social policies of India and China, we should understand the meaning of Social Policy first:

Meaning and definition of social policy

Social policy is basically set of guidelines for the changing, maintenance or creation of living conditions that are conducive to human welfare. Thus, social policy is a part of public policy that deals with social issues such as public access to social programs. Social policy aims to improve human welfare and to meet human needs for education, health, housing and social security. In an academic environment, social policy refers to the study of the welfare state and the range of responses to social need.

In this context, Prof. Hagenbuch said, "Social policy in general term the mainspring of social policy may said to be the desire to ensure every member of the community, certain opportunities". [2] We find the most comprehensive definition in the statement given by Prof. Macbeath in 1957 Hobhouse Lecture; "Social policies are concerned with the right ordering of the network of

relationships' between men and women who also live together in societies, or with the principles which should govern the activities of individuals and groups so far as they affect the lives and interests of other.[3]

A comparative study of social policies of India and China

India and China, two Asian giant, already honoured for the birth of two Great civilization (Sindhu Ghati Civilization (India) and Mesopotamia Civilization in mainland China), are now claiming themselves to be emerging superpower in the 21st century. No doubt, they have been registered themselves already as superpower in term of Population; one has assumed 1st rank while other is on second position.

In the Second World War almost all countries of the world faced a lot of destruction, India and China also victim of this. Therefore, just after its independence Government of India planned to revive and uplift its social- Economic condition through proper planning, so it introduced Five Year Plan (1951) and since then it has been keeping on formulating, drafting policies and programs while seeing the loopholes step by

China and India - Comparison of Key Development Indicators		
	China	India
Population (2010)	1.34 billion	1.2 billion
Total Area	3.7 million sq miles; 9.6 million sq km	1.24 million sq miles; 3.2 million sq km
GDP Growth Rate (Annual Avgs.)		
1980 - 2009	10.0%	6.0%
1990 - 2009	10.1%	6.3%
2000 - 2009	10.3%	6.9%
2011 - 2015 (Forecast)	9.5%	8.2%
GDP Per Head (Intl. \$, PPP) (2009)	\$6,828	\$3,270
Literacy Rate (% of Adult Males)	96.7%	75.2%
Literacy Rate (% of Adult Females)	90.5%	50.8%
Life Expectancy at Birth		
1960	46.6 years	42.4 years
2008	73.1 years	63.7 years
Human Development Index (HDI)		
1980 HDI	0.368	0.32
2010 HDI	0.663	0.519
% Increase 1980 - 2010	80%	62%
Global Sherpa 2011 (www.globalsherpa.org); Sources: United Nations, IMF, World Bank, other.		

step. In the same way, China when emerged as People Republic of China on the world map drafted and implemented Five Year Plan just after 2 years of India. Fortunately, due to its strong implementation methodology, not much gap between theory and practice of social policies, China recovered its weakness sooner than India resulted People Republic China in both sense human development; and microeconomic and international trade has assumed appreciable position.

In China, social welfare has undergone various changes throughout history. In pre-1980s reform, China (treated itself as socialist state) fulfilled the needs of society from cradle to grave. Several Social program as Child care, education, employment, housing, health care etc were the responsibility of state owned enterprises, agricultural communes and collectives. As those system disappeared or were reformed, the "iron rice bowl" approach to welfare changed. Article 14 of the Chinese constitution stipulates that the state "builds and improves a welfare system that corresponds with the level of economic development". In short one can say that 1949-1984 stressed on moral economy no direct state provision of social policies. Therefore, due to such kind of policies, gap between the development of rural and urban came into limelight, people grown wealthier but not happy, people started facing health problems so seeing the bad result of efficient economic growth policies as a priority, in 1999 Chinese government determined to implement social policies through direct state and negotiation with NGO. Thus, the agenda like "Efficient

first now become as "Human-Being first to harmonious society. Those issues on which people have called for changes (such as environment crisis, regional disparities, rural problem, landless farmers, urban poverty unemployment, rising cost of education and health, coalmine, safety, high rocketing house price and the like).

In the Indian Constitution from Article 36 to 51 Directive principles have been mentioned which act as guide for the state of India in the context of executing development policies. Planning commission of India formulates and implements social welfare policies very systematically. No doubt, India has been progressing steadily but slowly.

Social welfare policies and human development record of India and China

Both have very well realized their human potentiality, therefore they are spending a great part of its national income on the social services in order to strengthen its human powers. As per the latest available Human Development Report 2011 published by the United Nations Development programme (UNDP) (Note: Which estimate the Human development Index(HDI) in the term of three basic capabilities: to live a long and healthy life, to be educated and knowledgeable, and to enjoy a decent economic standard of living), Recently, a Report published by UNDP on 13 March 2013 in which China and India have been shown in the list of medium range growth of Human development Index in which China is on 101 while India has

Table 1: Changing Social Policy Goals in China

	The Mao Era (1949-1978)	The Reform Era (1978-Present)
Basis of Ideology	Upholding "socialist ideals", emphasizing social protection and social equality	Emphasizing economic efficiency and importance of competitiveness
Major Economic Goals	Low wages but generous welfare benefits	Reduce labour costs by cutting down social welfare
Major Social Goals	Maintaining "social justice" by means of "redistribution mechanism" Improving people's quality of life by higher public expenditure	Keeping social stability by providing a minimal social relief to the poor and people in needs Involving various non-state actors in welfare provision

(source: <http://www.oxfamblogs.org/fp2p/?p=15309>)[5]

Recent social policy initiatives in China and India

	Scheme	Year started	Target	Number beneficiaries
China	Di Bao Urban	1999	Minimum income guarantee for poor households	23 million
	Di Bao Rural	2006	Minimum income guarantee for poor households	52 million
	New Cooperative medical Scheme (NCMS, rural)	2003	Farming population, reimburses medical costs	Close to 100% coverage
	Social pension insurance	2002 urban 2009 rural	Subsidy to elderly	361 million (rural, urban and rural-urban)
India	Sarva Shiksha Abhiyan (SSA)	2000-2001	Children in villages without school facilities	192 million children
	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	2005	Rural households seeking manual work	50 million households annually
	Rashtriya Swasthya Bima Yojana (RSBY)	2008	Health insurance for BPL families	34 million active smart cards

Sources: de Haan and Li Shi 2012 (based on China Statistical Yearbook), NAO 2012; MGNREGA website; SSA website.

assumed 134 rank. According to HDI-2011 India was 0.547 with an overall global ranking of 134(out of 187 countries) compared to 119(out of 169 countries) in HDR 2010. The growth rate in average annual HDI of India between 2000-11 is among the highest, a finding also corroborated by the India Human development Report (HDR) 2011 brought out by the Institute of Applied Manpower Research and the Planning Commission. According to the IHDR, HDI between 1999-2000 and 2007-8 has increased by 21%, with an improvement of over 28% in Education being the main driver.⁷ Though India has been implementing several social welfare programmes in order to fulfill the dream of Gender equality but unfortunately did not perform better to cope up the gender inequality, its position is worst as compared to other South Asian countries. If we see the social welfare policies and programmes executed by state and central government of India (i.e. Mahatma Gandhi NREGA, Swarna Jayanti Shahari Roggar Yojna(UPA government has made the annual budgetary provision for the SJSRY for the year 2012-13 is Rs. 838 crore and of this Rs. 516.77 crore had been released up to 7th Feb. 2013) Social Protection Programmes like (i) Aam Admi

Bima Yojana (AABY), (II) Rashtriya Swasthya Bima Yojana (RSBY), (III) The Unorganised Workers Social Security Act 2008 and National Social Security Fund and Social Security Agreements 2006 and so on, it has been found that Central Government expenditure on Social services and Rural development (Plan and Non-Plan) has increased from 14.77% in 2007-8 to 17.39% in 2012-13 with an all time high of 18% in 2010-11 due to combined effect of higher expenditure under the Pradhan Mantri Gram Sadak Yojana (PMGSY) and Education (4.02% in 2007-8 to 4.52% in 2012-13(Budget Estimates).[8] China, similarly has been executing social welfare policies like Insurance system National social security, Medical assistance system houses at minimum at for below poverty line people and rural-urban development programmes etc. For example, in 2003 the rural cooperative medical system was reintroduced (which was dismantled in the early 1980s). Two years later, the dibao was introduced to rural areas, alongside a rural medical assistance program from which dibao recipients could benefit. In 2006 the government also introduced its New Socialist Countryside campaign, which included the elimination of all agricultural taxes on

peasants. Medical assistance was in turn expanded to those in urban areas. In order to guarantee the sustainability of these program and to signal its commitment to more redistributive policies, in 2009 the government announced a substantial increase in funding for health, while signaling a move towards integrating urban and rural social security and welfare programs.[9]

As per concern to Poverty alleviation, United Progressive Alliances headed by Congress Party has been effecting a lot resulted poverty in India has decline on an average by 1.5% per year between 2004-5 and 2009-10 (Source: According to the report submitted by the Expert Group headed by Prof. Suresh D. Tendulkar).[10] The annual average rate of decline during the period 2004-5 to 2009-10 is twice the rate of decline during the period 1993-4 to 2004-5. According to the OECD Factbook 2013 Indian Government has spent 4.1% (including Public and Private) of its GDP on Health policies and program; therefore Infant rate morality has been continuously falling. Facts reveal the story that Infant mortality Rate (IMR) which was 58/1000 in 2005 has fallen to 44/1000 in 2011. In this regard, Chinese government has expended more 2.7% (Public) and 2.4% (Private) means 5.1% of its GDP in 2010-11.[11]

Human Development Report 2013 measures inequality in the terms of two indicators: (i) The Income Gini Coefficient(which measures the deviation of distribution of income(or consumption) among the individuals within a country from perfectly equal distribution. (II) The quintile income ratio, which is a measures of average income of the richest 20 percent of the population to that of poorest 20%.In both case India has assumed lower position as compare to China. For Example: India was 36.8 % in the income Gini Coefficient while China was 41.5 % IN 2010-11. In this concern, Beartz, a lecturer in China Studies and author of Small Town China: Rural Labour and Social exclusion, writes that over the first two decades of reform China's Gini coefficient, which measures the degree of inequality in a

society, went from 0.288 in 1981 (making it one of the most equal societies at the time) to 0.447 in 2001, on par with highly unequal societies such as Mexico and Brazil.[12]

Income inequality in People Republic of China is ranked the 52nd highest worldwide, with a GINI index of 41.5, as of year 2007. In comparison, India ranked 39th with a GINI index of 36.8. Income inequality in China is largely characterized by its rural urban income disparity.[13]

Alzajeera news agency reported that this country's economic boom has lifted millions of its citizens out of poverty and led to predictions it will become the world's largest economic power by 2030. However, while China's GDP has increased, so has the gap between its wealthiest and poorest citizens, placing the country among the most unequal nations in the world, according to a study by a Chinese institute.¹⁴ Whereas the data in this concern about India's Rural-Urban disparities has not as much differences as in Chinese Rural-Urban income. As, according to the provisional findings of the 68th round (2011-12) of the NSS, average MPCE (Uniform Reference Period [URP] based) is '1281.45 and 2401.68 respectively for rural and urban India indicating rural-urban income disparities. However, monthly per capita rural consumption rose by 18 per cent in real terms in 2011-12 over 2009-10, while monthly per capita urban consumption rose by only 13.3 per cent. Thus the rate of increase in the MPCE of rural areas is higher than that of urban areas, constant prices) has also increased from '558.78 and '1052.36 during 2004-5 to ' 707.24 and '1359.75 in 2011-12 in rural and urban areas respectively.[15]

Education, employment and unemployment

As per concern to education policies, both India and China have been affording positively. For Example, in 2003 China supported 1,552 institutions of higher learning (colleges and universities). At present, there are over 100 National Universities. Chinese spending has grown by 20% per year since

1999, now reaching over \$100 bn.[16]

India intend to the full, like China in order to reap benefits of the demographic dividend to the full, she has been providing education to its population and that too quality education. If one investigates the education policies, finds that India government has taken positive steps. In 2009, Right of Children to Free and compulsory education, legislating Article 21A of the constitution of India, along with its, it has been made duty of the parents to provide opportunities of education to their children between the age of 6 to 14 years. Besides it, she has implemented Education policies/programs named Sarv Shiksh Abhiyan, Mid-day Meals, Rashtriya Madhyamik Shiksha Abhiyan, Saakshar Bharat /adult education. According to Human Development Report 2013, at present India has 3,34,340 new primary and upper primary schools, 690 universities and universities - level institutions and 35,539 colleges (2011-12). According to Reserve Bank of India estimate, India spent 291378 crore of its income. Therefore, educated people ratio is increasing day by day.[17]

Unfortunately, there is a wide gender disparity in the literacy rate in India: effective literacy rates (age 7 and above) in 2011 were 82.14% for men and 65.46% for women. According to my assumption, India is claiming for quality education while in practical the number in educated people but they are facing challenges to get opportunities, though they find but most of them contribute their potentiality and knowledge at low cost. No doubt, the English speaking population is increasing in number due to education policies but this kind of labour force only seem to able to survive themselves while migrating from one countries to others. In this concern, from 2004 to 2013, UPA government has been making efforts to reduce unemployment. It has initiated several employment Generation programm (MGNREGA), invitation of MNC's, establishment of BPO/Call centre etc, resulted declined rate shown in the Unemployment index. For Example: Unemployment rate implies (CDS Method) fell from 8.2% in 2004-

5 to 6.6 percent in 2009-10. In China Unemployment rate also reduce and decline rate is better than India. In coming year, there would be balance between youth and opportunities.

Findings and suggestions

1. Articles written in books and journals about India and China and its political system, found that India and China both have adopted efficient strategy but there is difference at the ground level. In India most of the people, they are totally unaware, though Government and non-government agencies have been involving themselves to increase their understanding level but they are not so willing to understand and restricted themselves to only earn bread and butter. It has been seen that there are several employment opportunities provided by government but the people living below poverty line but do not show interests, they feel better to profess their profession according to their choice like collecting garbage, selling their own constructed ideals sometimes when they unable to find money by this jobs they don't hesitate to indulge themselves in begging. Another practical experience related to women health. There are many NGO keep on visiting Juggis of Slum areas in Panchkula (Haryana) and provide knowledge regarding free women health scheme and free maternity facilities in government hospitals but women residing in slum areas they consider that they are better than those women who deliver their babies in hospitals and injected injections time to time. Therefore, here its need to step forward to sensitize these people towards better opportunities so that they can cooperate and justify with the government social welfare policies.
2. Secondly, continuously decline of moral values in Indian Politicians they are

dramatically showing that they are public servant but in reality they are public exploiters. There are many scam highlighted by Indian media in which high profile as well as people representative involved in its i.e. UP Food Grain Scam (2003) INR 35,000 crore, PDS Scam (2004); Bihar flood relief Scam(Rs. 170 Million(2005)); Madhya Pradesh MGNREGA Scam (Rs.90 Million); Jharhand MNERGA Scam etc. In China, according to chines news, There has been unprecedented crackdown on corrupt government officials. The former Vice-president of the Supreme People's Court was awarded a life sentence in January last year embezzlement and taking amounting to slightly over half a million dollars in return for favoual court rulings. Shortly thereafter, Former Vice-Chief of the civil aviation administration was dismissed and booted out of the Chinese Communist Party(CPC) for "serious violations of disipline and law" according to CPC'S Central Commission for Discipline Inspection(CCDI) and the ministry of supervision.

Recently, a news flashed on internet by EURO news (on 8th July 2013) that the former railway minister, given suspended death for bribe and abuse of power. According to reports, in 2010 alone, its war against corruption resulted in no less than some 5,000 higher-level Chinese government officials – mostly above the county head level – being punished for corruption. Further, according to CCDI, again in 2010 alone, some 1,44,000 cases of corruption were investigated, leading to penalties for more than 1,46,000 lower-ranking government officials! Most of these cases pertained to officials involved in corruption, bribery and acting against the public interest .It is surprise that china is ruthless in punishing the corrupt by sending them to the gallows. But despite the ruthless punishment meted out to the guilty, corruption is still

flourishing there! If people of both nations become by moral high definitely not any politician will dear to cheat people as well as nation.

3. India and China both are investing large amount of its national income on education resulted quantity of educated people increasing year by year but there is lack of Job opportunities. Therefore, government should create more and more job opportunities.
4. China is better trouble-shooter than India it makes strategy after evaluating the past result and perspective ideas in the context of social policies while In India due to lack of strong strategy it seems failure to cope up with emerging challenges. In India as compare to China more diversity in Society may create as hurdle in path of progress.
5. Globalisation is playing a critical role in setting the parameters of Social policies. That's why, India is facing more complex difficulties as compare to China.
6. In India , it has been found that ruling parties before the elections in order to maintain its Vote Bank introduce attractive social policies (note: Recently in India UPA government passed an ordinance on 'Food Security' is being considered by opposition party just to gain political milage.).
7. It has been being seen that not only the Politicians even the Private authority especially factory owner and industrialists adopt unfair means to save taxes. Therefore, government should constitute vigilance commission can check over such kind of gambles.
8. Indian Government should raise interests on NRI deposits to attract more flows as well as Black money deposited in foreign countries should be brought and invest for social welfare.
9. Generally we are seeing that brilliant students, who go abroad for study, settle there and contribute their knowledge to

foreign Nation. Government should provide better opportunities and respect so they feel better and come back to India and contribute their energy and knowledge for our development.

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